



SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Fiscal Year 2018-19
Executive Recommendation

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SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 6 Pupil Membership Definitions	(8) Defines “pupils enrolled in grades K to 12 actually enrolled and in regular attendance” based on attendance in class on or within an established time frame depending on the reason for absence. Class defined as period when pupils and either a certificated teacher or legally qualified substitute teacher are together and instruction is taking place.	(8) Replaces “legally qualified substitute teacher” with “an individual working under a valid substitute permit, authorization, or approval issued by the department” to align with proposed changes in Sec. 163 and the Revised School Code.			
Sec. 11 Total Appropriations	<u>FY 2017-18</u> Gross Appropriation: \$14,584,313,900 School Aid Fund (SAF): \$12,547,270,300 Other State Restricted Funds: \$95,100,100 General Fund (GF/GP): \$215,000,000 Federal Funds: \$1,726,943,500	<u>FY 2017-18</u> <i>Supplemental Request 2018-5:</i> Gross Appropriation: \$14,573,120,800 School Aid Fund (SAF): \$12,673,077,200 Other State Restricted Funds: \$95,100,100 General Fund (GF/GP): \$78,000,000 Federal Funds: \$1,726,943,500			

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Sec. 11 Total Appropriations (cont.)		FY 2018-19 Gross Appropriation: \$14,635,968,800 School Aid Fund (SAF): \$12,762,325,200 Other State Restricted Funds: \$103,900,100 General Fund (GF/GP): \$45,000,000 Federal Funds: \$1,724,743,500			
Sec. 11j School Bond Redemption Fund	Appropriates \$125,500,000 SAF for debt service in FY 2017-18 for the school bond loan program.	Maintains appropriation of \$125,500,000 SAF for FY 2018-19 to reflect the cost of required debt service payments.			
Sec. 11m Cash-Flow Borrowing	Appropriates \$6,500,000 SAF in FY 2017-18 to pay for costs associated with cash-flow borrowing related to the SAF.	<i>Supplemental Request 2018-5</i> increases to \$18,000,000 SAF for FY 2017-18 to reflect increasing interest rates. Increases to \$24,000,000 SAF for FY 2018-19 to recognize anticipated interest rate increases.			
Sec. 11s Flint Emergency Declaration	(1) Appropriates \$8,730,000 GF/GP and \$100 Water Emergency Reserve Funds for FY 2017-18. (2) Allocates \$2,625,000 to Flint School District for additional school district nurses and social workers. (3) Allocates \$2,500,000 to Genesee ISD to augment staff to provide additional early childhood services and nutrition services	(1) Reduces appropriation to \$3,230,000 GF/GP and \$100 Water Emergency Reserve Funds for FY 2018-19. (2) Reduces to \$2,375,000. (3) Deletes.			

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Sec. 11s Flint Emergency Declaration (cont.)	<p>(5) Allocates \$3,000,000 to Genesee ISD for universal preschool for Flint children regardless of income.</p> <p>(6) Adds \$605,000 for nutritional services for eligible children.</p> <p>(7) In addition to (1), appropriates \$15,000,000 in state restricted contingency funds, which are not available for expenditure until transferred by the Legislature.</p>	<p>(5) Deletes.</p> <p>(6) (3) Maintains \$605,000.</p> <p>(7) (4) Maintains \$15,000,000 in contingency fund authorization.</p>			
Sec. 15 State Aid Allocation Adjustments	<p>(1) Provides that a district's state aid payment may be adjusted upon proof of either deficiency or overpayment in the following state aid payment.</p> <p>(2) Provides that if a district's membership is adjusted due to an audit, payments are adjusted in the current fiscal year. Allows MDE to spread deductions over an additional 9 fiscal years if the deduction would otherwise cause a district hardship.</p> <p>Allows MDE to waive all or a portion of adjustments under this subsection if certain conditions apply.</p> <p>(6) Prohibits MDE from deducting funds for FY 2016-17 related to provisions added in Sec. 6(4)(jj) for FY 2017-18 before they went into effect.</p>	<p>(1) No Change.</p> <p>(2) Reduces allowable payback period from 9 years to 4.</p> <p>Deletes.</p> <p>(6) Deletes now that Sec. 6(4)(jj) is in effect.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 18 Spending, Financial Reporting, and Audit Requirements</p>	<p>Specifies allowable uses of funds and requires yearly financial and pupil audits.</p> <p>(2) Requires budget transparency information on district and intermediate district websites, including 2 pie charts of personnel expenditures and total expenditures.</p> <p>(6) Requires that district and ISDs report annual special ed cost reports by September 30 to MDE.</p> <p>(12) Requires that any district or ISD offering virtual learning under Sec. 21f report annually by November 1, detailed per pupil costs of operating virtual learning by vendor type, as well as pupil and vendor information.</p> <p>(13) Requires that MDE compile and summarize the (12) report information from districts and ISD into a report of the Legislature by March 31.</p> <p>(16) Requires that MDE, beginning October 1, 2017, and every 3 months thereafter, to the legislature including itemized lists of School Aid allocations to any association or consortium consisting of association including recipient, amount, and funding purpose.</p>	<p>Revises as follows:</p> <p>(2) (b) Revises “pie charts” to “visual displays”</p> <p>(6) Changes MDE to CEPI.</p> <p>(12) Adds cyber schools per pupil cost reports, because their delivery model is not covered under Sec. 21f. Adds that cost data must be broken down by virtual learning model in addition to vendor type. Limits the report to just per pupil costs, but includes cost information for summer programming.</p> <p>(13) Adds cyber schools.</p> <p>(16) Strikes beginning date and quarterly requirement.</p>			

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<p>Sec. 19 State and Federal Reporting Requirements</p>	<p>(1) Requires districts and ISDs to comply with all applicable state and federal reporting requirements. Explicitly includes:</p> <p>(2) Information for the district and high school graduation report by 5 weeks after October count day and June 30.</p> <p>(3) Educational personnel information by June 30.</p> <p>(5) Requires that before publishing district or school accountability designations that MDE must allow districts to appeal the determination and must decide on those appeals within 30 days of it being submitted and before list is published.</p>	<p>(1) No Change.</p> <p>(2) Revises June 30 to the last business day in June. Adds information required for the preparation of state and federal accountability reports.</p> <p>(3) Revises June 30 to the last business day in June.</p> <p>(5) Requires MDE to utilize data that was certified as accurate and complete after districts and ISDs have adhered to deadlines, data quality reviews, and correction processes leading to local certification of final student data. Changes to allow districts and ISDs to appeal "any calculation errors used in the preparation of accountability metrics" rather than "that determination".</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 20 Foundation Allowance Calculation	Basic foundation allowance for FY 2017-18 is \$8,289 and the Minimum foundation is \$7,631.	<p>Increases foundation allowance using the 2x formula ranging from \$120-\$240 for FY 2018-19.</p> <p>Increases the Minimum foundation to \$7,871.</p> <p>Increases the Basic foundation to \$8,409.</p> <p>Total cost of the proposed increase in Section 22b is \$312,000,000.</p> <p>(6) Reduces the foundation allowance for cyber school PSAs to 75% of the PSA Max (which is equal to the Minimum foundation allowance). Total savings reflected in Sec. 22b is \$25,000,000.</p>			
Sec. 20f Categorical Offset Payments	<p>Appropriates \$18,000,000 SAF for FY 2017-18 for the following two guarantees:</p> <p>(2) No district received less than \$5 increase in FY 2013-14 compared to FY 2012-13, when adding together the increases in the foundation allowances, equity payments and Sec. 147a MPSERS offset reductions.</p> <p>(4) No district received less than a \$25 increase in FY 2015-16 compared to FY 2014-15, when adding together the increases in the foundation allowances and at-risk funding and reductions in Best Practices and District Performance Grants.</p>	<p>Maintains appropriation of \$18,000,000 SAF for FY 2018-19.</p> <p>Maintains payment allocation formula.</p> <p>Maintains payment allocation formula.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 20m Additional Calculation for Hold Harmless Districts	Calculates per pupil allocations for Hold Harmless districts reflecting the difference between inflationary increases in foundation allowances (at which HH districts are capped under MCL 380.1211) and the \$60 increase in the Basic foundation allowance provided in FY 2016-17 under Section 20. (Includes \$8,500,000 under Sec. 22b.)	Adjustments made under this section for FY 2017-18 would be rolled into Hold Harmless district foundation allowances under Sec. 20 for FY 2018-19.			
Sec. 21f Virtual Courses	Requires districts to allow pupils in at least grades 6 to 12 to take up to two virtual courses provided by any public school or community college per semester with consent of pupil's parent or legal guardian. Allows students to take additional courses per term under designated conditions.	Maintains but revises to require that the primary district obtain and keep on file parental consent in the form and manner as prescribed by MDE.			
Sec. 21h Partnership Model Districts	<p>Appropriates \$6,000,000 SAF for FY 2017-18 to assist eligible districts in a partnership to improve student achievement. Partnership under discretion of State Superintendent.</p> <p>(2) Districts eligible if at least one school receives F grade, or comparable rating, in state accountability system and is not under SRO oversight.</p> <p>(3) MDE assigns a team to review the district's use of financial resources to improve academic achievement.</p>	<p>Increases appropriation to \$8,000,000 SAF for FY 2018-19.</p> <p>(2) No Change.</p> <p>(3) No Change.</p>			

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Sec. 21h Partnership Model Districts (cont.)	(4) Funds may be used for professional development, increased instructional time, teacher mentors, or other expenditures with a direct impact on student achievement. District may receive funding for 3 years.	(4) No Change.			
Sec. 21j Competency-Based Education District Grants	Appropriates \$500,000 GF/GP for FY 2017-18 for competitive grants to districts providing an education model that allows the use of multiple and innovative methods to determine pupils' achievement of grade-level competencies and merit curriculum credits.	Eliminates funding and repeals this section.			
Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of the foundation)	Appropriates \$5,181,800,000 SAF for FY 2017-18.	<p><i>Supplemental Request 2018-5</i> reduces appropriation to \$5,176,000,000 SAF for FY 2017-18 to reflect consensus cost adjustments.</p> <p>Reduces appropriation to \$5,048,000,000 SAF for FY 2018-19 to reflect consensus cost estimates related to taxable values and pupils as well as the shift of shared-time pupil payments from foundation allowances to a categorical under Sec. 23f (\$74,000,000).</p>			

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<p>Sec. 22b Foundation - Discretionary Payment (The discretionary portion of the foundation allowance.)</p>	<p>Appropriates \$4,037,500,000 (\$3,819,760,500 SAF, \$72,000,000 Community District Trust fund, and \$145,739,500 GF/GP) for FY 2017-18.</p>	<p><i>Supplemental Request 2018-5</i> reduces appropriation to \$4,019,000,000 (\$3,938,260,500 SAF, \$72,000,000 Community District Trust fund, and \$8,739,500 GF/GP) for FY 2017-18 to reflect consensus cost adjustments.</p> <p>Increases to \$4,228,600,000 (\$4,146,472,200 SAF, \$72,000,000 Community District Trust fund, and \$10,127,800 GF/GP) for FY 2018-19.</p> <p>Increases \$312,000,000 for 2x formula increases of \$120 to \$240 proposed under Sec. 20.</p> <p>Reduced by \$58,000,000 to reflect the shift of shared-time pupil payments from foundation allowances to a categorical under Sec. 23f.</p> <p>Reduced by \$25,000,000 to reflect the savings of the proposed 25% reduction in cyber school foundation allowances.</p>			
<p>Sec. 22d Supplemental funding to Small, Isolated Districts</p>	<p>Appropriates \$5,000,000 SAF for FY 2017-18.</p> <p>(2) \$957,300 to small, isolated districts.</p> <p>(4) \$4,042,700 to districts with 7.3 or fewer pupils per square mile.</p>	<p>Maintains appropriation at \$5,000,000 SAF for FY 2018-19.</p> <p>(2) Maintains \$957,300.</p> <p>(4) Maintains \$4,042,700.</p>			

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<p>Sec. 22m Technology Regional Data Hubs</p>	<p>(1) Appropriates \$2,200,000 SAF for FY 2017-18 to support integration of local school data systems into the Michigan Data Hub Network.</p> <p>(2) Eligible recipients are fiscal agents for no more than 5 consortia of ISDs that previously received Technology Readiness Infrastructure Grant (TRIG) funding for establishing regional data hubs.</p> <p>(3) CEPI coordinates activities for the Michigan Data Hub Network, with assistance of an ISD advisory committee. Participation is voluntary.</p> <p>(4) Requires competitive grant process and that grants are distributed to geographically diverse recipients.</p> <p>(9) By January 1, CEPI shall prepare a report from information provided by grant recipients including measurable outcomes based on objectives in (8).</p>	<p>Maintains \$2,200,000 SAF for FY 2018-19 to support integration of local school data systems into the Michigan Data Hub Network.</p>			
<p>Sec. 22n High School Per Pupil Bonus</p>	<p>Appropriates \$11,000,000 for FY 2017-18 for \$25 per pupil payments for each pupil in grades 9 to 12 to districts for the higher costs of educating high school pupils.</p> <p>Payments may be prorated if appropriated funds are insufficient.</p>	<p>Maintains \$11,000,000 for FY 2018-19 for payments to districts for the higher costs of educating high school pupils.</p>			

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<p>NEW Sec. 23f Shared Time Pupils</p>		<p>(1) Appropriates \$64,100,000 SAF for FY 2018-19 for state foundation allowance payments to districts for nonpublic part-time pupils enrolled in grades 1 to 12 in accordance with Sec. 166b and counted in pupil membership in Sec. 6.</p> <p>(3) Requires the following:</p> <p>(a) That a district ensure that all individuals that have student contact as part of a course offered under Sec. 166b have not been convicted of sexual misconduct and receive the same criminal history and criminal records checks as employees of the district as required by state statute.</p> <p>(b) That a district ensure that if a course offered under Sec. 166b has an associated optional experience, it must be offered on a schedule to make it fully available to the majority of pupils in the district in the same grade level or age groups as the pupils participating in the course under Sec. 166b.</p> <p>(c) That the district provide MDE information necessary to quantify the following:</p> <p>(i) A complete listing of all courses in which students reported for membership in the district have been served.</p>			

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NEW Sec. 23f Shared Time Pupils (cont.)		(ii) Course enrollments by each participant using local coding and the school codes for the exchange of data (SCED). (iii) Identification of the course teacher or mentor. (iv) Outcomes for each student in each course. (4) Caps the number of nonpublic pupils in membership for whom a district may be reimbursed at 5% of the district's membership excluding nonpublic pupils.			
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 SAF in FY 2017-18 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Maintains appropriation of \$8,000,000 SAF for FY 2018-19.			
Sec. 24a Educating Pupils in DHS Facilities	Appropriates \$1,339,000 SAF for FY 2017-18 for payments to ISDs for pupils who are placed in Department of Health & Human Services (DHHS) juvenile justice facilities.	Increases to \$1,355,700 SAF for FY 2018-19 to reflect increased costs of negotiated salary and wage increases (2.0%), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.			

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Sec. 24c Youth ChalleNGe Program	Appropriates \$1,528,400 SAF in FY 2017-18 for the Youth ChalleNGe Program. Payment goes through Marshall Public Schools to the Department of Military and Veterans' Affairs for the program.	Increases to \$1,545,400 SAF for FY 2018-19 to reflect increased costs of negotiated salary and wage increases (2.0%), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.			
Sec. 25e Pupil Count Transfer Process	<p>If pupil transfers from another district after the October count day, allows the newly enrolling district to report the transfer until the February count day so that the state aid would follow the student.</p> <p>(7) Provides legislative intent that CEPI determine the number of pupils who move into the state after the October 2018 count date but before the February 2019 count date, and the number of pupils who are counted in the October 2018 count date but move out of the state before the February 2019 count date.</p> <p>Requires CEPI to provide a report detailing the number of pupils transferring in and out of the state between the October 2018 and February 2019 count dates.</p> <p>Requires that CEPI discuss the benefits and obstacles to developing a pupil enrollment process to count pupils moving in and out of the state between the pupil count dates.</p>	<p>Revises as follows:</p> <p>(7) Revises as follows:</p> <p>Revises to require CEPI to report on the number of pupils transferring in and out of the public school system rather than in and out of the state.</p> <p>Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 25f Strict Discipline Academy (SDA) Membership	Appropriates \$750,000 SAF for FY 2017-18 for payments to strict discipline academies based on total added costs of educating SDA pupils. Caps added payment to amount equal to SDA's foundation allowance.	Maintains \$750,000 SAF for FY 2018-19.			
Sec. 25g Dropout Recovery Programs	Appropriates \$750,000 SAF for FY 2017-18 to districts for the cost of dropout recovery programs.	Maintains \$750,000 SAF for FY 2018-19.			
Sec. 26a Renaissance Zone Reimbursement	Appropriates \$17,000,000 SAF for FY 2017-18 to reimburse districts and ISDs for lost local revenue due to renaissance zones.	<i>Supplemental Request 2018-5</i> reduces appropriation to \$15,000,000 SAF for FY 2017-18. Reduces to \$15,000,000 for SAF for FY 2018-19 as well.			
Sec. 26b PILT Reimbursement	Appropriates \$4,405,100 SAF for FY 2017-18 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Maintains appropriation of \$4,405,100 SAF for FY 2018-19.			
Sec. 26c Promise Zones	Appropriates \$1,500,000 SAF for FY 2017-18 to districts and ISDs with an approved promise zone development plan for the purposes of Promise Zone Authorities pursuant to the Michigan Promise zone Authority Act, 2008 PA 549.	<i>Supplemental Request 2018-5</i> increases appropriation to \$1,600,000 SAF for FY 2017-18. Increases to \$3,000,000 SAF for FY 2018-19 to reflect increased costs.			

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<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings</p>	<p>(1) Appropriates \$510,207,300 SAF for FY 2017-18 to districts for the purposes of ensuring pupils are proficient in English Language Arts (ELA) by end of 3rd grade and math by end of 8th grade, that high school graduates are career and college ready, and that pupils are attending school regularly.</p> <p>At-Risk program funding equals \$499,000,000. (Total appropriation minus funds earmarked under (7) and (8) for other purposes.)</p> <p>(2) Provides that allocation to Hold Harmless and Out-of-Formula districts is equal to 30% of the amount as otherwise calculated prior to proration.</p> <p>(3) Requires that a district comply with MCL 380.1280f (3rd grade reading legislation) for K-3, and use resources to address early literacy, and MTSS for grades 4-8.</p>	<p>(1) Maintains appropriation of \$510,207,300 SAF for FY 2018-19.</p> <p>Adds additional purpose of funding: That districts implement with fidelity a multi-tiered system of supports (MTSS).</p> <p>No Change.</p> <p>(2) No Change.</p> <p>(3) Expands to require comply with MCL 380.1280f for grades K-12 and implement MTSS in grades K-8. Adds focus on numeracy.</p> <p>Requires that for English learners, a district implement culturally and linguistically responsive teaching strategies focused on academic language development aligned with state ELA proficiency standards.</p>			

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Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)	<p>Requires detailed list of MTSS essential components.</p> <p>(4) Allocates funding based on 11.5% of the statewide weighted average foundation allowance times the number of economically disadvantaged pupils in the preceding fiscal year.</p> <p>(5) Requires funding be used for instructional programs and direct non-instructional services, except DPS may use funds for school security.</p> <p>(6) Allows funds to be used for school breakfast.</p> <p>(7) Allocates \$6,057,300 for primary care services determined jointly with DHHS for adolescents up to age 21.</p> <p>(8) Allocates \$5,150,000 for hearing/vision screenings.</p> <p>(9) Requires a report on activities performed with at-risk funds. The form must not limit a district's ability to use funds on activities permitted under this section.</p>	<p>Condenses MTSS components to the following:</p> <p>(a) Team-based leadership.</p> <p>(b) Tiered delivery system.</p> <p>(c) Selection and implementation of instruction, interventions, and supports.</p> <p>(d) Comprehensive screening and assessment system.</p> <p>(e) Continuous data-based decision making.</p> <p>(4) No Change.</p> <p>(5) No Change.</p> <p>(6) No Change.</p> <p>(7) No Change.</p> <p>(8) No Change.</p> <p>(9) No Change.</p>			

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<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(10) Requires district to allow the department to audit funds.</p> <p>(11) Allows district with 40% or more at-risk pupils to use funds for schoolwide reform consistent with their school improvement plan.</p> <p>(12) Allows a district to use up to 3% of its funds for research-based professional development related to implementing MTSS or improving the district's performance metrics in (4) or implementing MCL 380.1280f (3rd grade reading legislation).</p> <p>(13) Districts may use funds for instruction or behavioral coaches. These funds are not subject to cap in (12).</p> <p>(14) Provides for proration on equal percentage basis if appropriated funds are not sufficient to fully fund calculated allocations.</p>	<p>(10) No Change.</p> <p>(11) Increases to at least 50% at-risk pupils. Requires that the reforms also be tier 1 evidence-based high quality academic, behavioral, and social-emotional instruction, and part of a district's MTSS. Schoolwide reforms must be guided by district's comprehensive needs assessment and must feature parent and community supports, activities, and services, which may include Pathways to Potential or Communities in Schools programs.</p> <p>(12) Increases to 5%. Expands uses to include implementing a coaching model that supports the MTSS framework.</p> <p>(13) No Change.</p> <p>(14) No Change.</p> <p>(15) No Change.</p>			

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<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(15) Determines eligible number of pupils to be counted in a district dissolution.</p> <p>(16) If at least 50% of at-risk pupils after 3 years are not proficient in ELA by end of 3rd grade or are not demonstrating improvement on state summative assessment, requires district to use a portion of funds for improving reading and improving scores on state summative assessment.</p> <p>(17) Creates definitions for use in (16) calculations.</p>	<p>(16) Deletes. Replaces with:</p> <p>If a district is below the statewide average for the number of economically disadvantaged pupils (based on statewide assessments given in FY 2017-18) who are</p> <ul style="list-style-type: none"> - proficient in ELA by the end of 3rd grade, - proficient in math by the end of 8th grade, or - or career and college ready (based on proficiency in ELA, math, and science) by the end of 11th grade. <p>Then, requires those districts to meet either the statewide average by FY 2020-21 or see an improvement of at least 10 percentage points in the number of economically disadvantaged pupils who are proficient by FY 2020-21.</p> <p>(17) Deletes. Replaces with:</p> <p>For a district that fails to meet those goals by FY 2020-21, requires it to conduct an evaluation in coordination with MDE and other stakeholders that includes the following:</p> <ul style="list-style-type: none"> - Review of implementation and utilization of MTSS. - An academic performance audit. 			

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<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(18) Allows district to use funds to provide anti-bullying or crisis intervention programs.</p> <p>(19) Requires the MDE work with DHHS to assign Pathways to Potential Success coaches to schools with high percentage of pupils in K-3 not reading on grade level.</p> <p>(20) Provided for first year of Detroit Community District eligible pupil count since based on prior year.</p> <p>(21) Defines "at-risk pupil" (for provision of services, not for funding eligibility).</p>	<p>- Review of district's use of financial resources. The district becomes an early warning district and must adopt a district improvement plan based on recommendations from that evaluation that specifies roles and responsibilities and establishes 18-month benchmarks. District must spend At Risk funds only in accordance with that plan.</p> <p>(18) No Change.</p> <p>(19) No Change.</p> <p>(20) No Change.</p> <p>(21) Clarifies that at-risk pupil is in any of grades K-12.</p>			

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<p>Sec. 31b Year-round (Balanced Calendar) Instructional Program</p>	<p>Appropriates \$1,500,000 SAF for FY 2017-18 for grants to districts that qualify for the community eligibility option for free and reduced lunch and are implement for the first time a year-round instructional calendar in 2018-2019 in at least 1 school for at least 3 years.</p> <p>(4) Competitive grants with priority to districts with lower fund balances as a percent of revenues and that have at least 1 school identified as either a priority school or a focus school, and to ensure that grant funding goes to both rural and urban districts.</p> <p>(5) Caps the maximum grant at \$750,000 per district.</p> <p>(6) Funding may be used for building modifications and other nonrecurring costs.</p>	<p>Eliminates funding and repeals this section.</p>			
<p>Sec. 31d School Lunch Program</p>	<p>Appropriates \$22,495,100 SAF for FY 2017-18 for the State share of school lunch programs as required by <i>Durant</i> settlement.</p> <p>Includes \$523,200,000 in Federal funding.</p>	<p><i>Supplemental Request 2018-5</i> increases the appropriation to \$22,802,000 SAF for FY 2017-18 based on prior year actual costs.</p> <p>Increases appropriation of \$23,144,000 SAF for FY 2018-19.</p> <p>Maintains Federal funds of \$523,200,000.</p>			
<p>Sec. 31f School Breakfast</p>	<p>Appropriates \$4,500,000 SAF for FY 2017-18 to reimburse districts for the cost of providing breakfast.</p>	<p>Maintains appropriation of \$4,500,000 SAF for FY 2018-19.</p>			

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Sec. 31j Locally Grown Produce in Schools	<p>Appropriates \$325,000 GF/GP for FY 2017-18 for a pilot to support districts in the purchase of locally grown fruits and vegetables for use in school lunches.</p> <p>Distributed to districts in Prosperity Regions 2 (Northwest), 4 (West Michigan), and 9 (Southeast Michigan) at a reimbursement of 10 cents per meal. Priority to districts with high percentage of kids eligible for free lunch.</p>	Eliminates funding and repeals this section.			
Sec. 32d Great Start Readiness Program (GSRP)	<p>Appropriates \$243,600,000 SAF for FY 2017-18 for GSRP preschool programs and \$300,000 GF/GP to continue a longitudinal study of the GSRP.</p> <p>(2) Funds distributed based on formula in Sec. 39.</p> <p>(3) Allocates \$300,000 for the longitudinal evaluation.</p> <p>(4) Provides required program components. Provides that the Connect4Learning curriculum is an eligible age-appropriate GSRP curriculum.</p>	<p>Maintains appropriation of \$243,600,000 SAF for programs and \$300,000 GF/GP for the longitudinal study for FY 2018-19.</p> <p>(2) No Change.</p> <p>(3) No Change.</p> <p>(4) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(5)(b) Requires that at least 90% of participating children live in families with income less than 250% of federal poverty level. Allows an ISD to serve children in families with income up to 300% of the federal poverty level, if they have served all eligible children and have no children with a family income less than 250% of the federal poverty level on a waiting list. Prioritizes any child who is in foster care, homeless, or has an IEP requiring preschool as if they were within the lowest income quintile.</p> <p>(9) Caps ISD admin expenses at 4%. Subrecipient costs are considered program costs or contracted program fee for service.</p> <p>(11) Requires each provider to rank children based on income and enroll children in the lowest quintile first before moving to the next quintile until all children are served. If all are served then ISD can enroll up children in families with income up to 300% of federal poverty level. Prioritizes any child who is in foster care, homeless, or has an IEP requiring preschool as if they were within the lowest income quintile.</p>	<p>(5)(b) No Change.</p> <p>(9) No Change.</p> <p>(11) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(12) Requires that an ISD must allow a parent to pick a GSRP program offered by another ISD and enter into a written agreement for payment in a manner described by MDE.</p> <p>(13) Requires an ISD to contract with interested and eligible public and private for-profit and nonprofit community-based providers for at least 30% of its total allocated slots. Allows a head start grantee or delegate in a blended Head Start GSRP program to count toward 30%. Excludes children in a pure Head Start program from counting toward 30%.</p> <p>Requires ISDs to notify each nonparticipating licensed child care center located in its service area regarding the center's eligibility to participate.</p> <p>(14) Requires MDE to reduce ISD allocation if the ISD fails to submit evidence demonstrating its effort to contract for 30% of its slots.</p> <p>(15) Requires MDE to report to Legislature by December 1 on ISD use of community-based providers.</p> <p>(18) Requires ISDs to charge tuition according to a sliding scale for families with income greater than 250% of federal poverty level.</p>	<p>(12) No Change.</p> <p>(13) No Change.</p> <p>No Change.</p> <p>(14) No Change.</p> <p>(15) No Change.</p> <p>(18) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(19) Allocates \$10,000,000 for transportation costs no more than either a program's transportation budget or \$300 per child.</p> <p>(20) Requires MDE to review and approve at least 2 GSRP age-appropriate assessments by April 1, 2018.</p> <p>(21) Allows an ISD to approve the use of supplemental curricula and would require MDE to create a review process if the department objects to a supplemental curriculum.</p>	<p>(19) No Change.</p> <p>(20) Updates to 2019, but according to SBO not intended to be a postponement.</p> <p>(21) No Change.</p>			
<p>Sec. 32p Early Childhood Block Grants</p>	<p>(1) Appropriates \$13,400,000 SAF for FY 2017-18 for early childhood funding block grants to ISDs.</p> <p>(2) Requires ISDs to convene great start collaboratives and parent coalitions with goal of ensuring coordination and expansion of local early childhood infrastructure to achieve the following outcomes for children:</p> <p>(a) Born healthy. (b) Healthy, thriving, and developmentally on track from birth to 3rd grade. (c) Developmentally ready to succeed upon school entry. (d) Reading proficiently by end of 3rd grade.</p>	<p>(1) Maintains appropriation of \$13,400,000 SAF for FY 2018-19.</p> <p>(2) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 32p Early Childhood Block Grants (cont.)	<p>(3) Collaborative shall make recommendations to ensure local systems support physical, and social-emotional health, family supports and basic needs, parent education, early education and care, and development of skills linked to success in foundational literacy.</p> <p>(4) Allocates \$2,500,000 to provide home visits to at-risk children and their families. The goals of the home visits are to improve school readiness, reduce the number of pupils retained in grade level, reduce the number of pupils requiring special education services, and focus on developmentally appropriate outcomes for early literacy.</p>	<p>(3) No Change.</p> <p>(4) Revises home visit program goals to delete reduction in pupil retention and reduction in special education services and replaces it with improving positive parenting practices and improving family economic self-sufficiency while reducing the impact of high risk factors through community resources and referrals.</p>			
Sec. 32q Early Learning Collaborative Partnership	<p>Appropriates \$175,000 GF/GP for FY 2017-18 for a district partnering with an early childhood collaborative on a pilot program to evaluate the benefits of 2 years of preschool for vulnerable children.</p> <p>Provides intent that the funding would be the 2nd of 3 years of funding.</p>	<p>Eliminates funding and repeals this section.</p>			
Sec. 35 Early Literacy-Implementation	<p>Appropriates \$1,000,000 GF/GP for FY 2017-18 for implementing Sec. 35a to ensure children are reading on grade level by end of 3rd Grade.</p>	<p>Eliminates funding and repeals this section.</p> <p>Transfers funding to MDE budget.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 35a Early Literacy</p>	<p>Appropriates a total of \$26,900,000 SAF and \$2,500,000 GF/GP for FY 2017-18 for the following early literacy initiatives:</p> <p>(2) Allows 5% of district allocation under (5) to be used for professional development.</p> <p>(3) Allows 5% of district allocation under (5) to be used for diagnostic tools to monitor development of early literacy skills.</p> <p>(4) \$6,000,000 SAF in matching grants for literacy coaches to assist teachers capped at \$75,000 per coach. Requires 50% ISD match.</p>	<p>Appropriates a total of \$26,900,000 SAF for FY 2018-19. Eliminates GF/GP.</p> <p>Requires the State Superintendent to designate people employed or contracted with funds from this section as critical shortage for the purposes of allowing retirees to work without reducing their pensions under the Public School Employees Retirement Act, MCL 38.1361. However, the critical shortage subsection is currently set to expire on July 1, 2018.</p> <p>Provides intent that this funding is to ensure that Michigan will be in the Top 10 most improved states in grade 4 reading proficiency on the NAEP assessment by 2019 and in the Top 10 states overall by 2025.</p> <p>(2) No Change.</p> <p>(3) No Change.</p> <p>(4) Maintains \$6,000,000 SAF.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 35a Early Literacy (cont.)	<p>(5) \$20,900,000 SAF to districts for added instructional time for pupils in grades K to 3. Funds distributed on a per pupil basis equal to \$210 per 1st grade pupil.</p> <p>(6) \$2,500,000 GF/GP for the Michigan Education Corps. Prohibits MDE from withholding any portion of funds for an evaluation of the Michigan Education Corps.</p>	<p>(5) Maintains \$20,900,000 SAF.</p> <p>(6) Deletes.</p>			
Sec. 39 GSRP Per Pupil Allocation Formula	<p>(1) Requires ISD or consortia to submit application for GSRP funds including:</p> <ul style="list-style-type: none"> - the number of eligible children provided by MDE using American Community Survey population data, updated every 3 years. - the estimated number of children being served exclusively by Head Start. - the number of children the program has the capacity to serve. <p>(3) Initial allocation is the lesser of either:</p> <ul style="list-style-type: none"> - sum of number of children served in a school-day program in the preceding year multiplied by \$7,250 plus the number of children served in a GSRP/Head Start blended program in the previous year multiplied by \$3,625 	<p>(1) No Change</p> <p>(3) No Change</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 39 GSRP Per Pupil Allocation Formula (cont.)	<p>- sum of number of children the program has the capacity to serve multiplied by \$7,250 plus the number of children the program has the capacity to serve in a GSRP/Head Start blended program multiplied by \$3,625.</p> <p>(4) Calculates the percentage of eligible children served by each ISD or consortium by dividing the number of children served in the prior year by the total number of eligible children. Uses the resulting percentage to compare to a statewide percentage benchmark to determine if the ISD or consortium is eligible for additional funds. For 2017-2018, the statewide benchmark is 60%.</p> <p>(5) If funds remain after the allocation in (3), additional funds distributed to ISDs serving less than the state percentage benchmark as determined under (4). Remaining funds distributed to each eligible applicant based on its proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in ISDs or consortia serving less than the statewide percentage benchmark.</p>	<p>(4) No Change.</p> <p>(5) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 39a Federal Funds	<p>(1) Appropriates \$731,600,000 for FY 2017-18 Every Student Succeeds Act (ESSA) for FY 2017-18 including the following:</p> <p>(a) \$1,200,000 in Drug-Free schools and Communities funds.</p> <p>(b) \$100,000,000 in Improving Teacher Quality funds.</p> <p>(c) \$11,000,000 in Language Acquisition funds.</p> <p>(d) \$2,800,000 in Rural and Low Income School funds.</p> <p>(e) \$535,000,000 in Title I, Disadvantaged Children funds.</p> <p>(f) \$9,200,000 in Migrant Education funds.</p> <p>(g) \$39,000,000 in 21st Century Community Learning Center funds.</p> <p>(h) \$18,000,000 in Title I, School Improvement Grants.</p> <p>(i) \$15,400,000 in Student Support and Academic Enrichment Grants.</p>	<p>(1) Decreases Federal grants to \$730,600,000 for FY 2018-19 as follows:</p> <p>(a) No Change.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) No Change.</p> <p>(e) No Change.</p> <p>(f) No Change.</p> <p>(g) No Change.</p> <p>(h) Reduces to \$12,000,000 for FY 2018-19.</p> <p>(i) No Change.</p> <p>(j) Adds \$5,000,000 to reappropriate the remaining balance of the Race to the Top Early Learning Challenge grant.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 39a Federal Funds (cont.)	<p>(2) Appropriates \$30,000,000 in other Federal funds for education including the following:</p> <p>(a) \$100,000 in CDC-AIDS education grants.</p> <p>(b) \$1,900,000 in Homeless Children and Youth funds.</p> <p>(c) \$4,000,000 for mental health, substance abuse, or violence prevention services.</p> <p>(d) \$24,000,000 in Career & Technical Education funds.</p>	<p>(2) No change.</p> <p>(a) No Change.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) No Change.</p>			
Sec. 41 Bilingual Education	<p>Appropriates \$6,000,000 for FY 2017-18 to districts for services to English language learners (ELL) that have been administered the WIDA Access or WIDA Alternate Access.</p> <p>(2) Funds distributed equal to \$620 per ELL pupil with a WIDA score of 1.0 to 1.9 and \$410 per ELL pupil with a WIDA score of 2.0 to 2.9.</p> <p>(3) Funds may be prorated if funding is insufficient.</p> <p>(4) Requires a report to MDE on use of funds</p> <p>(6) Requires MDE to review per pupil funding every 3 years and make recommendations for adjustments.</p>	<p>Maintains appropriation of \$6,000,000 SAF for FY 2018-19.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 51a (1) Total Special Education Funding</p> <p>(2) Special Ed -ISD Foundations and Costs</p> <p>(3) Special Ed -ISD Hold Harmless Payments</p> <p>(6) Special Ed Administrative Rule Changes</p> <p>(7)(c) Itinerant Staffing</p> <p>(11) Special Ed - ISD Foundations - Non Sec. 52</p>	<p>(1) Appropriates a total of \$956,246,000 SAF, \$500,000 GF/GP and \$370,000,000 Federal funding for FY 2017-18.</p> <p>Allocations of the total are below in Sec. 51a (2)(3)(6)(11), Sec. 51c, Sec. 53a, Sec. 54, and Sec. 56</p> <p>(2) Allocates \$264,200,000 for FY 2017-18.</p> <p>(3) Allocates \$1,000,000 for FY 2017-18.</p> <p>(6) Allocates \$2,200,000 for FY 2017-18.</p> <p>(7)(c) Allows unspent Sec. 51a funds at end of fiscal year to be allocated as additional reimbursements to ISDs based on the transfer of special education staff under certain situations since 2003-2004. Caps an ISD's allocation at \$2,000,000.</p> <p>(11) Allocates \$3,600,000 for FY 2017-18.</p>	<p>(1) <i>Supplemental Request 2018-5</i> increases appropriation for FY 2017-18 to \$959,446,100 SAF, \$500,000 GF/GP, and \$370,000,000 Federal funding based on consensus costs.</p> <p>Appropriates \$979,346,100 SAF, \$500,000 GF/GP, and \$370,000,000 Federal for FY 2018-19.</p> <p>(2) Increases allocation to \$266,400,000 for FY 2017-18 and to \$272,100,000 for FY 2018-19.</p> <p>(3) Maintains allocation of \$1,000,000 for FY 2017-18 and increases to \$1,100,000 for FY 2018-19.</p> <p>(6) Maintains allocation at \$2,200,000 for FY 2017-18 and FY 2018-19.</p> <p>(7)(c) No Change.</p> <p>(11) Decreases allocation to \$3,300,000 for FY 2017-18 and to \$3,400,000 for FY 2018-19.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
(14) PSA special education for nonresident pupils	(14) Requires that a PSA that is not a cyber and the ISD in which it is located must enter into an agreement with the resident ISD for the provision of special education services for pupils enrolled in the PSA that live outside the ISD in which the PSA is located. If the PSA does not enter into an agreement, it may not charge either the ISD in which it is located or a pupil's resident ISD.	(14) No Change.			
(15) Federal special education funds for Cyber schools	(15) Requires that an ISD distribute to a constituent cyber school its share of federal special education funds and if the ISD fails to do so, MDE may instead.	(15) No Change.			
(16) ISD Oversight of Cyber school special education	(16) Requires that the ISD in which a cyber school is located must ensure that the cyber school complies with state and federal special education rules and law. Allocates up to \$500,000 GF/GP in funds to reimburse the ISDs for the added costs of ensuring this compliance.	(16) No Change.			
Sec. 51c Special Ed - <i>Durant</i> Payment	Allocates \$635,300,000 from the appropriation in Sec. 51a(1) for FY 2017-18 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Increases allocation to \$636,600,000 for FY 2017-18 and to \$650,600,000 for FY 2018-19.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 51d Other Federal Special Education	Appropriates \$61,000,000 in other Federal special education grants for FY 2017-18.	Maintains appropriation of \$61,000,000 Federal for FY 2018-19.			
Sec. 53a Special Ed - Court Placed Pupils	Allocates \$10,500,000 from the appropriation in Sec. 51a(1) for FY 2017-18 for the added costs of providing special education to pupils in court-placed or DHHS-placed institutions or community settings.	Maintains the \$10,500,000 allocation for FY 2018-19.			
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2017-18 for reimbursements to ISDs with pupils at the Michigan Schools for the Deaf and Blind.	Maintains the \$1,688,000 allocation for FY 2018-19.			
Sec. 54b Special Ed – Task Force Reforms - MiBLSI	<p>(1) Appropriates a total of \$1,600,000 GF/GP for FY 2017-18 to implement Special Ed Task Force Recommendations. Funds may be used for the following:</p> <p>(2) Piloting statewide implementation of the Michigan Integrated Behavior and Learning Support Initiative (MiBLSI).</p> <p>(3) Providing training in districts and ISDs related to the safe implementation of emergency restraints and seclusion.</p>	<p>(1) Maintains appropriation of \$1,600,000 GF/GP for FY 2018-19.</p> <p>(2) No Change.</p> <p>(3) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>NEW Sec. 54c Special Ed – Task Force Reforms – Mediation and Parental Supports</p>		<p>(1) Appropriates \$500,000 GF/GP for FY 2018-19 to implement the following recommendations from the 2016 Special Education Reform Task Force:</p> <p>(2) Allocates \$205,000 to enhance the capacity of the Michigan Alliance for Families – Michigan’s Parent Training Information Center to increase direct advocacy efforts, work surrounding transition issues, and awareness of the organization.</p> <p>(3) Allocates \$295,000 to improve mediation services offered through the Michigan Special Education Mediation Program by increasing awareness of mediation, reframing the purpose of mediation, strengthening mediator knowledge around special education and making mediation more accessible.</p>			
<p>NEW Sec. 54d Special Ed – Task Force Reforms – Early On</p>		<p>(1) Appropriates \$5,000,000 SAF for FY 2018-19 for competitive grants to ISDs or ISD consortia to provide state Early On services pilot programs for children birth to 3 years old with developmental delays or disabilities and their families as described in the Early On Michigan state plan.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>NEW Sec. 54d Special Ed – Task Force Reforms – Early On (cont.)</p>		<p>(3) Funding shall be used to increase Early On services and resources to help prepare children with developmental delays for success as they enter school, including evaluating and providing early intervention services. Funds may not be used to supplant existing services.</p> <p>(4) MDE shall develop a competitive process and method of grant distribution by October 1, 2018. Awards must be awarded in multiple prosperity regions. Applicants that demonstrate capacity to align these funds with Federal Medicaid reimbursements must be given preference. Consortia in which at least one ISD has this capacity and at least one ISD without this capacity must also be given preference in order to encourage mentorship in facilitating this funding capacity.</p> <p>(5) Participating ISDs must report data to MDE in form, manner, and frequency approved by MDE to allow for monitoring and evaluation of the pilot programs and that children receive the appropriate levels and types of services delivered by qualified personnel based on individual needs.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 55 Conductive Learning	Appropriates \$150,000 SAF for FY 2017-18 to MSU Department of Epidemiology in conjunction with Aquinas College to evaluate conductive learning for children with cerebral palsy. 3 rd of 3 years of funding.	Eliminates funding and repeals this section.			
Sec. 56 Special Education - Millage Equalization	<p>(2) Allocates \$37,758,100 from Sec. 51a(1) for FY 2017-18. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$183,200.</p> <p>Adjusts calculation to subtract any reimbursement an ISD receives from the Local Community Stabilization Authority for personal property tax (PPT) loss, so that the formula doesn't make up for the PPT loss a second time under this section.</p> <p>(4) Caps maximum ISD allocation at 62.9% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains the \$37,758,100 allocation for FY 2017-18 and FY 2018-19.</p> <p>(3) <i>Supplemental Request 2018-5</i> revises the per-pupil equalization amount equal to \$183,900 for FY 2017-18 to better reflect updated taxable values.</p> <p>Increases to \$189,900 for FY 2018-19.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 61a Career and Technical Education (CTE)	<p>(1) Appropriates \$36,611,300 SAF for FY 2017-18 for reimbursements to districts and intermediate districts for vocational education programs.</p> <p>Reimburses for up to 75% of added costs prioritized on:</p> <ul style="list-style-type: none"> - Capital and program expenditures needed to operate the program. - Number of pupils enrolled. - The advancement of pupils through the instructional program. - The existence of an articulation agreement with at least 1 postsecondary institution for transfer of credit. - Program rank in student placement. - Program rank in job openings and wages. - <p>(4) In addition to (1), appropriates \$79,000 GF/GP to a non-profit organization that provides the ProStart curriculum and training to CTE programs in restaurant management and culinary arts.</p>	<p>(1) Maintains appropriation of \$36,611,300 SAF for FY 2018-19.</p> <p>No Change.</p> <p>{4} Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 61a Career and Technical Education (CTE) (cont.)</p>	<p>(5) In addition to (1) appropriates \$1,000,000 SAF for competitive grants to up to 3 ISDs to hire CTE counselors. Gives priority to the ISD with the greatest pupil membership and the remaining grants in a way to equitably distribute funding around the state and among urban and rural areas.</p> <p>Eligible ISDs must catalog all available K-12 and other workforce development programs and services and develop an outreach program to educate students about the CTE options and connect them to CTE programs and services.</p> <p>(6) In addition to (1) appropriates \$160,000 SAF for grants to Corunna and Owosso school districts to hire CTE counselors.</p>	<p>(5) Deletes.</p>			
<p>Sec. 61b CTE Education Early/Middle Colleges</p>	<p>(1) Appropriates \$8,000,000 SAF for FY 2017-18 for CTE early middle colleges or CTE dual enrollment programs, including planning grants for the development or expansion of CTE early/middle college programs.</p> <p>(2) Funding for ISDs in 10 prosperity regions and subregions. Caps administrative costs at 5%.</p> <p>(4) Provides requirements for regional plan and ranking of career clusters.</p>	<p>(1) Maintains appropriation of \$8,000,000 SAF for FY 2018-19.</p> <p>Reflects change in name of Talent District Career Council to Career and Educational Advisory Council.</p> <p>(2) No Change.</p> <p>(4) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 61b CTE Education Early/Middle Colleges (cont.)</p>	<p>(6) Funding equal to 50% of statewide average CTE cost by CIP code program per pupil based on past 3 years.</p> <p>(8) Allows up to \$500,000 from funds appropriated in (1) to be used for planning new or expanded programs. Caps grants to \$50,000 each.</p> <p>(9) Allows funds to pay for expenditures that would be paid from foundation allowance funding. A program that receives funding under Section 61a may receive funding under this section for allowable costs that exceed the reimbursement under Section 61a, as long as combined payments from 61a and 61b do not exceed the total allowable costs of the program. Caps administrative funds at 5%.</p>	<p>(6) Revises the statewide average cost per CIP code program from a 1-year average to a 3-year average.</p> <p>(8) No Change.</p> <p>(9) No Change.</p>			
<p>Sec. 61c CTE Equipment Upgrades</p>	<p>(1) Appropriates \$7,000,000 GF/GP for FY 2017-18 for grants to cooperating education policy districts (CEPDs) for skilled trades initiative in subsection (2) through (5).</p> <p>(2) Allocates funds equally among all applying CEPDs.</p> <p>(3) Requires that funding for each CEPD shall be used to update CTE equipment for current CTE programs that have been identified in the highest 5 career cluster ranking.</p>	<p>Deletes funding and repeals this section.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 61c CTE Equipment Upgrades (cont.)</p>	<p>(4) Award allocations locally shall be determined by CEPD administrators using state, regional, and local data to ensure programs are high-wage, high-skill, and high-demand occupations.</p> <p>(5) Requires annual report by September 15.</p> <p>(6) In addition to funding in (1) appropriates \$1,000,000 SAF for FY 2017-18 for a competitive grant program to districts that operated a mechatronics program in 2016-17 to update program equipment.</p> <p>(7) In addition to funding in (1) appropriates \$5,000,000 for FY 2017-18 for a competitive grant program to districts or ISDs for CTE equipment and innovation grants.</p> <p>(8) Grants may vary from \$100,000 to \$1,000,000 per application. Funds may be used for purchase or lease from private industry partners of equipment and related capacity building activities.</p> <p>(10) Requires annual report by December 15.</p>				

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>NEW Sec. 61d CTE Per Pupil Incentive Payment</p>		<p>(1) Appropriates \$5,000,000 SAF for FY 2018-19 for payments to districts for pupils in CTE programs.</p> <p>(2) Per pupil payments equal to the following: (a) \$25 for each pupil in grades 9 to 12 in a state approved CTE program. (b) An additional \$25 per pupil for each pupil in a state approved CTE program that provides instruction in critical skills and high-demand career fields.</p> <p>(4) (b) Defines a CTE program that qualifies for additional payments under (2) as one classified under any of the following CIP codes: (i) 01 – Agriculture (ii) 03 – Natural Resources and Conservation (iii) 10 through 11 – Communications Technologies and Support Services and Computer and Information Sciences and Support Services (iv) 14 through 15 – Engineering and Engineering technologies and related fields (v) 26 – Biological and Biomedical Sciences (vi) 46 through 48 – Construction Trades, Mechanic and Repair Technologies, and Precision Production (vii) 51 – Health Professions and related programs</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 62 CTE/ Vocational Education Millage Equalization</p>	<p>(2) Appropriates \$9,190,000 SAF for FY 2017-18. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$199,000.</p> <p>Adjusts calculation to subtract any reimbursement an ISD receives from the Local Community Stabilization Authority for personal property tax (PPT) loss, so that the formula doesn't make up for the PPT loss a second time under this section.</p> <p>(4) Caps maximum ISD allocation at 38.4% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains appropriation of \$9,190,000 SAF for FY 2017-18 and FY 2018-19.</p> <p>(3) <i>Supplemental Request 2018-5</i> revises the per-pupil equalization amount equal to \$200,400 for FY 2017-18 to better reflect updated taxable values.</p> <p>Increases to \$205,600 for FY 2018-19.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>			
<p>Sec. 64b Dual Enrollment Incentive Payments</p>	<p>(1) Appropriates \$1,750,000 SAF for FY 2017-18 in payments to districts that provide dual and concurrent enrollment options to students in grades 9-12.</p> <p>(4) Payments equal to \$10 per credit hour for up to 3 credits for each student enrolled plus \$30 per pupil per course, if pupil completes and is awarded both high school and post-secondary credit for the course.</p>	<p>(1) Maintains appropriation of \$1,750,000 SAF for FY 2018-19.</p> <p>(4) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 64d Information Technology Education	Appropriates \$2,300,000 GF/GP for FY 2017-18 for the 1 st of 3 years for a competitive grant to provide information technology opportunities to students. Provider is required to provide instruction in IT skills and competencies and provide certificates upon completion.	Eliminates funding and repeals this section.			
Sec. 65 Detroit Area PreCollege Engineering Program	Appropriates \$340,000 GF/GP for FY 2017-18 for the Detroit Area PreCollege Engineering Program (DAPCEP).	Eliminates funding and repeals this section.			
Sec. 67 College and Career Preparation	Appropriates \$3,000,000 GF/GP for FY 2017-18 for to the College Access Program administered by the Talent and Economic Development (TED) in collaboration with the Michigan College Access Network (MCAN).	Maintains appropriation of \$3,000,000 GF/GP for FY 2018-19.			
Sec. 67a. Online Career Prep Tool	Appropriates \$1,000,000 to expand an online career preparation and readiness tool to prosperity regions beyond where it was being previously utilized. Requires a report under Section 19b.	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 74 Bus Driver Safety and School Bus Inspections	<p>Appropriates \$3,730,300 SAF for FY 2017-18.</p> <p>(2) Allocates \$2,025,000 for bus driver safety instruction.</p> <p>(4) Allocates \$1,705,300 to reimburse Michigan State Police for school bus inspections.</p>	<p>Increases FY 2018-19 total appropriation to \$3,754,900 SAF.</p> <p>(2) Maintains funding at \$2,025,000.</p> <p>(4) Increases to \$1,729,900 to reflect increased costs of negotiated salary and wage increases (2.0%), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.</p>			
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	<p>Appropriates \$67,108,000 SAF for FY 2017-18 for basic operational funding of intermediate districts.</p>	<p>Maintains appropriation of \$67,108,000 SAF for FY 2018-19.</p> <p>Provides each ISD with an amount equal to its FY 2017-18 allocation.</p>			
Sec. 94 Advanced Placement Incentive Program	<p>Appropriates \$750,000 for FY 2017-18 to districts to pay for some or all of Advanced Placement (AP) and International Baccalaureate (IB) registration and test fees for low-income students. Registration fees up to \$150, and test payments of up to \$20 per test. Requires that a student pay at least \$5.00 for each test.</p>	<p>Maintains \$750,000 GF/GP appropriation for FY 2018-19.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates \$16,216,000 GF/GP in FY 2017-18 to support the operations of the CEPI, which is in the Department of Technology, Management, and Budget, and for the comprehensive data management and student tracking system.</p> <p>Appropriates \$193,500 in FY 2016-17 from Federal funds.</p>	<p>Increases appropriation to \$16,356,700 GF/GP for FY 2018-19 to reflect increased costs of negotiated salary and wage increases (2.0%), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.</p> <p>Appropriates \$193,500 in Federal funds for FY 2018-19.</p>			
Sec. 95b Value-Added Growth Model	<p>Adds \$2,500,000 GF/GP for FY 2017-18 for the department to adopt a model value-added growth and projection analytics system to support federal ESSA reporting requirements.</p>	<p>Eliminates funding and repeals this section.</p>			
Sec. 98 Michigan Virtual University (MVU)	<p>Appropriates \$7,387,500 GF/GP in FY 2017 -87.</p> <p>Requires that MVU report by November 1 on its mission, plans, and proposed benchmarks, including plan to increase by 50% improvement for each requirement under this section in order to receive full funding. Requires progress report by March 1.</p> <p>(2) Requires Michigan Virtual Learning Research Institute with following objectives:</p> <p>(a) Support and accelerate innovation in education through specified activities.</p>	<p>Maintains the appropriation of \$7,387,500 GF/GP for FY 2018-19.</p> <p>(2) Revises as follows:</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 98 Michigan Virtual University (MVU) (cont.)</p>	<p>(b) Provide leadership for the state's system of digital learning education through specified activities.</p> <p>(3) Requires MVU to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction. Caps funds used to subsidize the cost paid by districts for virtual courses to \$1,000,000.</p> <p>(4) Requires MVU to use \$500,000 to support the expansion of new online and blended professional development programs.</p> <p>(7) Requires report by December 1 for the preceding fiscal year including a list of districts served by the Michigan Virtual School, a list of virtual course titles available to districts, the number of virtual course enrollments and registrations and completions by course, the overall course completion rate.</p>	<p>(b)(ix) Revises from "Research and establish" to "Provide" an internet-based content creation platform and adds a "state repository for open educational resources." (x) Revises to require statewide catalog to require the "pass" rate for each virtual course rather than "completion" rate. (xi) Revises to move from "Develop a prototype and pilot" to "Support" registration, payment services, and transcript functionality for the statewide catalog.</p> <p>(3) No Change.</p> <p>(4) No Change.</p> <p>(7) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 98 Michigan Virtual University (MVU) (cont.)	(10) Requires report by November 1 of detailed budget for that fiscal year including breakdown of its projected costs to deliver virtual education services to districts and a summary of anticipated fees to be paid by districts for those services. Requires by March 1 a breakdown of actual costs and fees for the prior fiscal year.	(10) No Change.			
Sec. 99h FIRST Robotics	<p>Appropriates \$2,500,000 SAF for FY 2017-18 to districts for grants for FIRST Robotics, Jr. Lego League, Lego League, and FIRST Tech Challenge programs grades K-12. Funds may be used for stipends for coaches and expenses.</p> <p>Appropriates \$300,000 GF/GP for nonpublic schools for FIRST Robotics or Science Olympiad grants.</p>	<p>Maintains appropriation of \$2,500,000 SAF for FY 2018-19.</p> <p>Expands to include ISDs. (Also adds PSAs, which are already included in the definition of "district" under Sec. 3)</p> <p>Deletes.</p>			
Sec. 99k Cybersecurity Competitions	<p>(1) Appropriates \$500,000 for FY 2017-18 for competitive grants to districts for cybersecurity competitive events known as Michigan High School Cyber Challenge or CyberPatriot for grades 6 to 12.</p> <p>(2) Districts must have a partnership with at least 1 sponsor, business entity, higher education institution, or technical school and must pay at least 25% of the program cost.</p>	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 99k Cybersecurity Competitions (cont.)	<p>(3) Funding may be used to pay for stipends of up to \$1,500 for a coach or mentor per team and up to 50% of total costs for event registration, materials, travel costs and other expenses. Grants may also be given to districts that qualify for state and world championship events.</p> <p>(4) Provides work project authorization to allow funds to be carried into the following fiscal year.</p>				
Sec. 99r MiSTEM Network Staff	Appropriates \$250,000 GF/GP for FY 2017-18 to support a MiSTEM Network Director and executive assistant in DTMB.	Increases to \$400,000 GF/GP for FY 2018-19.			
Sec. 99s Michigan Science, Technology, Engineering, and Mathematics (MiSTEM) Grants	<p>(1) Appropriates a total of \$12,534,300 including \$6,234,300 SAF and \$1,600,000 GF/GP and \$4,700,000 Federal for STEM programs in FY 2017-18:</p> <p>(2) \$50,000 GF/GP allocated to MiSTEM Council to administer MiSTEM grants.</p> <p>(3) Allocates \$2,850,000 SAF for grants based on council recommendations.</p> <p>(4) \$3,299,300 SAF and \$5,249,300 Federal to Math/Science Centers for final year of funding.</p>	<p>(1) Decreases total appropriation to \$11,034,000 including \$7,434,300 SAF, \$100,000 GF/GP, and \$3,500,000 Federal.</p> <p>(2) Increases to \$100,000 GF/GP for administration. Requires grants funded in (3) represent all network regions. Deletes \$100,000 cap on grants under (3).</p> <p>(3) Maintains \$2,850,000 SAF.</p> <p>(4) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 99s Michigan Science, Technology, Engineering, and Mathematics (MiSTEM) Grants (cont.)</p>	<p>(5) Allocates \$85,000 to reimburse ISDs for costs related to the transition to MiSTEM Network.</p> <p>(6) Includes \$1,400,000 GF/GP for half-year funding for the MiSTEM Centers for the first year of operation.</p> <p>(9) Requires at least 10% local match.</p> <p>(11) Allows up to 5% of a regional MiStem Center grant under (6) to be retained by a fiscal agent for serving as the fiscal agent.</p> <p>(13) \$150,000 GF/GP to Van Andel Institute for professional development for science teachers.</p> <p>(14) Required report on male and female participants and steps to taken to reduce the disparity.</p>	<p>(5) Deletes.</p> <p>(6) (4) Increases to \$3,834,300 SAF and \$3,500,000 Federal.</p> <p>Allocates \$200,000 base funding to each region. Distributes remaining funding on per pupil basis.</p> <p>(6) Allocates \$750,000 distributed in form and manner determined by MDE to those network regions able to provide curriculum and professional development support to assist districts in implementing the Michigan Merit Curriculum components for math and science.</p> <p>(8) No Change.</p> <p>(11) (10) adds grant funding awarded under (4).</p> <p>(13) Deleted.</p> <p>(14) Deleted.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 99t Online Algebra Tool	Appropriates \$1,100,000 GF/GP for FY 2017-18 for a statewide online algebra tool. Requires a report under Section 19b.	Eliminates funding and repeals this section.			
Sec. 99u	Appropriates \$1,000,000 GF/GP for FY 2017-18 to purchase statewide access to an additional online mathematics tool. Requires a report under Section 19b.	Eliminates funding and repeals this section.			
Sec. 102d Financial Data Analysis Tools	Appropriates \$1,500,000 SAF for FY 2016-17 to reimburse districts, ISDs, and PSA authorizing bodies for up to 50% of the cost of licensing school data analytical tools and distributes remaining funds to applying entities on an equal per-pupil basis. Caps reimbursement at total cost of 1 software application. Allows ISDs and PSA authorizing bodies to be reimbursed for both tools purchased for itself and tools purchased for its constituent districts or authorized PSAs that opt in.	Eliminates funding and repeals this section.			
Sec. 104 Assessment Funding	Appropriates \$34,709,400 SF for FY 2017-18 for reimbursement of costs associated with state student assessment requirements. Appropriates \$6,250,000 in Federal assessment funding.	Reduces appropriation to \$31,009,400 SAF in FY 2018-19. Maintains appropriation of \$6,250,000 federal funding.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 104 Assessment Funding (cont.)</p>	<p>(2) Requires that assessment results include an item analysis listing all items counted for individual pupil scores and the percentage of pupils choosing each possible response.</p> <p>(4) Allocates \$1,000,000 SAF for an ISD in prosperity region 9 with at least 3,000 kindergarten pupils in its constituent districts to continue participation in the Maryland-Ohio pilot to implement a kindergarten entry observation tool and to conduct the tool in all kindergarten classes in districts in prosperity regions 4,5, and 9.</p> <p>(5) Requires MDE to continue to make the kindergarten entry assessment (KEA) developed and field tested by MDE in 2015-2016 available to districts.</p> <p>(6) Provides that MDE may recommend, but not require, that districts allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.</p>	<p>(2) No Change.</p> <p>(4) Deletes.</p> <p>(5) (4) Adds that MDE shall ensure the KEA provides information regarding extent to which individual pupils are prepared to transition successfully from preK to Kindergarten. Requires MDE to work with CEPI to ensure that results from the KEA are integrated into the P-20 longitudinal data system.</p> <p>(6) (5) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 104 Assessment Funding (cont.)	(8) Allocates \$3,200,000 for the development or selection of an online reporting tool to provide student-level assessment data in a secure environment to educators, parents, and pupils immediately after they're scored. Requires that MDE and CEPI ensure that any data collected by the tool do not provide individually identifiable student data to the federal government.	(8) (7) Reduces to \$500,000 for ongoing maintenance of the online reporting tool.			
Sec. 104c State Assessments	<p>(1) Requires districts to give state assessments to receive state aid.</p> <p>(2) Requires MDE to develop the M-STEP in ELA and math aligned to state standards.</p> <p>(3) Requires MDE to implement a summative assessment system including ELA and math assessments in grades 3-11, science in grades 4 and 7, and social studies in grades 5 and 8.</p> <p>(4) Requires MDE to implement a request for information for a common formative assessment. MDE may use information compiled from a 2016-2017 RFP to satisfy the request.</p> <p>(5) Requires, MDE field test assessments administered in fall and spring to measure English language arts and math in grades K to 2 and fully implement them by 2018-2019.</p>	<p>(1) No Change.</p> <p>(2) Adds "and administer"</p> <p>(3) Moves science assessments from grades 4 and 7 to 5 and 8.</p> <p>(4) Deletes.</p> <p>(5) (4) Replaces "field test" with "administer benchmark".</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 104c State Assessments (cont.)	<p>(6) Requires that by November 1, 2017 MDE shall issue a request for information for not less than 3 benchmark assessments in grades 3 through 7 in Math and ELA that are computer adaptive, provide results within 48 hours, are self-scoring, are aligned to state content standards, measure growth, is valid and reliable, and is provided by a vendor willing to negotiate a discounted state rate for pricing.</p> <p>(7) Requires that by March 1, 2018, MDE in consultation with experts, approve at least 3 benchmark assessments from that RFI.</p> <p>(8) Requires MDE to use the responses to the RFI to create a benchmark assessment budget request for 2018-2019.</p>	<p>(6) Deletes.</p> <p>(5) Requires MDE to provide guidance to districts on optionally adopting and implementing department-approved benchmark assessments for grades 3 to 7 in ELA and math and to recommend that districts commit to using the same benchmark assessment for no less than 3 years without switching to another benchmark assessment.</p> <p>(7) Deletes.</p> <p>(8) Deletes.</p>			
Sec. 104d Computer Adaptive Tests	Appropriates \$4,000,000 SAF for FY 2017-18 to reimburse districts for the purchase of computer adaptive tests or purchase of diagnostic and screening tools or benchmark assessments for K-3 pupils.	Eliminates funding and repeals this section.			
Sec. 104e Digital Literacy Preparation	Appropriates \$250,000 GF/GP for FY 2017-18 to an assessment digital literacy preparation pilot to ensure students have the necessary skills required for state online assessments.	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 107 Adult Education</p>	<p>Appropriates \$25,000,000 in SAF for FY 2017-18.</p> <p>(3) Defines eligible participants enrolled in eligible programs including adult basic education, adult secondary programs, adult English as a second language (ESL), high school equivalency test prep, or high school completion:</p> <p>(a) Is at least 20. (b) Is at least 18 and their graduating class graduated.</p> <p>(4) Distributes to 10 ISD fiscal agents in each prosperity region.</p> <p>Uses a multi-year phase-in based on both FY 2013-14 total funding in each prosperity region plus the "new" factors: FY 2014-15: 2/3 old, 1/3 new FY 2018-19: 1/3 old, 2/3 new FY 2019-20: 100% new</p> <p>"New" allocation factors:</p> <ul style="list-style-type: none"> - 60% based on region's proportion of total state population between ages 18-24 that are not high school graduates. - 35% based on region's proportion of total state population ages 25 or older that are not high school graduates. - 5% based on region's proportion of total state population ages 18 or older lacking basic English proficiency. 	<p>Maintains appropriation of \$25,000,000 SAF for FY 2018-19.</p> <p>(3) Revises as follows:</p> <p>(a) Deletes.</p> <p>(4) No Change.</p> <p>No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 107 Adult Education (cont.)</p>	<p>(5) Requires an ISD that is a fiscal agent to distribute funds and collaborate with Talent District Career Council in each region to develop a regional strategy and create a local process and criteria that identify eligible adult education providers with special consideration for contextualized learning and career pathways and addressing barriers to education and employment.</p> <p>(9) A funding recipient receives funding based on all of the following: (a) Statewide allocation criteria including a 3-year average of actual enrollments, census data, and local needs. (b) Participant completion of program objectives. (c) Participant completion of core indicators. (d) Allowable expenditures.</p> <p>(14) Requires program to provide information and allow department to review records. Requires program to pay a CTE program under Sec. 61a for costs of adult basic education provided by the CTE program.</p> <p>(15) Appropriates \$500,000 for a pilot program as 3rd of 3 years of funding to link Adult Ed, a CTE center, Michigan Works!, and local employers to dually enroll participants in adult education and at least 1 CTE course.</p>	<p>(5) No Change.</p> <p>(9) No Change.</p> <p>(14) No Change.</p> <p>(15) Deletes along with related subsections (16) through (18).</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 107 Adult Education (cont.)</p>	<p>(19) Includes \$2,000,000 for grants of up to \$400,000 to not more than 5 additional pilots like that funded in (15) to connect adult education programs with employers</p> <p>(a) Grants are to the following programs in the following places: (i) Prosperity region 1c. (ii) Prosperity region 2 and borders prosperity region 4. (iii) Prosperity region 4a and borders prosperity region 5. (iv) Prosperity region 5 and borders Lake Huron. (v) Prosperity region 9 and borders a neighboring state.</p> <p>(20) Requires pilot programs funded under (19) to provide a report to Legislature, fiscal agencies, and SBO by December 1, 2018 on number of participants, graduation rates, and a measure of transition to employment.</p>	<p>(19) (15) Adds related requirements previously in subsections (15) to (17).</p> <p>(20) (16) Updates year.</p>			
<p>Sec. 147 Retirement Contribution Rate</p>	<p>Provides retirement rates separated into seven subgroups based on hire date and benefit and contribution choices.</p> <p>Total contribution rates for FY 2017-18 to a range from 32.28% - 36.88%.</p>	<p>Revises the total rates for FY 2018-19 to a range from 33.17% - 39.37%, including for the new groups of employees in the new hybrid plan that began February 1, 2018.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 147 Retirement Contribution Rate (cont.)	<p>Maximum employer contribution rates for FY 2017-18 range from 20.96% - 25.56%, with slight normal rate fluctuations for subgroups in between.</p> <p>Revises to a 21-year amortization period.</p>	<p>Maximum employer contribution rates for FY 2018-19 range from 20.96% - 27.16%, with normal rate fluctuations for subgroups in between.</p> <p>Revises to a 20-year amortization period.</p>			
Sec. 147a MPSERS Cost Offset	<p>(1) Appropriates \$100,000,000 for FY 2017-18 to offset a portion of MPSERS costs, based on each district's share of MPSERS payroll in the preceding fiscal year.</p> <p>(2) Appropriates \$48,940,000 SAF and \$29,000 GF/GP to reimburse ISDs, districts, and libraries for the increased normal costs associated with a reduced rate of return from 8.0% to 7.5%.</p>	<p>(1) Maintains appropriation of \$100,000,000 SAF for FY 2018-19.</p> <p>(2) Increases to \$88,091,000 SAF and \$48,000 GF/GP to reimburse ISDs, districts, and libraries for the increased normal costs associated with a reduced rate of return from 8.0% to 7.5%.</p>			
Sec. 147c. MPSERS Prefunding - Unfunded Accrued Liability Payment	<p>(1) Appropriates \$960,130,000 SAF and \$654,000 GF/GP for FY 2017-18 to pay for the MPSERS unfunded accrued liability (UAL) that exceeds the maximum rate charged to MPSERS employers allowed under the PSERS Act.</p> <p>Calculates average of \$640 per pupil and a range for districts between \$4 and \$3,020 per pupil.</p> <p>(2) Appropriates \$200,000,000 for a one-time additional MPSERS payment.</p>	<p>Increases appropriation to \$1,032,000,000 SAF and \$700,000 GF/GP for FY 2018-19 based on actuarial estimates for the state share of UAL costs.</p> <p>Overall costs are increased due to the reduced rate of return from 7.5% to 8.0%.</p> <p>Revises average to \$690 and the range to between \$4 and \$3,000 per pupil.</p> <p>(2) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 147e MPERS Reform Reserve Fund	Appropriates \$23,100,000 from the MPERS retirement obligation reform reserve fund for FY 2017-18 for the increased normal costs related to SB 401 of 2017 enacted as PA 92.	Increases appropriation to \$31,900,000 from the MPERS retirement obligation reform reserve fund and \$5,700,000 SAF for FY 2018-19.			
Sec. 152a Adair Data collection and reporting costs	Appropriates \$38,000,500 for FY 2017-18 to reimburse districts for data collection and reporting costs as required in <i>Adair v. Michigan</i> .	Maintains appropriation of \$38,000,500 SAF for FY 2018-19.			
Sec. 152b Reimburse- ments to Nonpublic Schools	<p>(1) Appropriates \$2,500,000 GF/GP for FY 2017-18 to reimburse nonpublic schools for the costs of complying state requirements for the health, safety and welfare of students.</p> <p>(2) Requires MDE to publish form with each health, safety, or welfare requirement with a reference to the relevant statute or administrative rule, or both by January 1, 2018.</p> <p>(10) Provides that the cost of taking attendance, training fees, inspection fees, and criminal background check fees shall be considered a cost of complying with a mandated health, safety, and welfare requirement.</p>	Eliminates funding and repeals this section.			
Sec. 160. Labor Day Waiver Hearing	Requires that a district or ISD applying for a pre-Labor Day start waiver must have a joint public hearing with MDE within the district or ISD before the waiver is granted.	Eliminates MDE's participation in the public hearing.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 163. Educator Certification Requirements	<p>(1) Prohibits districts from letting</p> <p>(a) noncertificated educators teach or</p> <p>(b) noncertificated educators provide counseling services.</p> <p>(c) noncertificated educators to administer instructional programs.</p> <p>In elementary or secondary schools or in adult basic education or high school completion programs.</p> <p>(2) Includes a penalty equal to the amount paid to the noncertificated employee.</p> <p>(3) Includes misdemeanor fine of \$1,500 for each instance if a school official has been notified and knowingly continues to violate this section.</p>	<p>(1) Revises noncertificated educators to:</p> <p>(a) an individual who does not hold a valid certificate or is not working under a valid substitute permit, authorization, or approval under promulgated rules.</p> <p>(b) an individual who does not satisfy MCL 380.1233 and promulgated rules.</p> <p>(c) an individual who does not satisfy the requirements of 380.1264 or is not working under a valid substitute permit under promulgated rules to be employed as a superintendent, principal, or assistant principal, or as a person whose primary responsibility is to administer instruction programs.</p> <p>Strikes adult basic education and high school completion programs. Adds district or ISD for subdivision (c).</p> <p>(2) Updates.</p> <p>(3) Updates.</p>			
Sec. 164g. Legal Action Against the State	Establishes a penalty in an amount equal to the amount spent if a district or ISD uses state funding to pay for an expense relating to any legal action initiated by the district or ISD against the state.	Repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Nonpublic Pupils (cont.)	<p>requirement as these courses.</p> <p>Nonessential elective courses include courses offered by the local district for high school credit that are also capable of generating postsecondary credit, including but not limited to advanced placement and international baccalaureate courses.</p> <p>College level courses taken by high school students for college credit are nonessential courses.</p> <p>Remedial courses for any grade in the above listed essential courses are considered essential.</p> <p>Kindergarten</p>	Excludes Kindergarten			
Enacting Section 1 State Spending and Payments to Locals	N/A	<p><i>Supplemental Request 2018-5</i> revises FY 2017-18 total state spending from state sources to \$12,846,177,300 and payments to locals are \$12,659,469,800.</p> <p>FY 2018-19 total state spending from state sources is \$12,911,225,300 and payments to locals are \$12,733,596,100.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Enacting Section 2 Repeals Sections as of October 1, 2018.	N/A	Repeals following sections: 21j – Competency Based Funding Grant 22g – Consolidation Grants 31b – Year Round Instruction Grants 31j – Local Produce in School Meals 32q – Early Learning Collaborative 35 – Early Literacy Implementation 55 – Conductive Learning 61c - CTE Skilled Trades Initiative 64d – Information Technology Certifications 65 – Detroit PreCollege Engineering 67a – Online Career Preparation 95b – Statewide Evaluation Tool 99k – Cyber Security Competitions 99t – Online Algebra Tool 99u – Online Math Tool 102d – Financial Data Analysis Tools 104d – Computer Adaptive Tests 104e – Digital Learning Preparation 152b – Nonpublic Schools Reimbursement 164g – Legal Action Against the State 164h – Collective Bargaining Agreement Penalty			
Enacting Section 3 Effective Date		Effective date is October 1, 2018.			