SENATE FISCAL AGENCY

SCHOOL AID
H.B. 5630 (H-1)

07/08/2026
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FULL-TIME EQUATED (FTE) POSITIONS FUNDING SOURCE	FY 2025-26 YEAR-TO-DATE AS OF 2-11-26	FY 2026-27 GOV'S REC.	FY 2026-27 SENATE PASSED	FY 2026-27 HOUSE PASSED	FY 2026-27 CONFERENCE / ENROLLED	CHANGES FROM FY 2025-26 YEAR-TO-DATE							
						GOVERNOR		SENATE		HOUSE		CONF/ ENRLD	
						AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
GROSS	**21,288,831,700**	**21,403,420,100**	**22,023,029,300**	**21,524,830,200**	**19,808,444,500**	**114,588,400**	**0.5**	**734,197,600**	**3.4**	**235,998,500**	**1.1**	**(1,480,387,200)**	**(7.0)**
Less:													
Interdepartmental Grants Received	0	0	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
ADJUSTED GROSS	**21,288,831,700**	**21,403,420,100**	**22,023,029,300**	**21,524,830,200**	**19,808,444,500**	**114,588,400**	**0.5**	**734,197,600**	**3.4**	**235,998,500**	**1.1**	**(1,480,387,200)**	**(7.0)**
Less:													
Federal Funds	2,407,708,500	2,405,708,500	2,405,708,500	2,405,708,500	418,269,900	(2,000,000)	(0.1)	(2,000,000)	(0.1)	(2,000,000)	(0.1)	(1,989,438,600)	(82.6)
Local and Private	0	0	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
TOTAL STATE SPENDING	**18,881,123,200**	**18,997,711,600**	**19,617,320,800**	**19,119,121,700**	**19,390,174,600**	**116,588,400**	**0.6**	**736,197,600**	**3.9**	**237,998,500**	**1.3**	**509,051,400**	**2.7**
Less:													
Other State Restricted Funds	18,807,972,100	18,952,376,700	19,566,485,900	19,051,786,800	19,332,189,700	144,404,600	0.8	758,513,800	4.0	243,814,700	1.3	524,217,600	2.8
GENERAL FUND/GENERAL PURPOSE.	**73,151,100**	**45,334,900**	**50,834,900**	**67,334,900**	**57,984,900**	**(27,816,200)**	**(38.0)**	**(22,316,200)**	**(30.5)**	**(5,816,200)**	**(8.0)**	**(15,166,200)**	**(20.7)**
PAYMENTS TO LOCALS	**17,433,304,100**	**17,501,029,700**	**18,113,118,900**	**17,616,139,800**	**17,908,356,700**	**67,725,600**	**0.4**	**679,814,800**	**3.9**	**182,835,700**	**1.0**	**475,052,600**	**2.7**

Includes ongoing and one-time appropriations.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 3 - Definitions

(7) "District" definition.

Executive	*Senate*	*House*	*Conference*
No change.	(7) "District" means, except as otherwise specifically provided in this act, a local school district established under the revised school code or, except in sections 6(4), 6(6), 11x, ~~11y,~~ 11aa, 12c, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.	No change.	(7) "District" means, except as otherwise specifically provided in this act, a local school district established under the revised school code or, except in sections 6(4), 6(6), 11x, ~~11y,~~ ~~11aa,~~ 12c, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.

Sec. 6 - Definitions

(4) "Membership" is the funding student count calculated as 90% of current-year K-12 students attending on count day plus 10% of the prior year's audited supplemental count, with certain statutory adjustments and audit verification.

(m) Individual who has achieved a high school diploma.

(dd) Dropout recovery program.

(8) "Pupils in grades K-12 actually enrolled and in regular daily attendance" means students who attend all enrolled classes on count or supplemental count day and meet post-count attendance requirements, with full-time membership denied or prorated for unexcused absences, prolonged nonattendance, or certain suspensions or expulsions unless timely attendance resumes.

Executive	*Senate*	*House*	*Conference*
(4) …In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district: (m) An individual who has achieved a high school diploma is not counted in membership **unless the individual is enrolled in a state-approved early middle college and at least 1 college course is transcribed for high school credit each membership**	(4) …In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district: (m) Concur with Governor.	(4) …In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district: (m) No change.	(4) …In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district: (m) An individual who has achieved a high school diploma is not counted in membership **unless the individual is enrolled in a state-approved early middle college and at least 1 college course is transcribed for high school credit each membership**

count during the individual's fifth year. An individual who has achieved a high school equivalency certificate is not counted in membership unless the individual is a student with a disability as that term is defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the department of labor and economic opportunity, or participating in any successor of either of those 2 programs, is not counted in membership.			**count during the individual's fifth year**. An individual who has achieved a high school equivalency certificate is not counted in membership unless the individual is a student with a disability as that term is defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a job training program funded under former section 107a**, as repealed by 2004 PA 351,** or a jobs program funded under former section 107b, administered by the department of labor and economic opportunity, or participating in any successor of either of those 2 programs, is not counted in membership.
(x) No change.	(x) ~~If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a~~	(x) No change.	(x) ~~If~~ **Except for 2026-2027, if** a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the

	~~district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, the district's membership is considered to be the~~ **The** membership figure ~~calculated under this subdivision. The membership figure calculated under this subdivision~~ **for a district** is the greater of the following: (*i*) The average of the district's membership for the 3-fiscal-year period ending with that fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those 3 membership figures by 3. (*ii*) The district's actual membership for that fiscal year as otherwise calculated under this subsection.		purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, the district's membership is considered to be the membership figure calculated under this subdivision. **For 2026-2027 only, every district's membership is considered to be the membership figure calculated under this subdivision.** The membership figure calculated under this subdivision is the greater of the following: (*i*) The average of the district's membership for the 3-fiscal-year period ending with that fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those 3 membership figures by 3. (*ii*) The district's actual membership for that fiscal year as otherwise calculated under this subsection.
(dd) For a pupil enrolled in a dropout recovery program that meets the	(dd) Concur with Governor.	(dd) No change.	(dd) Concur with Governor.

requirements of section 23a, the pupil ~~is~~ **must be** counted as 1/12 of a full-time equated membership for each month that the district operating the program reports that the pupil was enrolled in the program and was in full attendance**,** or based on the number of successfully completed courses by the pupil**,** with each **successfully completed** course equivalent to 1/12 of a full-time equated membership. A district may claim more than 1/12 of a full-time equated membership within a month for an enrolled pupil who was in full attendance and successfully completed more than 1 required course. ~~However, if~~ **If** the ~~special~~ membership counting provisions under this subdivision ~~and the operation of the other membership counting provisions under this subsection~~ result in a pupil being counted as more than 1.0 FTE in a fiscal year, the ~~payment made for the pupil~~ **entire FTE amount, including any amount in excess of 1.0 FTE, shall be funded** under sections 22a and 22b**.** ~~must not be based on~~ **A district may generate** more than 1.0 FTE for ~~that~~ **a** pupil~~, and any portion of an FTE for that pupil that exceeds 1.0 is instead paid~~ **enrolled in a program** under section ~~25g.~~ **23a.** The district operating the program shall report to the center the number of pupils who were enrolled in the program and were in full attendance for a month not later than 30 days after the end of ~~the~~ **that** month.			
(mm) As used in this article,	**(21) "Weighted pupil membership"**	**(mm)** Not included.	**(21) "Weighted pupil membership"**

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

"weighted pupil membership" means that term as calculated in this subdivision. For the purposes of calculations under this subdivision, the base weighted pupil membership for a district is 0.	**means that term as calculated in this subsection. For the purposes of calculations under this subsection, the base weighted pupil membership for a district is 0. All of the following apply to the weighted pupil membership under this subsection:**		**means that term as calculated in this subsection. For the purposes of calculations under this subsection, the base weighted pupil membership for a district is 0. All of the following apply to the weighted pupil membership under this subsection:**
(*i*) For each full-time English language learner counted in membership in a district in the immediately preceding fiscal year, the weighted pupil membership for that district must be increased as follows:	**(a) For each full-time English language learner counted in membership in a district in the immediately preceding fiscal year, the weighted pupil membership for that district must be increased as follows:**		**(a) For each full-time English language learner counted in membership in a district in the immediately preceding fiscal year, the weighted pupil membership for that district must be increased as follows:**
(A) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, as applicable to each assessment, an increase of 0.1687. It is intended that the increase under this sub-subparagraph be adjusted annually until the increase equals 0.75.	**(*i*) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, as applicable to each assessment, an increase of 0.1990. The increase under this subparagraph must be adjusted annually as follows until the increase equals 0.75:** **(A) For 2027-2028, the weighted pupil membership under this subparagraph must be increased to 0.2384.** **(B) For 2028-2029, the weighted pupil membership under this subparagraph must be increased to 0.2778.** **(C) For 2029-2030, the weighted**		**(*i*) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, as applicable to each assessment, an increase of 0.1940. It is intended that the additional weighted pupil membership under this subparagraph be increased annually until it equals 0.75.**

	pupil membership under this subparagraph must be increased to 0.3171. **(D) For 2030-2031, the weighted pupil membership under this subparagraph must be increased to 0.3565.** **(E) For 2031-2032, the weighted pupil membership under this subparagraph must be increased to 0.3959.** **(F) For 2032-2033, the weighted pupil membership under this subparagraph must be increased to 0.4353.** **(G) For 2033-2034, the weighted pupil membership under this subparagraph must be increased to 0.4746.** **(H) For 2034-2035, the weighted pupil membership under this subparagraph must be increased to 0.5140.** **(I) For 2035-2036, the weighted pupil membership under this subparagraph must be increased to 0.5534.** **(J) For 2036-2037, the weighted pupil membership under this subparagraph must be increased to 0.5928.** **(K) For 2037-2038, the weighted pupil membership under this subparagraph must be increased to 0.6321.** **(L) For 2038-2039, the weighted pupil membership under this subparagraph must be increased to 0.6715.** **(M) For 2039-2040, the weighted pupil membership under this**		

	subparagraph must be increased to 0.7109. **(N) Beginning in 2040-2041 and every fiscal year thereafter, the weighted pupil membership under this subparagraph must be increased to 0.75.**		
(B) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, as applicable to each assessment, an increase of 0.1165. It is intended that the increase under this sub-subparagraph be adjusted annually until the increase equals 0.50.	**(*ii*) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, as applicable to each assessment, an increase of 0.1374. The increase under this subparagraph must be adjusted annually as follows until the increase equals 0.50:** **(A) For 2027-2028, the weighted pupil membership under this subparagraph must be increased to 0.1636.** **(B) For 2028-2029, the weighted pupil membership under this subparagraph must be increased to 0.1899.** **(C) For 2029-2030, the weighted pupil membership under this subparagraph must be increased to 0.2161.** **(D) For 2030-2031, the weighted pupil membership under this subparagraph must be increased to 0.2424.** **(E) For 2031-2032, the weighted pupil membership under this**		**(*ii*) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, as applicable to each assessment, an increase of 0.1339. It is intended that the additional weighted pupil membership under this subparagraph be increased until it equals 0.50.**

	subparagraph must be increased to 0.2686. **(F) For 2032-2033, the weighted pupil membership under this subparagraph must be increased to 0.2949.** **(G) For 2033-2034, the weighted pupil membership under this subparagraph must be increased to 0.3211.** **(H) For 2034-2035, the weighted pupil membership under this subparagraph must be increased to 0.3474.** **(I) For 2035-2036, the weighted pupil membership under this subparagraph must be increased to 0.3736.** **(J) For 2036-2037, the weighted pupil membership under this subparagraph must be increased to 0.3999.** **(K) For 2037-2038, the weighted pupil membership under this subparagraph must be increased to 0.4261.** **(L) For 2038-2039, the weighted pupil membership under this subparagraph must be increased to 0.4524.** **(M) For 2039-2040, the weighted pupil membership under this subparagraph must be increased to 0.4786.** **(N) Beginning in 2040-2041 and every fiscal year thereafter, the weighted pupil membership under this subparagraph must be increased to 0.50.**		
(C) For a full-time equivalent	**(*iii*) For a full-time equivalent**		**(*iii*) For a full-time equivalent**

English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, as applicable to each assessment, an increase of 0.0190. It is intended that the increase under this sub-subparagraph be adjusted annually until the increase equals 0.35.	**English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 4.7, as applicable to each assessment, an increase of 0.0224. The increase under this subparagraph must be adjusted annually as follows until the increase equals 0.35:** **(A) For 2027-2028, the weighted pupil membership under this subparagraph must be increased to 0.0464.** **(B) For 2028-2029, the weighted pupil membership under this subparagraph must be increased to 0.0703.** **(C) For 2029-2030, the weighted pupil membership under this subparagraph must be increased to 0.0943.** **(D) For 2030-2031, the weighted pupil membership under this subparagraph must be increased to 0.1183.** **(E) For 2031-2032, the weighted pupil membership under this subparagraph must be increased to 0.1423.** **(F) For 2032-2033, the weighted pupil membership under this subparagraph must be increased to 0.1662.** **(G) For 2033-2034, the weighted pupil membership under this subparagraph must be increased to**		**English language learner who was assessed in the immediately preceding fiscal year under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, as applicable to each assessment, an increase of 0.0219. It is intended that the additional weighted pupil membership under this subparagraph be increased until it equals 0.35.**

	0.1902. **(H) For 2034-2035, the weighted pupil membership under this subparagraph must be increased to 0.2142.** **(I) For 2035-2036, the weighted pupil membership under this subparagraph must be increased to 0.2382.** **(J) For 2036-2037, the weighted pupil membership under this subparagraph must be increased to 0.2621.** **(K) For 2037-2038, the weighted pupil membership under this subparagraph must be increased to 0.2861.** **(L) For 2038-2039, the weighted pupil membership under this subparagraph must be increased to 0.3101.** **(M) For 2039-2040, the weighted pupil membership under this subparagraph must be increased to 0.3341.** **(N) Beginning in 2040-2041 and every fiscal year thereafter, the weighted pupil membership under this subparagraph must be increased to 0.35.**		
(*ii*) For each economically disadvantaged pupil counted in membership in a district, the weighted pupil membership for that district must be increased as follows: **(A) For the purpose of this sub-subparagraph, the department shall determine the number of pupils in**	**(b) For each economically disadvantaged pupil counted in membership in a district, the weighted pupil membership for that district must be increased as follows:** **(*i*)** Concur with Governor.		**(b) For each economically disadvantaged pupil counted in membership in a district, the weighted pupil membership for that district must be increased as follows:** **(*i*) For the purpose of this subparagraph, the department shall determine the number of pupils in**

membership who are economically disadvantaged as the greater of the following:			**membership who are economically disadvantaged as the greatest of the following:**
(I) The number of membership pupils in the district who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.	**(A)** Concur with Governor.		**(A)** Concur with Governor.
(II) If the district is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. These calculations must be made at the building level. This sub-sub-subparagraph only applies to an eligible district for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this sub-sub-subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later	**(B)** Concur with Governor.		**(B)** Concur with Governor.

than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district is in the community eligibility program, divided by the total number of pupils counted in an eligible district on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district is in the community eligibility program.			
(III) If the district began operations as a district after the pupil membership count day of the current fiscal year, the number of membership pupils in the district who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the current fiscal year.	**(C)** Concur with Governor.		**(C)** Concur with Governor.
(IV) If, for a particular fiscal year, the number of membership pupils in a district who are determined under sub-sub-subparagraph (I) to be economically disadvantaged or to be eligible based on the identified student percentage varies by more than 20 percentage points from the number of those pupils in the district as calculated under sub-sub-subparagraph (I) for the immediately preceding fiscal year caused by an egregious reporting error by the district, the department may choose to have the	**(D)** Concur with Governor.		**(D)** Concur with Governor.

calculations under sub-sub-subparagraph (I) instead be made using the number of membership pupils in the district who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the immediately preceding fiscal year.			
(B) Each district or public school academy must be assigned an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under this sub-sub-subparagraph for the district or public school academy and the total number of pupils in the district or public school academy in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district or public school academy must be assigned an opportunity index band as follows:	(***ii***) Concur with Governor.		**(*ii*) Each district must be assigned an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under this subdivision for the district and the total number of pupils in the district in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district must be assigned an opportunity index band as follows:**
(I) A district or public school academy with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive an additional weighted pupil membership of at least 0.1692 and less than 0.1741 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-sub-	**(A) A district with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive an additional weighted pupil membership of at least 0.1994 and not more than 0.2051 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount**		**(A) A district with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and must receive an additional weighted pupil membership of at least 0.1913 and not more than 0.1965 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount**

subparagraph must be an amount equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this sub-sub-subparagraph, plus 0.1692 multiplied by the number of pupils identified as economically disadvantaged under this subparagraph. It is intended that the additional weighted pupil membership under this sub-sub-subparagraph will be increased until it reaches between .35 and .36 per economically disadvantaged pupil.	**equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 0.1994 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. The additional weighted pupil membership under this sub-subparagraph must be increased as follows until it reaches between 0.35 and 0.36 per economically disadvantaged pupil:** **(I) For 2027-2028, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2101 and not more than 0.2162 for each economically disadvantaged pupil.** **(II) For 2028-2029, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2209 and not more than 0.2272 for each economically disadvantaged pupil.** **(III) For 2029-2030, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2316 and not more than 0.2383 for each economically disadvantaged pupil.** **(IV) For 2030-2031, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2424 and not more than 0.2493 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2531 and**		**equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 0.1913 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.35 and 0.36 per economically disadvantaged pupil.**

	not more than 0.2604 for each economically disadvantaged pupil. **(VI) For 2032-2033, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2638 and not more than 0.2714 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2746 and not more than 0.2825 for each economically disadvantaged pupil.** **(VIII) For 2034-2035, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2853 and not more than 0.2935 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.2961 and not more than 0.3046 for each economically disadvantaged pupil.** **(X) For 2036-2037, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.3068 and not more than 0.3156 for each economically disadvantaged pupil.** **(XI) For 2037-2038, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.3176 and not more than 0.3267 for each economically disadvantaged pupil.** **(XII) For 2038-2039, a district assigned to band 1 must receive an additional weighted pupil**		

	membership of at least 0.3283 and not more than 0.3377 for each economically disadvantaged pupil. **(XIII) For 2039-2040, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.3391 and not more than 0.3488 for each economically disadvantaged pupil.** **(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 1 must receive an additional weighted pupil membership of at least 0.35 and not more than 0.36 for each economically disadvantaged pupil.**		
(II) A district or public school academy with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive an additional weighted pupil membership of at least 0.1741 and less than 0.1813 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-sub-subparagraph must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this sub-sub-subparagraph, plus 0.1741 multiplied by the number of pupils identified as economically disadvantaged under this subparagraph. It is intended that the additional weighted pupil membership under this sub-sub-subparagraph will be increased	**(B) A district with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive an additional weighted pupil membership of at least 0.2051 and not more than 0.2136 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 0.2051 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. The additional weighted pupil membership under this sub-subparagraph must be increased as follows until it reaches between 0.36 and 0.375 per economically disadvantaged pupil:**		**(B) A district with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and must receive an additional weighted pupil membership of at least 0.1968 and not more than 0.2046 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 0.1968 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.36 and 0.375 per economically**

until it reaches between 0.360 and 0.375 per economically disadvantaged pupil.	**(I) For 2027-2028, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2162 and not more than 0.2251 for each economically disadvantaged pupil.** **(II) For 2028-2029, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2272 and not more than 0.2367 for each economically disadvantaged pupil.** **(III) For 2029-2030, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2383 and not more than 0.2482 for each economically disadvantaged pupil.** **(IV) For 2030-2031, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2493 and not more than 0.2597 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2604 and not more than 0.2712 for each economically disadvantaged pupil.** **(VI) For 2032-2033, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2714 and not more than 0.2827 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2825 and not more than 0.2942 for each**		**disadvantaged pupil.**

	economically disadvantaged pupil. **(VIII) For 2034-2035, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.2935 and not more than 0.3057 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.3046 and not more than 0.3172 for each economically disadvantaged pupil.** **(X) For 2036-2037, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.3156 and not more than 0.3288 for each economically disadvantaged pupil.** **(XI) For 2037-2038, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.3267 and not more than 0.3403 for each economically disadvantaged pupil.** **(XII) For 2038-2039, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.3377 and not more than 0.3518 for each economically disadvantaged pupil.** **(XIII) For 2039-2040, a district assigned to band 2 must receive an additional weighted pupil membership of at least 0.3488 and not more than 0.3633 for each economically disadvantaged pupil.** **(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 2 must receive an additional weighted pupil membership of at**		

	least 0.36 and not more than 0.375 for each economically disadvantaged pupil.		
(III) A district or public school academy with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive an additional weighted pupil membership of at least 0.1813 and less than 0.1886 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-sub-subparagraph must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this sub-sub-subparagraph, plus 0.1813 multiplied by the number of pupils identified as economically disadvantaged under this subparagraph. It is intended that the additional weighted pupil membership under this sub-sub-subparagraph will be increased until it reaches between 0.375 and 0.39 per economically disadvantaged pupil.	(C) A district with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive an additional weighted pupil membership of at least 0.2136 and not more than 0.2223 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 0.2136 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. The additional weighted pupil membership under this sub-subparagraph must be increased as follows until it reaches between 0.375 and 0.39 per economically disadvantaged pupil: (I) For 2027-2028, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2251 and not more than 0.2342 for each economically disadvantaged pupil. (II) For 2028-2029, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2367 and not more than 0.2462 for each economically disadvantaged pupil. (III) For 2029-2030, a district		(C) A district with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and must receive an additional weighted pupil membership of at least 0.2050 and not more than 0.2126 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 0.2050 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.375 and 0.39 per economically disadvantaged pupil.

	assigned to band 3 must receive an additional weighted pupil membership of at least 0.2482 and not more than 0.2582 for each economically disadvantaged pupil. **(IV) For 2030-2031, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2597 and not more than 0.2701 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2712 and not more than 0.2821 for each economically disadvantaged pupil.** **(VI) For 2032-2033, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2827 and not more than 0.2941 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.2942 and not more than 0.3061 for each economically disadvantaged pupil.** **(VIII) For 2034-2035, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3057 and not more than 0.3180 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3172 and not more than 0.3300 for each economically disadvantaged pupil.**		

	(X) For 2036-2037, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3288 and not more than 0.3420 for each economically disadvantaged pupil. **(XI) For 2037-2038, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3403 and not more than 0.3540 for each economically disadvantaged pupil.** **(XII) For 2038-2039, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3518 and not more than 0.3659 for each economically disadvantaged pupil.** **(XIII) For 2039-2040, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.3633 and not more than 0.3779 for each economically disadvantaged pupil.** **(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.375 and not more than 0.39 for each economically disadvantaged pupil.**		
(IV) A district or public school academy with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive an additional weighted pupil membership of at least 0.1886 and less than 0.2031 for each economically disadvantaged pupil.	**(D) A district with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive an additional weighted pupil membership of at least 0.2223 and not more than 0.2393 for each economically disadvantaged pupil. The additional weighted pupil**		**(D) A district with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and must receive an additional weighted pupil membership of at least 0.2132 and not more than 0.2284 for each economically disadvantaged pupil. The additional weighted pupil**

The additional weighted pupil membership under this sub-sub-subparagraph must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this sub-sub-subparagraph, plus 0.1886 multiplied by the number of pupils identified as economically disadvantaged under this subparagraph. It is intended that the additional weighted pupil membership under this sub-sub-subparagraph will be increased until it reaches between 0.39 and 0.42 per economically disadvantaged pupil.	**membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2223 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. The additional weighted pupil membership under this sub-subparagraph must be increased as follows until it reaches between 0.39 and 0.42 per economically disadvantaged pupil:** **(I) For 2027-2028, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.2342 and not more than 0.2521 for each economically disadvantaged pupil.** **(II) For 2028-2029, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.2462 and not more than 0.2650 for each economically disadvantaged pupil.** **(III) For 2029-2030, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.2582 and not more than 0.2779 for each economically disadvantaged pupil.** **(IV) For 2030-2031, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.2701 and not more than 0.2908 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district**		**membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2132 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.39 and 0.42 per economically disadvantaged pupil.**

	assigned to band 4 must receive an additional weighted pupil membership of at least 0.2821 and not more than 0.3037 for each economically disadvantaged pupil. **(VI) For 2032-2033, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.2941 and not more than 0.3166 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3061 and not more than 0.3295 for each economically disadvantaged pupil.** **(VIII) For 2034-2035, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3180 and not more than 0.3424 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3300 and not more than 0.3553 for each economically disadvantaged pupil.** **(X) For 2036-2037, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3420 and not more than 0.3682 for each economically disadvantaged pupil.** **(XI) For 2037-2038, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3540 and not more than 0.3811 for each economically disadvantaged pupil.**		

	(XII) For 2038-2039, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3659 and not more than 0.3940 for each economically disadvantaged pupil. **(XIII) For 2039-2040, a district assigned to band 4 must receive an additional weighted pupil membership of at least 0.3779 and not more than 0.4069 for each economically disadvantaged pupil.** **(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 3 must receive an additional weighted pupil membership of at least 0.39 and not more than 0.42 for each economically disadvantaged pupil.**		
(V) A district or public school academy with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive an additional weighted pupil membership of at least 0.2031 and less than 0.2273 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-sub-subparagraph must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this sub-sub-subparagraph, plus 0.2031 multiplied by the number of pupils identified as economically disadvantaged under this subparagraph. It is intended that	**(E) A district with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive an additional weighted pupil membership of at least 0.2393 and not more than 0.2679 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2393 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. The additional weighted pupil membership under**		**(E) A district with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and must receive an additional weighted pupil membership of at least 0.2296 and not more than 0.2546 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2296 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil**

the additional weighted pupil membership under this sub-sub-subparagraph will be increased until it reaches between 0.42 and 0.47 per economically disadvantaged pupil.	**this sub-subparagraph must be increased as follows until it reaches between 0.42 and 0.47 per economically disadvantaged pupil:** **(I) For 2027-2028, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.2521 and not more than 0.2823 for each economically disadvantaged pupil.** **(II) For 2028-2029, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.2650 and not more than 0.2967 for each economically disadvantaged pupil.** **(III) For 2029-2030, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.2779 and not more than 0.3112 for each economically disadvantaged pupil.** **(IV) For 2030-2031, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.2908 and not more than 0.3256 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3037 and not more than 0.3400 for each economically disadvantaged pupil.** **(VI) For 2032-2033, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3166 and not more than 0.3544 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district**		**membership under this sub-subparagraph be increased annually until it reaches between 0.42 and 0.47 per economically disadvantaged pupil.**

	assigned to band 5 must receive an additional weighted pupil membership of at least 0.3295 and not more than 0.3689 for each economically disadvantaged pupil. **(VIII) For 2034-2035, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3424 and not more than 0.3833 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3553 and not more than 0.3977 for each economically disadvantaged pupil.** **(X) For 2036-2037, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3682 and not more than 0.4122 for each economically disadvantaged pupil.** **(XI) For 2037-2038, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3811 and not more than 0.4266 for each economically disadvantaged pupil.** **(XII) For 2038-2039, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.3940 and not more than 0.4410 for each economically disadvantaged pupil.** **(XIII) For 2039-2040, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.4069 and not more than 0.4555 for each economically disadvantaged pupil.**		

	(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 5 must receive an additional weighted pupil membership of at least 0.42 and not more than 0.47 for each economically disadvantaged pupil.		
(VI) A district or public school academy with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive an additional weighted pupil membership at a rate of 0.2273 for each economically disadvantaged pupil. It is intended that the additional weighted pupil membership under this sub-sub-subparagraph will be increased it reaches 0.47 per economically disadvantaged pupil.	**(F) A district with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive an additional weighted pupil membership at a rate of 0.2679 for each economically disadvantaged pupil. It is intended that the additional weighted pupil membership under this sub-subparagraph will be increased as follows until it reaches 0.47 per economically disadvantaged pupil:** **(I) For 2027-2028, a district assigned to band 6 must receive an additional weighted pupil membership of 0.2823 for each economically disadvantaged pupil.** **(II) For 2028-2029, a district assigned to band 6 must receive an additional weighted pupil membership of 0.2967 for each economically disadvantaged pupil.** **(III) For 2029-2030, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3112 for each economically disadvantaged pupil.** **(IV) For 2030-2031, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3256 for each economically disadvantaged pupil.** **(V) For 2031-2032, a district**		**(F) A district with an opportunity index score greater than or equal to 85 must be assigned to band 6 and must receive an additional weighted pupil membership at a rate of 0.2569 for each economically disadvantaged pupil. It is intended that the additional weighted pupil membership under this sub-subparagraph will be increased annually until it reaches 0.47 per economically disadvantaged pupil.**

	assigned to band 6 must receive an additional weighted pupil membership of 0.3400 for each economically disadvantaged pupil. **(VI) For 2032-2033, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3544 for each economically disadvantaged pupil.** **(VII) For 2033-2034, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3689 for each economically disadvantaged pupil.** **(VIII) For 2034-2035, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3833 for each economically disadvantaged pupil.** **(IX) For 2035-2036, a district assigned to band 6 must receive an additional weighted pupil membership of 0.3977 for each economically disadvantaged pupil.** **(X) For 2036-2037, a district assigned to band 6 must receive an additional weighted pupil membership of 0.4122 for each economically disadvantaged pupil.** **(XI) For 2037-2038, a district assigned to band 6 must receive an additional weighted pupil membership of 0.4266 for each economically disadvantaged pupil.** **(XII) For 2038-2039, a district assigned to band 6 must receive an additional weighted pupil membership of 0.4410 for each economically disadvantaged pupil.** **(XIII) For 2039-2040, a district assigned to band 6 must receive an**		

	additional weighted pupil membership of 0.4555 for each economically disadvantaged pupil. **(XIV) For 2040-2041 and every fiscal year thereafter, a district assigned to band 6 must receive an additional weighted pupil membership of 0.47 for each economically disadvantaged pupil.**		
(VII) As used in this sub-sub-subparagraph, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.	**(G)** Concur with Governor.		**(G)** Concur with Governor.
(*iii*) To assist the legislature in determining necessary funding levels to support foundation allowance payments for weighted pupil membership calculated in this subdivision, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must include estimated pupil counts necessary to determine a weighted pupil membership under this section for the current and subsequent two fiscal years.	**(c)** Concur with Governor.		**(c)** Concur with Governor.
(d) Not included.	**(d) As used in this subsection:** **(i) "Economically disadvantaged" means a pupil who has been determined eligible for free or reduced-price meals as determined**		**(d)** Concur with Governor.

	under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center. **(ii) "English language learner" means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.**		
(mm) Not included.	**(mm)** Not included.	**(mm) A pupil that enrolls in a district after the pupil membership count day may be counted as 1/11 of a full-time equated pupil for each month the pupil is enrolled in the district between October and August of the current fiscal year.**	**(mm)** Not included.
(8) For purposes of this subsection:	(8) Concur with Governor.	(8) For purposes of this subsection:	(8) For purposes of this subsection:
(a) No change.		(a) No change.	(a) "Appropriately placed" means holding a valid Michigan educator credential with the required grade range ~~and discipline or subject area~~ for the assignment, as defined by the superintendent of public instruction.
(b) "Class" means ~~either of the following, as applicable:~~		(b) "Class" means either of the following, as applicable:	(b) "Class" means ~~either of the following, as applicable:~~
~~(*i*) A~~ **a** period of time in 1 day when pupils and an individual who is		(*i*) A period of time in 1 day when pupils and an individual who is appropriately	~~(*i*) A~~ **a** period of time in 1 day when pupils and an individual who is

appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. ~~This subdivision does not apply for the FY 2024-25 and FY 2025-26 school years.~~		placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the ~~2024-2025 and 2025-2026~~ **2026-2027** school ~~years.~~**year.**	appropriately placed ~~under a valid certificate,~~ **or an individual working under a valid** substitute permit, authorization, or approval issued by the department ~~,~~ are together and instruction is taking place. ~~This subdivision does not apply for the 2024-2025 and 2025-2026 school years.~~
~~(*ii*) For the FY 2024-25 and FY 2025-26 school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.~~		(*ii*) For the ~~2024-2025 and 2025-2026~~ **2026-2027** school ~~years~~ **year** only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.	~~(*ii*) For the 2024-2025 and 2025-2026 school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.~~**If a pupil is assigned to a class or instructional setting for which the individual providing instruction is not appropriately placed, the misplacement is subject to the penalties and remedies provided under section 163.**

Sec. 11 - Total Appropriations

Provides a summation of the total School Aid Fund, General Fund, and Federal funding in the Act. Includes a method for proration if revenue is not sufficient to support spending.

Executive	*Senate*	*House*	*Conference*
Appropriations in FY 2025-26: SAF: **$18,189,425,300** GF/GP: $73,151,100 School Consolidation and Infrastructure fund: $100,000,000	Appropriations in FY 2025-26: SAF: **$18,189,425,300** GF/GP: $73,151,100 School Consolidation and Infrastructure fund: $100,000,000	Appropriations in FY 2025-26: SAF: **$18,189,425,300** GF/GP: $73,151,100 School Consolidation and Infrastructure fund: $100,000,000	Appropriations in FY 2025-26: SAF: **$18,179,025,300** GF/GP: $73,151,100 School Consolidation and Infrastructure fund: $100,000,000

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Transportation fund: $125,000,000	Transportation fund: $125,000,000	Transportation fund: $125,000,000	Transportation fund: $125,000,000
Enrollment stabilization: $71,000,000	Enrollment stabilization: $71,000,000	Enrollment stabilization: $71,000,000	Enrollment stabilization: $71,000,000
GSRP reserve: $18,000,000	GSRP reserve: $18,000,000	GSRP reserve: $18,000,000	GSRP reserve: $18,000,000
Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: $30,000,000
State school aid pupil support reserve fund: $97,037,400	State school aid pupil support reserve fund: $97,037,400	State school aid pupil support reserve fund: $97,037,400	State school aid pupil support reserve fund: $97,037,400
General pupil support reserve fund: $600,000	General pupil support reserve fund: $600,000	General pupil support reserve fund: $600,000	General pupil support reserve fund: $600,000
Appropriations in FY 2026-27:	Appropriations in FY 2026-27:	Appropriations in FY 2026-27:	Appropriations in FY 2026-27:
SAF: **$18,546,739,300**	SAF: **$19,143,728,500**	SAF: **$18,705,849,400**	SAF: **$18,856,252,300**
GF/GP: **$45,334,900**	GF/GP: **$50,834,900**	GF/GP: **$67,334,900**	GF/GP: **$57,984,900**
Transportation fund: $125,000,000	Transportation fund: $125,000,000	Transportation fund: $125,000,000	Transportation fund: **$125,000,000**
Enrollment stabilization: **$125,000,000**	Enrollment stabilization: **$130,000,000**	Enrollment stabilization: $71,000,000	Enrollment stabilization: **$130,000,000**
GSRP reserve: $18,000,000	GSRP reserve: $18,000,000	GSRP reserve: $18,000,000	GSRP reserve: **$26,300,000**
Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: $30,000,000	Educator Fellowship Public Provider Fund: **$80,000,000**
		Educator Fellowship Private Provider Fund: **$14,300,000**	Educator Fellowship Private Provider Fund: **$7,000,000**
State school aid pupil support reserve fund: **$107,037,400**	State school aid pupil support reserve fund: **$119,037,400**	State school aid pupil support reserve fund: **$87,037,400**	State school aid pupil support reserve fund: **$107,037,400**
General pupil support reserve fund: $600,000	General pupil support reserve fund: **$720,000**	General pupil support reserve fund: $600,000	General pupil support reserve fund: $600,000

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 11a - School Aid Stabilization Fund

Establishes the School Aid Stabilization Fund.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

Sec. 11j - School Bond Loan Redemption Fund

FY 2025-26 appropriation of $23,000,000 for debt service payments on school bond loan revolving fund obligations.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

Sec. 11k - School Loan Revolving Fund

Appropriates from the General Fund to the School Loan Revolving Fund an amount equal to the repayments.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

Sec. 11m - School Aid Fund Borrowing Costs

FY 2025-26 appropriation of $5,000,000 to pay for borrowing costs at the State level.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

Sec. 11s - Flint Declaration of Emergency

Appropriates $8,000,000 ($5,000,000 SAF and $3,000,000 GF/GP) in FY 2025-26 only as follows:

(2) $2,425,000 for school nurses, classroom aides, school social workers, and community health workers; for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies.

(3) $575,000 for nutritional services.

(4) $5,000,000 to Genesee ISD for interventions and supports for K-12 students impacted by the drinking water declaration of emergency. Funds are to be used for behavioral supports, social workers, counselors, psychologists, nursing services, transportation services, parental engagement, community coordination, and other support services.

Executive	*Senate*	*House*	*Conference*
Repeal.	Appropriates **$5,000,000** SAF and **$3,000,000** GF/GP in FY 2026-27 only.	**Repeal.**	(1) From the state school aid fund money appropriated in section 11, there is allocated ~~$5,000,000.00~~ **$3,000,000.00** for ~~2025-2026~~ **2026-**

			2027 only ~~and from the general fund money appropriated in section 11, there is allocated $3,000,000.00 for 2025-2026 only~~ for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~10~~ **11** fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~2,600~~ **2,400** pupils in membership for a fiscal year after 2016-2017. ~~(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding 10 fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 2,600 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed $2,425,000.00 for 2025-2026 for the purpose of employing school nurses, classroom aides, school social workers, and community health workers; for the provision of~~

			~~behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must provide at least the following information:~~ ~~(a) How many personnel were hired using the funds allocated under this subsection.~~ ~~(b) A description of the services provided to pupils by those personnel.~~ ~~(c) How many pupils received each type of service identified in subdivision (b).~~ ~~(d) Any other information the department considers necessary to ensure that the children described in subsection (1) received appropriate levels and types of services.~~ ~~(3) For 2025-2026 only, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $575,000.00 for nutritional services to children described in subsection (1).~~

			(2) ~~(4)~~ For ~~2025-2026~~ **2026-2027** only, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~$5,000,000.00~~ **$3,000,000.00** to an intermediate district that has a constituent district described in subsection ~~(2)~~ **(1)** for interventions and supports for students in grades K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.
Sec. 11x - School Consolidation and Infrastructure Fund The fund is created as a separate account within the School Aid Fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in the state.			
Executive	*Senate*	*House*	*Conference*
No change.	(9) To be eligible for the receipt of funding for infrastructure-related projects appropriated from the school consolidation and infrastructure fund created under this section, a district must allow for the facility condition assessments described in **former** section 11y to be conducted in the district. It is the intent of the legislature that money in the school consolidation and infrastructure fund will not be appropriated for infrastructure projects until the completion of the facility	(9) No change.	(9) Concur with Senate.

	condition assessments described in **former** section 11y. **(11)** Not included.	**(11) For the fiscal year ending September 30, 2027 only, $11,000,000.00 from the state school aid fund is deposited into the school consolidation and infrastructure fund.**	**(11)** Not included.
Sec. 11y - School Facilities Study Appropriates $20,000,000 SAF in FY 2022-23 only for a statewide study of school buildings to determine the most cost-effective way to bring a building to health, safety, and wellness standards.			
Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	No change.	**Repeal.**
Sec. 11z - Countercyclical Budget and Foundation Stabilization Fund The fund is created as a separate account within the School Aid Fund.			
Executive	*Senate*	*House*	*Conference*
No change.	No change.	(9) For the fiscal year ending September 30, ~~2025~~ **2027** only, ~~$25,000,000.00~~ **$239,113,600.00** from the state school aid fund is deposited into the school aid countercyclical budget and foundation stabilization fund.	No change.
Sec. 11aa - Energy Efficiency Audits Appropriates $20,000,000 SAF in FY 2022-23 only for energy audits under the statewide school facilities study under section 11y.			
Executive	*Senate*	*House*	*Conference*
No change.	(1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $20,000,000.00 for 2022-2023 only for the intermediate district or consortium of intermediate districts receiving funding under **former**	No change.	**Repeal.**

	section 11y for the purposes of including ASHRAE Level II Energy Efficiency Audits or similar audits to the statewide school facilities study under **former** section 11y. These funds may also be utilized for solar feasibility studies or data collection for solar feasibility.		

Sec. 11bb - GEER Fund Reallocation

Appropriates $13,300,000 Federal Governor's Emergency Education Relief (GEER) Fund in FY 2023-24 to districts and ISDs under the same formula as previous GEER appropriations. Funds must be expended by districts and ISDs by September 30, 2024.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 12d - Consolidation Grants Grants

Appropriates $110.00 million from the School Consolidation and Infrastructure Fund in FY 2023-24 for a grant program for consolidation needs for districts and ISDs.

(2) Grant requirements and prioritization.

Executive	*Senate*	*House*	*Conference*
No change.	(2) From the amount allocated in subsection (1), there is allocated an amount not to exceed $75,000,000.00 for grants to districts and intermediate districts to support costs related to internal consolidation within the district or intermediate district. All of the following apply to grants under this subsection: (b) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria: (*i*) Are in an opportunity index band, as ~~described in section 31a,~~ **determined under section 6(21),** of 3 or higher.	No change.	Concur with Senate.

	(*ii*) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as ~~described in section 31a,~~ **determined under section 6(21),** of 3 or higher.		

Sec. 12e - Infrastructure Grants

Appropriates $100.00 million from the School Consolidation and Infrastructure Fund in FY 2025-26 for a grant program for infrastructure needs for districts.

(3) If the initial appropriation is insufficient to fully fund awards, there is appropriated up to the available maximum amount from Sec. 11x.

Executive	*Senate*	*House*	*Conference*
No change.	(1) No change.	(1) From the school consolidation and infrastructure fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** only an amount estimated at ~~$100,000,000.00~~ **$150,000,000.00** for grants to districts and intermediate districts for infrastructure needs as described in this section.	(1) From the ~~school consolidation and infrastructure~~ **state school aid** fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** only an amount estimated at ~~$100,000,000.00~~ **$50,000,000.00** for grants to districts and intermediate districts for infrastructure needs**, including, but not limited to, demolition of vacant buildings** as described in this section.
	(3) No change.	(3) ~~If the amount allocated under subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the school consolidation and infrastructure fund described in section 11x the amount necessary to fully fund these awards, or the maximum available in the fund, whichever is less. The state budget director shall provide notification to the~~	(3) If the amount allocated under subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the school consolidation and infrastructure fund described in section 11x the amount necessary**, but not to exceed $50,000,000.00,** to fully fund these awards, or the maximum available in the fund, whichever is less. The state

		~~house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies regarding any additional appropriation described in this subsection.~~	budget director shall provide notification to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies regarding any additional appropriation described in this subsection.
	(4) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:	~~(4)~~ The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:	(4) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:
	(a) Are in an opportunity index band, as ~~described in section 31a,~~ **determined under section 6(21),** of 4 or higher.	(a) No change.	(a) Concur with Senate.
	(b) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as ~~described in section 31a,~~ **determined under section 6(21),** of 4 or higher.	(b) No change.	(b) Concur with Senate.
	(c) No change.	(c) Have infrastructure needs ~~related to HVAC systems or roofing.~~**identified by the statewide school facilities study issued pursuant to section 11y as being critical needs. A district or intermediate district must demonstrate that the needs described in this subdivision affect the health, safety, or well-being of students.**	(c) Concur with House.

	(5) Funds awarded in subsection (4) may be used only to address infrastructure needs that were identified in the statewide school facilities study issued pursuant to **former** section 11y. **(6)** Not included.	**(4)** ~~(5)~~ Funds awarded in subsection ~~(4)~~ **(3)** may be used only to address infrastructure needs that were identified **as critical needs** in the statewide school facilities study issued pursuant to section 11y. **(6)** Not included.	(5) Funds awarded in subsection (4) may be used only to address infrastructure needs that were identified **as critical needs** in the statewide school facilities study issued pursuant to **the former** section 11y. **(6) From the state school aid fund money allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $8,800,000.00 for grants to districts to cover costs associated with the demolition of vacant buildings on property owned by the district. All of the following apply to grants awarded under this subsection:** **(a) A district shall apply for funding under this section in a form and manner determined by the department.** **(b) The department shall prioritize applicants that have lost more than 80% of their pupil membership since 2002-2003 with the greatest number of vacant properties.** **(c) Notwithstanding section 18a, funds allocated for programs described in this subsection may be available for expenditure until September 30, 2029. A recipient of funding for a program described in this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.**

	(5) Not included. (6) No change.	**(5) A district or intermediate district receiving funds under section 12f may not be awarded more than $10,000,000.00 in grants under this section.** (6) The funds allocated under this section for ~~2025-2026~~ **2026-2027** are a work project appropriation, and any unexpended funds for ~~2025-2026~~ **2026-2027** are carried forward into ~~2026-2027.~~ **2027-2028.** The purpose of the work project is to fund district and intermediate district infrastructure needs. The estimated completion date of the work project is September 30, ~~2030.~~**2029.**	**(7) A recipient of funds under subsection (6) must not be awarded more than $10,000,000.00 in additional grants under this section.** **(8)** ~~(6)~~ Concur with House.

NEW HOUSE Sec. 12f - Flint Derelict Buildings Teardown

Appropriates $8.8 million SAF in FY 2026-27 only for grants to demolish vacant district-owned buildings.Districts must apply through MDE. Priority must be given to districts that have lost more than 80% of enrollment since FY 2002-03 and have the most derelict properties.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $8,800,000.00 for grants to districts to cover costs associated with the demolition of vacant buildings on property owned by the district.** **(2) A district shall apply for funding under this section in a form and manner determined by the department.** **(3) The department shall prioritize applicants that have lost more than 80% of their pupil membership**	Not included. *(Included in Sec. 12e)*

		since 2002-2003 with the greatest number of derelict properties. **(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.** **(5) Notwithstanding section 18a, funds allocated for programs described in subsection (1) may be available for expenditure until September 30, 2029. A recipient of funding for a program described in subsection (1) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.**	
Sec. 15 - Audits and Apportionments Allows MDE to adjust State aid payments based on audits of current or prior-year programs and funding.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years. (4) ~~If the department makes an adjustment under this section based in whole or in part on a membership audit finding that a district or intermediate district employed an educator in violation of certification requirements under the revised school code and rules promulgated by the department, the department shall prorate the adjustment according to the period of noncompliance with the certification requirements.~~**A membership adjustment must not be made under this section based on an educator misplacement, as that term is**

			defined in section 163, that is subject to a state aid adjustment under section 163. For an educator misplacement described in section 163, the penalties and remedies provided under section 163 are the exclusive state aid adjustment for that misplacement.

NEW HOUSE Sec. 16 - MDE Contracting Restrictions

MDE may not contract with someone who worked for MDE within the previous 2 years, and it may not contract with an individual if a department employee would financially benefit from the contract.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) The department shall not enter into a state contract with an individual if, at any time during the 2-year period immediately preceding the initial date of hire or the effective date of the contract, the individual was a department employee.** **(2) The department shall not enter into a state contract with an individual if an employee of the department may financially benefit from the contract.**	**The department may not enter into a state contract with an individual if an employee of the department may financially benefit from the contract.**

NEW HOUSE Sec. 16a - District Requirements

(1) District curriculum must not promote race or gender stereotyping.

(2) State funding must not be used for DEI initiatives or programs.

(3) Interscholastic athletic teams must be designated by biological sex.

(4) Districts and ISDs may not provide multistall unisex bathrooms for students.

(5) Districts and ISDs must notify a student's parent or legal guardian if the student requests a different name or pronouns.

(6) MDE must withhold 20% of funding under section 22b if a district does not comply.

Executive	*Senate*	*House*	*Conference*

Not included.	Not included.	**(1) The curriculum used by a district must not, in any way, include the promotion of any form of race or gender stereotyping or anything that could be understood as implicit race or gender stereotyping. As used in this subsection, "race or gender stereotyping" means a set of statements, beliefs, or ideas that conform wholly or in part with the following general or particular statements:** **(a) That all individuals comprising a racial or ethnic group or gender hold a collective quality or belief.** **(b) That individuals act in certain ways or hold certain opinions because of their race or gender.** **(c) That individuals are born racist or sexist by accident of their race or gender.** **(d) That individuals bear collective guilt for historical wrongs committed by their race or gender.** **(e) That cultural norms or practices of a racial or ethnic group or gender are flawed and must be eliminated or changed to conform with those of another racial or ethnic group or gender.** **(f) That racism is inherent in individuals from a particular race or ethnic group or that sexism is inherent in individuals from a particular gender.**	Not included.

		(g) That a racial or ethnic group or gender is in need of deconstruction, elimination, or criticism. **(h) That the actions of individuals serve as an indictment against the race or gender of those individuals.** **(2) State funding must not be used for diversity, equity, and inclusion (DEI) initiatives or programs as outlined in Executive Order No. 14190, "Ending Racial Indoctrination in K-12 Schooling".** **(3) The board of a district or board of directors of a public school academy that participates in interscholastic athletic activities shall designate interscholastic athletic teams and sports based on the sex of the participants, with separate teams for participants of the female sex within female sports divisions, separate teams for participants of the male sex within male sports divisions, and, if applicable, co-ed teams for participants of the female and male sexes within co-ed sports divisions. A district shall not knowingly allow individuals of the male sex to participate on athletic teams or in athletic competitions designated for only participants of the female sex. This subsection must not be construed to restrict the eligibility of any student to participate on any interscholastic athletic teams or in interscholastic athletic activities**	

		that are designated as male or co-ed. As used in this subsection: **(a) "Female" means an individual of the sex characterized by a reproductive system with the biological function of producing eggs (ova).** **(b) "Male" means an individual of the sex characterized by a reproductive system with the biological function of producing sperm.** **(c) "Sex" means an individual's immutable biological classification as male or female.** **(4) A district or intermediate district shall not provide multistall unisex bathrooms for students.** **(5) A district or intermediate district shall provide notice to a student's parent or legal guardian if the student requests to be addressed by a different name or with different pronouns.** **(6) If a district or intermediate district fails to meet the requirements of this section, the department shall withhold 20% of the district's or intermediate district's allocation under section 22b until the district or intermediate district complies with this section. If the district or intermediate district does not comply with this section by the end of the fiscal year, the**	

		department shall place the amount withheld in an escrow account until the district or intermediate district complies with this section.	

Sec. 18 - Annual Audit and Reporting Requirements for School Districts

(8) MDE must review and update its pupil accounting and auditing manuals every year. Any changes that apply to the next school year must be published by March 31. If new legislation requires changes after March 31 and a district violates the updated rules the following year, MDE must first notify the district and give it 30 days to fix the issue before imposing any financial penalties.

Executive	*Senate*	*House*	*Conference*
(8) The department shall review its pupil accounting and pupil auditing manuals at least annually and shall periodically update those manuals to reflect changes in this article. ~~Any changes to the pupil accounting manual that are applicable for the school year that begins after March 31 of a fiscal year must be published by not later than March 31 of that fiscal year. However, if legislation is enacted that necessitates adjustments to the pupil accounting manual after March 31 of a fiscal year, and a district incurs a violation of the amended pupil accounting manual in the subsequent fiscal year, the department must notify the district of that violation and allow the district 30 days to correct the violation before the department is allowed to impose financial penalties under this act related to the violation.~~	(8) No change.	No change.	(8) No change.
(17) Not included.	**(17) If the legislature has not enacted and the governor has not approved the general appropriations act for state school aid for the fiscal year beginning July 1 of that year before July 1, the department shall not withhold**		**(17) If the legislature has not enacted and the governor has not approved the general appropriations act for state school aid for the upcoming fiscal year on or before July 1, the department shall not withhold funds or impose**

	funds or impose any penalty under subsection (11) against a district or intermediate district for failure to comply with subsection (2) until 30 days after the enactment of the general appropriations act for state school aid for that fiscal year.		**any penalty under subsection (11) against a district or intermediate district for failure to comply with subsection (2) until 30 days after the enactment of the general appropriations act for state school aid for that fiscal year.**

Sec. 18a - Grant Funds to be Expended by End of Fiscal Year

Requires grant recipients to spend funds by the end of the fiscal year following the fiscal year that funds are appropriated, report by November 1 if funds are not fully spent in the year received, and return any unexpended funds to MDE by September 30 after the fiscal year in which funds are received.

Executive	*Senate*	*House*	*Conference*
(1) This subsection applies only to grant funds awarded and allotted from appropriations in this article that have not been designated a work project appropriation pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a. Except as otherwise provided in this article, grant funds **grant funds described in this subsection that are** awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this article, must be expended by the grant recipient before the end of the fiscal year immediately following the fiscal year in which the funds are received. Except as otherwise provided in this article, if a grant recipient does not expend the funds received under this article before the end of the fiscal year in which the funds are received, the grant recipient shall submit a report to the department not later than November 1 after the fiscal year in which the funds are received indicating whether it expects to expend those funds during the fiscal	Concur with Governor.	No change.	Concur with Governor.

year in which the report is submitted. Except as otherwise provided in this article, a recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 after the fiscal year in which the funds are received. **(2) This subsection applies only to grant funds awarded and allotted from appropriations in this article that have been designated as a work project appropriation under section 451a of the management and budget act, 1984 PA 431, MCL 18.451a. Except as otherwise provided in this article, grant funds described in this subsection that are awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this article, must be expended by the grant recipient before the end of the fiscal year immediately following the fiscal year in which the work project is closed pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a. Except as otherwise provided in this article, a recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 after the fiscal year in which the work project is closed.**			
NEW HOUSE Sec. 18e - Washington Parks Academy			

By September 1, 2026, MDE must release any funds withheld during FY 2024–25 to Washington Parks Academy, as long as an Agreed-Upon Procedures plan has been submitted at the direction of the U.S. Department of Education.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**By not later than September 1, 2026, the department shall release to Washington Parks Academy any funds withheld from Washington Parks Academy under this act during the 2024-2025 fiscal year, provided that an Agreed-Upon Procedures plan regarding Washington Parks Academy has been submitted to the department at the direction of the United States Department of Education.**	Not included.

Sec. 19 - Compliance with State and Federal Reporting Requirements

(3) Changes in employment status.

Executive	*Senate*	*House*	*Conference*
(3) By the first business day in December and by the last business day in June of each year, **and within 30 days of changes in employment or assignment status,** a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel and personnel vacancies as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of technology, management, and budget**, including, but not limited to, vacancy start and end dates and reasons for vacancy and vacancy**	(3) By the first business day in December and by the last business day in June of each year, **and within 30 days of any change in employment or assignment status related to a criminal act,** a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel and personnel vacancies as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of technology, management, and budget**, including, but not limited to, vacancy start and end dates,**	(3) By the first business day in December and by the last business day in June of each year, **and within 30 days of any change in employment or assignment status if the change in employment or assignment status is related to the health, safety, or well-being of students,** a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel and personnel vacancies as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of	(3) By the first business day in December and by the last business day in June of each year, **and within 30 days of any change in employment or assignment status,** a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel and personnel vacancies as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of technology, management, and budget**, including, but not limited to, vacancy start and end dates,**

termination.	**reasons for the vacancy, and vacancy termination**.	technology, management, and budget**, including, but not limited to, vacancy start and end dates, reasons for the vacancy, and reasons for vacancy terminations**.	**reasons for the vacancy, and reasons for the vacancy termination**.
Sec. 20 - Foundation Allowance Calculation Target foundation allowance is $10,050 in FY 2025-26. (4) Defines how the state portion of a district's foundation allowance is calculated—generally as the lesser of the district or target allowance minus local revenue—with special calculation rules for certain districts, millage reductions, dissolved districts, and specified community districts.			
Executive	*Senate*	*House*	*Conference*
Target foundation allowance is **$10,300** in FY 2026-27. Cyber charter schools: **$8,240** in FY 2026-27. (4) … ~~For~~ **Before the fiscal year ending September 30, 2027, for** a community district, **except as otherwise provided in this subsection,** if school operating taxes continue to be levied by a qualifying school district under section 12b of the revised school code, MCL 380.12b, with the same geographic area as the community district, the taxable value per membership pupil of property in the community district to be used for the purposes of this subsection does not include the taxable value of property within the geographic area of the community district. **Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies and the taxable value per membership pupil of property in the community**	Target foundation allowance is **$10,300** in FY 2026-27. Cyber charter schools: **$8,240** in FY 2026-27. (4) Concur with Governor.	Target foundation allowance is **$10,300** in FY 2026-27. Cyber charter schools: **$10,300** in FY 2026-27. (4) Concur with Governor.	Target foundation allowance is **$10,300** in FY 2026-27. Cyber charter schools: **$10,300** in FY 2026-27. (4) Concur with Governor.

district used for the purposes of this subsection includes the taxable value of property within the geographic area of the community district on or after July 1, 2026 and thereafter.			
Sec. 20d - Revenue per Membership Pupil Provisions regarding the calculation of revenue per membership pupil.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.
Sec. 21b - Dual Enrollment Requires districts to use state aid funds to pay required postsecondary enrollment costs for eligible students, allows but does not require payment of transportation and certain fees, permits districts to pay more using local operating revenue, and makes students responsible for any remaining costs.			
Executive	*Senate*	*House*	*Conference*
(1) Subject to subsections (2) and (3), a district shall use funds received under ~~section~~ **this section and sections** 22a or 22b to support the attendance of a district pupil who is an eligible student at an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, by paying eligible charges on behalf of the district pupil as required under those acts. **(3) From the state school aid fund money appropriated in section 11, there is allocated in FY 2026-27 only an amount not to exceed $20,000,000.00 for reimbursements to eligible districts supporting**	(1) No change. **(4) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $60,000,000.00 to reimburse districts for eligible charges paid on**	(1) Concur with Governor. **(3) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $40,000,000.00 for reimbursements to eligible districts supporting**	(1) Subject to subsections (2) and (3), a district shall use funds received under ~~section~~ **this section, section** 22a**,** or **section** 22b to support the attendance of a district pupil who is an eligible student at an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, by paying eligible charges on behalf of the district pupil as required under those acts. **(4)** Concur with House.

eligible charges on behalf of students as described in subsection (1). All of the following apply to payments made under this subsection:	**behalf of eligible students to an eligible postsecondary institution.**	**eligible charges on behalf of eligible students as described in subsection (1). All of the following apply to payments made under this subsection:**	
(a) As used in this subsection, an eligible district is a district with an opportunity index band, as described in section 6, of 4 or higher.		**(a)** Concur with Governor.	**(a) To be considered an eligible district under this section, a district must be assigned to an opportunity index band, as described in section 6(21), of 4 or higher.**
(b) Payments must not exceed the amount the eligible district is required to pay under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913.		**(b)** Concur with Governor.	**(b)** Concur with Governor.
(c) If the amount allocated in this subsection is not sufficient to fully reimburse all eligible districts, payments to eligible districts must be adjusted as follows: **(*i*) Payments to any individual district that exceed 25% of the allocation under this subsection must be reduced to an amount equal to 25% of the allocation under this subsection.** **(*ii*) If, after the operation of subparagraph (*i*) the amount allocated under this subsection is still insufficient to fully reimburse all eligible districts, the payment to each eligible district must be prorated on an equal percentage**	**(6) If the allocation under subsection (4) is insufficient to fully fund payments as calculated under subsection (4), the department of lifelong education, advancement, and potential shall prorate payments on an equal percentage basis.**	**(c)** Concur with Governor.	**(c)** Concur with Governor.

basis.			
(d) Not included.	**(d)** Not included.	**(d) If the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band of 3. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.**	**(d) If the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band, as described in section 6(21), of 3. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.**
(e) Not included.	**(e)** Not included.	**(e) If, after the operation of subdivision (d), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band of 2. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.**	**(e) If, after the operation of subdivision (d), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band, as described in section 6(21), of 2. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.**
(f) Not included.	**(f)** Not included.	**(f) If, after the operation of subdivision (d), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to**	**(f) If, after the operation of subdivision (d), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to**

		an opportunity index band of 1. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.	**an opportunity index band, as described in section 6(21), of 1. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.**
(g) Not included.	**(g)** Not included.	**(g) Funds under this section may be used to support CTE dual enrollment programs authorized under section 61b and work-based learning programs.**	**(g) Funds under this section may be used to support CTE dual enrollment programs authorized under section 61b.**
(d) Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department.	**(d)** Not included.	**(h)** Concur with Governor.	**(h)** Concur with Governor.
(5) Not included.	**(5) To receive funds under subsection (4), a district must provide a report of the district's dual enrollment participation, and eligible charges paid by the district, to the department of lifelong education, advancement, and potential in a form and manner consistent with data reported to the center for school aid purposes. The department of lifelong education, advancement, and potential may require additional information be provided before distributing funds under this section.**	(5) Not included.	**(5)** Not included.
(5) ~~(4)~~ No change.	**(7)** ~~(4)~~ As used in this section, **"eligible charges",** "eligible student"**,** and "eligible postsecondary institution"	**(5)** ~~(4)~~ As used in this section**:** ~~,~~ ~~"eligible~~	**(8)** ~~(4)~~ Concur with Senate.

	mean those terms as defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903, as applicable.	**(a) "Eligible** student" and "eligible postsecondary institution" mean those terms as defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903, as applicable. **(b) "Opportunity index band" means the opportunity index band to which a district is assigned under section 31a.**	

Sec. 21f - Virtual Courses

Requires districts to let eligible students take online classes, sets limits (generally up to 2 per term unless approved otherwise), defines when districts can deny a request, creates an appeal process, caps how much districts must pay for virtual courses, and sets basic quality, teacher, mentor, credit, and student rights requirements.

Executive	*Senate*	*House*	*Conference*
No change.	(1) … Unless the pupil is at least age 18 or is an emancipated minor, a pupil must not be enrolled in a course that meets virtually **for more than 6 days in a school year** without the consent of the pupil's parent or legal guardian. **(14) Subject to the requirements of this subsection, a district may provide virtual instruction under this subsection for not more than 6 days in a school year. If a district plans to provide instruction under this subsection to pupils for more than 6 days during a school year, the district's plan must be approved by the board of the district, and the district must provide notice of the plan to impacted pupils and their parents or legal guardians before enactment of the plan. Instruction**	No change.	(1) Concur with Senate. **(14)** Concur with Senate.

	may be provided synchronously or asynchronously, as determined by the department. Days of instruction under this subsection may be used only for the following purposes, as defined by the department: **(a) A maximum of 3 days may be designated as testing days, during which students are released from regular classroom instruction to participate in state or federally mandated assessments. Days of virtual instruction provided under this subdivision are limited to buildings and grade levels impacted by assessments.** **(b) A maximum of 3 days of virtual instruction may be provided due to conditions not within control of the district, including, but not limited to, closures due to snow, ice, or other extreme weather events or unforeseen emergencies. Days of virtual instruction under this subdivision may be used only after a district has exhausted all emergency closure days permitted under section 101.** **(15) The department shall promulgate rules for the conditions under which virtual instruction may be provided under subsection (14) and the manner in which it may be provided.**		**(15)** Not included.
Sec. 21h - Partnership Model Districts			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Appropriates $6,137,400 in FY 2025-26 only from the state school aid pupil support reserve fund to assist eligible districts assigned by the State Superintendent to participate in a partnership to improve student achievement.

Earmarks $137,400 for those districts that have established a community engagement advisory committee (Benton Harbor).

(3) Academic and financial operating or intervention plan implementation.

(7) Appropriates an additional $36,000,000 in FY 2023-24 only as supplemental funding to be distributed in equal installments over 3 years.

Executive	*Senate*	*House*	*Conference*
Appropriates **$6,137,400** in FY 2026-27 only from the state school aid pupil support reserve fund. (3) Upon approval of the district continuous improvement plan developed under subsection (2), the department shall assign a team of individuals with expertise in comprehensive school and district reform to partner with the district, the intermediate district, community organizations, education organizations, and postsecondary institutions identified in the ~~academic and financial operating or intervention~~ **district continuous improvement** plan to review the district's use of existing financial resources to ensure that those resources are being used as efficiently and effectively as possible to improve student academic achievement and to ensure district financial stability. ~~(7) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $36,000,000.00 to districts described in subsection (1) in FY 2023-24 only for supplemental funding to be used by districts for the purposes~~	Concur with Governor.	Concur with Governor.	Concur with Governor.

~~of this section in equal installments of $12,000,000.00 in each of the fiscal years FY 2023-24, FY 2024-25, and FY 2025-26. The funds allocated under this subsection in FY 2023-24 are a work project appropriation, and any unexpended funds in FY 2023-24 are carried forward into FY 2024-25. The purpose of the work project is to provide assistance to districts eligible for funding under this section. The estimated completion date of the work project described in this subsection is September 30, 2026.~~			

Sec. 22a - Proposal A Obligation Payment (The Constitutionally-required portion of the foundation allowance.)

FY 2025-26 appropriation of $3,785,000,000.

This section provides funding equal to the 1994-1995 Proposal A foundation allowance levels multiplied by pupils.

Executive	*Senate*	*House*	*Conference*
FY 2025-26: **$3,711,000,000** FY 2026-27: **$3,564,000,000** (2) **…** For a community district, **except as otherwise provided in this subdivision,** the department shall reduce the allocation as otherwise calculated under this section by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is offset by the increase in funding under section 22b(2). **Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that**	FY 2025-26: **$3,711,000,000** FY 2026-27: **$3,564,000,000** (2) Concur with Governor.	FY 2025-26: **$3,711,000,000** FY 2026-27: **$3,564,000,000** (2) Concur with Governor.	FY 2025-26: **$3,726,000,000** FY 2026-27: **$3,562,000,000** (2) …~~For~~ **Except as otherwise provided in this subdivision, for** a community district, the department shall reduce the allocation as otherwise calculated under this section by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is offset by the increase in funding under section 22b(2). **Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that**

the previous sentence no longer applies and the allocation for a community district under this section shall not be reduced by the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386; and no offset is provided by increased funding under section 22b(2).			**the previous sentence no longer applies and the allocation for a community district under this section shall not be reduced by the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and no offset is provided by increased funding under section 22b(2). Beginning with the fiscal year ending September 30, 2027, for a qualifying school district that has entered into a qualifying debt agreement, all of the following apply:** **(*i*) The qualifying school district is presumed to have paid the unpaid obligations of the qualifying school district under the qualified debt agreement and repaid all outstanding operating obligations of the qualifying school district.** **(*ii*) Section 386 of the revised school code, MCL 380.386, is presumed to no longer apply to the community district.** **(*iii*) The qualifying school district is presumed, after payment under subdivision (a), to have remitted to the community district any remaining money in any revenue fund established under the qualified debt agreement.**
(6) No change.	~~(6) Payments under this section are subject to section 25g.~~	(6) No change.	~~(6)~~ Concur with Senate.

(7) No change.	**(6)** ~~(7)~~ No change.	(7) No change.	**(6)** ~~(7)~~ As used in this section: **(h) "Michigan finance authority" means the public body corporate and politic created within the department of treasury by Executive Reorganization Order No. 2010-2, MCL 12.194.** **(j) "Obligations" means that term as defined in a qualified debt agreement.** **(*l*) "Qualified debt agreement" means a master debt indenture settlement agreement between a qualifying school district and 1 or more other parties, including without limitation, the state treasurer and the Michigan finance authority.** **(n) "Qualifying school district" means a school district described in section 12b of the revised school code, MCL 380.12b.**

Sec. 22b - Discretionary Payment (The discretionary portion of the foundation allowance.)

This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils.

Special education funding is paid under Section 51e.

(3) Requirements to receive funding under this section.

Executive	*Senate*	*House*	*Conference*
FY 2025-26: **$6,781,000,000** SAF (ongoing) and $124,000,000 SAF (one-time).	FY 2025-26: **$6,781,000,000** SAF (ongoing) and $124,000,000 SAF (one-time).	FY 2025-26: **$6,657,000,000** SAF (ongoing) and $124,000,000 SAF (one-time).	FY 2025-26: **$6,783,000,000** SAF (ongoing) and $124,000,000 SAF (one-time).

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

FY 2026-27: **$8,308,687,600** SAF	FY 2026-27: **$7,044,450,000** SAF and **$130,000,000** from the Enrollment Stabilization Fund	FY 2026-27: **$6,920,000,000** SAF	FY 2026-27: **$6,914,450,000** SAF (ongoing), **$56,100,000** SAF (one-time) and **$130,000,000** from the Enrollment Stabilization Fund
(1) … ~~For 2024-2025, the amount necessary, estimated at $77,700,000.00, must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of $41,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. In FY 2024-25 only, if the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds~~ **Funds** allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year.	(1) Concur with Governor.	(1) … ~~For 2024-2025, the amount necessary, estimated at $77,700,000.00, must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of $41,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. In FY 2024-25 only, if the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. Except~~ for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year.	(1) Concur with Governor.
(2) Subject to subsection ~~(3)~~ **(4)** and section 296, the allocation to a district under this section is an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2),	(2) Concur with Governor.	(2) Concur with Governor.	(2) Subject to subsection ~~(3)~~ **(4)** and section 296, the allocation to a district under ~~this section~~ **subsection (1)** is an amount equal to the sum of the amounts calculated under sections 20,

51a(3), 51a(11), and 51e, minus the sum of the allocations to the district under sections 22a and 51c. For a community district, **except as otherwise provided in this subsection,** the allocation as otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, to offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4)~~., and, in FY 2024-25 only, this increase must be paid from the community district education trust fund allocation in subsection (1).~~ **Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies.**			20m, 51a(2), 51a(3), 51a(11), and 51e, minus the sum of the allocations to the district under sections 22a and 51c. ~~For~~ **Except as otherwise provided in this subsection, for** a community district, the allocation as otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, to offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4)**.** ~~, and, for 2024-2025 only, this increase must be paid from the community district education trust fund allocation in subsection (1).~~**Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies. Beginning with the fiscal year ending September 30, 2027, for a qualifying school district that has entered into a qualifying debt agreement, all of the following apply:** **(a) The qualifying school district is presumed to have paid the unpaid obligations of the qualifying school district under the qualified debt agreement and repaid all outstanding operating obligations of the qualifying school district.** **(b) Section 386 of the revised**

			school code, MCL 380.386, is presumed to no longer apply to the community district. **(c) The qualifying school district is presumed, after payment under subdivision (a), to have remitted to the community district any remaining money in any revenue fund established under the qualified debt agreement.**
(3) In addition to the allocation under subsection (2), subject to subsection (4) and section 296, there is allocated to each district an amount equal to the target foundation allowance multiplied by the weighted pupil membership for the district.	**(3) In addition to the allocation under subsection (1), and subject to subsection (4) and section 296, from the state school aid fund money appropriated in section 11 there is allocated an amount not to exceed $1,696,087,600.00 to each district for a weighted foundation payment. As used in this subsection, "weighted foundation payment" is an amount equal to the target foundation allowance multiplied by the weighted pupil membership for the district.**	**(3)** Not included.	**(4) In addition to the allocation under subsection (1), and subject to subsection (3) and section 296, from the state school aid fund money appropriated in section 11 there is allocated an amount not to exceed $1,627,665,100.00 for 2026-2027 for a weighted foundation payment to districts in an amount equal to the target foundation allowance multiplied by the weighted pupil membership for the district.**
(4) ~~(3)~~ To receive an allocation under subsection (1), each district must do all of the following:	**(4)** ~~(3)~~ To receive an allocation under ~~subsection (1),~~ **this section,** each district must do all of the following:	(3) No change.	(3) To receive an allocation under ~~subsection (1),~~ **this section,** each district must do all of the following:
(g) Comply with section 164m.	**(g) Comply with section 1280h of the revised school code, MCL 380.1280h.**		**(g) Comply with 1 of the following, as applicable:** **(*i*) If Senate Bill No. 903 of the 103rd Legislature is enacted into law, section 1280h of the revised school code, MCL 380.1280h.** **(*ii*) If subparagraph (*i*) does not**

			apply, section 164m.
(h) Beginning with the fiscal year ending September 30, 2026, if a district is not using a curriculum from the department's evidence-based curriculum list required under section 1280f of the revised school code, MCL 380.1280f, the district must provide a notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:	**(h) Comply with section 1280f of the revised school code, MCL 380.1280f. Beginning with the fiscal year ending September 30, 2026, if a district is not using a curriculum from the department's evidence-based curriculum list required under section 1280f of the revised school code, MCL 380.1280f, the district must provide a notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:**		**(h)** Concur with Senate.
(*i*) A statement informing parents or legal guardians that the curriculum used by the district is not evidence-based or not aligned to state standards, which could negatively impact student academic outcomes.	**(*i*)** Concur with Governor.		
(*ii*) A statement explaining why the district is not using a curriculum that is evidence-based or aligned to state standards.	**(*ii*)** Concur with Governor.		
(*iii*) A plan, including a projected timeline, for when a new curriculum will be adopted that is evidence-based and aligned to state standards.	**(*iii*)** Concur with Governor.	(12) No change.	
(13) ~~(12)~~ No change.	**(13)** ~~(12)~~ As used in this section:		**(13)** ~~(12)~~ As used in this section:
	(d) "Weighted pupil membership" means that term as defined in section 6.		**(c) "Michigan finance authority" means the public body corporate and politic created within the**

			department of treasury by Executive Reorganization Order No. 2010-2, MCL 12.194. **(d) "Obligations" means that term as defined in a qualified debt agreement.** **(e) "Qualified debt agreement" means a master debt indenture settlement agreement between a qualifying school district and 1 or more other parties, including without limitation, the state treasurer and the Michigan finance authority.** **(f) "Qualifying school district" means a school district described in section 12b of the revised school code, MCL 380.12b.**

Sec. 22d - Isolated Districts

Appropriates $12,873,100 in FY 2025-26 to provide $3,906,200 for island/isolated districts, $554,800 for island districts that are accessible by bridge, and $8,412,100 for rural districts as follows:

- $6.37 million for districts with fewer than 8.0 pupils per square mile, paid on an equal per-pupil basis;

- $2.04 million allocated to districts with between 8.0 and 9.0 pupils per square mile (75% of what districts with fewer than 8.0 pupils per square mile receive); to districts with between 9.0 and 10.0 pupils per square mile (50% of what districts with fewer than 8.0 pupils per square mile receive); and to districts that have at least 10.0 pupils per square miles, cover more than 250 square miles, and do not receive funding under (2) (100% of what districts with fewer than 8.0 pupils per square mile receive).

Executive	*Senate*	*House*	*Conference*
FY 2026-27 total: **$13,656,100** Isolated/island districts: **$4,143,800** Districts less than 8.0 pupils per square mile: **$6,761,400**	FY 2026-27 total: **$13,772,300** Isolated/island districts: **$4,179,100** Districts less than 8.0 pupils per square mile: **$6,818,900**	FY 2026-27 total: **$13,516,800** Isolated/island districts: **$4,101,500** Districts less than 8.0 pupils per square mile: **$6,692,400**	FY 2026-27 total: **$14,184,400** Isolated/island districts: **$4,304,100** Districts less than 8.0 pupils per square mile: **$7,022,900**

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Other rural districts: **$2,162,400** Island districts accessible by bridge: **$588,500**	Other rural districts: **$2,180,800** Island districts accessible by bridge: **$593,500**	Other rural districts: **$2,140,400** Island districts accessible by bridge: **$582,500**	Other rural districts: **$2,246,100** Island districts accessible by bridge: **$611,300**
Sec. 22k - School Transportation Fund (1) Creates the School Transportation Fund as a separate account within the State School Aid Fund to support school district transportation costs. (6) Deposits $130,000,000 SAF in FY 2025-26 only.			
Executive	*Senate*	*House*	*Conference*
No change.	Deposits **$150,000,000** SAF in FY 2026-2027 only.	No change.	No change.
Sec. 22*l* - Transportation Costs Appropriates $125 million in FY 2025-26 only from the School Transportation Fund to support district transportation costs. (2) Appropriates $200,000 in FY 2022-23 only for a study on district transporation costs.			
Executive	*Senate*	*House*	*Conference*
Appropriates **$125 million** from the School Transportation Fund in FY 2026-27 only. ~~(2) In addition to the funds allocated under subsection (1), from the school transportation fund money appropriated under section 11, there is allocated in FY 2022-23 only an amount not to exceed $200,000.00 to an intermediate district for a study on district transportation costs. The intermediate district receiving funds under this subsection must submit a report to the department, the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies by February 29, 2024 on the outcomes of the study under this subsection. Notwithstanding~~	Appropriates **$125 million** from the School Transportation Fund and **$25 million** SAF in FY 2026-27 only. ~~(2)~~ Concur with Governor.	Appropriates **$125 million** from the School Transportation Fund in FY 2026-27 only. ~~(2)~~ Concur with Governor.	Appropriates **$125 million** from the School Transportation Fund in FY 2026-27 only. ~~(2)~~ Concur with Governor.

~~section 18a, funds allocated under this subsection may be available for expenditure until September 30, 2026. A recipient of funding under this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2026.~~ **(4)** Not included.	**(4)** Not included.	**(4) The department, or an entity acting on behalf of the department, may not require districts or intermediate districts to obtain or submit itemized expense information when invoiced as a package from third-party entities providing transportation services to districts under contract.**	**(4)** Not included.

Sec. 22m - Data Hub Network

Appropriates $5,000,000 SAF ($3,500,000 ongoing/$1,500,000 one-time) in FY 2025-26 for integrating local data systems based on common standards and applications that comply with Section 19(6) into the Michigan Data Hub Network.

Executive	*Senate*	*House*	*Conference*
Appropriates $3,500,000 SAF in FY 2026-27.	Concur with Governor.	Appropriates **$5,000,000** SAF ($3,500,000 ongoing / $1,500,000 one-time) in FY 2026-27.	Concur with Governor.

Sec. 22r - State School Aid Pupil Support Reserve Fund

Establishes a reserve fund for school aid dollars to be used to fund programs in sections 21h, 32n, 65, 67f, and 99h.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	(1) The state school aid pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in sections 21h, 32n, ~~65, 67f,~~ **67d,** and 99h.	No change.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 22s - General Pupil Support Reserve Fund

Establishes a reserve fund for general fund dollars to be used to fund programs in section 99h.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	(1) The general pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in section **35q and section** 99h. It is the intent of the legislature that money in the general pupil support reserve fund will be used to support the above ~~program~~ **programs** for 2025-2026, 2026-2027, and 2027-2028. (6) For the fiscal year ending September 30, ~~2026~~ **2027** only, ~~$1,800,000.00~~ **$9,400,000.00** from the general fund is deposited into the general pupil support reserve fund.	(1) The general pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in ~~section~~ **sections 30d, 31aa, and** 99h. It is the intent of the legislature that money in the general pupil support reserve fund will be used to support the above ~~program~~ **programs** for 2025-2026, 2026-2027, and 2027-2028. (6) For the fiscal year ending September 30, ~~2026~~ **2027** only, ~~$1,800,000.00~~ **$12,000,000.00** from the ~~general~~ **educator fellowship private provider** fund **under section 27e** is deposited into the general pupil support reserve fund.

Sec. 23g - MI Kids Back-on-Track

Appropriates $150,000,000 in FY 2022-23 only to implement the MI Kids Back-on-Track program

Executive	*Senate*	*House*	*Conference*
No change.	No change.	No change.	**Repeal.**

NEW EXEC Sec. 23h - Mathematics Pathways

(1) Appropriates $12,000,000.00 SAF for 2026-2027 only for mathematics instruction.

(2) Allocates $3,000,000 for professional learning in early mathematics (PreK–5), including instructional and leadership coaching.

(3) Allocates $9,000,000 to fund early mathematics specialists in intermediate districts to support PreK–5.

(4) Requires an annual report by September 1 to legislative and budget leaders assessing the impact of funds on math instruction and learning at ISD, district, and student levels.

(6) Funds are available through September 30, 2029, with unexpended funds returned by October 30, 2030, notwithstanding section 18a.

Executive	*Senate*	*House*	*Conference*

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $12,000,000.00 in FY 2026-27 only to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts in this state for the purpose of this section. Funding must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to do all of the following	**(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $12,000,000.00 for 2026-2027 only to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts in this state for the purpose of this section. Funding must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, for the purposes described in this section.**	Not included.	Not included.
(2) Provide up to $3,000,000.00 for professional learning opportunities for mathematics educators, including instructional and leadership coaching, designed to strengthen early mathematics content knowledge and instructional practices among PreK to 5 teachers. Funds must be used for:	**(2) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $3,000,000.00 for professional learning opportunities for mathematics educators, including instructional and leadership coaching, designed to strengthen early mathematics content knowledge and instructional practices among pre-K to 5 teachers. Funds allocated under this subsection must be used for the following:**		
(a) Development of local district professional learning systems that incorporate job-embedded educator learning structures, resources to support local district leadership teams, and the intentional integration of the Michigan integrated continuous improvement process, and the	**(a)** Concur with Governor.		

MiStrategy Bank.			
(b) Professional learning for early math specialists, coaches, administrators, and teachers.	**(b)** Concur with Governor.		
(c) Implementation of statewide and regional professional learning networks in early mathematics instruction.	**(c)** Concur with Governor.		
(d) Development and support of tools to support the implementation at the intermediate district and district levels.	**(d)** Concur with Governor.		
(3) Provide up to $9,000,000.00 to fund early mathematics specialists within intermediate districts to assist teachers, school leaders, and intermediate district leaders in implementing research-based instructional strategies for Pre-K to 5 students. To be eligible to receive funding under this section, an intermediate district must apply to the association referenced in subsection (1) in a form and manner determined by the association.	**(3) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $9,000,000.00 to fund early mathematics specialists within intermediate districts to assist teachers, school leaders, and intermediate district leaders in implementing research-based instructional strategies for grade pre-K to 5 students. All of the following apply to funds allocated under this subsection:**		
(a) The application for funds under this subsection must provide assurances that the early math specialists funded under this subsection demonstrate the following:	**(a) To be eligible to receive funds under this subsection, an intermediate district must apply to the intermediate district described in subsection (1) in a form and manner determined by the intermediate district. The application for funds under this subdivision must provide assurances that the early mathematics specialists funded**		

	under this subsection demonstrate the following:		
(*i*) A deep and broad understanding of mathematics content, including the specialized knowledge needed for teaching.	**(*i*)** Concur with Governor.		
(*ii*) Expertise in effective instructional and assessment practices informed by research-based mathematical learning trajectories.	**(*ii*)** Concur with Governor.		
(*iii*) Knowledge and skills for working with adult learners.	**(*iii*)** Concur with Governor.		
(*iv*) Leadership skills necessary to influence and support educational efforts to improve mathematics teaching and learning.	**(*iv*)** Concur with Governor.		
(b) Funding under this subsection must be awarded as follows:	**(b) Funds allocated under this subsection must be awarded as follows:**		
(*i*) An equal amount per eligible intermediate district necessary to support the cost of one early math specialist, as determined by the intermediate district and association described in subsection (1).	**(*i*)** Concur with Governor.		
(*ii*) After initial distributions under subparagraph (*i*), any remaining funds may be allocated by the association described in subsection (1) to eligible intermediate districts for early math specialists based on regional need,	**(*ii*) After initial distributions under subparagraph (*i*), any remaining funds may be allocated by the intermediate district described in subsection (1) to eligible intermediate districts for early mathematics specialists based on**		

using a rubric developed by the department and the Michigan Association of Intermediate School Administrators Early Mathematics Task Force.	**regional need, using a rubric developed by the department and the Michigan Association of Intermediate School Administrators Early Mathematics Task Force.**		
(4) By not later than September 1 of each year, the intermediate district and the association described in subsection (1), in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report must include, at a minimum, an assessment of the impact of funds allocated in this section on mathematics instruction and learning at the intermediate district, district, and student level.	**(4)** Concur with Governor.		
(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	**(5)** Concur with Governor.		
(6) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2029. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2030.	**(6)** Concur with Governor.		

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 24 - Court-Placed Children			
Appropriates $7,650,000 in FY 2025-26 to reimburse districts for the additional costs of educating students placed in the district by the court system.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.
Sec. 24a - Juvenile Detention Facility Programs			
Appropriates $1,355,700 in FY 2025-26 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.
Sec. 25f - Strict Discipline Academies			
Allocates $1,6000,000 in FY 2025-26 for strict discipline academies to compensate for the added cost for court placed pupils. The total amount allocated is equal to the strict discipline academy's or qualified district's pupil membership in the immediately preceding year multiplied by an amount calculated by dividing the total allocation under the section by the total pupil membership for eligible strict discipline academies and qualified districts in the immediately preceding year.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.
Sec. 25g - Dropout Recovery Program			
Appropriates $1,250,000 SAF in FY 2025-26 to pay for any additional FTE beyond 1.0 in eligible dropout recovery programs. Proration language is included if funding is not sufficient.			
Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	Appropriates **$750,000** SAF in FY 2026-27.	**Repeal.**
Sec. 26a - Renaissance Zone Reimbursements			
In FY 2025-26, appropriates $14,000,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.			
Executive	*Senate*	*House*	*Conference*
From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $14,000,000.00 in FY 2025-26 to reimburse districts and intermediate	Concur with Governor.	Concur with Governor.	Concur with Governor.

districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2024.~~ **2025, and an amount not to exceed $14,000,000.00 in FY 2026-27 to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2026.**			

Sec. 26b - PILT Reimbursement

Appropriates $5,549,000 in FY 2025-26 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

Sec. 26c - Promise Zone Payments

This categorical is necessary to reimburse local districts and ISDs for Promise Zone reimbursements. FY 2025-26 reimbursement is $43,300,000.

Executive	*Senate*	*House*	*Conference*
Appropriates **$48,300,000** in FY 2026-27.	Concur with Governor.	Concur with Governor.	Concur with Governor.

Sec. 26d - Brownfield Redevelopment Reimbursements

Includes funding of $14,400,000 in FY 2025-26 to reimburse ISDs for lost revenue due to Brownfield redevelopment zones.

Executive	*Senate*	*House*	*Conference*
Appropriates **$19,000,000** in FY 2025-26 and **$21,800,000** in FY 2026-27.	Concur with Governor.	Concur with Governor.	Concur with Governor.

Sec. 27a - MI Future Educator Fellowship

Appropriates $25 million ($10 million SAF/$10 million Educator Fellowship Public Provider Fund/$5 million GF/GP) in FY 2025-26 for a Future Educator Scholarship program for students in educator preparation programs. At the close of the fiscal year, unspent funds are deposited into the Educator Fellowship Public (or Private) Provider Fund (as applicable).

(2) Applicant eligibility.

(13) Definition of “eligible educator preparation program”.

Executive	*Senate*	*House*	*Conference*

(1) From the educator fellowship public provider fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, and from the general fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $5,000,000.00 for the MI future educator fellowship program.	(1) From the educator fellowship public provider fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, and from the general fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027 only** an amount not to exceed $5,000,000.00 for the MI future educator fellowship program.	(1) From the educator fellowship public provider fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, **from the educator fellowship private provider fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $1,800,000.00,** from the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,000,000.00, and from the general fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed ~~$5,000,000.00~~ **$3,200,000.00** for the MI future educator fellowship program.	(1) Concur with Senate.
(2) To establish initial eligibility for an award from funding under this section, an individual must meet all of the following conditions by the date of enrollment described in subdivision ~~(b):~~ **(a):** ~~(a) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate.~~	(2) Concur with Governor.	(2) No change.	(2) Concur with Governor.
(7) No change.	(7) No change.	(7) To be an eligible recipient of fellowship funding under this section, an individual must pledge to work as a certified teacher in a public school**, a nonpublic school,** ~~or~~ a qualifying public preschool program**, or a qualifying nonpublic preschool program** in this state and must meet 1 of the following work requirements:	(7) Concur with House.

		(a) For a recipient of funding under this section who received an award for 1 academic year, 3 years of work as a certified teacher in a public school**, a nonpublic school,** ~~or~~ a qualifying public preschool program**, or a qualifying nonpublic preschool program** in this state. (b) For a recipient of funding under this section who received an award for 2 academic years, 4 years of work as a certified teacher in a public school**, a nonpublic school,** ~~or~~ a qualifying public preschool program**, or a qualifying nonpublic preschool program** in this state. (c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school**, a nonpublic school,** ~~or~~ a qualifying public preschool program**, or a qualifying nonpublic preschool program** in this state.	
(8) No change.	(8) No change.	(8) If an award recipient does not maintain enrollment in their educator preparation program as required under subsection (3)(a), does not successfully complete their educator preparation program, or does not meet the work requirement described in subsection (7), any amount received from funds under this section converts to a 0% interest loan that must be repaid to this state within 10 years**.** ~~, plus any deferment period as determined and approved by the~~	(8) No change.

		~~department of lifelong education, advancement, and potential.~~	
(9) No change.	(9) No change.	(9) No change.	(9) An individual may not concurrently receive funding through programs funded under this section and ~~grow your own~~ programs funded under section 27b.
(13) As used in this section, "eligible educator preparation program" means a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable: **(d) Includes as part of its required educator preparation coursework, pedagogical methods grounded in the science of reading. If an educator preparation program does not meet this standard, the program may maintain eligibility by providing to the department of lifelong education, advancement, and potential a detailed public plan, in a form and manner determined by the department of lifelong education, advancement, and potential, to comply with 2024 PA 147 by no later than September 30, 2027.**	(13) Concur with Governor.	(13) As used in this section, "eligible educator preparation program" means a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable: **(d) Includes all of the following content as part of the institution's educator preparation programming:** **(*i*) A system of training that provides educators with the knowledge base to effectively implement any classwide, supplemental, or intervention reading approach and to determine why some students struggle with reading, writing, spelling, and language.** **(*ii*) Training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly learned skills with students in the classroom.**	(13) Concur with Governor.

		(*iii*) Integrated components for educators in grades K to 5 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subparagraph must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion. **(*iv*) Instruction that builds teacher content knowledge and pedagogical knowledge of the critical components of literacy, including how the brain learns to read, phonological and phonemic awareness, letter knowledge, phonics, advanced phonics, vocabulary and oral language, fluency, comprehension, spelling and writing, and the organization of language.** **(*v*) Instruction that supports educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:** **(A) Team-based leadership.** **(B) A tiered delivery system.**	

		(C) Selection and implementation of instruction, interventions, and supports. **(D) A comprehensive screening and assessment system.** **(E) Continuous data-based decision making.**	
(e) Not included.		**(e) Requires completion of the content described in subdivision (d) by all individuals participating in the educator preparation program.**	
(f) Not included.		**(f) Requires completion of the content described in subdivision (d) by all individuals who instruct courses or programs in literacy or reading methods in the educator preparation program.**	
(g) Not included.		**(g) Requires comprehensive knowledge of the science of reading, as that term is defined in section 1280f of the revised school code, MCL 380.1280f, for any individual participating in the educator preparation program who seeks certification or endorsement to become an educator for grades K to 5 in reading instruction, language arts, or special education, as determined by the department.**	
(h) Not included.		**(h) Requires comprehensive knowledge of the science of reading, as that term is defined in section 1280f of the revised school code, MCL 380.1280f, by all individuals who instruct courses or programs in literacy or reading**	

		methods in the educator preparation program.	

Sec. 27b - Grow-Your-Own and Educator Grants

Appropriates $70 million SAF in 2025–26 only for competitive grants that support grow-your-own and educator development programs.

(2) Applicants must show need, outline plans and outcomes, and provide assurances of no-cost, paid training.

(3) Requires biannual public performance reports.

(5) Distributes funds through three tiers based on program maturity, evaluation status, and scope, each with specific funding limits, timelines, and criteria.

(6) Tier 1 grants, capped at $50 million with at least one grant of $40 million or more, support long-standing, independently evaluated, geographically broad programs with private matching funds.

(7) Tier 1 funds may be spent through September 30, 2029, with unspent funds returned by October 30, 2029.

(8) Tier 2 grants support mid-stage programs with at least three years of operation, promising results, geographic diversity, and prior private funding.

(9) Tier 2 grant awards may not exceed $12.5 million per year.

(10) Tier 2 funds may be spent through September 30, 2027, with unspent funds returned by October 30, 2027.

(11) Tier 3 grants fund early-stage or pilot programs with limited scope and a documented plan for future expansion.

(12) Tier 3 grant awards may not exceed $5 million per year.

(13) Tier 3 funds may be spent through September 30, 2027, with unspent funds returned by October 30, 2027.

(14) Individuals may not receive funding simultaneously under this section and sections 27a or 27c.

(15) MDE must issue grant payments by December 15, 2025.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated in FY ~~2025-26~~ **FY 2026-27** only an amount not to exceed ~~$70,000,000.00~~ **$60,000,000.00** to districts, intermediate districts, and consortia of intermediate districts for grow your own programs ~~and educator development programs~~ as described in this section**.** ~~and subject to subsection (5).~~	(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $70,000,000.00 to districts, intermediate districts, and consortia of intermediate districts for grow your own programs and educator development programs as described in this section and subject to subsection (5)**, and there is allocated for 2026-2027 only an amount not to exceed $25,000,000.00 to districts,**	No change.	(1) Concur with Senate.

	intermediate districts, and consortia of intermediate districts for grow your own programs, educator workforce innovation programs, and educator development and retention programs as described in this section.		
(2) … As part of the application described in this subsection, a district, intermediate district, or consortium of intermediate districts must submit the following information and assurances:	(2) … As part of the application described in this subsection, a district, intermediate district, or consortium of intermediate districts must submit the following information and assurances:		(2) … As part of the application described in this subsection, a district, intermediate district, or consortium of intermediate districts must submit the following information and assurances:
(a) No change.	(a) Demonstrated need for funding in the district, intermediate district, or consortium of intermediate districts or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be utilized that includes, but is not limited to, **administrative costs,** expected tuition, fees, and books for the program.		(a) Demonstrated need for funding in the district, intermediate district, or consortium of intermediate districts or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be utilized that includes, but is not limited to, **administrative costs,** expected tuition, fees, and books for the program. **Funds used for administrative costs must not exceed 10% of funds received through an award under this section. As used in this subdivision, "administrative costs" includes only costs associated with teacher recruitment, retention, development, innovation, and evaluation.**
(d) Projected outcomes of programs described in this section, which must include, but are not limited to, the following:	(d) Projected outcomes of programs described in this section, which must include, but are not limited to, the following:		(d) Concur with Senate.
(*iv*) Demonstration of addressing	**(*iv*) Beginning in 2026-2027,**		

projected workforce needs.	**demonstration of addressing projected workforce needs.**		
(f) Assurances that any educator preparation program partnering with the district, intermediate district, or consortium of intermediate districts to support a grow your own program under this section is approved by the department for the preparation of teachers in this state.	**(f) Beginning in 2026-2027, assurances that any educator preparation program partnering with the district, intermediate district, or consortium of intermediate districts to support a grow your own program under this section is approved by the department for the preparation of teachers in this state.**		**(f) Beginning in 2026-2027, assurances that any educator preparation program partnering with the district, intermediate district, or consortium of intermediate districts to support a grow your own program under this section satisfies at least 1 of the following:** **(*i*) Is approved by the department for the preparation of teachers in this state.** **(*ii*) Satisfies both of the following:** **(A) Holds national accreditation from the Council for the Accreditation of Education Preparation or the Association for Advancing Quality in Educator Preparation.** **(B) Leads to licensure in this state.**
(5) Grant awards under this section must be structured into 3 tiers, as described in subsections (6), ~~(8),~~ **(7),** and ~~(11).~~ **(8), or for the purposes described in subsection (9). The department shall award grants in a quantity and magnitude such that the allocation in subsection (1) is distributed over 3 fiscal years, beginning in FY 2026-27.** .	(5) Grant awards under this section must be structured into 3 tiers, as described in subsections (6), ~~(8),~~ **(9),** and ~~(11).~~ **(12), or be used for the purposes described in subsection (17).**		(5) ~~Grant~~ **For 2025-2026 only, grant** awards under this section must be structured into 3 tiers, as described in subsections (6), (8), and (11). **Beginning in 2026-2027, grant awards under this section must be structured into 4 tiers, as described in subsections (6), (8), (11), and (14), or be used for the purposes described in subsection (17).**
(6) ~~Funding for tier 1 grant awards must not exceed $50,000,000.00,~~	(6) ~~Funding~~ **For 2025-2026 only, funding** for tier 1 grant awards must		(6) ~~Funding~~ **For 2025-2026 only, funding** for tier 1 grant awards must

~~unless otherwise directed by the legislature. The department shall allocate at least 1 tier 1 grant of not less than $40,000,000.00.~~ Tier 1 grants must sustain or further scale grow your own programs or educator development programs that meet all of the following criteria:	not exceed $50,000,000.00, unless otherwise directed by the legislature. ~~The~~ **In 2025-2026, the** department shall allocate at least 1 tier 1 grant of not less than $40,000,000.00. ~~Tier~~ **Subject to subsection (7), tier** 1 grants must sustain or further scale grow your own programs or educator development programs that meet all of the following criteria:		not exceed $50,000,000.00, unless otherwise directed by the legislature. ~~The~~ **In 2025-2026, the** department shall allocate at least 1 tier 1 grant of not less than $40,000,000.00. ~~Tier~~ **For 2026-2027 only, funding for tier 1 grant awards must not exceed $8,000,000.00. Tier** 1 grants must sustain or further scale ~~grow your own programs or educator development~~ programs that meet all of the following criteria**, as applicable**:
(a) Have been in operation in this state for at least 5 years, and evaluated for at least 2 years by a rigorous, independent Michigan-based evaluator, and results of the program have been made publicly available.	(a) ~~Have~~ **For 2025-2026 only, have** been in operation in this state for at least 5 years, and evaluated for at least 2 years by a rigorous, independent Michigan-based evaluator, and results of the program have been made publicly available.		(a) Concur with Senate.
(b) Have at least 2 consecutive years of public financial audits of the program with no material findings.	(b) ~~Have~~ **For 2025-2026 only, have** at least 2 consecutive years of public financial audits of the program with no material findings.		(b) Concur with Senate.
(c) Demonstrate broad geographic reach and investment into teachers and school leaders at every experience level, in partnerships established with not fewer than 15 local education agencies across both urban and rural regions, ~~that extend back to the start of the FY 2023-24 school year,~~ bound by written agreements that include data sharing with an independent evaluator for evaluation purposes.	(c) ~~Demonstrate~~ **For 2025-2026 only, demonstrate** broad geographic reach and investment into teachers and school leaders at every experience level, in partnerships established with not fewer than 15 local education agencies across both urban and rural regions, that extend back to the start of the 2023-2024 school year, bound by written agreements that include data sharing with an independent evaluator for evaluation purposes.		(c) Concur with Senate.
(d) Generate private matching funds.	(d) ~~Generate~~ **For 2025-2026 only, generate** private matching funds.		(d) Concur with Senate.

(e) Not included.	**(e) For 2026-2027, have been in operation at least 3 years.**		**(e)** Concur with Senate.
(f) Not included.	**(f) For 2026-2027, demonstrate a proven track record of success, as evidenced by internal data showing both of the following:**		**(f) For 2026-2027, demonstrate a proven track record of success, as evidenced by internal data showing both of the following:**
	(i) High rates of educator retention within the profession or participating districts after program completion.		**(*i*) High rates of educator retention within the program, the profession, or participating districts after program completion.**
	(ii) Active and ongoing engagement and partnership with school districts in each of the state's intermediate districts.		**(*ii*)** Concur with Senate.
(g) Not included.	**(g) For 2026-2027, operate as a statewide program, demonstrating the ability to serve a geographically diverse population, including both urban and rural areas.**		**(g)** Concur with Senate.
(h) Not included.	**(h) For 2026-2027, have a demonstrated track record of receiving private philanthropic or corporate funding.**		**(h)** Concur with Senate.
(7) Not included.	**(7) For 2025-2026 only, tier 1 grants under subsection (6) may be used to support operating costs associated with teacher recruitment, retention, development, innovation, and evaluation costs.**		**(7)** Not included.
~~(7) Notwithstanding section 18a, funds allocated for programs described in subsection (6) may be available for~~	**(8)** ~~(7)~~ Notwithstanding section 18a, funds allocated **in 2025-2026** for programs described in subsection (6)		(7) Concur with Senate.

~~expenditure until September 30, 2029. A recipient of funding for a program described in subsection (6) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.~~	may be available for expenditure until September 30, 2029. A recipient of funding for a program described in subsection (6) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.		
(7) ~~(8)~~ No change.	**(9)** ~~(8)~~ Tier 2 grants must scale or sustain grow your own programs or educator development programs that meet all of the following criteria: (a) ~~Have~~ **For 2025-2026 only, have** been in operation for at least 3 years.		(8) Tier 2 grants must scale or sustain ~~grow your own programs or educator development~~ programs that meet all of the following criteria**, as applicable**: (a) Concur with Senate.
	(b) ~~Demonstrate~~ **For 2025-2026 only, demonstrate** promising internal results, but are not yet supported by an independent evaluation.		(b) Concur with Senate.
	(c) ~~Serve~~ **For 2025-2026 only, serve** a geographically diverse population, including both urban and rural areas.		(c) Concur with Senate.
	(e) For 2026-2027, have been in operation for at least 4 years.		**(e)** Concur with Senate.
	(f) Not included.		**(f) For 2026-2027, be a Michigan-based nonprofit organization organized under section 501(c)(3) of the internal revenue code, 26 USC 501.**
	(f) For 2026-2027, serve both K to 12 and the early childhood educator pipelines in a geographically diverse population, including both urban and rural areas.		**(g)** Concur with Senate.
	(g) For 2026-2027, demonstrate		**(h) For 2026-2027, demonstrate**

	promising internal results and have contracted with a third-party vendor.		**promising internal results and have contracted with a third-party research agency.**
	(h) For 2026-2027, have a demonstrated track record of launching grow your own programs with more than 100 participants in geographically diverse areas of the state.		**(i)** Concur with Senate.
	(i) For 2026-2027, have partnered with at least 6 school districts to adopt innovative staffing models, including strategic staffing.		**(j) For 2026-2027, have partnered with at least 9 districts and a national nonprofit strategic staffing organization to adopt innovative staffing models, including strategic staffing.**
	(j) For 2026-2027, have led at least 1 program that supports updates and improvements to educator preparation programs.		**(k) For 2026-2027, have led at least 1 program that develops school district talent leaders with national best practices and is degree-granting.**
	(*l*) Not included.		**(*l*) For 2026-2027, has partnered with at least 5 of Michigan's educator preparation programs to improve teacher preparation, teacher candidate experience, and outcomes.**
~~(9) Grant awards for programs described in subsection (8) must not exceed $12,500,000.00 per year.~~	**(10)** ~~(9) Grant~~ **For 2025-2026 only, grant** awards for programs described in subsection ~~(8)~~ **(9)** must not exceed $12,500,000.00 per year.		(9) ~~Grant~~ **For 2025-2026 only, grant** awards for programs described in subsection (8) must not exceed $12,500,000.00 per year. **For 2026-2027 only, funding for tier 2 grant awards must not exceed $8,000,000.00.**
~~(10) Notwithstanding section 18a, funds allocated for programs~~	**(11)** ~~(10)~~ Notwithstanding section 18a, funds allocated **in 2025-2026** for		(10) Notwithstanding section 18a, funds allocated **in 2025-2026** for

~~described in subsection (8) may be available for expenditure until September 30, 2027. A recipient of funding for a program described in subsection (8) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.~~	programs described in subsection ~~(8)~~ **(9)** may be available for expenditure until September 30, 2027. A recipient of funding **in 2025-2026** for a program described in subsection ~~(8)~~ **(9)** must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.		programs described in subsection (8) may be available for expenditure until September 30, 2027. A recipient of funding **in 2025-2026** for a program described in subsection (8) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.
(8) ~~(11)~~ Tier 3 grants must fund pilot-stage or early-stage grow your own programs or educator development programs that meet all of the following criteria:	**(12)** ~~(11)~~ Tier 3 grants must fund pilot-stage or early-stage grow your own programs or educator development programs that meet all of the following criteria:		(11) Tier 3 grants must ~~fund pilot-stage or early-stage~~ **scale or sustain** ~~grow your own programs or educator development~~ programs that meet all of the following criteria**, as applicable**:
~~(a) Have been in operation for fewer than 2 years.~~	(a) ~~Have~~ **For 2025-2026 only, have** been in operation for fewer than 2 years.		(a) Concur with Senate.
(a) ~~(b)~~ Do not yet have independent evaluation data available.	(b) Do not yet have independent evaluation data available.		(b) ~~Do~~ **For 2025-2026 only, do** not yet have independent evaluation data available.
(b) ~~(c)~~ Are limited in scope or geography.	(c) Are limited in scope or geography.		(c) ~~Are~~ **For 2025-2026 only, are** limited in scope or geography.
(c) ~~(d)~~ Include a documented path to scale or expand the program to serve more educators or additional districts.	(d) Include a documented path to scale or expand the program to serve more educators or additional districts.		(d) ~~Include~~ **For 2025-2026 only, include** a documented path to scale or expand the program to serve more educators or additional districts.
(e) Not included.	**(e)** Not included.		**(e) For 2026-2027, have been in operation for at least 3 years.**
(f) Not included.	**(f)** Not included.		**(f) For 2026-2027, have an independent evaluation partnership with promising results.**
(g) Not included.	**(g)** Not included.		**(g) For 2026-2027, are a regional consortium model led by an**

			intermediate district serving between 97,000 and 103,000 students, partnering with not fewer than 35 districts and a regional educator preparation program approved by the department for the preparation of teachers in this state.
(h) Not included.	**(h)** Not included.		**(h) For 2026-2027, include a documented path to deepen regional impact or support replication of the program model in additional regions of the state.**
~~(12) Grant awards for programs described in subsection (11) must not exceed $5,000,000.00 per year.~~	**(13)** ~~(12) Grant~~ **For 2025-2026 only, grant** awards for programs described in subsection ~~(11)~~ **(12)** must not exceed $5,000,000.00 per year.		(12) ~~Grant~~ **For 2025-2026 only, grant** awards for programs described in subsection (11) must not exceed $5,000,000.00 per year. **For 2026-2027 only, funding for tier 3 grant awards must not exceed $3,000,000.00.**
(14) Not included.	**(14)** Not included.		**(14) Beginning in 2026-2027, tier 4 grants must fund pilot-stage, early-stage, or small programs that meet both of the following criteria:** **(a) Do not yet have independent evaluation data available.** **(b) Are limited in scope or geography.**
(9) From the amount allocated in subsection (1), an amount not to exceed $3,000,000.00 may be awarded by the department for school librarian specialist certification grants. These grants may be awarded to eligible grow your own programs, educator	**(17)** Concur with Governor.		**(16) From the state school aid fund money allocated in subsection (1) for 2026-2027, an amount not to exceed $3,000,000.00 may be awarded by the department for school librarian specialist certification grants. These grants may be awarded to programs that**

development programs, or other programs that provide a pathway for certified teachers to receive a school librarian specialist (NQ) endorsement from the department. In awarding grants under this subsection, the department shall prioritize awards for applicants serving in schools that have libraries but do not have staff with an NQ endorsement.			**provide a pathway for individuals to receive a school librarian specialist (NQ) endorsement from the department. In awarding grants under this subsection, the department shall prioritize awards for applicants serving in schools that have libraries but do not have staff with a school librarian or equivalent endorsement.**
(13) No change.	**(14)** ~~(13)~~ Notwithstanding section 18a, funds allocated **in 2025-2026** for programs described in subsection ~~(11)~~ **(12)** may be available for expenditure until September 30, 2027. A recipient of funding for a program described in subsection ~~(11)~~ **(12)** must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.		(13) No change.
(10) ~~(13)~~ Notwithstanding section 18a, funds allocated for programs described in ~~subsection (11)~~ **this section** may be available for expenditure ~~until September 30, 2027.~~ **for up to 3 fiscal years after the fiscal year in which funds were made available to the program.** A recipient of funding for a program ~~described in subsection (11)~~ **under this section** must return any unexpended funds to the department in a manner **and timeframe** prescribed by the department**.** ~~by not later than October 30, 2027.~~	**(15) Notwithstanding section 18a, funds allocated in 2026-2027 for programs described in this section may be available for expenditure for up to 3 fiscal years after the fiscal year in which funds were made available to the program. A recipient of funding for a program under this section must return any unexpended funds to the department in a manner and time frame prescribed by the department.**		**(15)** Not included.
(12) ~~(15)~~ Notwithstanding section 17b,	**(18)** ~~(15)~~ Notwithstanding section 17b,		**(17)** ~~(15)~~ Concur with Senate.

the department shall make payments under this section ~~by not later than December 15, 2025.~~ **on a schedule determined by the department.**	the department shall make payments under this section by not later than December 15, ~~2025.~~**2026.**		
(13) The funds allocated under this section in FY 2026-27 are a work project appropriation, and any unexpended funds in FY 2026-27 are carried forward into FY 2027-28. The purpose of the work project is to continue funding supports for grow your own educator programs. The estimated completion date of the work project is September 30, 2031.	**(19)** Concur with Governor.		**(13)** Not included.

Sec. 27c - MI Future Educator Student Teacher Stipends

Appropriates $50,000,000 ($30 million SAF/$20 million Educator Fellowship Public Provider Fund) in FY 2025-26 for districts and ISDs for compensation for student teachers. At the close of the fiscal year, unspent funds are deposited into the Educator Fellowship Public Provider Fund.

(7) Definition of “eligible educator preparation program”.

Executive	*Senate*	*House*	*Conference*
(1) Update fiscal years.	Concur with Governor.	(1) From the state school aid fund money appropriated in section 11, there is allocated $30,000,000.00 for ~~2025-2026 and~~ **2026-2027,** from the educator fellowship public provider fund money appropriated in section 11, there is allocated $20,000,000.00 for ~~2025-2026~~ **2026-2027, and from the educator fellowship private provider fund money appropriated in section 11, there is allocated $12,500,000.00 for 2026-2027** for the MI future educator student teacher stipend program.	(1) From the state school aid fund money appropriated in section 11, there is allocated $30,000,000.00 for ~~2025-2026 and~~ **2026-2027,** from the educator fellowship public provider fund money appropriated in section 11, there is allocated $20,000,000.00 for ~~2025-2026~~ **2026-2027, and from the educator fellowship private provider fund money appropriated in section 11, there is allocated $7,000,000.00 for 2026-2027** for the MI future educator student teacher stipend program.

(2) No change.		(2) An eligible student teacher under this subsection must meet all of the following: (a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, and be participating in required student teaching coursework. As used in this subdivision, "required student teaching coursework" means credit hours, or the program equivalent, required by an eligible educator preparation program for successful completion of the program. This coursework must include regular placement in a district **or nonpublic school** where the student gains real-world, first-hand experience working in a classroom, teaching students, engaging in the day-to-day activities of a certified teacher, and working daily under the guidance of a certified teacher. (b) The individual must timely complete an application in a form and manner prescribed by the department of lifelong education, advancement, and potential. The application must include the district **or nonpublic school** in which the individual is working as a student teacher and must include a certification by the district **or nonpublic school** and the individual's eligible educator preparation program that the student is working as a student teacher. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the district **or**	(2) Concur with House.

		nonpublic school in which the individual is working must also provide an assurance that they will forward any amount received under this section from the department of lifelong education, advancement, and potential for purposes of the program described in this section to the individual's eligible educator preparation program. (d) If an individual is employed by their district **or nonpublic school** as a teacher of record, they are not eligible for payment under this section.	
(3) No change.		(3) The department of lifelong education, advancement, and potential shall pay each eligible educator preparation program an amount not to exceed $9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of lifelong education, advancement, and potential shall pay an amount not to exceed $9,600.00 per academic semester to the district **or nonpublic school** in which the individual is working as a student teacher, and that district **or nonpublic school** must forward the amount received to the individual's eligible educator preparation program. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.	(3) Concur with House.

(6) No change.		(6) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d **and from the educator fellowship private provider fund in section 27e** the amount necessary to fully fund the programs described in this section. The state budget director shall notify the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies of any additional appropriation described in this subsection.	(6) Concur with House.
(7) Not included.		**(7) Any funds provided to or on behalf of an individual who is completing the required placement under subsection (2) at a nonpublic school must be paid from the educator fellowship private provider fund created under section 27e.**	**(7)** Concur with House.
(7) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:		**(8)** ~~(7)~~ As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:	(7) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:
(d) Includes as part of its required educator preparation coursework, pedagogical methods grounded in the science of reading. If an educator preparation program does not meet this standard, the program may maintain eligibility by providing to the department of lifelong education, advancement, and potential a detailed public plan,		**(d) Includes all of the following content as part of the institution's educator preparation programming:** **(*i*) A system of training that provides educators with the knowledge base to effectively implement any classwide, supplemental, or intervention reading approach and to determine**	(d) Concur with Governor.

in a form and manner determined by the department of lifelong education, advancement, and potential, to comply with 2024 PA 147 by no later than September 30, 2027.		**why some students struggle with reading, writing, spelling, and language.** **(*ii*) Training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly learned skills with students in the classroom.** **(*iii*) Integrated components for educators in grades K to 5 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subparagraph must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.** **(*iv*) Instruction that builds teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness, letter knowledge, phonics, advanced phonics, vocabulary and oral language, fluency, comprehension, spelling and writing, and the organization of language.**	

		(*v*) Instruction that supports educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components: **(A) Team-based leadership.** **(B) A tiered delivery system.** **(C) Selection and implementation of instruction, interventions, and supports.** **(D) A comprehensive screening and assessment system.** **(E) Continuous data-based decision making.**	
(e) Not included.		**(e) Requires completion of the content described in subdivision (d) by all individuals participating in the educator preparation program.**	
(f) Not included.		**(f) Requires completion of the content described in subdivision (d) by all individuals who instruct courses or programs in literacy or reading methods in the educator preparation program.**	
(g) Not included.		**(g) Requires comprehensive knowledge of the science of reading, as that term is defined in section 1280f of the revised school code, MCL 380.1280f, for any individual participating in the educator preparation program who**	

(h) Not included.		**seeks certification or endorsement to become an educator for grades K to 5 in reading instruction, language arts, or special education, as determined by the department.** **(h) Requires comprehensive knowledge of the science of reading, as that term is defined in section 1280f of the revised school code, MCL 380.1280f, by all individuals who instruct courses or programs in literacy or reading methods in the educator preparation program.**	

Sec. 27d - Educator Fellowship Public Provider Fund

Creates the fund as a separate account within the School Aid Fund. Money may be appropriated for the MI Future Educator Fellowship for students attending public universities.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	No change.	(1) The educator fellowship public provider fund is created as a separate account within the state school aid fund for the purpose of improving the educator workforce through recruitment efforts for students attending public educator preparation programs **and through the provision of professional learning as described under section 35a(10)**. (5) The department of treasury shall expend money from the educator fellowship public provider fund, upon appropriation, for the purposes described in section 27a for students admitted to public educator preparation programs**,** ~~and~~ for the purposes described in section 27c**, and for the purposes described in**

			section 35a(10).
Sec. 27j - Student Loan Repayment Assistance Reserve Fund Creates a non-lapsing reserve fund within the School Aid Fund to hold, invest, and carry forward appropriated and unspent state money for the student loan repayment assistance program, with expenditures only by specific appropriation and Treasury administering and auditing the fund.			
Executive	*Senate*	*House*	*Conference*
(1) No change.	(1) The student loan repayment assistance reserve fund is created as a separate account within the state school aid fund**.** ~~to provide supplemental funding for the student loan repayment assistance program in section 27k.~~	(1) The student loan repayment assistance reserve fund is created as a separate account within the state school aid fund to provide supplemental funding for the student loan repayment assistance program in **former** section 27k.	(1) Concur with Senate
(3) Money in the student loan repayment assistance reserve fund at the close of the fiscal year ~~remains in the student loan repayment assistance reserve fund and does not~~ **shall** lapse to the state school aid fund.	(3) Concur with Governor.	(3) Concur with Governor.	(3) Concur with Governor.
~~(6) At the close of each fiscal year, unspent funds from state sources allocated in section 27k must be deposited into the student loan repayment assistance reserve fund created in this section.~~	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.
Sec. 27k - Student Loan Repayment Assistance Program Appropriates $25,000,000 in FY 2024-25 only ($24.4 million SAF / $600,000 GF/GP) to help district and ISD employees who work directly with students to repay their student loans. Payments are capped at the lesser of actual loan payments or $200 per month, or up to $400 per month if the employee works in a high-need district (greater than 85% at-risk).			
Executive	*Senate*	*House*	*Conference*
No change.	**Repeal.**	**Repeal.**	**Repeal.**
Sec. 27*l* - Salary Incentive Pilot program			

(2) Appropriates $203.0 million SAF in FY 2024-25 only to be distributed equally per pupil and used solely to increase educator pay.

(4) Appropriates $147.3 million from the MPSERS Reform Reserve Fund in FY 2024-25 only to participating entities in proportion to their 2024–25 section 147g funding and used solely to offset normal retiree health benefit costs.

Executive	*Senate*	*House*	*Conference*
Repeal.	(1) From the state school aid fund money appropriated in section 11, there is allocated ~~$203,000,000.00~~ **$150,000,000.00** for ~~2024-2025 only, and from the MPSERS obligation reform reserve fund money appropriated under section 11, there is allocated the remaining balance, estimated at $147,300,000.00 for 2024-2025~~ **2026-2027** only to districts and intermediate districts ~~for the purposes of this section. The state school aid fund allocation in this section is conditional on the effective issuance of a directive by the state budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse all remaining funding from a work project that was established under section 27k in 2023-2024. The amount allocated from the state school aid fund under this section may not exceed the amount lapsed from the work project as described in the immediately preceding sentence.~~ ~~(2) The state school aid fund money allocated in subsection (1) is allocated to districts and intermediate districts~~ in an equal amount per pupil. Subject to subsection ~~(3),~~ **(2),** a district or intermediate district shall use all of the funding allocated under this subsection to increase compensation for educators in the district or	**Repeal.**	(1) Concur with Senate. (2) Concur with Senate.

	intermediate district. ~~(4) The MPSERS obligation reform reserve fund money allocated in subsection (1) is allocated for payments to participating entities to offset normal costs associated with retiree health benefits. The amount allocated to each participating entity under this subsection must be based on the participating entity's proportion of the total funding distributed in 2024-2025 under section 147g. Participating entities must use funding distributed under this subsection as an offset for normal costs associated with retiree health benefits.~~ ~~(6) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to increase compensation for educators and offset normal costs associated with retiree health care benefits. The estimated completion date of the work project is September 30, 2026.~~ **(4) The funds appropriated under this section for payments to educators are intended as 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, payments under this section are not considered compensation for retirement purposes and are not subject to member or employer**		~~(4)~~ Concur with Senate. ~~(6)~~ Concur with Senate. **(4) The funds appropriated under this section for payments to educators are 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, payments under this section are not considered compensation for retirement purposes and are not subject to member or employer contribution**

	contribution requirements under the Michigan public school employees' retirement system (MPSERS). **(5)** ~~(7)~~ As used in this section**,** ~~:~~ ~~(b) "Participating entity" means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~		**requirements under the Michigan public school employees' retirement system (MPSERS).** **(5)** ~~(7)~~ Concur with Senate.

Sec. 27m - National Board Certification Fund

Appropriates $4,000,000 in FY 2023-24 only to give bonuses to teachers who complete national board certification by January 1, 2024. Allocates additional $1,000,000 to reimburse teachers for the costs of certification fees.

Executive	*Senate*	*House*	*Conference*
Repeal.	(1) ~~From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only, $4,000,000.00~~ **Subject to the provisions in this subsection, and in addition to the funds appropriated in section 11, from the state school aid fund, there is appropriated and allocated an amount not to exceed $2,900,000.00** to districts and intermediate districts to fund financial awards to eligible ~~Michigan~~ teachers who hold National Board Certification. **The appropriation and allocation under this subsection is contingent on the effective issuance of a directive by**	**Repeal.**	(1) ~~From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only, $4,000,000.00~~ **Subject to the provisions in this subsection, and in addition to the funds appropriated in section 11, from the state school aid fund, there is appropriated and allocated an amount not to exceed $2,500,000.00** to districts and intermediate districts to fund financial awards to eligible ~~Michigan~~ teachers who hold National Board Certification. **The appropriation and allocation under this subsection is contingent on the effective issuance of a directive by**

	the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse the remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.		**the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, to lapse the remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.**
	~~(3) To be eligible to receive an award, eligible teachers must meet the following, as applicable:~~ ~~(a) Be employed in classroom teaching at least 50% of the teacher's full-time hours, as determined by the district or intermediate district.~~ ~~(b) To receive an award under subsection (4), hold National Board Certification by January 1, 2024.~~		~~(3)~~ Concur with Senate.
	~~(4) Subject to subsection (6), and notwithstanding section 17b, awards under subsection (2) must be paid to the districts and intermediate districts by April 30, 2024.~~		~~(4)~~ Concur with Senate.
	~~(5) If the amount allocated under subsection (1) is insufficient to fully make payments to all eligible participants as required under subsection (1), the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis.~~		~~(5)~~ Concur with Senate.

	(3) ~~(6) If funding remains after the awards under subsection (4) are granted, the~~ **The** department shall grant ~~additional~~ awards under ~~subsection (2)~~ **this section** on a first-come, first-served basis. An eligible teacher ~~may receive more than 1 award under subsection (2), but~~ shall not receive more than 1 award in a single fiscal year.		**(3)** ~~(6)~~ Concur with Senate.
	~~(7) In addition to the funds allocated in subsection (1), an amount not to exceed $1,000,000.00 for 2023-2024 only from the state school aid fund money appropriated in section 11 must be used for eligible teachers to cover National Board for Professional Teaching Standards Certification fees for first-time candidates in Title I schools.~~		~~(7)~~ Concur with Senate.
	~~(8) A district or intermediate district shall apply for funding under subsection (7) in a form and manner determined by the department. The department shall approve applications under subsection (7) on a first-come, first-served basis. Notwithstanding section 17b, awards under subsection (7) must be paid on a schedule determined by the department.~~		~~(8)~~ Concur with Senate.
	(4) ~~(9)~~ The funds allocated under this section for ~~2023-2024~~ **2026-2027** are a work project appropriation, and any unexpended funds for ~~2023-2024~~ **2026-2027** are carried forward into ~~2024-2025.~~ **2027-2028.** The purpose of the work project is to enable and encourage teachers to get National		**(4)** ~~(9)~~ Concur with Senate.

	Board Certification. The estimated completion date of the work project is September 30, ~~2026.~~**2031.** **(5) The funds appropriated under this section are intended as 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, these payments shall not be considered compensation for retirement purposes and are not subject to member or employer contribution requirements under the Michigan public school employees' retirement system (MPSERS).**		**(5) The funds appropriated under this section are 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, these payments are not considered compensation for retirement purposes and are not subject to member or employer contribution requirements under the Michigan public school employees' retirement system (MPSERS).**

NEW HOUSE Sec. 27o - Student and Educator Credentialing

Appropriates $4.0 million SAF in FY 2026-27 only to support a statewide digital credentialing initiative that would give CTE students and educators portable, verifiable digital records of skills and achievements, including CTE completion, work-based learning, soft skills, and educator literacy training such as LETRS.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated $4,000,000.00 for 2026-2027 only to an intermediate district to support a statewide digital credentialing initiative for students in CTE programs and educators. The digital credentialing initiative must provide pupils and instructional staff with access to a verifiable, portable, and accessible digital record of skills, competencies, and achievements that may be securely shared with employers, postsecondary institutions, and workforce partners across this state, supporting Michigan's economic workforce**	**(1) From the state school aid fund money appropriated in section 11, there is allocated $3,000,000.00 for 2026-2027 only to an intermediate district to support a statewide digital credentialing initiative for students in CTE programs and educators. The digital credentialing initiative must provide pupils and instructional staff with access to a verifiable, portable, and accessible digital record of skills, competencies, and achievements that may be securely shared with employers, postsecondary institutions, and workforce partners across this state, supporting Michigan's economic workforce**

		competitiveness by improving skills transparency and portability statewide.	**competitiveness by improving skills transparency and portability statewide.**
		(2) Funds received under this section must be awarded to an intermediate district to partner with a nonprofit organization with demonstrated experience in digital credentialing and workforce-aligned talent record systems.	**(2)** Concur with House.
		(3) The digital credentialing initiative must enable CTE students statewide, including program completers and individuals demonstrating proficiency in Perkins V-aligned competencies, to earn verified, portable digital credentials documenting career pathway achievements, workforce readiness, and postsecondary readiness. Credentials shall be aligned to department-approved CTE programs and statewide competency frameworks to ensure consistency and portability across regions.	**(3)** Concur with House.
		(4) The digital credentialing initiative must include, at a minimum, both of the following:	**(4)** Concur with House.
		(a) Development of digital credentials for CTE program completion, work-based learning, youth apprenticeship, and soft skills. All credentials must be stored, including industry-recognized credits. Credentials must be maintained within a	

		statewide credential library to support consistent issuance, validation, and recognition across this state. These achievements must be showcased in a digital, portable portfolio that organizes and displays verified credentials, skills, competencies, and achievements and can be securely shared. **(b) Digital credentials for educators that track literacy professional development for educators, including the completion of LETRS training or other science of reading-based training. Credentials issued for the completion of LETRS training must be competency based, verifiable, and electronically shareable by the educator. Each credential must document the specific level or unit completed and the date of completion.** **(5) The development of digital credentials for CTE program completion described in subsection (4)(a) must align with state and regional workforce and education systems to support Michigan's economic workforce competitiveness and regional talent pipeline needs, while ensuring statewide consistency and portability of credentials. The administering nonprofit organization shall provide statewide implementation support and submit an annual report to the department detailing adoption,**	**(5)** Concur with House.

		credential issuance by type and region, and progress toward improving statewide CTE-to-workforce outcomes.	
		(6) The administering nonprofit organization shall provide participant level data in a form and manner prescribed by the department to support credential issuance, registry reporting, and integration with statewide education data systems. Data submitted under this section must align with statewide education data infrastructure standards, including coordination with MiDataHub and MiGreatDataLake.	**(6)** Concur with House.
		(7) The digital credentialing initiative must annually report to the department, to the extent not otherwise collected through existing reporting systems, the name, personnel identification code, employing district or entity, level or unit completed, date of completion, and credential status for each educator participating in LETRS training funded under section 35a. The department may incorporate this information into a statewide educator workforce profile system.	**(7)** Concur with House.
		(8) Not included.	**(8) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**
		(8) As used in this section:	**(9)** Concur with House.

		(a) "CTE program" means a career and technical education program. **(b) "CTE student" means a pupil enrolled in a career and technical education program.**	

NEW CONF Sec. 27t - Educator-on-Loan Program

Appropriates $500,000 SAF for FY 2026-27 only to assist districts and ISDs to pay for additional costs for participation in the educator-on-loan program.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $500,000.00 to a single or multiple district or intermediate district participating in the educator-on-loan program established by the department. Permissible uses of funds under this section include, but are not limited to, paying additional costs associated with hiring an employee in the Michigan public school employees' retirement system and other employment-related costs, such as employee benefits.** **(2) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to allow educators enrolled in the Michigan public school employees' retirement system to gain state-level experience without leaving the Michigan public school employees'**

			retirement system. The estimated completion date of the work project is September 30, 2028. **(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**

Sec. 28 - Weighted Per-Pupil Education Funding Model

Provides a list of sections that provide some type of additional funding in recognition of differentiated costs of instruction:

Sec. 22d (isolated, rural)

Sec. 22*l* (transportation costs)

Sec. 29 (declining enrollment)

Sec. 31a (at risk)

Sec. 32d (great start readiness program)

Sec. 41 (bilingual education)

Sec. 51c (special education mandated percentages)

Sec. 54d (early on)

Sec. 61a (CTE)

Sec. 61d (CTE incentives)

Executive	*Senate*	*House*	*Conference*
(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in ~~2025-26~~ **2026-27**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections: **(a) Section 22b, weighted**	(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in ~~2025-26~~ **2026-27**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections: **(a) Section 22b, weighted**	(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in ~~2025-2026~~ **2026-2027**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections: **(a)** Not included.	(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in ~~2025-2026,~~ **2026-2027,** the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections: **(a) Section 22b, weighted**

foundation payment for at risk students, $1,372,405,000.00.	**foundation payment, $1,696,087,600.00.**		**foundation payment, $1,627,655,100.00.**
(b) Section 22b, weighted foundation payment for English language learners, $66,532,600.00.	**(b)** Not included.	**(b)** Not included.	**(b)** Not included.
~~(d) Section 31a, at risk, $1,293,655,000.00.~~	~~(d)~~ Concur with Governor.	(d) Section 31a, at risk, ~~$1,293,655,000.00.~~ **$1,358,337,800.00.**	~~(d)~~ Concur with Governor.
~~(f) Section 41, bilingual education for English language learners, $62,732,600.00.~~	~~(f)~~ Concur with Governor.	(f) Section 41, bilingual education for English language learners, ~~$62,732,600.00.~~ **$65,869,300.00**	~~(f)~~ Concur with Governor.
(j) Section 61b, career and technical education, early middle college and career and technical education, $8,868,000.00.	**(h)** Concur with Governor.	**(h)** Not included.	**(h) Section 61b, career and technical education, early middle college and career and technical education, $9,220,400.00.**
~~(j) Section 61d, career and technical education incentives, $13,400,000.00.~~	~~(j)~~ Concur with Governor.	~~(j)~~ Concur with Governor.	~~(j)~~ Concur with Governor.

Sec. 29 - Enrollment Stability Supports

Appropriates $71,000,000 in FY 2025-26 to districts.

Executive	*Senate*	*House*	*Conference*
Appropriates **$125,000,000** in FY 2026-27.	No change.	Appropriates **$71,000,000** in FY 2026-27.	No change.

Sec. 30d - Expanded Breakfast/Lunch Programs

Appropriates $200 million SAF and $1.6 million GF/GP in FY 2025-26 that, when combined with available federal funding, ensures all students in a public school or a participating nonpublic school can receive breakfast and lunch at no cost.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $200,000,000.00 in FY ~~2025-26, and from the general fund money~~	(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $200,000,000.00 in ~~FY 2025-26,~~ **FY 2026-27,** and from the general	(1) Concur with Senate.	(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $200,000,000.00 in ~~FY 2025-26,~~ **FY 2026-27,** and from the general

~~appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 in FY 2025-26 only~~ **FY 2026-27** for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school ~~and nonpublic school~~ pupils in grades pre-K to 12.	fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 in ~~FY 2025-26 only~~ **FY 2026-27** for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school and nonpublic school pupils in grades pre-K to 12.		fund money appropriated in section 11, there is allocated an amount not to exceed ~~$1,600,000.00~~ **$2,000,000.00** in ~~FY 2025-26 only~~ **FY 2026-27** for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school and nonpublic school pupils in grades pre-K to 12.
(2) To receive funding under this section, a participating entity must participate in the National School Lunch Program **and School Breakfast Program** and must do all of the following:	(2) Concur with Governor.	(2) To receive funding under this section, a participating entity must participate in the National School Lunch Program **and School Breakfast Program** and must do all of the following:	(2) Concur with Governor.
(e) No change.		(e) Take all efforts to maximize and implement policies that require parents or **legal** guardians to fill out relevant family income information, in a manner prescribed by the department, for the purposes of determining student eligibility for federal free or reduced cost meal reimbursement rates and CEP eligibility determinations.	
(g) Not included.		**(g) Ensure that the participating entity does not make soda or candy available for purchase by students.**	
(h) Not included.		**(h) Ensure that the participating entity's breakfast or lunch program funded under this section does not make food that contains any of the following ingredients available to students:** **(i) Bromated vegetable oil.** **(ii) Potassium bromate.** **(*iii*) Propylparaben.** **(iv) Titanium dioxide.**	

		(v) Any of the following dyes: **(A) Red 40.** **(B) Green 3.** **(C) Blue 1.** **(D) Blue 2.** **(E) Yellow 6.**	
(6) Not included.		**(6)** Not included.	**(6) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.**
(7) Not included.		**(7)** Not included.	**(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse nonpublic schools for meals as required in this section, there is appropriated from the general pupil support reserve fund created in section 22s the amount necessary, not to exceed $1,000,000.00, to fund these reimbursements.**
(6) No change.		(6) As used in this section: **(a) "Candy" means preparations of sugar, honey, or other sweeteners in combination with chocolate, fruits, nuts, or other ingredients in the form of bars, drops, or pieces. Candy does not include bars, drops, or pieces that contain flour or that require refrigeration.**	**(8)** ~~(6)~~ As used in this section: (a) "CEP" means the Community Eligibility Provision under the Richard B. Russell ~~National School Lunch Act,~~ **national school lunch act,** 42 USC 1751 to 1769j.

		(d) "Soda" means any nonalcoholic beverage that contains natural or artificial sweeteners. Soda does not include a beverage that contains milk or milk substitutes or is greater than 50% vegetable juice or fruit juice by volume.	
(7) No change.		(7) No change.	~~(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.~~

Sec. 31a - At--Risk Programs/Child and Adolescent Health Centers/Vision-Hearing Screening + Dental

Standard At-Risk funding is $1,293,655,000 in FY 2025-26. In addition, vision and hearing is $10,150,000, $1.5 million GF/GP is added for dental screenings, and child and adolescent health services are appropriated at $33,000,000.

(2) Sets eligibility requirements for districts and PSAs, including compliance with early literacy law and implementation of a data-driven, evidence-based multi-tiered system of supports (MTSS).

(3) Allocates most funding to a weighted per-pupil payment based on counts of economically disadvantaged pupils, with detailed rules for calculating eligibility.

(4) Standard at-risk funding is determined by each district's opportunity index score, giving higher per-pupil reimbursements to districts with a higher concentration of at-risk pupils. Reimbursements range from 35% - 47% of the target foundation allowance, and are prorated based on available funding.

(5) Allowable uses of funds.

(6) Requires participating districts with breakfast programs to use up to $10 per eligible pupil to support breakfast program costs.

(7) Child and adolescent health services.

(8) Hearing, vision, and dental screenings.

(9) Requires annual reporting on funded programs, expenditures, pupils served, and TANF match data, with penalties for noncompliance.

(10) Requires districts and PSAs to allow audits of funded programs and repay any disallowed costs.

(11) If more than 40% of pupils are identified as at risk, districts may use funds for evidence-based, school wide reforms.

(12) Permits use of funds for research-based professional development and coaching to support MTSS and early literacy implementation.

(13) Funds may be used for support staff to assist at-risk pupils.

(14) A district or public school academy may use up to 60% of the funds it receives under this section for the following purposes:

(a) Up to 30% to reduce the teacher to pupil ratio in grades K to 3.

(b) Up to 30% to support retention and recruitment efforts that help reduce staff turnover and vacancies of instructional and support staff if the district or public school academy is assigned to opportunity index band 4, 5, or 6.

(15) Requires that funds used under subsection (14) align with needs assessments, prohibit supplanting or administrative costs, and be reported to MDE.

(16) Allows districts qualifying for subsection (14) uses to retain that flexibility for three fiscal years.

(17) Requires districts to annually report to parents on opportunity index funding amounts, distribution, interventions, and feedback mechanisms beginning in FY 2025-26.

(18) Up to 10% of funds may be used toward pre-K services.

(19) Department shall prorate payments if necessary.

(20) Establishes how economically disadvantaged pupil counts are estimated and redistributed if a district is dissolved.

(21) Allows funds to be used for anti-bullying or crisis intervention programs.

(22) Directs collaboration to prioritize assigning Pathways to Potential success coaches to elementary schools with low early literacy proficiency.

(23) In addition to allocation in (1), $10,000,000 is appropriated in FY 2023-24 only for an electronic patient data and health care analytic system.

(24) Defines “at-risk pupil,” “economically disadvantaged,” and “English language learner.”

Executive	*Senate*	*House*	*Conference*
(1) There is allocated in FY ~~2025-26~~ **FY 2026-27** an amount not to exceed ~~$1,336,805,000.00~~ **$43,150,000.00** from the state school aid fund money appropriated in section 11 and an amount not to exceed $1,500,000.00 from the general fund money appropriated in section 11 for ~~payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school~~	~~(1) There is allocated in FY 2025-26 an amount not to exceed $1,336,805,000.00 from the state school aid fund money appropriated in section 11 and an amount not to exceed $1,500,000.00 from the general fund money appropriated in section 11 for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates~~	(1) There is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed ~~$1,336,805,000.00~~ **$1,401,487,800.00** from the state school aid fund money appropriated in section 11 and an amount not to exceed $1,500,000.00 from the general fund money appropriated in section 11 for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school	~~(1)~~ Concur with Senate.

~~graduates are career and college ready, and for~~ the purposes under subsections ~~(7), (8), and (23).~~ **(2) and (3).**	~~are career and college ready, and for the purposes under subsections (7), (8), and (23).~~	graduates are career and college ready, and for the purposes under subsections (7), (8), and ~~(23).~~**(24).**	
~~(2) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7), (8), or (23), the district or public school academy, for grades K to 12, must comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, and must use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement a multi-tiered system of supports that is an evidence-based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports described in this subsection must provide at least all of the following essential components: (a) Team-based leadership. (b) A tiered delivery system. (c) Selection and implementation of instruction, interventions, and supports. (d) A comprehensive screening and assessment system. (e) Continuous data-based decision making.~~	~~(2)~~ Concur with Governor.	(2) No change.	~~(2)~~ Concur with Governor.

~~(3) From the state school aid fund money allocated under subsection (1), there is allocated in FY 2025-26 an amount not to exceed $1,293,655,000.00 to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to a percentage calculated under subsection (4) multiplied by the target foundation allowance for the following, as applicable:~~ ~~(a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:~~ ~~(*i*) The number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.~~ ~~(*ii*) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.~~	~~(3)~~ Concur with Governor.	(3) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed ~~$1,293,655,000.00~~ **$1,358,337,800.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils.	~~(3)~~ Concur with Governor.

~~These calculations must be made at the building level. This subparagraph only applies to an eligible district or eligible public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district or eligible public school academy who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program, divided by the total number of pupils counted in an eligible district or eligible public school academy on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program.~~ ~~(b) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the immediately preceding school year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the~~			

~~pupil membership count day of the current fiscal year.~~ ~~(c) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the current fiscal year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the current fiscal year.~~ ~~(d) If, for a particular fiscal year, the number of membership pupils in a district or public school academy who are determined under subdivision (a) to be economically disadvantaged or to be eligible based on the identified student percentage varies by more than 20 percentage points from the number of those pupils in the district or public school academy as calculated under subdivision (a) for the immediately preceding fiscal year caused by an egregious reporting error by the district or public school academy, the department may choose to have the calculations under subdivision (a) instead be made using the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the~~			

~~immediately preceding fiscal year.~~			
~~(4) Each district or public school academy must be assigned an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under subsection (3) for the district or public school academy and the total number of pupils in the district or public school academy in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district or public school academy must be assigned an opportunity index band as follows:~~ ~~(a) A district or public school academy with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive reimbursement under subsection (3) at a rate of at least 35.0% and less than 36.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 35.0%.~~ ~~(b) A district or public school academy with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive reimbursement under subsection (3) at a rate of at least 36.0% and less than 37.5%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 20, multiplied by the band~~	~~(4)~~ Concur with Governor.	(4) No change.	~~(4)~~ Concur with Governor.

~~adjustment factor applicable to this subdivision, plus 36.0%.~~ ~~(c) A district or public school academy with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive reimbursement under subsection (3) at a rate of at least 37.5% and less than 39.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 37.5%.~~ ~~(d) A district or public school academy with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive reimbursement under subsection (3) at a rate of at least 39.0% and less than 42.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this subdivision, plus 39.0%.~~ ~~(e) A district or public school academy with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive reimbursement under subsection (3) at a rate of at least 42.0% and less than 47.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this subdivision, plus 42.0%.~~			

~~(f) A district or public school academy with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive reimbursement under subsection (3) at a rate of 47.0%.~~ ~~(g) As used in this subsection, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.~~			
~~(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), (8), or (23). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (3), may use the funds it receives under this section for school security or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align to the needs assessment and the multi-tiered system of supports model and, for~~	~~(5)~~ Concur with Governor.	(5) No change.	~~(5)~~ Concur with Governor.

~~funds spent on parent liaison personnel, must connect parents to the school community. A district or public school academy shall not use any of the money received under this section for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year.~~			
~~(6) A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed $10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.~~	~~(6)~~ Concur with Governor.	(6) No change.	~~(6)~~ Concur with Governor.
(2) ~~(7)~~ From the state school aid fund money allocated under subsection (1), there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $33,000,000.00, to support primary health care services provided to children and adolescents up to age 21.	**(1)** ~~(7)~~ From the state school aid fund money ~~allocated under subsection (1),~~ **appropriated in section 11,** there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $33,000,000.00, to support primary health care services provided to children and adolescents up to age 21.	(7) Concur with Governor.	**(1)** ~~(7)~~ Concur with Senate.
(3) ~~(8)~~ From the state school aid fund money allocated under subsection (1), there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,150,000.00 for the state portion of the hearing and vision screenings as	**(2)** ~~(8)~~ From the state school aid fund money ~~allocated under subsection (1),~~ **appropriated in section 11,** there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,150,000.00 for the state portion of the hearing and	(8) Concur with Governor.	**(2)** ~~(8)~~ From the state school aid fund money ~~allocated under subsection (1),~~ **appropriated in section 11,** there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $10,150,000.00 for the state portion of the hearing and

described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under subsection (1), here is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329.	vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the ~~general~~ **state school aid** fund money ~~allocated under subsection (1),~~ **appropriated in section 11,** there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329.		vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money ~~allocated under subsection (1),~~ **appropriated in section 11,** there is allocated for ~~2025-2026~~ **2026-2027** an amount not to exceed $1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329.
(3) No change.	**(3)** Notwithstanding section 17b, the department shall make payments to eligible entities under this ~~subsection~~ **section** on a schedule determined by the department.	(3) No change.	**(3)** Concur with Senate.
~~(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at-risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the~~	~~(9)~~ Concur with Governor.	(9) No change.	~~(9)~~ Concur with Governor.

~~department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.~~			
~~(10) To receive funds under this section, a district or public school academy must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy shall reimburse the state for all disallowances found in the audit.~~	~~(10)~~ Concur with Governor.	(10) No change.	~~(10)~~ Concur with Governor.
(11) Not included.	**(11)** Not included.	**(11) A district or public school academy shall allocate a percentage of dollars received under subsection (3) to each support category building operated by the district or public school academy equal to the quotient of the number of economically disadvantaged students enrolled in each support category building by the total number of economically disadvantaged students in the district or public school academy multiplied by 100.**	**(11)** Not included.

~~(11) Subject to subsections (6), (7), (8), and (23), for schools in which more than 40% of pupils are identified as at-risk, a district or public school academy may use the funds it receives under this section to implement tier 1, evidence-based practices in schoolwide reforms that are guided by the district's comprehensive needs assessment and are included in the district improvement plan. Schoolwide reforms must include parent and community supports, activities, and services, that may include the pathways to potential program created by the department of health and human services or the communities in schools program. As used in this subsection, "tier 1, evidence-based practices" means research based instruction and classroom interventions that are available to all learners and effectively meet the needs of most pupils.~~	~~(11)~~ Concur with Governor.	**(12)** ~~(11)~~ No change.	~~(11)~~ Concur with Governor.
~~(12) A district or public school academy that receives funds under this section may use those funds to provide research based professional development and to implement a coaching model that supports the multi-tiered system of supports framework. Professional development may be provided to district and school leadership and teachers and must be aligned to professional learning standards; integrated into district, school building, and classroom practices; and solely related to the following:~~	~~(12)~~ Concur with Governor.	**(13)** ~~(12)~~ No change.	~~(12)~~ Concur with Governor.

~~(a) Implementing the multi-tiered system of supports required in subsection (2) with fidelity and utilizing the data from that system to inform curriculum and instruction.~~ ~~(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection (2), with fidelity.~~			
~~(13) A district or public school academy that receives funds under subsection (3) may use funds received under subsection (3) for support staff providing services to at-risk pupils.~~	~~(13)~~ Concur with Governor.	**(14)** ~~(13)~~ No change.	~~(13)~~ Concur with Governor.
~~(14) A district or public school academy may use up to 60% of the funds it receives under this section for the following purposes:~~ ~~(a) Up to 30% to reduce the teacher to pupil ratio in grades K to 3.~~ ~~(b) Up to 30% to support retention and recruitment efforts that help reduce staff turnover and vacancies of instructional and support staff if the district or public school academy is assigned to opportunity index band 4, 5, or 6.~~	~~(14)~~ Concur with Governor.	**(15)** ~~(14)~~ No change.	~~(14)~~ Concur with Governor.
~~(15) Funds used as described in subsection (14) must align with the needs assessment and the multi-tiered system of supports model. A district or public school academy shall not use any of the money described in subsection (14) for administrative costs or to supplant existing funding, including, but not limited to, maintaining existing salaries or costs. A district or public school academy~~	~~(15)~~ Concur with Governor.	**(16)** ~~(15)~~ No change.	~~(15)~~ Concur with Governor.

~~shall report its intent to use funds described in subsection (14) to the department by not later than November 1 of the current fiscal year.~~			
~~(16) A district or public school academy determined to be eligible to use a portion of funds received under subsection (3) for the purposes described in subsection (14) retains the ability to use funding for the purposes described in subsection (14) for the fiscal year in which eligibility was determined plus 2 additional fiscal years beyond that fiscal year.~~	~~(16)~~ Concur with Governor.	**(17)** ~~(16)~~ No change.	~~(16)~~ Concur with Governor.
~~(17) Beginning with the fiscal year ending September 30, 2026, and each year thereafter, for a district receiving funding under this section through the opportunity index formula, the district must provide a report to parents or legal guardians that details the amount of funding received under that allocation, how the district distributed that funding in a way to target buildings with the highest needs, and what evidence-based interventions were implemented with those dollars. The report must include a method, including contact information, for parents or legal guardians to provide feedback on the use of these dollars as well as to seek more information about services and interventions available for their children.~~	~~(17)~~ Concur with Governor.	**(18)** ~~(17)~~ No change.	~~(17)~~ Concur with Governor.
~~(18) A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to~~	~~(18)~~ Concur with Governor.	**(19)** ~~(18)~~ No change.	~~(18)~~ Concur with Governor.

~~provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to at-risk pupils.~~			
~~(19) Except as otherwise provided in this subsection, if necessary, the department shall prorate payments under this section, except payments under subsection (7), (8), or (23), by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district. Subject to the availability of funds, if proration is necessary under this subsection, the department must ensure that no district receives an amount less than 11.5% of the target foundation for each economically disadvantaged pupil enrolled in the district.~~	~~(19)~~ Concur with Governor.	**(20)** ~~(19)~~ No change.	~~(19)~~ Concur with Governor.
~~(20) If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.~~	~~(20)~~ Concur with Governor.	**(21)** ~~(20)~~ No change.	~~(20)~~ Concur with Governor.
~~(21) A district or public school academy that receives funds under this section may use funds received under this section to provide an anti-~~	~~(21)~~ Concur with Governor.	**(22)** ~~(21)~~ No change.	~~(21)~~ Concur with Governor.

~~bullying or crisis intervention program.~~			
~~(22) The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential success coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not proficient in English language arts, based upon state assessments for pupils in those grades.~~	~~(22)~~ Concur with Governor.	**(23)** ~~(22)~~ No change.	~~(22)~~ Concur with Governor.
~~(23) From the state school aid fund money appropriated under section 11, there is allocated in FY 2023-24 only an amount not to exceed $10,000,000.00 for an electronic patient data and health care analytic system to be made available to each child and adolescent health center program. The department of health and human services shall collaborate on system implementation with a nonprofit organization exclusively dedicated to serving child and adolescent health center programs in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts, including, but not limited to, technology assessment, design, coordination, and system implementation with child and adolescent health center programs. Funds appropriated under this subsection are a work project appropriation and any unexpended funds in FY 2023-24 are carried forward into FY 2024-25. The purpose~~	~~(23)~~ Concur with Governor.	**(24)** ~~(23)~~ No change.	~~(23)~~ Concur with Governor.

~~of the work project is to continue to implement an electronic patient data and health care analytic system. The estimated completion date of the work project is September 30, 2028.~~			
~~(24) As used in this section:~~ ~~(a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has documentation that the pupil meets any of the following criteria:~~ ~~(*i*) The pupil is economically disadvantaged.~~ ~~(*ii*) The pupil is an English language learner.~~ ~~(*iii*) The pupil is chronically absent as defined by and reported to the center.~~ ~~(*iv*) The pupil is a victim of child abuse or neglect.~~ ~~(*v*) The pupil is a pregnant teenager or teenage parent.~~ ~~(*vi*) The pupil has a family history of school failure, incarceration, or substance abuse.~~ ~~(*vii*) The pupil is an immigrant who has immigrated within the immediately preceding 3 years.~~ ~~(*viii*) The pupil did not complete high school in 4 years and is still continuing in school as identified in the Michigan cohort graduation and dropout report.~~ ~~(*ix*) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.~~ ~~(*x*) Is a pupil who is at risk of not meeting the district's or public school~~	~~(24)~~ Concur with Governor.	**(25)** ~~(24)~~ As used in this section: **(d) "Support category building" means a school building identified by the state accountability system as a comprehensive support and improvement school, additional targeted support school, or targeted support and improvement school.**	~~(24)~~ Concur with Governor.

~~academy's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.~~ ~~(b) "Economically disadvantaged" means a pupil who has been determined eligible for free or reduced-price meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center.~~ ~~(c) "English language learner" means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.~~			

Sec. 31c - Small Class Sizes Program

(1) Appropriates $65.0 million SAF in 2025–2026 only to provide grants for K–3 small-class pilot programs in eligible school buildings.

(2) To qualify, a district must apply to the department, have at least one eligible building, submit a projected budget, and show that at least 30% of its Section 31a funds will support K–3 small classes.

(3) An eligible school building must serve at least one grade K–3, be operated by a K–12 district receiving Section 31a funds, and be located in a district with an opportunity index band of 4 or higher.

(4) No district may receive more than 25% of total funding, allocations must be geographically diverse, and grants must include Muskegon Heights, Benton Harbor, Flint, and Wayne-Westland.

(5) Grant recipients must use funds to maintain or establish K–3 classes averaging no more than 17 students (with a 19-student cap per class) and must devote at least 30% of their 31a funding to this purpose.

(6) Funding provided under this section is intended to be the first year of a two-year funding effort.

(7) Funding is a work project.

(8) The department may issue payments on a schedule it determines, notwithstanding the standard payment requirements in Section 17b.

Executive	*Senate*	*House*	*Conference*
No change.	(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** only an amount not to exceed ~~$65,000,000.00~~ **$50,000,000.00** for grants to eligible districts for pilot programs to maintain or establish small classes in grades K to 3 in eligible school buildings in the district.	(1) No change.	(1) No change.
	(2) To be eligible for a grant under subsection (1), a district must have at least 1 eligible school building and must apply to the department in the form and manner prescribed by the department. A district shall include in its application a projected budget for maintaining or establishing small classes in grades K to 3 and shall demonstrate in the projected budget that at least ~~30%~~ **10%** of the funds received by the district under section ~~31a~~ **22b (4)** will be used to support small classes under this section.	(2) No change.	(2) Concur with Senate.
	(3) For a school building to be considered an eligible school building under subsection (2), the school building must meet all of the following requirements: (a) Operate at least 1 of grades K to 3. (b) Be operated by a district that operates all of grades K to 12 and that receives funds under section ~~31a.~~**22b.** (c) Be located in a district that is in an	(3) No change.	(3) No change.

	opportunity index band, as ~~described in section 31a,~~ **determined under section 6(21),** of 4 or higher.		
	(4) Not more than 25% of the total allocation under this section may be paid to any single district. The department shall make allocations under this section to districts that are geographically diverse, including urban, suburban, and rural districts. ~~Grants issued under this section must be awarded to at least the following districts:~~ ~~(a) Muskegon Heights Public School Academy System.~~ ~~(b) Benton Harbor Area Schools.~~ ~~(c) Flint School District.~~ ~~(d) Wayne-Westland Community School District.~~	(4) No change.	(4) No change.
	(5) A district that receives funds under this section shall use the funds to maintain or establish small classes in grades K to 3 in school buildings of the district for which funds are received under this section. The average class size must be not more than 17 pupils per class, with not more than 19 pupils in any particular class. A district that receives funds under this section shall use at least ~~30%~~ **10%** of the funds the district receives for ~~2025-2026~~ **2026-2027** under section ~~31a~~ **22b (4)** for the purposes of this section.	(5) No change.	(5) A district that receives funds under this section shall use the funds to maintain or establish small classes in grades K to 3 in school buildings of the district for which funds are received under this section. The average class size must be not more than 17 pupils per class, with not more than 19 pupils in any particular class. A district that receives funds under this section shall use at least ~~30%~~ **10%** of the funds the district receives for 2025-2026 under section 31a for the purposes of this section.

	(6) Not included.	**(6) A district that receives funds under this section shall submit to the department, in a form and manner determined by the department, information necessary to evaluate a pilot program funded under this section. The information submitted under this subsection must include, but is not limited to, the following:** **(a) The number of classrooms participating in the pilot program.** **(b) The average number of pupils in a classroom in the pilot program and the average number of pupils in a classroom not participating in the pilot program, disaggregated by grade level.** **(c) A comparison of benchmark assessment results for classrooms participating in the program and classrooms not participating in the program.**	**(6)** Not included.
	(7) Not included.	**(7) By not later than December 1, 2027, the department shall provide a report evaluating the pilot program to the house and senate appropriations subcommittees on school aid, the house and senate standing committees on education, the house and senate fiscal agencies, and the state budget office.**	**(7)** Not included.
	(6) Funding to districts under this section for ~~2025-2026~~ **2026-2027** is intended to be for the first of 2 years of	**(8)** ~~(6)~~ No change.	(6) No change.

	funding. (7) The funds allocated in this section **for 2026-2027** are a work project appropriation, and any unexpended funds for ~~2025-2026~~ **2026-2027** are carried forward into ~~2026-2027.~~ **2027-2028.** The purpose of the work project is to lower class sizes in grades K to 3. The estimated completion date of the work project is September 30, ~~2030.~~**2031.**	**(9)** ~~(7)~~ No change.	(7) No change.

Sec. 31d - School Lunch

Appropriates $29,553,400 SAF in FY 2025-26 to fund the State share of the school lunch programs as required by the *Durant* settlement and includes $923,400,000 Federal.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	Update fiscal years. (5) From the federal funds appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** all available federal funding, estimated at ~~$901,400,000.00~~ **$418,267,600.00** for child nutrition programs and, for ~~2025-2026,~~ **2026-2027,** all available federal funding, estimated at ~~$22,000,000.00,~~ **$100.00,** for food distribution programs.

Sec. 31f - School Breakfast

Appropriates $16,900,000 in FY 2025-26 to provide reimbursement for the State school breakfast program.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	Concur with Governor.

NEW HOUSE Sec. 31j - Ten Cents a Meal

Appropriates $4,000,000 SAF in FY 2026-27 only for a program to support districts in the purchase of locally grown fruits, vegetables, and legumes

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the general fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $200,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,000,000.00 for 2026-2027 only for a program to support districts and nonpublic schools in the purchase of locally grown fruits, vegetables, and legumes as described in this section.** **(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 2% for each partner.** **(3) The department shall develop and implement a competitive grant program for districts and nonpublic schools to assist in paying for the costs incurred by the district or nonpublic school to purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or nonpublic school is based on the number of meals served by the district or nonpublic school during the previous school year under the Richard B. Russell national school lunch act, 42 USC**	**(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,000,000.00 for 2026-2027 only for a program to support districts in the purchase of locally grown fruits, vegetables, and legumes as described in this section.** **(2)** Concur with House. **(3) The department shall develop and implement a competitive grant program for districts to assist in paying for the costs incurred by the district to purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The department shall collaborate with the Michigan department of**

		1751 to 1769j. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and nonpublic schools and electronic information on Michigan agriculture.	**agriculture and rural development to provide training to newly participating schools and electronic information on Michigan agriculture.**
		(4) The goals of the program under this section include improving daily nutrition and eating habits for children through the school and child care settings while investing in Michigan's agricultural and related food business economy.	**(4)** Concur with House.
		(5) A district or nonpublic school that receives a grant under this section shall use those funds for the costs incurred by the district or the nonpublic school to do both of the following:	**(5) A district that receives a grant under this section shall use those funds for the costs incurred by the district to do both of the following:**
		(a) Purchase whole or minimally processed fruits, vegetables, and legumes that meet both of the following:	**(a)** Concur with House.
		(*i*) For each fiscal year, were purchased for use in meals and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between October 1 through September 30 of that fiscal year.	
		(*ii*) Are grown in this state and, if minimally processed, are also processed in this state.	

		(b) Pay for labor and food transportation of locally grown fruits, vegetables, and legumes that directly support the activities and goals of the program described in this section. The amount paid under this subdivision must not exceed 25% of the grant award.	**(b)** Concur with House.
		(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs.	**(6)** Concur with House.
		(7) In awarding grants under this section, the department shall work in consultation with Michigan-based farm-to-school resource organizations to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts or nonpublic schools on plans for educational activities that promote the goals of the program.	**(7) In awarding grants under this section, the department shall work in consultation with Michigan-based farm-to-school resource organizations to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts on plans for educational activities that promote the goals of the program.**
		(8) The department shall give preference to districts or nonpublic schools that propose educational activities that meet 1 or more of the	**(8) The department shall give preference to districts that propose educational activities that meet 1 or more of the following: promote**

		following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.	**healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.**
		(9) In awarding grants, the department shall also consider all of the following:	**(9) In awarding grants, the department shall also consider all of the following:**
		(a) The percentage of children who qualify for free or reduced price school meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.	**(a)** Concur with House.
		(b) The variety of school sizes and geographic locations within the identified prosperity regions.	**(b)** Concur with House.
		(c) Existing or planned collaboration between nonpublic schools, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.	**(c) Existing or planned collaboration between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.**
		(10) As a condition of receiving a grant under this section, a district	**(10) As a condition of receiving a grant under this section, a district**

		or nonpublic school shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or nonpublic school also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or nonpublic school, and school or nonpublic school food service director or directors, also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. By not later than 60 days after the end of the period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district or each nonpublic school shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn.	**shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district and school food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. By not later than 60 days after the end of the period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:**

		The report must include at least both of the following:	
		(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and nonpublic schools. All of the following apply for purposes of this subdivision:	**(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts. All of the following apply for purposes of this subdivision:**
		(*i*) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and nonpublic schools, along with the number of different types of products purchased; school and nonpublic school food purchasing trends identified along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.	**(*i*) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools, along with the number of different types of products purchased; school food purchasing trends identified along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.**
		(*ii*) The district or nonpublic school shall use purchasing data collected for the program and surveys of school and nonpublic school food service directors on the impact and success of the program as the source for the data described in subparagraph (*i*).	**(*ii*) The district shall use purchasing data collected for the program and surveys of school food service directors on the impact and success of the program as the source for the data described in subparagraph (*i*).**

		(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and nonpublic schools and increase their consumption of those foods. All of the following apply for purposes of this subdivision:	**(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and increase their consumption of those foods. All of the following apply for purposes of this subdivision:**
		(*i*) The data used to determine whether this subdivision is met are the number of pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and nonpublic schools; the variety of products served; new items taste-tested or placed on menus; and the increase in pupil willingness to try new local healthy foods.	**(*i*)** Concur with House.
		(*ii*) The district or nonpublic school shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school and nonpublic school food service directors as the source for the data described in subparagraph (*i*).	**(*ii*) The district shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school food service directors as the source for the data described in subparagraph (*i*).**
		(11) The department shall compile the reports provided by districts and nonpublic schools under subsection (10) into 1 legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the	**(11) The department shall compile the reports provided by districts under subsection (10) into 1 legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state**

		house and senate fiscal agencies, and the state budget director. **(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**	**budget director.** **(12)** Concur with House.

Sec. 31n - Mental Health Grants and Administration

Appropriates $106,545,000 from the SAF and $1,300,000 from the GF/GP to support licensed behavioral health providers for general education students. Funding is distributed as follows:

(4) Directs DHHS to amend the state Medicaid plan to secure waivers that generate additional Medicaid matching funds for school mental health and support services.

(6) $87,245,000 for grants to intermediate school districts (ISDs) for the provision of mental health and support services to general education students. The first $56,173,600 is distributed as $1,003,100 to each ISD that distributes a plan approves by MDHHS. There remaining $31,071,400 is distributed on a per-pupil basis to all ISDs.

Executive	*Senate*	*House*	*Conference*
Update fiscal years. (4) The department of health and human services shall ~~amend~~ **ensure that** the state Medicaid plan **continues to be written in a way sufficient** to obtain appropriate Medicaid waivers ~~as necessary for the purpose of generating~~ **to generate** additional Medicaid match funding for school mental health and support services for general education pupils~~, and this expansion is called~~ **through the** Caring for Students (C4S) **expansion**. (6) … From the first $56,173,600.00 of the funds allocated under this subsection, the department shall distribute up to $1,003,100.00 in FY ~~2025-26~~ **FY 2026-27** to each intermediate district that submits a	Concur with Governor.	Update fiscal years. (4) Concur with Governor. (6) Concur with Governor.	Update fiscal years. (4) Concur with Governor. (6) Concur with Governor.

plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section. The department shall distribute the remaining $31,071,400.00 of the funds allocated under this subsection in FY ~~2025-26~~ **FY 2026-27** to intermediate districts **that submit a plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section** on an equal per-pupil basis based on the combined total number of pupils in membership in the intermediate district and its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705. **(15) As used in this section, "general education pupil" may include children served under section 32d and section 32t.**		**(15)** Not included.	**(15)** Concur with Governor.

Sec. 31p - Transforming Research in Action to Improve the Lives of Students (TRAILS)

Appropriates $50.0 million Federal in FY 2022-23 only to implement the TRAILS program, which expands student access to evidence-based school mental health services by training school mental health professionals.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	**Repeal.**	(1) From the ~~federal funding~~ **state school aid fund money** appropriated under section 11, there is allocated for ~~2022-2023~~ **2026-2027** only an amount not to exceed ~~$50,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal~~

			~~recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,~~ **$3,000,000.00** for grants to intermediate districts to implement a ~~TRAILS~~ program as described in subsection (2). (2) The ~~TRAILS~~ program described in this subsection must improve youth access to evidence-based mental health services by training school mental health professionals in effective practices, such as cognitive behavioral therapy and mindfulness. (4) The department shall award, in an equal amount, grants under this section to each intermediate district that has an approved grant application for funding under this section. Intermediate districts must forward to the ~~TRAILS~~ program described in subsection (2) an amount equal to the amount awarded to the intermediate district under this subsection to contract with the ~~TRAILS~~ program. The ~~TRAILS~~ program must use funding received from intermediate districts to satisfy the terms of the contracts with the intermediate districts on a statewide basis. ~~(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for the TRAILS program. The estimated completion~~

			~~date of the work project is December 31, 2026.~~ ~~(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.~~

Sec. 31aa - Mental Health and School Safety Per Pupil Payments

(2) Appropriates $200 million SAF and $14 million GF/GP in FY 2025-26 only for per-pupil grants to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind, for activities to improve student mental health and improve student safety.

(3) Payments must be made in an equal amount per pupil.

(4) Appropriates $50 million SAF and $3.5 million GF/GP in FY 2025-26 only for competitive grants to hire school resource officers.

(5) Appropriates $50 million SAF and $3.5 million GF/GP in FY 2025-26 only for competitive grants to hire mental health professionals.

(6) To receive funding, an eligible district must agree to a full investigation in the event of a mass-casualty incident, including waiving any applicable privileges and fully complying with the investigative process.

Executive	*Senate*	*House*	*Conference*
Appropriates $300 million SAF in FY 2026-27 ($50 million ongoing/$250 million one-time).	Appropriates $300 million SAF in FY 2026-27 only.	Appropriates $300 million SAF in FY 2026-27 ($200 million ongoing/$100 million one-time) and $21 million GF/GP in FY 2026-27 only.	Appropriates $300 million SAF and $10 million GF/GP in FY 2026-27 only.
(2) ~~From the~~ **The** state ~~school aid fund money~~ **funds** allocated in subsection (1)~~, an amount not to exceed $200,000,000.00, and from the general fund money allocated in subsection (1), an amount not to exceed $14,000,000.00~~ may be used to provide payments to districts, intermediate districts, ~~nonpublic schools,~~ and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding under this subsection, for activities to improve student mental health and improve student safety. The allowable	(2) ~~From the~~ **The** state ~~school aid fund money~~ **funds** allocated in subsection (1), an amount not to exceed ~~$200,000,000.00,~~ **$255,000,000** ~~and from the general fund money allocated in subsection (1), an amount not to exceed $14,000,000.00~~ may be used to provide payments to districts, intermediate districts, ~~nonpublic schools,~~ and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding under this subsection, for activities to improve student mental health and improve student safety. The allowable	(2) No change.	(2) From the state school aid fund money allocated in subsection (1), an amount not to exceed ~~$200,000,000.00,~~ **$100,000,000.00,** and from the general fund money allocated in subsection (1), the amount ~~$14,000,000.00~~ **necessary to provide payments to nonpublic schools as calculated under this subsection** may be used to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind ~~that opt in and agree to receive funding under this subsection,~~ for

expenditures of funds under this subsection are as follows:	expenditures of funds under this subsection are as follows:		activities to improve student mental health**.** ~~and improve student safety.~~ **The department shall make payments under this subsection to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind in an amount not to exceed $73.53 per pupil. The total amount allocated for nonpublic schools under this section may not exceed $7,000,000.00.** The allowable expenditures of funds under this subsection are as follows: **(n) Purchasing and implementing an evidence-based character- and relationship-building education program that includes family engagement, service learning, and project-based character development, and that fosters positive student-educator relationships and whole-school culture.** **(3) From the state school aid fund money allocated in subsection (1), an amount not to exceed $200,000,000.00 and from the general fund money allocated in subsection (1), the amount necessary to provide payments to nonpublic schools as calculated under this subsection may be used to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind for activities to improve student safety. Subject to eligibility requirements in**

			subsection (6), the department shall make payments to eligible districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind in an amount not to exceed $147.06 per pupil. The total amount allocated for nonpublic schools under this subsection may not exceed $14,000,000.00. The allowable expenditures of funds under this subsection are as follows:
(s) Emergency infrastructure needs to respond to an immediate threat to the health or safety of students and staff in the district, intermediate district, ~~nonpublic school,~~ or the Michigan Schools for the Deaf and Blind. A district, intermediate district, ~~nonpublic school,~~ or the Michigan Schools for the Deaf and Blind shall not expend funds for this purpose without first obtaining approval from the department. In making a determination of approval, the department shall, at a minimum, assess whether the district, intermediate district, ~~nonpublic school,~~ or the Michigan Schools for the Deaf and Blind is responding to an immediate threat to the health or safety of students and staff, and whether the district, intermediate district, ~~nonpublic school,~~ or the Michigan Schools for the Deaf and Blind has other sources of funding that should be utilized first.	(s) Concur with Governor.	(s) No change.	(s) No change.
(t) A contract with a vendor for a comprehensive safety and security assessment or a comprehensive	(t) Concur with Governor.	(t) No change.	(t) No change.

safety and security event assessment in schools operated by the district, intermediate district, ~~nonpublic school,~~ or the Michigan Schools for the Deaf and Blind.			
(3) By not later than December 31 of each fiscal year, from the state school aid fund money allocated in subsection (1), the department shall make payments to districts, intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each district, intermediate district, and the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding. ~~By December 31 of each fiscal year, from the general fund money allocated in subsection (2), the department shall make payments to nonpublic schools that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each nonpublic school that opts in and agrees to receive funding, using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts.~~ Districts, intermediate districts, **and** the Michigan Schools for the Deaf and Blind~~, and nonpublic schools~~ may opt in and agree to receive funding in a form and manner determined by the department.	(3) Concur with Governor.	(3) By not later than December 31 of each fiscal year, from the state school aid fund money allocated in subsection (1), the department shall make payments to districts, intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding in an ~~equal~~ amount **equal to $146.87** per pupil ~~based on the total number of pupils in membership in each~~ **enrolled in a** district, intermediate district, ~~and~~ **or** the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding **under this section**. By December 31 of each fiscal year, from the general fund money allocated in subsection (2), the department shall make payments to nonpublic schools that opt in and agree to receive funding in an ~~equal~~ amount **equal to $146.87** per pupil ~~based on the total number of pupils in membership in each~~ **enrolled in a** nonpublic school that opts in and agrees to receive funding, using pupil counts determined by the department. ~~The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts.~~ Districts, intermediate districts, the Michigan Schools for the Deaf and Blind, and nonpublic schools may opt in and agree to receive funding in a form and	~~(3) By not later than December 31 of each fiscal year, from the state school aid fund money allocated in subsection (1), the department shall make payments to districts, intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each district, intermediate district, and the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding. By December 31 of each fiscal year, from the general fund money allocated in subsection (2), the department shall make payments to nonpublic schools that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each nonpublic school that opts in and agrees to receive funding, using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts. Districts, intermediate districts, the Michigan Schools for the Deaf and Blind, and nonpublic schools may opt in and agree to receive funding in a form and manner determined by the department.~~

		manner determined by the department.	
~~(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $50,000,000.00, and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00 for competitive grants to districts, intermediate districts, and nonpublic schools for school resource officers and safety dogs. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants who include a spending plan to sustain salaries after grant funding has concluded. Recipients of funding under this subsection shall ensure that any school resource officer hired with these funds has completed training by the Michigan commission on law enforcement standards.~~	(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~$50,000,000.00, and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00 for competitive grants to districts, intermediate districts, and nonpublic schools for school resource officers and safety dogs. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants who include a spending plan to sustain salaries after grant funding has concluded. Recipients of funding under this subsection shall ensure that any school resource officer hired with these funds has completed training by the Michigan commission on law enforcement standards.~~ **$20,000,000.00 for grants to districts to support the efforts of community violence intervention plans to reduce or prevent youth violence. Both of the following apply to grants under this subsection:** **(a) Districts must apply on a competitive basis for funding under this subsection in a form and manner determined by the department. The department shall**	(4) No change.	~~(4)~~ Concur with Governor.

	coordinate with the office of community violence intervention in the department of health and human services to evaluate applications submitted under this section. Awards must be granted based on competitive criteria determined by the department and the department of health and human services but must prioritize grants for local district plans that include comprehensive strategies with demonstrated external partnerships to support successful implementation. **(b) Districts may use funding received under this subsection to contract with nonprofits, community-based organizations, subject matter experts, or other governmental entities to implement a plan to reduce or prevent youth violence. A plan to reduce or prevent youth violence implemented under this subsection must use evidence-based practices, include mentorship and community engagement strategies, and may include, but is not limited to, increased academic, counseling, health, and wrap-around services to youth.**		
~~(5) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $50,000,000.00 and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00~~	(5) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~$50,000,000.00 and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00~~	(5) No change.	~~(5)~~ Concur with Governor.

~~for competitive grants to districts, intermediate districts, and nonpublic schools to hire or contract for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, and counselors. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants that include a spending plan to sustain salaries after grant funding has concluded.~~	~~for competitive grants to districts, intermediate districts, and nonpublic schools to hire or contract for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, and counselors. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants that include a spending plan to sustain salaries after grant funding has concluded.~~ **$25,000,000.00 to districts and intermediate districts that opt in and agree to receive funding on an equal per-pupil basis. All of the following apply to funds received under this subsection:** **(a) Districts and intermediate districts that receive funds under this subsection must implement a behavior warning system described in this subdivision. The department shall select a vendor to provide districts and intermediate districts with a computer-based behavior warning system that meets all of the following requirements:** **(*i*) Provides a common way of identifying and collecting early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools. As used in this subparagraph, "early behaviors that require intervention to prevent abuse, self-harm, or**		

	violence in schools" includes, but is not limited to, any of the following behaviors: **(A) Changes in attendance.** **(B) Changes in academic performance.** **(C) Changes in emotional response.** **(D) Withdrawal.** **(E) The beginning signs of self-harm.** **(F) Problematic peer interaction.** **(G) Discipline concerns that could result in any of the following outcomes:** **(I) Specific interventions, including mental health or behavioral supports.** **(II) Academic support.** **(III) Parent or legal guardian conferences.** **(IV) Discipline referrals.** **(V) Other restorative practices.** **(*ii*) Utilizes tools to inform any behavioral threat assessment and assessment teams.** **(*iii*) Ensures that all information recorded in the computer-based**		

	system remains confidential, in accordance with 20 USC 1232g, commonly referred to as the family educational rights and privacy act of 1974, and state law. **(b) The vendor selected under subdivision (a) must provide school personnel with training to identify warning signs and how to use the computer-based system described in subdivision (a).** **(c) Using funds allocated under this subsection, districts shall implement a technology tool capable of screening visitors against national sex offender registries in all states. The technology tool described in this subdivision must provide a badge to the visitor, and must store a picture of the visitor and a record of the visitor's campus destinations. A district shall request that a visitor provide identification before receiving a badge described in this subdivision. However, a district may accommodate a visitor without any form of identification in a way that aligns with district policy and prioritizes the protection of students, teachers, and staff. As used in this subdivision, "visitor" includes any contractor hired by the district.** **(d) Using funds allocated under this subsection, districts must implement a mobile panic alert system capable of connecting**		

	disparate emergency services technologies to ensure real-time coordination between local and state law enforcement and first responder agencies. The system described in this subdivision must integrate with local public safety answering point infrastructure to transmit 9-1-1 calls and mobile activations. **(e) Districts and intermediate districts may use funds allocated under this subsection for activities and equipment that further promote cardiac emergency response plan preparedness, including, but not limited to, the purchase and maintenance of automated external defibrillators (AEDs), the purchase of CPR training kits or CPR training for faculty and staff, or the purchase of basic first aid training and educational material.**		
(7) No change.	(7) No change.	(7) No change.	~~(7) The department shall use the information received under subsection (6) to compile a report that includes the number of recipients that have hired school resource officers using funds received under this section and any supporting information provided by the recipients. By not later than August 1 of each year, the department shall provide the report compiled under this subsection to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Michigan commission on law~~

			~~enforcement standards.~~
(7) ~~(9)~~ To receive funding under this section, a district, an intermediate district, ~~a nonpublic school,~~ or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation, must affirmatively agree to waive any privilege that may otherwise protect information from disclosure in the event of a mass casualty event, and must agree to comply with a comprehensive investigation.	(9) To receive funding under this section, a district, an intermediate district, ~~a nonpublic school,~~ or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation ~~, must affirmatively agree to waive any privilege that may otherwise protect information from disclosure in the event of a mass casualty event, and must agree to comply with a comprehensive investigation.~~ **after a mass casualty event, as defined in subsection (11).**	(9) To receive funding under this section, a district, an intermediate district, a nonpublic school, or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation **after a mass casualty event, as defined in subsection (12)**, **and** must affirmatively agree to waive any privilege that may otherwise protect information from disclosure **to an investigator upon request** in the event of a mass casualty event, and must agree to comply with a comprehensive investigation. **The waiver of any privilege by a recipient of funds under this section does not waive any privilege or rights held by any individual, including employees of the recipient.** All of the following apply to a comprehensive investigation described in this subsection:	**(6)** ~~(9)~~ To receive funding under ~~this section,~~ **subsection (3),** a district, an intermediate district, a nonpublic school, or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation **after a mass casualty event, must agree to comply with a comprehensive investigation into the mass casualty event and, for the purpose of that investigation**, must affirmatively agree to waive any privilege **held by the district, intermediate district, nonpublic school, or Michigan School for the Deaf and Blind** that may otherwise protect information from disclosure in the event of a mass casualty event, and must agree to comply with a comprehensive investigation. All of the following apply to a comprehensive investigation described in this subsection:
(b) No change.	(b) No change.	(b) The governor shall designate an appropriate ~~person or investigative~~ **law enforcement** entity to conduct the comprehensive investigation. ~~This person or investigative entity may include, but is not limited to, state law enforcement agencies, independent review boards, or specially appointed task forces.~~ The ~~person or designated investigative~~ **law enforcement** entity **designated by the governor** has the authority to do all of the following:	(b) No change.

(c) No change.	(c) No change.	(c) The ~~person or investigative~~ **law enforcement** entity designated in subdivision (b) shall prepare a detailed report of its findings and submit the report to the governor and relevant legislative committees within 90 days following the conclusion of the investigation.	(c) No change.
~~(10) Funds allocated under subsection (4) in 2025-26 are a work project appropriation, and any unexpended funds in 2025-26 are carried forward into 2026-27. The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in having school resource officers. The estimated completion date of the work project is September 30, 2029.~~	(10) Funds allocated under subsection (4) in ~~2025-26~~ **2026-2027** are a work project appropriation, and any unexpended funds in ~~2025-26~~ **2026-2027** are carried forward into ~~2026-27.~~ **2027-2028.** The purpose of the work project is to ~~continue providing funding to support districts, intermediate districts, and nonpublic schools in having school resource officers.~~ **support the work of community violence intervention programs in districts and intermediate districts.** The estimated completion date of the work project is September 30, ~~2029.~~ **2031.**	(10) Funds allocated under subsection (4) for ~~2025-2026~~ **2026-2027** are a work project appropriation, and any unexpended funds for ~~2025-2026~~ **2026-2027** are carried forward into ~~2026-2027.~~ **2027-2028.** The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in having school resource officers. The estimated completion date of the work project is September 30, 2029.	~~(10)~~ Concur with Governor.
~~(11) Funds allocated under subsection (5) in 2025-26 are a work project appropriation, and any unexpended funds in 2025-26 are carried forward into 2026-27. The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in hiring staff to support student mental health. The estimated completion date of the work project is September 30, 2029.~~	~~(11)~~ Concur with Governor.	(11) Funds allocated under subsection (5) for ~~2025-2026~~ **2026-2027** are a work project appropriation, and any unexpended funds for ~~2025-2026~~ **2026-2027** are carried forward into ~~2026-2027.~~ **2027-2028.** The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in hiring staff to support student mental health. The estimated completion date of the work project is September 30, 2029.	~~(11)~~ Concur with Governor.
(7) Not included.	**(7)** Not included.	**(7)** Not included.	**(7) In addition to the appropriations**

			in section 11, if the general fund money allocated in subsection (1) is insufficient to fully fund awards to nonpublic schools under subsections (2) and (3), there is appropriated from the general pupil support reserve fund created in section 22s the amount necessary, not to exceed $11,000,000.00, to fund these reimbursements.
(11) ~~(12)~~ No change.	**(11)** ~~(12)~~ As used in this section:	(12) As used in this section:	**(8)** ~~(12)~~ As used in this section:
	(a) "Mass casualty event" means ~~any of the following that occur~~ **an incident of targeted violence that occurs** on school grounds or at a school-sponsored event **and that meets all of the following criteria**:	(a) "Mass casualty event" means ~~any of the following that occur on school grounds or at a school-sponsored event:~~	(a) "Mass casualty event" means any of the following that occur on school grounds or at a school-sponsored event:
	(*i*) ~~An incident resulting in significant injuries to not fewer than 3 individuals.~~**The incident involves the use of a lethal weapon. As used in this subparagraph, "lethal weapon" means a firearm as defined in 18 USC 921, an explosive or incendiary device, or a dangerous weapon as defined in section 222 of the Michigan penal code, 1931 PA 328, MCL 750.222.**	~~(*i*) An incident resulting in significant injuries to not fewer than 3 individuals.~~	(*i*) An incident resulting in significant **physical** injuries to not fewer than 3 individuals. **As used in this subparagraph, "significant physical injury" means an injury that involves a risk of death, significant physical pain, protracted and obvious disfigurement, or a protracted loss or impairment of the function of a bodily member, organ, or mental or sensory faculty.**
	(*ii*) ~~An~~ **The** incident ~~resulting in fatalities.~~**results in at least 1 fatality, or significant bodily injuries to not fewer than 2 individuals, excluding the perpetrator.**	~~(*ii*) An incident resulting in fatalities.~~	(*ii*) An incident resulting in **2 or more** fatalities.
	(*iii*) ~~An~~ **The** incident ~~that exceeds the normal resources for emergency response available in the jurisdiction~~	~~(*iii*) An incident that exceeds the normal resources for emergency~~	(*iii*) An incident **of such scope that** that ~~exceeds the normal resources for~~ **the** emergency response ~~available~~

	~~where the incident takes place.~~	~~response available in the jurisdiction where the incident takes place.~~	**resources** in the jurisdiction where the incident takes place **are not sufficient and resources from surrounding jurisdictions are required**.
	~~(iv) An incident that results in a sudden and timely surge of injured individuals necessitating emergency services.~~	~~(*iv*) An incident that results in a sudden and timely surge of injured individuals necessitating emergency services.~~**an incident of targeted violence that occurs on school grounds or at a school-sponsored event, that is intentional, and that results in a fatality or significant bodily injuries requiring medical attention to 3 or more individuals.**	(*iv*) An incident that results in a sudden ~~and timely~~ surge of injured individuals necessitating emergency services.
	~~(b) "Safety dog" means a dog that is contracted by a law enforcement agency of this state, a local unit of government of this state, or a district or an intermediate district and that is trained for detection of firearms, explosives, narcotics, or vape substances.~~**is the result of a deliberate and malicious act and is not a motor vehicle accident.**	(b) No change.	(b) No change.
	(b) "Motor vehicle accident" means that term as defined in section 503 of the Michigan vehicle code, 1949 PA 300, MCL 257.503.		**(b)** Not included.

Sec. 32d - Great Start Readiness Program (GSRP)

Appropriates $638,217,600 from the School Aid Fund to operate the district Great Start Readiness Program (GSRP) and $350,000 GF/GP to continue a longitudinal study of the GSRP.

An ISD or grant recipient list may enroll children in families at any income level. The enrollment process shall consider income and risk factors, such that higher-need children are enrolled prior to those with lesser need.

For enrollment across ISD boundaries, the ISDs must enter into a written agreement for payment, in a manner prescribed by MiLEAP.

An ISD or consortium may retain 4% for administration and expenses incurred by subrecipients are considered program costs or a contracted program fee for service.

(2) Appropriates $626,217,600 in FY 2025-26 to intermediate districts based on a formula, with reserve fund backfills if allocations are insufficient.

(3) Appropriates $350,000 GF/GP in FY 2025-26 for a competitive grant to continue longitudinal evaluation of GSRP participants.

(8) Establishes application requirements prior to September 30, 2025, including income eligibility (≤400% FPL), staffing qualifications, and non-supplanting budgets.

(10) Specifies how children in school-day and extended programs are counted for funding purposes through September 30, 2025.

(17) Requires income-based prioritization of enrollment using quintiles up to 400% FPL through September 30, 2025.

(19) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation.

(21) Requires MiLEAP to support community-based provider participation through outreach, quality ratings, reporting, and shared materials.

(24) $28,000,000 of the total is earmarked for reimbursement for transportation costs, up to $500 per slot.

(25) Specifies allowable transportation costs, including parent-provided transportation beginning in FY 2025-26, with documentation requirements.

(29) Earmarks $2,000,000 out of the total appropriation for professional development and training materials for educators implementing new curricula, and for child assessment tools.

(31) Appropriates $10 million in FY 2025-26 only for GSRP classroom startup grants.

(32) Appropriates $1,950,000 GF/GP in FY 2024-25 for statewide GSRP outreach and enrollment campaigns.

(33) Designates the outreach funding as a work project.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs **and other purposes described in this section** an amount not to exceed ~~$609,720,000.00 in 2024-25 and $638,217,600.00~~ **$801,667,600.00** in ~~2025-26. From the general fund money appropriated under section 11, there is allocated $600,000.00 in 2024-25 and $350,000.00 in 2025-26,~~	Concur with Governor.	(1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed ~~$609,720,000.00 for 2024-2025 and $638,217,600.00 for 2025-2026.~~ **$653,881,800.00 for 2026-2027.** From ~~the general fund money appropriated under section 11, there is allocated $600,000.00 for 2024-2025 and $350,000.00 for 2025-2026, and from~~ the great start readiness reserve	(1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs **and other purposes described in this section** an amount not to exceed ~~$609,720,000.00 for 2024-2025 and $638,217,600.00 for 2025-2026. From the general fund money appropriated under section 11, there is allocated $600,000.00 for 2024-2025 and $350,000.00 for 2025-2026,~~

2026-27 and from the great start readiness reserve fund money appropriated in section 11, there is allocated $18,000,000.00 in ~~2024-25 and 2025-26~~ **2026-27** for the purposes of this section. ~~In 2024-25, an intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs that are comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of children who meet the participant eligibility and prioritization guidelines as defined by the department of lifelong education, advancement, and potential. In 2025-26, an~~ **An** intermediate district or consortium shall use funds allocated under this section for eligible great start readiness program options.		fund money appropriated in section 11, there is allocated $18,000,000.00 for ~~2024-2025 and 2025-2026~~ **2026-2027** for the purposes of this section. ~~For 2024-2025, an intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs that are comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of children who meet the participant eligibility and prioritization guidelines as defined by the department of lifelong education, advancement, and potential. For 2025-2026, an~~ **An** intermediate district or consortium shall use funds allocated under this section for eligible great start readiness program options.	**$712,356,100.00 for 2026-2027,** and from the great start readiness reserve fund money appropriated in section 11, there is allocated $18,000,000.00 for ~~2024-2025 and 2025-2026~~ **2026-2027** for the purposes of this section. ~~For 2024-2025, an intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs that are comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of children who meet the participant eligibility and prioritization guidelines as defined by the department of lifelong education, advancement, and potential. For 2025-2026, an~~ **An** intermediate district or consortium shall use funds allocated under this section for eligible great start readiness program options.
(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~$597,720,000.00 in FY 2024-25 and $626,217,600.00~~ **$764,667,600.00** in FY ~~2025-26~~ **FY 2026-27** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An		(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~$597,720,000.00 for 2024-2025 and $626,217,600.00~~ **$641,881,800.00** for ~~2025-2026~~ **2026-2027** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An	(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~$597,720,000.00 for 2024-2025 and $626,217,600.00~~ **$700,356,100.00** for ~~2025-2026~~ **2026-2027** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An

intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. To be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. ~~In FY 2024-25, if, due to the number of GSRP extended program or GSRP/Head Start extended blended program slots awarded, the amount allocated in this subsection is insufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year. In FY 2025-26, if~~ **If** the amount allocated in this subsection is insufficient to fully fund allocations calculated under section 39, there is appropriated from the great start readiness program reserve fund the amount necessary and available to fully fund those allocations.		intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. To be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. ~~For 2024-2025, if, due to the number of GSRP extended program or GSRP/Head Start extended blended program slots awarded, the amount allocated in this subsection is insufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year. For 2025-2026, if~~ **If** the amount allocated in this subsection is insufficient to fully fund allocations calculated under section 39, there is appropriated from the great start readiness program reserve fund the amount necessary and available to fully fund those allocations.	intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. To be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. ~~For 2024-2025, if, due to the number of GSRP extended program or GSRP/Head Start extended blended program slots awarded, the amount allocated in this subsection is insufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year. For 2025-2026, if~~ **If** the amount allocated in this subsection is insufficient to fully fund allocations calculated under section 39, there is appropriated from the great start readiness program reserve fund the amount necessary and available to fully fund those allocations.

(3) From the ~~general fund~~ **state school aid fund** money allocated under subsection ~~(1), there is allocated an amount not to exceed $600,000.00 in FY 2024-25 and an amount not to exceed $350,000.00 in FY 2025-26 for~~ **(2), the department shall award** a competitive grant **to a state public university** to continue a longitudinal evaluation of children who have participated in great start readiness programs.		~~(3) From the general fund money allocated under subsection (1), there is allocated an amount not to exceed $600,000.00 for 2024-2025 and an amount not to exceed $350,000.00 for 2025-2026 for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs.~~	(3) From the ~~general~~ **state school aid** fund money allocated under subsection ~~(1), there is allocated an amount not to exceed $600,000.00 for 2024-2025 and an amount not to exceed $350,000.00 for 2025-2026 for~~ **(2), the department of lifelong education, advancement, and potential shall award** a competitive grant to **a state public university to** continue a longitudinal evaluation of children who have participated in great start readiness programs.
(4) Except as otherwise provided in subsection (5), to be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, GSRP/Head Start extended blended programs, or other eligible great start readiness program options that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:		**(3)** ~~(4)~~ Except as otherwise provided in subsection ~~(5),~~ **(4),** to be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, GSRP/Head Start extended blended programs, or other eligible great start readiness program options that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:	(4) Except as otherwise provided in subsection (5), to be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, GSRP/Head Start extended blended programs, or other eligible great start readiness program options that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:
(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. ~~For 2025-2026, as part of this requirement, programs~~ **Programs** receiving funding under this section must provide current enrollment data, including slots open		(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. ~~For 2025-2026, as part of this requirement, programs receiving funding under this section must provide current enrollment data, including slots open~~	(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. ~~For 2025-2026, as part of this requirement, programs~~ **Programs** receiving funding under this section must provide current enrollment data, including slots open

for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program. The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.		~~for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program.~~ The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.	for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program. The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.
(f) No change.		(f) Active and continuous involvement of the parents or **legal** guardians of the program participants.	(f) No change.
(h) No change.		(h) Participation in a school readiness advisory committee convened as a workgroup of the great start collaborative that provides for the involvement of classroom teachers, parents or **legal** guardians of program participants, and community, volunteer, and social service agencies and organizations, as appropriate. The advisory committee shall annually review and make recommendations regarding the program components listed in this subsection. The advisory committee also shall make recommendations to the great start collaborative regarding other community services designed to improve all children's school readiness.	(h) No change.
~~(8) For applications submitted before September 30, 2025, an application for funding under this section must provide for the following, in a form and~~		~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.

~~manner determined by the department of lifelong education, advancement, and potential:~~ ~~(a) Ensure either of the following:~~ ~~(*i*) That the applicant complies with all program components described in subsection (4).~~ ~~(*ii*) That the applicant meets the requirements of a waiver under subsection (5).~~ ~~(b) Except as otherwise provided in this subdivision, ensure that children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than 400% of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 400% of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is greater than 400% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing			

~~homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than 400% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. The department of lifelong education, advancement, and potential shall publish the household income thresholds under this subdivision in a clear manner on its website and the great start to quality website.~~

~~(c) Except as provided in subsection (5), ensure that the applicant only uses qualified personnel for this program, as follows:~~

~~(*i*) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, except as otherwise provided in this subparagraph, if an applicant demonstrates to the department of lifelong education, advancement, and potential that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start~~

~~readiness program, Head Start, or licensed child care center classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential approves, a plan for each teacher to come into compliance with the standards in this subparagraph. Individuals may qualify with at least 3 years of experience and significant training in early childhood education or child development, based on the recommendation of the intermediate district after a classroom observation. A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.~~ ~~(*ii*) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department of lifelong education, advancement, and potential that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child~~			

~~development or enroll in a child development associate credential with at least 6 months of verified experience in early education and care, if the applicant provides to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses, 60 clock hours, or an equivalent of training per calendar year.~~ ~~(d) Include a program budget that contains only those costs that are not reimbursed or reimbursable by federal funding, that are clearly and directly attributable to the great start readiness program, and that would not be incurred if the program were not being offered. Eligible costs include transportation costs. The program budget must indicate the extent to which these funds will supplement other federal, state, local, or private funds. An applicant shall not use funds received under this section to supplant any federal funds received by the applicant to serve children eligible for a federally funded preschool program that has the capacity to serve those children.~~ ~~(10) For a grant recipient that enrolls~~		~~(10)~~ Concur with Governor.	~~(10)~~ Concur with Governor.

~~pupils in a school-day program or GSRP extended program funded under this section, each child enrolled in the school-day program or GSRP extended program is counted as described in section 39 for purposes of determining the amount of the grant award. This subsection does not apply after September 30, 2025.~~			
~~(17) Each grant recipient shall enroll children identified under subsection (8)(b) according to how far the child's household income is below 400% of the federal poverty guidelines by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below 400% of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 400% of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is greater than 400% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are~~		~~(17)~~ Concur with Governor.	~~(17)~~ Concur with Governor.

~~enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than 400% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. This subsection does not apply after September 30, 2025.~~			
(16) ~~(19)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. ~~In FY 2024-25, for the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program.~~ Children served in a program funded only through Head Start are not counted toward this 30% allocation. ~~Beginning in FY 2025-26, the~~ **The** department of lifelong education,		**(15)** ~~(19)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection ~~(4)~~ **(3)** for at least 30% of its total allocation. ~~For 2024-2025, for the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation. Beginning in 2025-2026, the~~ **The** department of lifelong education,	**(16)** ~~(19)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. ~~For 2024-2025, for the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program.~~ Children served in a program funded ~~only~~ through **only** Head Start are not counted toward this 30% allocation. ~~Beginning in 2025-2026, the~~ **The** department of lifelong

advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation~~. In FY 2024-25, an intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. Beginning in FY 2025-26, an~~ **An** intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection. **(17)** ~~(20)~~ No change.		advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation. ~~For 2024-2025, an intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. Beginning in 2025-2026, an~~ **An** intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection. **(16)** ~~(20)~~ If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at	education, advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation. ~~For 2024-2025, an intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. Beginning in 2025-2026, an~~ **An** intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection. **(17)** ~~(20)~~ Concur with House.

		least 30% of its total allocation, as required under subsection ~~(19),~~ **(15),** the department of lifelong education, advancement, and potential may reduce the allocation to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total allocation awarded to community-based providers and 30% of its total allocation. **The department of lifelong education, advancement, and potential shall submit a report by not later than October 1 on any intermediate districts impacted by this subsection to the senate and house appropriations subcommittees on school aid, the senate and house appropriations committees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.**	
(18) ~~(21)~~ To assist intermediate districts and consortia in complying with the requirement to contract with community-based providers, for at least 30% of their total allocation, the department of lifelong education, advancement, and potential shall do all of the following: ~~(b) Provide, or ensure that an organization with which the department of lifelong education, advancement, and potential contracts provides, a community-based provider with a validated great start to quality rating within 90 days of the provider's~~		**(17)** ~~(21)~~ Concur with Governor.	**(18)** ~~(21)~~ Concur with Governor.

~~having submitted a request and self-assessment. This subdivision does not apply after September 30, 2025.~~			
(19) ~~(22)~~ No change.		**(18)** ~~(22)~~ A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the information necessary to derive the number of children participating in the program, the number of eligible children not participating in the program and on a waitlist, and the total number of children participating in the program by various demographic groups and eligibility factors necessary to analyze equitable and priority access to services**.** ~~for the purposes of subsection (3).~~	**(19)** ~~(22)~~ No change.
(21) ~~(24)~~ Update fiscal years.		**(20)** ~~(24)~~ Update fiscal years.	**(21)** ~~(24)~~ Update fiscal years.
(22) ~~(25) In FY 2024-25, subject to, and from the funds allocated under, subsection (24), the department of lifelong education, advancement, and potential shall reimburse a program for transportation costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. Beginning in FY 2025-26, subject~~ **Subject** to, and from the funds allocated under, subsection ~~(24),~~ **(21),** the department of lifelong education, advancement, and potential shall allow programs to utilize those funds for costs related to parent- or guardian-provided transportation and for costs related to parent- or guardian-		**(21)** ~~(25)~~ Concur with Governor.	**(22)** ~~(25)~~ Concur with Governor.

accompanied transportation provided by transportation service companies, buses, or other public transportation services. For payments related to parent- or guardian-provided transportation, the department of lifelong education, advancement, and potential shall develop parameters to ensure dollars are utilized in a way that improves access to eligible great start readiness program options for low-income and geographically isolated families. To be eligible ~~for reimbursement under this subsection in FY 2024-25, and~~ to utilize funding under this subsection ~~in FY 2025-26~~, a program must submit to the intermediate district or consortia of intermediate districts all of the following:			
(26) ~~(29)~~ From the state school aid fund money allocated under subsection (1), there is allocated in FY ~~2024-25 and FY 2025-26~~ **FY 2026-27** an amount not to exceed $2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program. **Curricula and child assessment tools purchased with funds received under this subsection must be in compliance with early childhood standards of quality for birth to kindergarten children.**		**(25)** ~~(29)~~ From the state school aid fund money allocated under subsection (1), there is allocated for ~~2024-2025 and 2025-2026~~ **2026-2027** an amount not to exceed $2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program. **Curricula and child assessment tools purchased with funds received under this subsection must be in compliance with early childhood standards of quality for birth to kindergarten children, including the science of reading, as that term is defined in**	**(26)** ~~(29)~~ Concur with House.

		section 1280f of the revised school code, MCL 380.1280f.	
(28) ~~(31) In addition to~~ **From the state school aid fund** allocation under subsection (1), ~~from the state school aid fund money appropriated under section 11,~~ there is allocated an amount not to exceed $25,000,000.00 in FY ~~2024-25 and an amount not to exceed $10,000,000.00 in FY 2025-26~~ **FY 2026-27** only for classroom start up grants to intermediate districts and consortia of intermediate districts for new or expanding great start readiness classrooms. All of the following apply to funding allocated under this subsection: (b) The department of lifelong education, advancement, and potential shall pay an amount not to exceed $50,000.00 for each new or expanded classroom. If funding is insufficient to fully fund all eligible applicants, the department of lifelong education, advancement, and potential must prorate the per-classroom amount on an equal basis. ~~If the allocation is not fully paid in the current fiscal year, the department of lifelong education, advancement, and potential may award any remaining funding from fiscal year FY 2024-25 during fiscal year FY 2025-26, and may award any remaining funding from fiscal year FY 2025-26 during fiscal year FY 2026-27 for each new or expanded classroom at an equal amount per classroom, based on remaining available funds, not to~~		**(27)** ~~(31)~~ No change.	**(28)** ~~(31)~~ In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~$25,000,000.00 for 2024-2025 and an amount not to exceed $10,000,000.00~~ **$3,600,000.00** for ~~2025-2026~~ **2026-2027** only for classroom start up grants to intermediate districts and consortia of intermediate districts for new or expanding great start readiness classrooms. All of the following apply to funding allocated under this subsection: (b) Concur with Governor.

~~exceed $50,000.00 per classroom.~~			
~~(e) The funds allocated under this subsection in FY 2024-25 are a work project appropriation, and any unexpended funds in FY 2024-25 do not lapse to the state school aid fund and are carried forward into FY 2025-26. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2026.~~			~~(e)~~ Concur with Governor.
~~(f) The funds allocated under this subsection in FY 2025-26 are a work project appropriation, and any unexpended funds in FY 2025-26 do not lapse to the state school aid fund and are carried forward into FY 2026-27. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2027.~~			**(e)** ~~(f)~~ No change.
~~(32) In addition to the funds allocated in subsection (1), there is allocated from the general fund money appropriated under section 11 in FY 2024-25 only an amount not to exceed $1,950,000.00 for an intermediate district or a consortium of intermediate districts to partner with the department of lifelong education, advancement, and potential and community-based organizations to continue implementing statewide outreach and enrollment campaign activities to raise~~		**(28)** ~~(32)~~ No change.	**(29)** ~~(32)~~ No change.

~~awareness about the availability of services through the great start readiness program, and to promote enrollment.~~			
~~(33) The funds allocated under subsection (32) in FY 2024-25 are a work project appropriation, and any unexpended funds in FY 2024-25 are carried forward into FY 2025-26. The purpose of the work project is to raise awareness of and participation in great start readiness programming. The estimated completion date of the work project is September 30, 2027.~~		**(29)** ~~(33)~~ No change.	**(30)** ~~(33)~~ No change.
~~(34) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under subsection (32) on a schedule determined by the department of lifelong education, advancement, and potential.~~		**(30)** ~~(34)~~ No change.	**(31)** ~~(34)~~ No change.

Sec. 32e - Great Start Readiness Program Reserve Fund

Creates the fund as a separate account within the School Aid Fund. Money may be appropriated for the Great Start Readiness Program.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	No change.	(1) The great start readiness program reserve fund is created as a separate account in the state school aid fund for the purpose of supporting the great start readiness program **and for the purposes described in section 32v**.

Sec. 32n - Out-Of-School Time Learning

Appropriates $75,000,000 SAF in FY 2025-26 only for before and after school programs for children in grades K-12.

(2) Establishes a competitive grant program using the subsection (1) funds to expand before-school, after-school, and summer programming for K-12 students through eligible organizations meeting specified programmatic and licensing criteria.

(3) Requires MiLEAP to administer a competitive grant process, including application requirements, public posting of evaluation criteria, and minimum application open periods, with a one-year exception to advance publication.

(7) In FY 2024-25 only, allows up to 2% of grant funding for a nonprofit to provide start-up support, professional development, and technical assistance.

(10) Requires full payment of grants upon award and allows repayment if reporting, service delivery, or operational requirements are not met.

(12) Allocates $22.0 million in FY 2024-25 to specified named organizations for designated out-of-school and youth-serving programs.

(13) Prohibits subsection (12) recipients from applying for competitive grants under subsection (2) in FY 2024-25.

(15) Defines key terms related to child care licensing, exempt entities, and school-age children for purposes of this section.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2024-2025 only~~ **2026-2027** an amount not to exceed ~~$79,000,000.00,~~ **$50,000,000.00** and from the state school aid pupil support reserve fund money appropriated in section 11~~, there is allocated for 2025-2026~~ **2026-2027** only an amount not to exceed ~~$75,000,000.00~~ **$85,000,000.00** to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential, for the purposes of this section. ~~It is the intent of the legislature that, for 2026-2027, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $85,000,000.00.~~ It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $100,000,000.00 **and the amount allocated from the state school aid fund will be $50,000,000.00**.	(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2024-2025~~ **2026-2027** only an amount not to exceed ~~$79,000,000.00,~~ **$50,000,000.00,** and from the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $75,000,000.00 **and for 2026-2027 only an amount not to exceed $85,000,000.00** to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential, for the purposes of this section. ~~It is the intent of the legislature that, for 2026-2027, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $85,000,000.00.~~ It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $100,000,000.00.	(1) From ~~the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $79,000,000.00, and from~~ the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for ~~2025-2026 only an amount not to exceed $75,000,000.00~~ **2026-2027 only an amount not to exceed $75,000,000.00** to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential, for the purposes of this section. ~~It is the intent of the legislature that, for 2026-2027, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $85,000,000.00. It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $100,000,000.00.~~	(1) Concur with Senate.

(2) From the state school aid fund money allocated in subsection (1), there is allocated in FY ~~2024-25 only~~ **FY 2026-27** an amount not to exceed ~~$57,000,000.00,~~ **$50,000,000.00** and from the state school aid pupil support reserve fund money allocated in subsection (1), there is allocated in FY ~~2025-26~~ **FY 2026-27** only an amount not to exceed ~~$75,000,000.00~~ **$85,000,000.00** for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. **No more than 40 percent of the total allocation under this subsection may be allocated to statewide or regional grant applications.** The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this ~~subsection.~~ **section.** To be eligible for a grant under this subsection, the applicant must meet, at a minimum, all of the following criteria:	(2) From the state school aid fund money allocated in subsection (1), there is allocated in FY ~~2024-25 only~~ **FY 2026-27 only** an amount not to exceed ~~$57,000,000.00,~~ **$50,000,000.00** and from the state school aid pupil support reserve fund money allocated in subsection (1), there is allocated in FY ~~2025-26~~ **FY 2026-27** only an amount not to exceed ~~$75,000,000.00~~ **$85,000,000.00** for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this ~~subsection.~~ **section.** To be eligible for a grant under this subsection, the applicant must meet, at a minimum, all of the following criteria:	(2) From ~~the state school aid fund money allocated in subsection (1), there is allocated for 2024-2025 only an amount not to exceed $57,000,000.00, and from~~ the state school aid pupil support reserve fund money allocated in subsection (1), there is allocated for ~~2025-2026~~ **2026-2027** only an amount not to exceed $75,000,000.00 for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. **Not more than 25% of the total allocation under this section may be allocated to statewide or regional grant applications.** The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this ~~subsection.~~ **section.** To be eligible for a grant under this ~~subsection,~~ **section,** the applicant must meet, at a minimum, all of the following criteria:	~~(2) From the state school aid fund money allocated in subsection (1), there is allocated for 2024-2025 only an amount not to exceed $57,000,000.00, and from the state school aid pupil support reserve fund money allocated in subsection (1), there is allocated for 2025-2026 only an amount not to exceed $75,000,000.00~~ **The funds allocated in subsection (1) must be used** for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. **Not more than 40% of the total allocation under subsection (1) may be allocated to statewide or regional grant applications.** The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this subsection. To be eligible for a grant under this subsection, the applicant must meet, at a minimum, all of the following criteria:
(b) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher education, a public library, a ~~local government,~~ **city or municipality,** or an intermediate district.	(b) No change.	(b) Concur with Governor.	(b) Concur with Governor.
(d) Address **not fewer than 3** measurable goals, including, but not	(d) Concur with Governor.	(d) Address **at least 3** measurable goals, including, but not limited to,	(d) Address **academic outcomes and not fewer than 2 additional**

limited to, improved school attendance, literacy and other academic outcomes, improved attitudes toward school, improved positive behaviors, skill development and retention, higher education aspirations, and improved family engagement and include activities linked to research or quality practices.		improved school attendance, academic outcomes, improved attitudes toward school, improved positive behaviors, skill development and retention, higher education aspirations, and improved family engagement and include activities linked to research or quality practices. **At least 2 of the measurable goals under this subdivision must address improved school attendance and academic outcomes.**	measurable goals, including, but not limited to, improved school attendance, ~~academic outcomes,~~ improved attitudes toward school, improved positive behaviors, skill development and retention, higher education aspirations, and improved family engagement and include activities linked to research or quality practices.
(f) For entities meeting eligibility requirements under subparagraphs (e)(*ii*) and (e)(*iii*), demonstrate in a form and manner determined by the department that all of the following are in place for staff working with youth: **(*i*) Background checks through the Central Registry Clearance and the Internet Criminal History Access Tool.** **(*ii*) First aid and cardiopulmonary resuscitation (CPR) training.** **(*iii*) Health and Safety Training Courses for Child Care Providers, Modules A, B, and C.**	**(f)** Concur with Governor.	**(f)** Concur with Governor.	**(f)** Concur with Governor.
(3) The department of lifelong education, advancement, and potential shall establish a competitive grant process for awarding funding under subsection (2). … ~~Except as otherwise provided in this subsection, at~~ **At** least 30 days before the	(3) Concur with Governor.	(3) Concur with Governor.	(3) Concur with Governor.

application is opened, the department of lifelong education, advancement, and potential must publish on its public website the criteria that will be used in evaluating the application that must include, but are not limited to, priorities under subsection (5). ~~In FY 2025-26 only, the department of lifelong education, advancement, and potential, is not required to publish the evaluation criteria at least 30 days before the application is opened.~~			
~~(7) In FY 2024-25 only, and subject to subsections (4) and (5), up to 2% of funding allocated under subsection (2) must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time learning opportunities.~~	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.
(9) ~~(10)~~ Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section ~~in full upon grant award.~~ **as one-half upon the grant award and the remaining one-half on a schedule determined by the department. The department may make payments in full to awardees demonstrating resource needs, as determined by the department.** Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during	**(9)** ~~(10)~~ No change.	**(9)** ~~(10)~~ Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section ~~in full upon grant award.~~ **in an amount equal to 1/2 of the grant total upon award of the grant, and the remaining 1/2 of the grant total on a schedule determined by the department of lifelong education, advancement, and potential. The department of lifelong education, advancement, and potential may make payments in full to grantees demonstrating resource needs as**	**(9)** ~~(10)~~ Concur with House.

the grant period may be required to repay the funding they received under this section to the department of lifelong education, advancement, and potential.		**determined by the department of lifelong education, advancement, and potential.** Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department of lifelong education, advancement, and potential.	
(11) Subject to subsection (2), the department of lifelong education, advancement, and potential shall establish and implement a multi-tiered grant funding structure within its competitive grant process to account for statewide or regional grant applications, as well as mid-size grants serving 6 to 14 program sites and smaller grants serving 1 to 5 program sites.	**(11)** Concur with Governor.	**(11)** Concur with Governor.	**(11)** Concur with Governor.
~~(12) From the state school aid fund money allocated in subsection (1), Clinton County RESA shall allocate $22,000,000.00 in FY 2024-25 only to recipients under this subsection as follows:~~ ~~(a) $4,000,000.00 to support the efforts of FFA.~~ ~~(b) $4,000,000.00 to the Boys and Girls Club of Southeastern Michigan in Detroit to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.~~	~~(12)~~ Concur with Governor.	~~(12)~~ Concur with Governor.	~~(12)~~ Concur with Governor.

~~(c) $4,000,000.00 to the HYPE Athletics Center in Dearborn Heights to provide programming that may include, but is not limited to, science, technology, engineering, arts, and mathematics (STEAM) programs; literacy and reading programs; after-school programs; youth fitness and athletic programs; and mental health and behavioral health services.~~ ~~(d) $1,500,000.00 to Brilliant Detroit to support delivery of high-dosage neighborhood-based tutoring and direct noninstructional services for at-risk pupils who are 3 to 12 years of age. Funding under this subdivision is intended to ensure that pupils are proficient in English language arts by the end of grade 3 and proficient in mathematics by the end of grade 8, that all participants are kindergarten ready, and that pupils are prepared to attend school regularly. As used in this subdivision, "at-risk pupil" means that term as defined in section 31a.~~ ~~(e) $1,200,000.00 to the State Alliance of Michigan YMCAs to provide students in grades 6 to 12 with hands-on civics and model-government programs that offer statewide engagement with peers across this state for the purpose of expanding those students' opportunities to improve their social studies knowledge, thinking skills, and intellectual processes and dispositions required for active engagement in fulfilling responsibilities of civic			

~~participation.~~ ~~(f) $1,000,000.00 to the Downtown Boxing Gym in Detroit to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.~~ ~~(g) $1,000,000.00 to support the operations of the Flint Center for Educational Excellence.~~ ~~(h) $800,000.00 to the Detroit Opera for educational programming for grades pre-K to 12, including field trips, summer camps, and other learning opportunities. The funds allocated under this subdivision are a work project appropriation, and any unexpended funds in FY 2024-25 are carried forward into FY 2025-26. The purpose of the work project is to support the Detroit Opera educational programming as described in this subdivision. The estimated completion date of the work project is September 30, 2028.~~ ~~(*i*) $500,000.00 to Special Olympics Michigan, a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a mission statement to provide year-round sports training and athletic competition for children and adults with intellectual disabilities. Funding under this subdivision must			

~~be used by the organization to expand the organization's programming.~~ ~~(j) $500,000.00 to the Horatio Williams Foundation to support efforts to provide college preparation services, math leagues, sports programming, and literacy services in Detroit.~~ ~~(k) $500,000.00 to Friends of the Children, a nonprofit organization that employs salaried professional mentors who support youth and their families from grades K to 12. The salaried professional mentorship program in this subdivision must employ a 2-generational approach to supporting youth in and outside of the classroom, particularly in reading and math comprehension; support students and their families by connecting them to concrete supports like education and employment pathways, housing, utility assistance, and food security; and be located in a city with a population greater than 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census.~~ ~~(l) $500,000.00 to the Detroit Police Athletic League to support operations and programming including, but not limited to, athletic programs and youth enrichment programs.~~ ~~(m) $500,000.00 to the Detroit Science Center, a nonprofit organization that is tax-exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and located in a city with a~~			

~~population greater than 600,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census. Funds under this subdivision must be used by the nonprofit organization to expand the nonprofit organization's mission of providing opportunities for students to discover, explore, and appreciate science, technology, engineering, and mathematics in a creative, dynamic learning environment.~~ ~~(n) $2,000,000.00 to buildOn Detroit to expand the Service Learning Program for high school students.~~			
~~(13) In FY 2024-25 only, recipients of grants under subsection (12) may not apply for funding under subsection (2).~~	~~(13)~~ Concur with Governor.	~~(13)~~ Concur with Governor.	~~(13)~~ Concur with Governor.
~~(14) Funds allocated under subsection (12) in FY 2024-25 are a work project appropriation, and any unexpended funds in FY 2024-25 are carried forward into FY 2025-26. The purpose of the work project is to provide additional support to out-of-school time programs. The estimated completion date of the work project is September 30, 2026.~~	~~(14)~~ Concur with Governor.	~~(14)~~ Concur with Governor.	~~(14)~~ Concur with Governor.
(12) ~~(15)~~ As used in this section: **(f) "Statewide or regional grant" means a grant that represents two or more entities, community-based organizations, statewide network affiliations, or any combination of these entities with the objective of**	**(12)** ~~(15)~~ Concur with Governor.	**(12)** ~~(15)~~ Concur with Governor.	**(14)** ~~(15)~~ Concur with Governor.

participating in a common goal of serving more than 2,000 children across at least 15 program sites statewide, or to serve more than 2,000 children across at least 15 program sites within a publicly defined boundary region; and has a demonstrated track record of success in providing or organizing a statewide or regional system of out-of-school time programs. If an applicant applies under a statewide or regional grant, they and the program sites included on their application may not appear on any other grant application submitted for funding under subsection (2).			

NEW EXEC Sec. 32p - Early Learning Partnerships

Appropriates $30.0 million SAF in FY 2026-27 to create statewide early learning partnerships that provide coordinated family access, outreach, early screening, and data-driven system improvement.

(2) Requires at least $16.9 million to be awarded to intermediate districts to operate early learning partnerships, ensure equitable statewide access, support family engagement centers, and fund core partnership activities and staffing.

(3) Allocates up to $3.9 million for evidence-based, family-centered support services such as home visiting, administered jointly with the Department of Health and Human Services.

(4) Requires at least $4.0 million to be awarded to intermediate districts to expand access to books and literacy materials for children from birth to age 5, prioritizing families with the highest economic need.

(5) Allocates up to $4.0 million for outreach, awareness, and development of a coordinated statewide enrollment system for early childhood programs.

(6) Allows up to $1.2 million for statewide administration, leadership, technical assistance, and outreach, primarily through Oakland Schools and Clinton County RESA.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $30,000,000.00 to create and implement statewide early learning partnerships. It is intended that	**(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $30,000,000.00 for 2026-2027 to intermediate districts or consortia of intermediate districts**	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $29,800,000.00 to create and implement statewide early learning**	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $30,000,000.00 to create and implement statewide early learning**

these partnerships provide centralized access points to families for trusted entry into the early childhood system; family and community outreach to build awareness, trust, and referral networks; outreach through child health providers to engage pediatric professionals for early detection of developmental delays or other health needs; and data collection and analysis to provide real-time insights necessary to improve services and systems.	**to support evidence-based early childhood system building as described in this section.**	**partnerships. It is the intent of the legislature that these early learning partnerships will provide centralized access points to families for trusted entry into the early childhood system, family and community outreach to build awareness, trust, and referral networks, outreach through child health providers to engage pediatric professionals for early detection of developmental delays or other health needs, and data collection and analysis to provide real-time insights necessary to improve services and systems.**	**partnerships. It is the intent of the legislature that these early learning partnerships will provide centralized access points to families for trusted entry into the early childhood system, family and community outreach to build awareness, trust, and referral networks, outreach through child health providers to engage pediatric professionals for early detection of developmental delays or other health needs, and data collection and analysis to provide real-time insights necessary to improve services and systems.**
(2) From the funds allocated in subsection (1), the department shall award at least $16,900,000.00 to eligible intermediate districts for the purposes of this subsection. All of the following apply to funds awarded under this subsection:	**(2) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $15,900,000.00 to intermediate districts for the purpose of coordinating early childhood services to support the goals and outcomes under subsections (3), (5), (7), and (8) and to provide supports for early**	**(2) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential shall award at least $16,900,000.00 to eligible intermediate districts for the purposes of this subsection. All of the following apply to funds awarded under this subsection:**	**(2) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential shall award at least $16,900,000.00 to eligible intermediate districts for the purposes of this subsection. All of the following apply to funds awarded under this subsection:**
(a) Intermediate districts must apply for funding in a form and manner determined by the department.	**childhood programs for children prenatal through age 5. The funding provided to each intermediate district under this section is determined by the distribution formula established by the**	**(a) Intermediate districts must apply for funding in a form and manner determined by the department of lifelong education, advancement, and potential.**	**(a)** Concur with House.
(b) The department must award funding to eligible intermediate districts in a way to ensure that families statewide have equitable access to services provided by an early learning partnership. The amount awarded to an eligible intermediate district must not be	**department of lifelong education, advancement, and potential for the former Great Start collaboratives. To receive funding under this section, each intermediate district must provide an application to the department of lifelong education, advancement, and potential, by a**	**(b) The department of lifelong education, advancement, and potential shall award funding to eligible intermediate districts in a way that ensures that families statewide have equitable access to services provided by an early learning partnership. The amount**	**(b) The department of lifelong education, advancement, and potential shall award funding to eligible intermediate districts in a way that ensures that families statewide have equitable access to services provided by an early learning partnership. The amount**

less than the amount received by the intermediate district in FY 2024-25 for local great start collaboratives. At least $1,000,000.00 must be awarded to eligible intermediate districts in a manner determined by the department to support MiFamily Engagement Regional Centers. To be eligible for funds awarded under this subparagraph, intermediate districts must partner with an entity with expertise in family leadership, as determined by the department.	**date determined by the department of lifelong education, advancement, and potential, indicating the strategies planned to be provided and how the strategies align with the Help Me Grow National Fidelity Assessment.**	**awarded to an eligible intermediate district must not be less than the amount received by the intermediate district in 2024-2025 for local great start collaboratives. To be eligible for funds awarded under this subdivision, intermediate districts must partner with an entity with expertise in family leadership, as determined by the department of lifelong education, advancement, and potential.**	**awarded to an eligible intermediate district must not be less than the amount received by the intermediate district in 2024-2025 for local great start collaboratives. At least $1,000,000.00 must be awarded to eligible intermediate districts in a manner determined by the department of lifelong education, advancement, and potential to support MiFamily engagement regional centers. To be eligible for funds awarded under this subdivision, intermediate districts must partner with an entity with expertise in family leadership, as determined by the department of lifelong education, advancement, and potential.**
(c) Intermediate districts must use funding received under this subsection for the following purposes: **(*i*) Convening early learning partnerships on a regular basis to ensure early childhood system building and the development of implementation strategies through active partnerships with families and multiple community organizations.**	**(3) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a Help Me Grow collaborative that includes an active partnership with families and multiple community-based organizations. Each intermediate district is required to employ at least a 0.8 FTE Help Me Grow lead responsible for local system building activities and at least a 0.5 FTE care coordinator for each intermediate district region. The goal of each Help Me Grow collaborative is to ensure the coordination and expansion of local early childhood systems and programs that achieve the following outcomes:**	**(c) Intermediate districts must use funding received under this subsection for the following purposes:** **(*i*)** Concur with Governor.	**(c)** Concur with Governor.

(*ii*) Improving family access, leadership, and engagement in early childhood education.	**(a) Improve family access, leadership, and engagement.**	**(*ii*) Improving family access, leadership, and engagement in early childhood education that is grounded in the science of reading.**	
(*iii*) Enhancing child development, learning, and well-being.	**(b)** Concur with Governor.	**(*iii*)** Concur with Governor.	
(*iv*) Creating strong, efficient community systems.	**(c)** Concur with Governor.	**(iv)** Concur with Governor.	
(*v*) Providing universal developmental screening and follow up support through care coordinators.	**(4) The responsibilities of the intermediate district Help Me Grow lead described in subsection (3) include at least the following:**	**(*v*)** Concur with Governor.	
(*vi*) Participating in a coordinated, statewide enrollment system that increases child participation in early care and education programs described in subsection (5).	**(a) Facilitating local Help Me Grow collaboratives and demonstrating growth toward fidelity to the Help Me Grow model by implementing the following 4 core components of the model and its key activities as indicated by the Help Me Grow National Fidelity Assessment:**		
(*vii*) Supporting the following staffing costs in each early learning partnership:	**(*i*) Centralized access point.**	**(*vi*)** Concur with Governor.	
(A) At least 0.8 FTE for a lead position to provide system-building capacity by facilitating the implementation of program components and activities, ensuring initiatives are data-driven, completing annual program assessments, connecting families to developmental screening, and ensuring intermediate districts have dedicated care coordinators.	**(*ii*) Family and community outreach.** **(*iii*) Child health provider outreach.** **(*iv*) Data collection and analysis.** **(b) Ensuring that local early childhood initiatives are data driven and reflect the needs of the community, including literacy, home visiting, and other early childhood programs.**		
	(c) Completing the annual Help Me		

	Grow National Fidelity Assessment and tracking relevant data, including referrals, systems-building activities, outreach efforts, developmental screenings, and barriers, to demonstrate progress and inform continuous improvement. **(d) Providing universal access to developmental screening for children birth through age 5.** **(e) Ensuring the local intermediate district has a dedicated care coordinator to support families in the community, either by hiring locally, collaborating amongst intermediate districts, or contracting with Help Me Grow Michigan. The care coordinator shall have sufficient time dedicated to provide all of the following:** **(*i*) Regular support of a public telephone line during work hours to answer family questions.**		
(B) At least 0.5 FTE for a care coordinator within each intermediate district. Care coordinators are responsible for answering questions from families, providing follow up services related to developmental screenings and referrals, tracking data, and providing cross-sector coordination to ensure families are seamlessly connected to the full scope of services within the intermediate district region.	**(*ii*) Follow-up on universal developmental screenings and referrals to appropriate early childhood programs and services.** **(*iii*) Data tracking to ensure referrals from Help Me Grow successfully connect to early childhood services.** **(*iv*) Coordinated cross-sector supports to ensure that families are seamlessly connected to the full**		

	scope of services within the intermediate district region.		
(3) From the funds allocated in subsection (1), there is allocated in FY 2026-27 an amount not to exceed $3,900,000.00 for evidence-based, family-centered, data-driven family support services, including, but not limited to, home visiting programs that comply with requirements of the voluntary home visitation programs act, MCL 400.791 to 400.798. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. The department shall make payments under this subsection to an intermediate district serving as a fiscal agent for these funds on a schedule determined by the department.	**(5) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $7,200,000.00 for the purpose of providing family support services, including, but not limited to, home visiting, to at-risk children and their families. From the funds allocated in this subsection, $3,500,000.00 must be distributed to intermediate districts that were awarded funds under former section 32p(4) in 2024-2025 to provide home visits. Any remaining funds must be distributed equally to all other intermediate districts. The family support services described in this subsection must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven strategic plan that is approved by the department of lifelong education, advancement, and potential and aligned with the Help Me Grow National Fidelity Assessment. The goals of the family support services funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community**	**(3) From the funds allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $3,900,000.00 for evidence-based, family-centered, data-driven family support services, including, but not limited to, home visiting programs that comply with the requirements of 2012 PA 291, MCL 400.791 to 400.798. Funds allocated under this subsection must be expended in a form and manner determined jointly by the department of lifelong education, advancement, and potential and the department of health and human services. The department of lifelong education, advancement, and potential shall make payments under this subsection to an intermediate district serving as a fiscal agent for these funds on a schedule determined by the department of lifelong education, advancement, and potential.**	**(3)** Concur with House.

	resources and referrals. The department of lifelong education, advancement, and potential shall coordinate the goals of the strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family support services. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient delivery of family support services.		
(4) From the funds allocated in subsection (1), the department shall award at least $4,000,000.00 to eligible intermediate districts for the purpose of improving access to books and other literacy materials for children from birth to age 5. An intermediate district must apply for these funds in a form and manner determined by the department and may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children from birth to age 5 and educates families on the importance of frequently reading aloud with children. If funding available under this subsection is insufficient to fully fund all interested intermediate districts	**(7) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $4,000,000.00 to improve literacy outcomes and advance school readiness for children prenatal through age 5 by implementing evidence-based practices through Help Me Grow collaboratives that engage families in education on reading aloud with their children, reading frequency, and other developmentally appropriate and evidence-based reading improvement techniques on a recurring basis. A Help Me Grow collaborative may only use the funding to implement family engagement practices that have an evidence base showing improvement in early literacy outcomes with children prenatal through age 5. Family engagements**	**(4) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential shall award at least $4,000,000.00 to eligible intermediate districts for the purpose of improving access to books and other literacy materials for children from birth to age 5. An intermediate district must apply for these funds in a form and manner determined by the department of lifelong education, advancement, and potential and may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children from birth to age 5 and educates families on the importance of frequently reading**	**(4)** Concur with House.

and families, funding to each intermediate district must prioritize enrollment to those families with the highest levels of economic need.	**may occur through Early On visits, evidence-based home visits, and Reach Out and Read well-child visits. Early childhood and medical professionals who engage with the child's family must have participated in evidence-based training or coaching on the literacy strategies implemented. A Help Me Grow collaborative that receives funds under this subsection must report to the state data collected during these family engagements, including at least the type of engagement, frequency of engagement, coaching or training model, and outcome data. The formula described in subsection (1) must be used to allocate funds to intermediate districts under this subsection. If funding under this subsection is insufficient to enroll all interested families in the service, each intermediate district must prioritize enrollment to those families with the highest levels of economic need. If an intermediate district will not fully use funding received under this subsection, those funds must be returned to the department of lifelong education, advancement, and potential for redistribution for the purposes under this subsection.**	**aloud with children. If funding available under this subsection is insufficient to fully fund all interested intermediate districts and families, funding to each intermediate district must prioritize enrollment to those families with the highest levels of economic need.**	
(5) From the funds allocated in subsection (1), there is allocated in FY 2026-27 an amount not to exceed $4,000,000.00 for an intermediate district to partner with the department and community-based	**(5)** Not included.	**(5) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential may award up to $5,000,000.00 for grants to intermediate districts to purchase**	**(5) From the funds allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $4,000,000.00 for an intermediate district to partner with the department of lifelong education,**

organizations to raise awareness about the availability of services through early learning partnerships and to develop systems to identify and reach out to families. All of the following apply to funding under this subsection: **(a) Funding under this subsection must be used for the following purposes:** **(*i*) Organizing community events and outreach activities to inform parents about early learning partnerships, the positive impacts of early childhood education, and additional early childhood programs available to families.** **(*ii*) Developing and implementing a coordinated statewide enrollment system that allows providers to advertise available services and allows families to enroll in early education programs. The system must include information about additional early childhood programs for families to increase participation in early care and education.** **(b)** Not included.		**early childhood education curriculum materials targeted at children from birth to age 5. Intermediate districts shall apply in a form and manner determined by the department of lifelong education, advancement, and potential. Early childhood curriculum materials purchased using funds allocated under this subsection must be bilingual and build oral language, vocabulary, phonological awareness, early reading behaviors, and foundational math and cognitive skills.**	**advancement, and potential and community-based organizations to raise awareness about the availability of services through early learning partnerships and to develop systems to identify and reach out to families. All of the following apply to funding under this subsection:** **(a)** Concur with Governor. **(b) Families are not required to participate in early learning partnerships.**
(6) Not included.	**(6) At a date determined by the department of lifelong education, advancement, and potential each**	**(6)** Not included.	**(6)** Not included.

	year, each intermediate district shall provide a report to Help Me Grow Michigan detailing the strategies implemented during the immediately preceding year, data on families served, and progress toward model fidelity based upon the Help Me Grow National Fidelity Assessment. Help Me Grow Michigan shall provide a completed copy of the statewide report to the department of lifelong education, advancement, and potential, who will submit a summary, including progress made toward the goals and outcomes described in subsections (3), (5), (7), and (8), to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies by not later than March 31 of each year.		
(6) From the funds allocated in subsection (1), the department may award up to $1,200,000.00 to intermediate districts to administer or provide services, programs, or resources required by this section that would otherwise be administered or provided by the department. Funds awarded under this subsection may be distributed as follows:	**(8) From the funds allocated in subsection (1), there is allocated an amount not to exceed $1,500,000.00 to intermediate districts in a manner determined by the department of lifelong education, advancement, and potential, to support MiFamily Engagement Regional Centers. To be eligible for funds awarded under this subsection, intermediate districts must partner with an entity with expertise in family leadership, as determined by the department of lifelong education, advancement, and potential.**	**(6)** Not included.	**(6) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential may award up to $1,200,000.00 to intermediate districts to administer or provide services, programs, or resources required by this section that would otherwise be administered or provided by the department of lifelong education, advancement, and potential. Funds awarded under this subsection may be distributed as follows:**
(9) Not included.	**(9) An intermediate district or consortium of intermediate districts**	**(9)** Not included.	**(9)** Not included.

	that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year.		
(a) Up to $50,000.00 to Oakland Schools to provide strategic leadership in collaboration with the department to ensure accountability, efficacy and consistent implementation of programs under this section to a national fidelity standard, as department by the department.	**(10) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $50,000.00 to Oakland Schools to provide strategic leadership to the department of lifelong education, advancement, and potential and Help Me Grow Michigan. Oakland Schools may retain not more than 5% of the funding received under this section for administrative purposes and shall use remaining funding to support expansion and enhancement of Help Me Grow.**	**(a)** Not included.	**(a) Up to $50,000.00 to Oakland Schools to provide strategic leadership in collaboration with the department of lifelong education, advancement, and potential to ensure accountability, efficacy, and consistent implementation of programs under this section to a national fidelity standard, as determined by the department of lifelong education, advancement, and potential.**
(b) Up to $1,150,000.00 to Clinton County RESA to collaborate with the department to provide statewide leadership, technical assistance, a central access point, community outreach, and administrative support.	**(11) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $1,350,000.00 to Clinton County RESA as fiscal agent and partner for Help Me Grow Michigan to provide statewide leadership, a central access point, technical assistance, community outreach, and administrative support. Statewide strategic leadership will be supported as described in subsection (10). Clinton County RESA may retain not more than 5% of the funding received under this section for administrative purposes and shall use remaining funding to**	**(b)** Not included.	**(b) Up to $1,150,000.00 to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential to provide statewide leadership, technical assistance, a central access point, community outreach, and administrative support.**

	support expansion and enhancement of Help Me Grow.		
(7) As used in this section, "department" means the department of lifelong education, advancement, and potential.	**(7)** Not included.	**(7)** Not included.	**(7)** Not included.
(8) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	**(12) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.**	**(8)** Not included.	**(7)** Concur with Senate.

Sec. 32t - Preschool Pilot for 3-year-olds

Appropriates $25.0 million SAF in FY 2025–26 to Clinton County RESA to operate Phase 2 of a preschool pilot for eligible 3-year-olds, with services similar to GSRP. Program is run by CCRESA under MiLEAP, with MSU handling evaluation and data analysis.

(2) Funding is paid to CCRESA over two years.

(3) Phase 2 tests program variations, including part-day models, 5-day schedules, multi-age GSRP settings, and inclusion.

(4) Outcomes will be compared between children in Strong Beginnings + GSRP, GSRP only, and neither program.

(5) Evaluation data must include waitlists, child assessments, kindergarten attendance, and elementary test results.

(6) CCRESA must submit a final Phase 2 report covering implementation, demographics, outcomes, challenges, and a scalable statewide model.

(7) Funding is a work project.

Executive	*Senate*	*House*	*Conference*
No change.	(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** only an amount not to exceed ~~$25,000,000.00~~ **$11,000,000.00** to Clinton County RESA (CCRESA) ~~for~~ **to continue** phase 2 of a preschool pilot program to provide services to 3-year-old children.	No change.	No change.

	~~(2) The department of lifelong education, advancement, and potential must pay the funding under this section to Clinton County RESA in installments over 2 years. The department of lifelong education, advancement, and potential shall determine the amount to be used in each year.~~ **(2)** ~~(3)~~ This section is intended to ~~provide planning for and implement~~ **continue** phase 2 of the pilot preschool program for 3-year-old children. The second phase of the pilot will examine variations of the current program, such as part-day, 5-day-per-week, multiage grouping with the great start readiness program, and inclusion. **(6)** ~~(7)~~ The funds allocated under this section for ~~2025-2026~~ **2026-2027** are a work project appropriation, and any unexpended funds for ~~2025-2026~~ **2026-2027** are carried forward into ~~2026-2027.~~ **2027-2028.** The purpose of the work project is to expand phase 1 of the pilot to additional classrooms and initiate phase 2 of the pilot. The estimated completion date of the work project is September 30, ~~2029.~~**2030.**		

Sec. 32v - Early Childhood Workforce

Appropriates $30,000,000 SAF in FY 2022-23 only for programs to increase the size of the early childhood workforce.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	No change.	(1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2022-2023~~ **2026-**

			2027 only an amount not to exceed ~~$30,000,000.00~~ **$21,700,000.00, and from the great start readiness reserve fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $8,300,000.00** to implement ~~an~~ early childhood workforce ~~project.~~**development initiatives.** (2) The department must award funding under this section to an intermediate district or a consortium of intermediate districts to serve as a fiscal agent. ~~The recipient intermediate district or consortium of intermediate districts at the direction of the department and in collaboration with the department of licensing and regulatory affairs child care licensing bureau, and organizations with experience recruiting and training early childhood professionals, must do all of the following:~~ ~~(a) Assess early childhood workforce needs, with a priority placed on professionals in child care, Head Start, and the great start readiness program settings, and support improvements in how data on the early learning and care workforce is collected, stored, and used for professional advancement.~~ ~~(b) Update and promote clear career pathways for early learning and care roles, including current compensation levels.~~ ~~(c) Ensure professional development,~~

			~~certificates, and degrees align to the career pathway and quality rating and improvement system.~~ ~~(d) Develop and pilot alternative education and training programs, including, but not limited to, competency-based credentials and micro credentials for early learning and care professionals.~~ ~~(e) Pilot projects that support the recruitment and retention of early learning and care professionals with a priority placed on professionals in child care and the great start readiness program settings. At least 1 pilot project must test strategies to sustainably increase wages and benefits to align with professionals with similar levels of educational requirements, specialization requirements, and job responsibilities.~~ **In collaboration with the department of lifelong education, advancement, and potential, the department shall direct funds allocated to an intermediate district or consortium of intermediate districts for initiatives that will support any of the following objectives:** **(a) Increasing the number of early childhood workers in the great start readiness program, child care, and Head Start.** **(b) Enhancing professional development and career advancement opportunities for**

			early childhood workers. **(c) Implementing early childhood worker recruitment and retention strategies, including, but not limited to, the following:** **(*i*) Stipends, grants, or reimbursements for eligible postsecondary costs, travel, or housing expenses, as determined by the department.** **(*ii*) Bonus or incentive payments, or implementation of compensation structures intended to recruit, retain, or reward eligible early childhood workers.** **(*iii*) Payment of costs associated with the provision of health care, retirement, or paid leave benefits to early childhood workers.** **(*iv*) Matching costs for any other funds allocated to enhance or supplement the implementation of initiatives eligible under this section.** **(d) Administering the funds under this section and data collection efforts in partnership with at least 1 public university located in this state. At a minimum, data collection efforts must evaluate the effectiveness of early childhood workforce initiatives funded. Total administration and data collection costs must not exceed 5% of the funds allocated under this section.** (3) Funds allocated under this section for ~~2022-2023~~ **2026-2027** are a work project appropriation, and any

			unexpended funds for ~~2022-2023~~ **2026-2027** are carried forward into ~~2023-2024.~~ **2027-2028.** The purpose of the work project is to ~~launch an early childhood workforce project to recruit, train, and retain professionals in all early learning settings, with a priority on child care and preschool settings.~~ **support the implementation of early childhood workforce development initiatives.** The estimated completion date of the work project is September 30, ~~2027.~~**2029.**

Sec. 35a - Early Literacy Programs

(1) Appropriates $52.0 million SAF in FY 2025-26.

(3) Allows districts receiving subsection (5) funds to use up to 5% to administer department-approved screening/diagnostic tools and to support evidence-based educator training on using assessment data within an MTSS framework.

(4) Allocates $42.0 million to ISDs for early literacy coaches Each ISD would be provided at least 2 coaches, with funding for remaining coaches distributed based on each ISD's K-3 free lunch percentage compared to the total.

(5) Allocates $19.9 million in FY 2024-25 only to districts to provide additional instructional time for identified Pre-K–5 students needing reading supports, conditioned on MTSS implementation and other evidence-based requirements, and distributed (or prorated) on an equal per-first-grade-pupil basis.

(6) Requires districts receiving subsection (5) funds to submit an annual report by September 1 detailing who/what was served and providing proficiency/growth data in aggregate and by multiple student subgroups.

(8) Allocates $5.0 million in FY 2024-25 only to an intermediate district/consortium to pass through to Michigan Education Corps for PreK Reading Corps, K3 Reading Corps, and Math Corps statewide services, with required outcomes reporting, misuse repayment provisions, and limits on reserving funds for evaluation absent MEC agreement.

(10) Allocates $10.0 million in FY 2024-25 and FY 2025-26 for districts to provide professional learning described in (11) for teachers in grades PreK-3.

(11) Specifies the requirements for the provider to be approved under subsection (10).

Executive	*Senate*	*House*	*Conference*
(1) Appropriates **$102.5 million** SAF (**$52.5 million** ongoing/**$50.0 million** one-time) in FY 2026-27.	(1) Concur with Governor.	(1) Appropriates **$117.0 million** SAF (**$42.0 million** ongoing/**$75.0 million** one-time) in FY 2026-27.	(1) Appropriates **$77.5 million** SAF (**$52.5 million** ongoing/**$25.0 million** one-time) and **$50.0 million** from the Educator Fellowship Public Provider Fund in FY 2026-27.

(2) No change.	~~(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to 5. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.~~	~~(2)~~ Concur with Senate.	~~(2)~~ Concur with Senate.
(3) ~~A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 5 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework.~~ A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills	(3) ~~A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 5 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills~~	~~(3)~~ Concur with Senate.	~~(3)~~ Concur with Senate.

must be assessed within each of these components: (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution). (b) Phonics - decoding (reading) and encoding (spelling). (c) Fluency. (d) Comprehension - making meaning of text. (4) Allocates **$52.5 million** in FY 2026-27. (b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner: (*i*) The department shall award each intermediate district grant funding to support the cost of ~~2~~ **4** early literacy coaches in an equal amount per early literacy coach, not to exceed $125,000.00. (*ii*) After distribution of the grant funding under subparagraph (*i*), the department shall distribute ~~the remainder of~~ grant funding for additional early literacy coaches in an amount not to exceed $125,000.00 per early literacy coach**, ensuring that**	~~must be assessed within each of these components:~~ ~~(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).~~ ~~(b) Phonics - decoding (reading) and encoding (spelling).~~ ~~(c) Fluency.~~ ~~(d) Comprehension - making meaning of text.~~ (4) Concur with Governor.	(4) Allocates $42.0 million in FY 2026-27. (b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of ~~early~~ literacy coaches. The department shall provide this funding in the following manner: (*i*) The department shall award each intermediate district grant funding to support the cost of 2 ~~early~~ literacy coaches in an equal amount per ~~early~~ literacy coach, not to exceed $125,000.00. (*ii*) After distribution of the grant funding under subparagraph (*i*), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed $125,000.00 per early literacy coach. The number of	**(2)** ~~(4)~~ Allocates **$52.5 million** in FY 2026-27. (b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of ~~early~~ literacy coaches. The department shall provide this funding in the following manner: (*i*) The department shall award each intermediate district grant funding to support the cost of ~~2 early~~ **4** literacy coaches in an equal amount per ~~early~~ literacy coach, not to exceed $125,000.00. (*ii*) After distribution of the grant funding under subparagraph (*i*), the department shall distribute ~~the remainder of~~ grant funding for additional ~~early~~ literacy coaches in an amount not to exceed $125,000.00 per ~~early~~ literacy coach. ~~The number of~~

each intermediate district receives funding for at least 1 additional literacy coach compared to the number of coaches funded under this section in FY 2025-26.		funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.	~~funded early literacy coaches for each intermediate district is~~ **The department shall ensure that each intermediate district receives funding for at least 1 additional literacy coach compared to the number of coaches funded under this section in 2025-2026.**
(***iii***) ~~The number of funded early literacy coaches for each intermediate district is~~ **If funding under this subsection remains available after the distributions in subparagraphs (*i*) and (*ii*), the department shall distribute the remaining amount** based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district**, but only after ensuring no intermediate district receives funding for fewer literacy coaches in FY 2026-27 compared to the number of coaches funded by the intermediate district in FY 2025-26.**			(***iii***) **If funding under this subsection remains available after the distributions in subparagraphs (*i*) and (*ii*), the department shall distribute the remaining funds** based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district. **Funds may be distributed under this section only after the department ensures that no intermediate district receives funding for fewer literacy coaches in 2026-2027 compared to the number of coaches for which the intermediate district received funding in 2025-2026.**
(f) The department shall develop a coaching evaluation framework to be implemented in alignment to the literacy coaching model described in section 1280f of the revised school code, MCL 388.1280f.		**(f)** Concur with Governor.	**(f)** Concur with Governor.
(g) All literacy coaches funded under this subsection must comply with the requirements described in section 35o.		**(g)** Not included.	**(g)** Concur with Governor.

~~(5) From the allocation under subsection (1), there is allocated an amount not to exceed $19,900,000.00 in FY 2024-25 to districts that provide additional instructional time to those pupils in grades pre-K to 5 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions to read at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:~~ ~~(a) To be eligible to receive funding, a district must demonstrate to the satisfaction of the department that the district has done all of the following:~~ ~~(*i*) Implemented a multi-tiered system of supports instructional delivery model that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must provide at least all of the following essential components:~~ ~~(A) Team-based leadership.~~ ~~(B) A tiered delivery system.~~ ~~(C) Selection and implementation of instruction, interventions, and supports.~~ ~~(D) A comprehensive screening and~~	~~(5)~~ Concur with Governor.	~~(5)~~ Concur with Governor.	~~(5)~~ Concur with Governor.

~~assessment system.~~ ~~(E) Continuous data-based decision making.~~ ~~(*ii*) Used department-approved research-based diagnostic tools to identify individual pupils in need of additional instructional time.~~ ~~(*iii*) Used a reading instruction method that focuses on the 5 fundamental building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge.~~ ~~(*iv*) Provided teachers of pupils in grades pre-K to 5 with research-based professional development in diagnostic data interpretation.~~ ~~(*v*) Complied with the requirements under section 1280f of the revised school code, MCL 380.1280f.~~ ~~(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.~~ ~~(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.~~			
~~(6) By not later than September 1 of each year, a district that receives funding under subsection (5) in conjunction with the Michigan student~~	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.

~~data system, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:~~ ~~(a) For pupils in grades pre-K to 5, the teachers, pupils, schools, and grades served with funds under this section and the categories of services provided.~~ ~~(b) For pupils in grades pre-K to 5, pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:~~ ~~(*i*) School.~~ ~~(*ii*) Grade level.~~ ~~(*iii*) Gender.~~ ~~(*iv*) Race.~~ ~~(*v*) Ethnicity.~~ ~~(*vi*) Economically disadvantaged status.~~ ~~(*vii*) Disability.~~ ~~(*viii*) Pupils identified as having reading deficiencies.~~			
~~(7) From the allocation under subsection (1), there is allocated an amount not to exceed $6,000,000.00 in FY 2024-25 to an intermediate district in which the combined total~~	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.

~~number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:~~ ~~(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:~~ ~~(*i*) Literacy essentials teacher and principal training modules.~~ ~~(*ii*) Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.~~ ~~(*iii*) The placement of regional lead literacy coaches to facilitate professional learning for early literacy coaches. These regional lead literacy coaches shall provide support for new literacy coaches, building teachers, and administrators and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.~~ ~~(*iv*) Provide $500,000.00 from this subsection for literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. The training described in this subparagraph must use the pre-K and~~			

~~K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.~~ ~~(*v*) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.~~ ~~(b) By not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.~~			

~~(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.~~			
~~(8) From the allocation under subsection (1), the department shall allocate the amount of $5,000,000.00 in FY 2024-25 only to an intermediate district or a consortium of intermediate districts to partner with the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. An intermediate district or a consortium of intermediate districts receiving funding under this subsection must forward the amount received under this subsection to the Michigan Education Corps for statewide services. As conditions of receiving funding from an intermediate district or a consortium of intermediate districts, all of the following apply to funding received by the Michigan Education Corps under this subsection:~~	~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.
~~(a) By September 1 of the current fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree~~			

~~to which the Michigan Education Corps' replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:~~ ~~(*i*) The current impact of the programs on this state in terms of numbers of children and schools receiving support. This portion of the report must specify the number of children tutored, including dosage and completion, and the demographics of those children.~~ ~~(*ii*) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and interventions completed and the range, mean, and standard deviation.~~ ~~(*iii*) Whether the literacy or math improvement of children participating in the programs is consistent with expectations. This portion of the report must detail at least all of the following:~~ ~~(A) Growth rate by grade or age level, in comparison to targeted growth rate.~~ ~~(B) Average linear growth rates.~~ ~~(C) Exit rates.~~ ~~(D) Percentage of children who exit who also meet or exceed spring benchmarks.~~ ~~(*iv*) The impact of the programs on organizations and stakeholders, including, but not limited to, school~~			

~~administrators, internal coaches, and AmeriCorps members.~~ ~~(b) If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.~~ ~~(c) An intermediate district or a consortium of intermediate districts may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. An intermediate district or a consortium of intermediate districts shall award the entire amount allocated under this subsection to the Michigan Education Corps and shall not condition the forwarding of this funding on the implementation of an independent evaluation.~~			
(6) ~~(10)~~ From the allocation under subsection (1), there is allocated an amount not to exceed ~~$10,000,000.00~~ **$50,000,000.00** in FY ~~2024-25 and FY 2025-26~~ **FY 2026-27** only to an intermediate district identified by the department for the provision of professional learning by the approved provider described in subsection ~~(11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and~~	**(6)** ~~(10)~~ Concur with Governor.	**(4)** ~~(10)~~ From the allocation under subsection (1), there is allocated an amount not to exceed ~~$10,000,000.00~~ **$75,000,000.00** for ~~2024-2025 and 2025-2026~~ **2026-2027** only to an intermediate district identified by the department for the provision of professional learning by the approved provider described in subsection ~~(11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and~~	**(4)** ~~(10)~~ From the ~~allocation~~ **state school aid fund money allocated** under subsection (1), there is allocated an amount not to exceed ~~$10,000,000.00~~ **$25,000,000.00 and from the educator fellowship public provider fund money allocated under subsection (1), there is allocated an amount not to exceed $50,000,000.00** for ~~2024-2025 and 2025-2026~~ **2026-2027** only to an intermediate district identified by the

~~then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments.~~ **(7) for PreK to 5 educators, special education educators, and administrators overseeing these professionals. Funding allocated under this subsection must be distributed over a 5-year period, beginning in fiscal year FY 2026-27. The funds allocated under this subsection are a work project appropriation, and any unexpended funds in FY 2026-27 are carried forward into FY 2027-28. The purpose of the work project is to continue the provision of professional learning described in this subsection and subsection (7). The estimated completion date of the work project is September 30, 2031.** For purposes of this subsection, the approved provider must establish and manage professional learning opportunities that are open to all school personnel described in this subsection~~. as follows:~~ ~~(a) The approved provider must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The approved provider shall then open voluntary enrollment for the remaining school personnel described in this subsection.~~		~~then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments.~~ **(6) to the following individuals:** **(a) Certificated individuals who provide, support, or oversee instruction in grades K to 5 that involves reading instruction or language arts, including classroom teachers and teachers with any special education endorsements.** **(b) All personnel responsible for the delivery, support, or supervision of literacy instruction in grades K to 5, as determined by the department.**	~~department for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments.~~ **(5). All of the following apply to funding under this subsection:** **(a) Funds must first be used to provide the professional learning described in subsection (5) to all of the following:** **(*i*) Pre-K to grade 5 educators that provide, support, or oversee pre-K to grade 5 reading instruction.** **(*ii*) Special education educators.** **(*iii*) Administrators overseeing individuals described in subparagraphs (*i*) and (*ii*).** **(*iv*) Literacy coaches.** **(*v*) Faculty and staff at educator preparation programs that teach reading fundamental courses.** **(*vi*) Partners that lead regional and statewide literacy professional development, as determined by the department.** **(b) If funds remain after the allocation of funds under subdivision (a), districts that establish a public goal to train all qualifying staff may receive the**

~~(b) The approved provider must maintain open enrollment until all funds are expended.~~		**(5)** For purposes of ~~this~~ subsection **(4)**, the approved provider must establish and manage professional learning opportunities that are open to all school personnel described in ~~this~~ subsection **(4).** ~~as follows:~~ ~~(a)~~ The approved provider must ~~first~~ open ~~voluntary~~ enrollment ~~for any pre-K through grade 3 teacher~~ on a first-come, first-served basis, ~~with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The approved provider shall then open voluntary enrollment for the remaining school personnel described in this subsection.~~ ~~(b) The approved provider~~ **and** must maintain open enrollment until all funds are expended.	**following:** **(*i*) Access to personalized training and support for district-wide implementation at no additional cost to the district.** **(*ii*) If funding is available, grants to support district-wide completion of the professional learning described in subsection (5). Eligible costs under this subparagraph include hiring substitute teachers and compensating participants for additional time.** **(c)** For purposes of this subsection, the approved provider **described in subsection (5)** must establish and manage professional learning opportunities that are open to all school personnel described in this subsection**.** ~~as follows:~~ ~~(a) The approved provider must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The approved provider shall then open voluntary enrollment for the remaining school personnel described in this subsection.~~ ~~(b) The approved provider must maintain open enrollment until all funds are expended.~~
(7) ~~(11)~~ For the provision of professional learning to the school personnel described in subsection ~~(10),~~ **(6)** LETRS is the approved	**(7)** ~~(11)~~ Concur with Governor.	**(6)** ~~(11)~~ Concur with Governor.	**(5)** ~~(11)~~ For the provision of professional learning to the school personnel described in subsection ~~(10),~~ **(4),** LETRS is the approved

provider of professional learning as long as LETRS continues to meet all of the following:			provider of professional learning as long as LETRS continues to meet all of the following:
(f) On a quarterly basis report all of the following information to the department, in a form and manner prescribed by the department:			**(f) On a quarterly basis, report all of the following information to the department, in a form and manner prescribed by the department:**
(*i*) The total number of individuals who have completed the required professional learning, organized by role group.			**(*i*) The total number of individuals who have completed the required professional learning, organized by role group.**
(*ii*) The total number of individuals who are enrolled in the required professional development training, organized by role group.			**(*ii*) The total number of individuals who are enrolled in the professional learning, organized by role group.**
(*iii*) The total number of individuals who enrolled but withdrew from the required professional development prior to completion, organized by role group.			**(*iii*)** Concur with Governor.
(*iv*) The total number of individuals who enrolled but transferred to a different cohort prior to completion, organized by role group.			**(*iv*)** Concur with Governor.
(*v*) The cost per individual to enroll in the required professional learning.			**(*v*) The cost per individual to enroll in the professional learning.**
(*vi*) The total grant funds expended for all individuals who completed or enrolled in the professional learning during the quarter reported.			**(*vi*)** Concur with Governor.
(*vii*) The total unused grant funds			**(*vii*)** Concur with Governor.

for the quarter reported. **(*viii*) The strategies and technical assistance provided to support participant completion.**			**(*viii*)** Concur with Governor.
(7) Not included.	**(7)** Not included.	**(7) The department shall create a credential for educators that confirms that the educator has completed the training described in subsection (6).**	**(7)** Not included.
(8) Not included.	**(8)** Not included.	**(8) Notwithstanding section 17b, the department shall make payments under subsection (4) on a schedule determined by the department.**	**(8)** Not included.
(9) Not included.	**(9)** Not included.	**(9) Notwithstanding section 18a, funds allocated under subsection (4) may be available for expenditure until September 30, 2029. A recipient of funding under subsection (4) must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2029.**	**(9)** Not included.
~~(12) Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.~~	~~(12)~~ Concur with Governor.	~~(12)~~ Concur with Governor.	~~(12)~~ Concur with Governor.

NEW CONF Sec. 35d - Dyslexia Supports

Appropriates $1,000,000 SAF for FY 2026-27 only for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	Not included.	**(1) From the state school aid fund money appropriated under section**

			11, there is allocated for 2026-2027 only an amount not to exceed $1,000,000.00 for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia as described in this section. It is intended that supports funded under this section assist with the implementation of dyslexia requirements under section 1280f of the revised school code, MCL 380.1280f. **(2) A provider that provides programming that meets all of the following criteria is considered to be a provider of an eligible teacher training program for purposes of this section:** **(a) The programming allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.** **(b) The programming trains educators to teach reading using a proven, multisensory approach.** **(c) The programming educates**

			teachers on how to explicitly and effectively teach reading to beginning readers. **(d) The programming breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.** **(e) The programming uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.** **(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible teacher training program from a provider of an eligible teacher training program, and, upon receiving an application and except as otherwise provided in this subsection, the department shall make payments to districts and intermediate districts for those purchases. The department shall make payments under this section on a first-come, first-served basis until funds are depleted.**

Sec. 35e - School Libraries

Appropriates $250,000 SAF in FY 2025-26 only to Wayne State University for a comprehensive study involving multiple stakeholders to assess and improve library services.

Executive	*Senate*	*House*	*Conference*
Repeal.	~~(1) From the state school aid fund money appropriated in section 11,~~	**Repeal.**	**Repeal.**

	~~there is allocated for 2025-2026 only an amount not to exceed $250,000.00 to Wayne State University to study this state's public school library programs.~~ ~~(2) Wayne State University shall convene a committee to conduct the study described in this section. The committee must consist of 1 member from each of the following organizations:~~ ~~(a) The department.~~ ~~(b) The Library of Michigan.~~ ~~(c) The Michigan Association of School Librarians.~~ ~~(d) The Michigan senate.~~ ~~(e) The Michigan house of representatives.~~ ~~(f) The Michigan Education Association.~~ ~~(g) The Michigan chapter of the American Federation of Teachers.~~ ~~(h) The Michigan Association of Superintendents and Administrators.~~ ~~(i) A Michigan research university.~~ ~~(3) The committee described in subsection (2) shall conduct a study to investigate at least all of the following issues:~~ ~~(a) How many schools in each district have a school library.~~ ~~(b) What hours school libraries are open each week for students and faculty to use.~~ ~~(c) What full-time equivalency of certified school librarians are employed at each building.~~ ~~(d) The ratio of students per certified school librarian.~~ ~~(e) What full-time equivalency of~~		

	~~paraprofessional or other staff are employed in the school library and the credentialing of these staff, if any.~~ ~~(f) How school libraries are scheduled.~~ ~~(g) How many hours each week school librarians provide direct library-related instruction to students.~~ ~~(h) The technology available for students to access library resources and lessons.~~ ~~(i) The size and age of the collection in each school library, and the extent of digital materials available for students to access.~~ ~~(j) Current funding per student for school library materials.~~ ~~(k) Any other matters that the committee considers relevant to the fulfillment of its mission to determine the status of school library programs in this state.~~ ~~(4) The department shall provide staff and other resources as the committee described in subsection (2) considers appropriate, including contracting with a researcher. Appropriate costs must be determined by the department, and the committee described in subsection (2) shall reimburse the department for costs related to this subsection.~~ ~~(5) The committee described in subsection (2) may conduct public hearings to gather information, and may sponsor statewide or regional conferences involving educators, students, or the public at large.~~ ~~(6) The committee described in subsection (2) shall provide a report to~~		

	~~the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department by not later than December 31, 2026. The report must create a long-term plan for this state's school library programs that may include the adoption of guidelines for school library facilities, budget, staffing, collection development, and curriculum standards for school library programs. The final report and recommendations must include drafts of legislation necessary to carry those recommendations into effect.~~ ~~(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.~~ **(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 $21,000,000.00 to districts in an equal amount per pupil to support school libraries.** **(2) A recipient of funding under this section shall use the funds only for the salaries and benefits of certified school librarians, electronic or material resources for school libraries, or furniture, equipment, or supplies for school libraries.**		

Sec. 35m - Literacy Curriculum Supports

(1) Appropriates $64,400,000 SAF in FY 2025-26 only for payments to improve educational outcomes in literacy.

(4) Directs MDE to distribute literacy funding to districts and intermediate districts based on the committee's rankings, with higher funding for higher-rated literacy materials and possible exclusion of ineffective tools.

(9) Appropriates $4 million SAF in FY 2025-26 only for literacy essentials training.

(10) Appropriates $1.6 million SAF in FY 2025-26 only to support the MiMTSS Technical Assistance Center.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated in FY ~~2025-26~~ **FY 2026-27** only an amount not to exceed ~~$64,400,000.00~~ **$100,000.000.00** for the purposes described in this section, including payments to improve educational outcomes in literacy. **The department shall award funding under this section in a quantity and magnitude such that the allocation in this subsection is distributed over 2 fiscal years, beginning in FY 2026-27.**	Concur with Governor.	(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2025-2026 only~~ **2026-2027** an amount not to exceed ~~$64,400,000.00~~ **$150,000,000.00** for the purposes described in this section**.** ~~, including payments to improve educational outcomes in literacy.~~	(1) From the state school aid fund money appropriated in section 11, there is allocated in FY ~~2025-26~~ **FY 2026-27** only an amount not to exceed ~~$64,400,000.00~~ **$50,000.000.00** for the purposes described in this section, including payments to improve educational outcomes in literacy.
(2) No change		~~(2) The department shall continue the committee for literacy achievement that includes representatives of higher education and early childhood literacy educators who have expertise in literacy instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for literacy achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of literacy. The committee is encouraged to collaborate with the Michigan~~	(2) The department shall continue the committee for literacy achievement that includes representatives of higher education and early childhood literacy educators who have expertise in literacy instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for literacy achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of literacy. The committee is encouraged to collaborate with the Michigan

		~~Education Research Institute or other entities with similar expertise on the subject of literacy. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following:~~ ~~(a) Critically evaluate early literacy series and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the series based on the series' likelihood to increase student literacy outcomes. Priority must be given to series that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.~~ ~~(b) Critically evaluate literacy professional development. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the professional development based on the professional development's likelihood to increase student literacy outcomes. Priority must be given to professional development that already has a~~	Education Research Institute or other entities with similar expertise on the subject of literacy. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following: (a) Critically evaluate ~~early~~ literacy series and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the series based on the series' likelihood to increase student literacy outcomes. Priority must be given to series that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor. (b) No change.

		~~demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.~~	
		~~(c) Critically evaluate other applicable literacy tools or services the committee determines to have a high likelihood or demonstrated history of increasing student literacy outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.~~	(c) No change
		~~(d) Create, maintain, and post annually on a publicly available website a rankings list of all early literacy series and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2024-2025 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to an early literacy series or other item on the list since the early literacy series or other item was~~	(d) Create, maintain, and post annually on a publicly available website a rankings list of all ~~early~~ literacy series and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2024-2025 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to ~~an early~~ **a** literacy series or other item on the list since the ~~early~~ literacy series or other item was

		~~evaluated by the committee and if the early literacy series or other item has not been evaluated since the last ranking. The rankings list created in this subdivision must align with the list of evidence-based tier 1, classwide elementary reading curricula and materials that are aligned with science of reading methods that research has shown to improve literacy outcomes and help pupils achieve reading proficiency as required under section 1280f of the revised school code, MCL 380.1280f.~~	evaluated by the committee and if the ~~early~~ literacy series or other item has not been evaluated since the last ranking. The rankings list created in this subdivision must align with the list of evidence-based tier 1, classwide elementary reading curricula and materials that are aligned with science of reading methods that research has shown to improve literacy outcomes and help pupils achieve reading proficiency as required under section 1280f of the revised school code, MCL 380.1280f. **A list described in this subdivision may include a maximum of 15 recommendations. Additional items may be evaluated. However, only the top 15 may be recommended for use.**
(3) No change.		~~(3) An individual on the committee shall recuse themselves from evaluating early literacy series and other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.~~	(3) An individual on the committee shall recuse themselves from evaluating ~~early~~ literacy series and other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.
(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until it has critically evaluated as many early literacy series and other items from subsection (2) as possible. Payments under this subsection must **begin to** be made during the current fiscal year		**(2)** ~~(4)~~ From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. ~~The department shall not make payments under this subsection until it has critically evaluated as many early literacy series and other items from subsection (2) as possible. Payments under this subsection must be made during the current fiscal year to~~	(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount necessary, as determined by the department, **for a district or intermediate district to implement the chosen literacy item**. ~~The department shall not make payments under this subsection until it has critically evaluated as many early literacy series and other items from~~

to support district implementation in ~~FY 2026-27.~~ **FY 2027-28.** The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district. The department shall award funding under this section using the following methodology:		~~support district implementation in 2026-2027. The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district.~~ The department shall award funding under this section ~~using the following methodology:~~	~~subsection (2) as possible. Payments under this subsection must be made during the current fiscal year to support district implementation in 2026-2027. The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district. The department shall award funding under this section using the following methodology:~~
(a) A base award equal to the amount necessary for the district or intermediate district to implement the chosen early literacy series or other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.		~~(a) A base award equal to the~~ **in the** amount necessary for ~~the~~ **a** district or intermediate district to implement the chosen ~~early~~ literacy series or ~~other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.~~	~~(a) A base award equal to the amount necessary for the district or intermediate district to implement the chosen early literacy series or other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.~~

(b) A tiered per-pupil award based on the number of pupils in membership at the district and intermediate district. The tiered per-pupil award must provide a higher per-pupil payment to districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices. (5) No change.		~~(b) A tiered per-pupil award based on the number of pupils in membership at the district and intermediate district. The tiered per-pupil award must provide a higher per-pupil payment to districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.~~ ~~(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for literacy achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend must be commensurate with the committee member's contribution to the committee. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under~~	~~(b) A tiered per-pupil award based on the number of pupils in membership at the district and intermediate district. The tiered per-pupil award must provide a higher per-pupil payment to districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.~~ (5) No change.

		~~this subsection.~~**curriculum under subsection (4).**	
(6) No change.		**(3)** ~~(6)~~ To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. ~~As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice a year, on or before May 1 and October 1, on the early literacy series and other items used for the previous and current school years, and the early literacy series and other items to be used for the next school year. The early literacy series and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).~~	(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice a year, on or before May 1 and October 1, on the ~~early~~ literacy series and other items used for the previous and current school years, and the ~~early~~ literacy series and other items to be used for the next school year. The ~~early~~ literacy series and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).
(4) Not included.		**(4) A district or intermediate district may use funds received under this section only to purchase the following literacy series or curricula:** **(a) Amplify CKLA.** **(b) HMH Into Reading.** **(c) Savvas Literacy Programs.** **(d) Great Minds Wit & Wisdom.** **(e) EL Education K-8 Language Arts Curriculum.**	**(4)** Not included.
(8) Funds allocated under subsection		**(6)** ~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.

(1) in FY ~~2025-26~~ **FY 2026-27** are a work project appropriation, and any unexpended funds in FY ~~2025-26~~ **FY 2026-27** are carried forward into ~~FY 2026-27.~~ **FY 2027-28.** The purpose of the work project is to improve literacy instructional practices. The estimated completion date of the work project is September 30, 2029.			
~~(9) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,000,000.00 in FY 2025-26 only to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts in this state. All of the following apply to the funding under this subsection:~~ ~~(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:~~ ~~(*i*) Literacy essentials teacher and principal training modules.~~ ~~(*ii*) Face-to-face and online professional learning on literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.~~ ~~(*iii*) The placement of regional lead~~		~~(9)~~ Concur with Governor.	~~(9)~~ Concur with Governor.

~~literacy coaches to facilitate professional learning for early literacy coaches. Regional lead literacy coaches described in this subparagraph shall provide support for new literacy coaches, building teachers, and administrators, and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.~~ ~~(*iv*) A provision of $500,000.00 under this subsection for literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. The training described in this subparagraph must use the pre-K and K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.~~ ~~(b) By not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described in this subdivision must include student achievement results in English language arts and survey results with feedback from parents and teachers~~			

~~regarding the initiatives implemented under this subsection.~~ ~~(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.~~ ~~(10) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 in FY 2025-26 to expand the implementation of the literacy and social, emotional, and behavioral components of a multi-tiered system of supports, including positive behavioral interventions and supports, using the Michigan Multi-Tiered System of Supports Technical Assistance Center. Both of the following apply to funds allocated under this subsection:~~ ~~(a) The department shall use funds allocated under this subsection, through an intermediate district, for the purpose of expanding the statewide expertise, technical assistance, and implementation of the multi-tiered system of supports, dyslexia expertise, and evidence-based instructional practices grounded in the science of reading using the Michigan Multi-Tiered System of Supports Technical Assistance Center, a nationally recognized program. In addition, the department shall identify an		~~(10)~~ Concur with Governor.	~~(10)~~ Concur with Governor.

~~intermediate district to act as a fiscal agent for these funds.~~ ~~(b) Up to 2% of funds allocated under this subsection may be used by the intermediate district serving as the fiscal agent for these funds to administer this subsection.~~			

NEW EXEC Sec. 35o - Literacy Essentials

(1) Appropriates $6.0 million SAF in FY 2026-27 to the intermediate district with the fewest total pupils statewide to improve literacy instruction aligned with the science of reading and Section 1280f of the Revised School Code.

(2) Requires the intermediate district, in partnership with the statewide association representing intermediate district administrators, to use the funding to support statewide literacy infrastructure.

(3) Requires an annual report by September 1 to legislative, fiscal, and executive leadership that includes literacy coaching data (by ISD and statewide), ELA student achievement outcomes, and educator feedback on implemented initiatives.

(4) Allows up to 2% of the allocation to be used by the partnering association of intermediate district administrators for administration of the program.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $6,000,000.00 in FY 2026-27 to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts in this state to improve literacy instruction in alignment with the science of reading and section 1280f of the revised school code, MCL 380.1280f. **(2) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators**	Concur with Governor.	Not included.	Concur with Governor.

in this state, to implement all of the following: **(a) Maintaining, and updating as necessary based on research, the state's literacy essentials and disciplinary literacy essentials for grades preK-12, including teacher and principal training modules and materials.** **(b) Leading face-to-face and online professional learning on the state's literacy essentials and disciplinary literacy essentials for grades preK-12 for literacy coaches, principals, and teachers.** **(c) Leading face-to-face and online professional learning for school and district administrators and leadership teams about leading systems that support effective literacy instruction in all classrooms.** **(d) Facilitating a statewide network of literacy coaches that ensures consistent use of evidence-based literacy practices including monthly communities of practice, regular coaching intensives, and an annual institute. In addition to completing LETRS training, all literacy coaches funded under section 35a(4) must participate in the coaching network, at least one coaching intensive, attend the annual institute, and complete the literacy essentials and coaching modules. Coaches new to the network must also attend a new**			

coach kickoff. **(e) Placing regional lead literacy coaches to facilitate professional learning for literacy coaches. Regional lead literacy coaches described in this subparagraph shall provide support for literacy coaches, building teachers, and administrators, and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.** **(f) Meeting monthly with the departments of education and lifelong education, advancement, and potential to align efforts and achieve statewide goals to train every educator in the science of reading.** **(3) By not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, the state budget director, and the directors of the departments of education and lifelong education, advancement, and potential. The report described in this subdivision must include coaching cycle data by intermediate**			

district and statewide, student achievement results in English language arts, and survey results with feedback from teachers and administrators regarding the initiatives implemented under this subsection. **(4) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.**			

NEW EXEC Sec. 35p - High-Impact Tutoring

(1) Appropriates $100.0 million SAF in 2026–2027 to implement high-impact tutoring programs in eligible districts.

(2) Defines key terms, including “high-impact tutoring” and “eligible tutoring partner,” and specifies the standards and credentials required to qualify.

(3) Requires eligible tutoring partners to apply for funding through a department-defined process and submit detailed program, budget, partnership, and accountability information.

(4) Directs MDE to award grants competitively based on cost-effectiveness, likelihood of success, impact criteria, literacy need, and approved innovative or lower-cost models.

(5) States the intent that grant awards be distributed over two years, split evenly between 2026–2027 and 2027–2028.

(6) Expresses legislative intent that tutoring partners, rather than districts, handle most grant application, oversight, and administrative responsibilities.

(7) Establishes responsibilities for districts receiving tutoring services, including student identification, parent communication, integration with improvement plans, and fiscal pass-through requirements.

(8) Sets timelines for grant awards, payments, fund transfers, and the start of tutoring services.

(9) Funding is a work project.

(10) Allocates $600,000 to Clinton County RESA, in partnership with MAISA, to support reporting, technical assistance, data collection, and annual impact reporting on high-impact tutoring.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11,	**(1) From the state school aid fund money appropriated in section 11,**	**(1) From the state school aid fund money appropriated in section 11,**	**(1) From the state school aid fund money appropriated in section 11,**

there is allocated in FY 2026-27 only an amount not to exceed $100,000,000.00 to implement high-impact tutoring programs in eligible districts.	**there is allocated in FY 2026-27 only an amount not to exceed $50,000,000.00 to implement high-impact tutoring programs in eligible districts.**	**there is allocated for 2026-2027 only an amount not to exceed $50,000,000.00 to implement high-impact tutoring programs in eligible districts.**	**there is allocated for 2026-2027 only an amount not to exceed $50,000,000.00 to implement high-impact tutoring programs through eligible tutoring partners in eligible districts.**
(2) As used in this section:	**(11)** Concur with Governor.	**(13) As used in this section:**	**(12) As used in this section:**
(a) "High-impact tutoring" means, except as otherwise provided in this section, in-person tutoring that occurs during the school day; is individualized with tutor ratios not higher than 1:4; provides intensive support with a minimum of 2 sessions per week; uses a structured, evidence-based curriculum designed for tutoring with formative assessments to track progress; and uses trained tutors.		**(b) "High-impact tutoring" means, except as otherwise provided in this section, in-person tutoring that meets all of the following:** **(*i*) Occurs during or after the school day.** **(*ii*) Is individualized with tutor-student ratios not higher than 1:4.** **(*iii*) Provides intensive support with a minimum of 2 sessions per week.** **(*iv*) Uses a structured, evidence-based curriculum designed for tutoring with formative assessments to track progress.** **(v) Uses trained tutors.** **(vi) Includes ongoing assessment and feedback.**	**(b)** Concur with House.
(b) "Eligible tutoring partner" means a tutoring provider, including, but not limited to, those created by for-profit vendors, nonprofit vendors, intermediate districts, districts, and the Michigan Schools for the Deaf and Blind, that		**(a)** Concur with Governor.	**(a)** Concur with Governor.

provides high-impact tutoring and meets at least one of the following:			
(*i*) Is included on the ProvenTutoring list maintained by the Center for Research and Reform in Education at Johns Hopkins University.			
(*ii*) Has a Tutoring Program Design Badge as awarded by the National Student Support Accelerator, a program of the SCALE Initiative at Stanford University.			
(*iii*) Is a vetted high-impact tutoring program included in the MiStrategyBank. If necessary, the Michigan Association of Intermediate School Administrators may convene a committee to review tutoring programs for inclusion in the MiStrategyBank.			
(3) Eligible tutoring partners shall apply for funding in a form and manner determined by the department. The application must include at least all of the following:	**(2)** Concur with Governor.	**(2)** Concur with Governor.	**(2) Eligible tutoring partners shall apply for funding in a form and manner determined by the department. An application for funding described in this subsection must include at least all of the following:**
(a) An identification of a district or intermediate district that will serve as a fiscal agent for awarded funds.			**(a)** Concur with Governor.
(b) A list of district partners that will be recipients of high-impact tutoring from the applicant including a letter of support from			**(b)** Concur with Governor.

each district that affirms their commitment to ensure alignment with tier 1 instruction, implementation fidelity, including but not limited to student usage and frequency, and participation in data sharing and training necessary to maximize outcomes.			
(c) Projections for the number of students who will be served broken down by partner district.			**(c)** Concur with Governor.
(d) A description of the efficacious nature of their program, including the ability of the eligible tutoring partner to hit certain benchmarks and goals, based on evidence.			**(d)** Concur with Governor.
(e) A plan for how the eligible tutoring partner will target high-impact tutoring for the highest need student populations based on some or all of the following: statewide assessment data, screeners and/or formative assessment scores, economically disadvantaged status, special education status, or English language learner status.			**(e) A plan for how the eligible tutoring partner will target high-impact tutoring for the highest need student populations based on some or all of the following criteria:** **(*i*) Statewide assessment data.** **(*ii*) Screeners or formative assessment scores.** **(*iii*) Economically disadvantaged status.** **(*iv*) Special education status.** **(*v*) English language learner status.**
(f) A planned budget for the high-impact tutoring program provided, including the total dollars necessary to serve the identified			**(f)** Concur with Governor.

student population and an estimate of the percentage of awarded dollars that would be directly deployed for high-impact tutoring.			
(g) A commitment to provide periodic reporting to each district served and the department, in a form and manner determined by the department, to ensure funds are being spent in accordance with this section.			**(g)** Concur with Governor.
(h) A commitment to return any or all funds awarded if the department determines dollars are used in a way that violates this section.			**(h)** Concur with Governor.
(i) Any additional information required by the department to make informed decisions on awarding competitive grants under this section and to ensure financial stewardship awarded dollars.			**(i)** Concur with Governor.
(4) The department shall award grants to applicants on a competitive basis, using at least all of the following in making award determinations:	**(3)** Concur with Governor.	**(3)** Concur with Governor.	**(3) The department shall award grants to applicants on a competitive basis, using at least all of the following in making award determinations:**
(a) The cost effectiveness of the application based on the number of students projected to be served, the total requested budget, and the demonstrated outcome capacity of the high-impact tutoring program.			**(a)** Concur with Governor.
(b) The reasonability that the applicant will be able to meet the stated outcome benchmarks.			**(b) The reasonability that the eligible tutoring partner will be able to meet the stated outcome**

			benchmarks.
(c) Other criteria, as determined by the department, to ensure grants are awarded to the most impactful applicants.			**(c)** Concur with Governor.
(d) If the amount allocated in subsection (1) is not sufficient to fully fund all eligible applicants, the department must prioritize grant awards to districts with the lowest levels of literacy proficiency, as determined by student scores on the Michigan student test of educational progress (M-STEP).	**(4)** Concur with Governor.	**(4)** Concur with Governor.	**(4) If the amount allocated in subsection (1) is not sufficient to fully fund all eligible tutoring partners that apply for funding, the department must prioritize grant awards to districts with the lowest levels of literacy proficiency, as determined by student scores on the Michigan student test of educational progress (M-STEP).**
(e) The department may approve applications from tutoring partners that offer innovative ways to reach students at a lower cost by waiving elements of the high-impact tutoring definition. This must include but is not limited to offering virtual programs. In such cases, the applicant must provide evidence of program impact and implement an outcomes-based contract model.	**(5)** Concur with Governor.	**(5)** Concur with Governor.	**(5) The department may approve applications from eligible tutoring partners that offer innovative ways to reach students at a lower cost by waiving elements of high-impact tutoring described in subsection (11). This must include, but is not limited to, offering virtual programs. In such cases, the eligible tutoring partner submitting the application must provide evidence of program impact and implement an outcomes-based contract model.**
(5) It is intended that awarded applicants receive funding over a two-year period, with up to 50% of the awarded amount being made available in FY 2026-27 and the remaining amount being made available in FY 2027-28.	**(5)** Not included.	**(6)** Concur with Governor.	**(5)** Not included.
(6) It is intended that the work	**(6)** Concur with Governor.	**(7)** Concur with Governor.	**(6)** Concur with Governor.

associated with the grant application, oversight, and administration of awards under this section be performed primarily by the eligible tutoring partner and not by districts that have agreed to receive high-impact tutoring.			
(7) If a district or intermediate district agrees to receive high-impact tutoring from the eligible tutoring partner, the district must:	**(7)** Concur with Governor.	**(8)** Concur with Governor.	**(7) If a district or intermediate district agrees to receive high-impact tutoring from an eligible tutoring partner, the district or intermediate district must do all of the following:**
(a) Work with the eligible tutoring partner to identify students that would benefit from the program. The district or intermediate district must communicate with parents of identified students to describe the available program, outline possible student outcomes, and encourage student participation.	**(a)** Concur with Governor.		**(a) Work with the eligible tutoring partner to identify students that would benefit from the program. The district or intermediate district must communicate with parents or legal guardians of identified students to describe the available program, outline possible student outcomes, and encourage student participation.**
(b) To the extent possible, integrate the high-impact tutoring program with the district continuous improvement plan.	**(b) To the extent possible, integrate the high-impact tutoring program with the district Michigan Integrated Continuous Improvement Process (MICIP) plan.**		**(b)** Concur with Senate.
(c) If the district or intermediate district is the fiscal agent for the eligible tutoring partner, except as otherwise provided in this subdivision, forward the amount awarded to the tutoring partner. The designated fiscal agent may retain up to 0.5% of the funding awarded to the tutoring partner for	**(c)** Concur with Governor.		**(c) If the district or intermediate district is the fiscal agent for the eligible tutoring partner, except as otherwise provided in this subdivision, forward the amount awarded to the tutoring partner. The designated fiscal agent may retain up to 0.5% of the funding awarded to the tutoring partner for**

administrative purposes.			**administrative purposes.**
(8) All of the following apply to the funds allocated under this section:	**(8)** Concur with Governor.	**(9) Both of the following apply to the funds allocated under this section:**	**(8)** Concur with Governor.
(a) The department shall make award determinations and notifications by no later than January 15, 2027.		**(a) The department shall make award determinations and notifications by not later than November 15, 2026.**	
(b) The department must make initial payments to identified fiscal agents by no later than March 1, 2027. Identified fiscal agents must forward funding to eligible tutoring partners by no later than March 15, 2027.		**(b) The department shall make initial payments to identified fiscal agents by not later than January 1, 2027. Identified fiscal agents must forward funding to eligible tutoring partners by not later than January 15, 2027.**	
(c) Eligible tutoring partners must begin deploying services in recipient districts and intermediate districts before the end of the FY 2026-27 school year.		**(10)** Concur with Governor.	
(9) The funds allocated under this section in FY 2026-27 are a work project appropriation, and any unexpended funds in FY 2026-27 are carried forward into FY 2027-28. The purpose of the work project is to provide high-impact tutoring through eligible tutoring partners. The estimated completion date of the work project is September 30, 2031.	**(9)** Concur with Governor.	**(11) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to provide high-impact tutoring through eligible tutoring partners. The estimated completion date of the work project is September 30, 2029.**	**(9)** Not included.
(10) From the allocation in subsection (1), there is allocated $600,000.00 to the Clinton County Regional Educational Service Agency to work with the Michigan	**(10)** Concur with Governor.	**(12)** Concur with Governor.	**(9) From the allocation in subsection (1), there is allocated $600,000.00 to the Clinton County Regional Educational Service Agency to work with the Michigan**

Association of Intermediate School Administrators (MAISA), to do all of the following:			**Association of Intermediate School Administrators (MAISA), to do all of the following:**
(a) Provide a report on high-impact tutoring programs utilized with the funding allocated under subsection (1).			**(a) Provide a report on high-impact tutoring programs implemented with the funding allocated under subsection (1).**
(b) Develop and provide technical assistance to districts in selecting high-impact tutoring strategies and integrating these strategies into district Michigan Integrated Continuous Improvement Process (MICIP) plans. Developing and providing technical assistance may include the design, review, and integration of eligible tutoring programs within the MiStrategyBank.			**(b)** Concur with Governor.
(c) Collect, aggregate, and report data in collaboration with the MAISA Michigan Collaborative Hub. An amount not to exceed $300,000.00 of the funds allocated under this subsection may be used for this purpose.			**(c)** Concur with Governor.
(d) Provide an annual report of the impact of high-impact tutoring programs to the office of the governor, senate and house education committees, the senate and house appropriations subcommittees on school aid, and the state budget director.			**(d)** Concur with Governor.
(10) Not included.	**(10)** Not included.	**(10)** Not included.	**(10) From the allocation in subsection (1), there is allocated**

			not more than $5,000,000.00 for a parent-driven tutoring pilot. All of the following apply to the parent-driven tutoring pilot described in this subsection: **(a) The department shall award grants to districts to participate in a parent-driven tutoring pilot. The department shall do both of the following when making award determinations under this subdivision:** **(*i*) Prioritize applicants in an opportunity index band, as determined under section 6(21), of 4 or higher.** **(*ii*) Ensure recipients represent both urban and rural districts and include all geographic regions of this state.** **(b) A district that receives an award under this subsection shall open an application process to parents and legal guardians of students. The application must include the name of the chosen tutoring provider. Districts shall prioritize applications from parents and legal guardians of students that are economically disadvantaged and most academically at risk.** **(c) Funds awarded through the application process described in subdivision (b) may be used for tutoring services through an evidence-based tutoring provider**

			with whom the district is not currently partnered. **(d) A district receiving funds under this subsection shall make payments directly to the tutoring provider chosen on the application by a parent or legal guardian under subdivision (b).** **(e) A district receiving funds under this section may retain 2.5% of funds for administration.** **(f) A district shall provide a final report to the department including how many students participated in tutoring by grade level, which tutoring providers were used, and funds awarded by tutoring provider.**

NEW EXEC Sec. 35q - Literacy Achievement and Opportunity Transparency Dashboard (House Sec. 35o)

By March 1, 2027, the state must publish and regularly update a public literacy dashboard showing access, instructional capacity, assessment results, demographic breakdowns, and state actions to improve literacy outcomes.

Executive	*Senate*	*House*	*Conference*
By no later than March 1, 2027, the department, in collaboration with the department of lifelong education, advancement, and potential, and the center, shall publish to a publicly accessible location on its website and shall update periodically thereafter as new data becomes available, a literacy achievement and opportunity transparency dashboard that includes at least the following:	Concur with Governor.	**(1) By not later than March 1, 2027, the department, in collaboration with the center, shall publish to a publicly accessible location on the department's website, and shall update periodically thereafter as new data becomes available, a literacy achievement and opportunity transparency dashboard that includes at least the following:**	**(1) By not later than March 1, 2027, the department, in collaboration with the department of lifelong education, advancement, and potential, and the center, shall publish to a publicly accessible location on its website and shall update periodically thereafter, as new data becomes available, a literacy achievement and opportunity transparency dashboard that includes at least the following:**

(a) A metric assessing the percentage of:		**(a) A metric assessing the following:**	
(*i*) Children with access to free, full-day prekindergarten opportunities.		**(*i*)** Not included.	**(a) The percentage of children in this state with access to free, full-day pre-K opportunities.**
(*ii*) Prekindergarten to 5th grade educators who are trained in the science of reading.		**(*i*) The percentage of grade K to 5 educators who are trained in the science of reading.**	**(b) The percentage of pre-K to grade 5 educators in this state who are trained in the science of reading.**
(*iii*) Prekindergarten to 5th grade classrooms using curriculum and assessments aligned with the science of reading.		**(*ii*) The percentage of grade K to 5 classrooms using curricula and assessments aligned with the science of reading.**	**(c) The percentage of districts in this state using a curriculum funded under section 35m.**
(*iv*) Parents receiving clear communication from their school about their child's reading action plans and the ability to get extra support as needed.		**(*iii*) The percentage of parents and legal guardians who are receiving clear communication from their school about their child's reading action plans and the ability to get extra support as needed.**	**(*iii*)** Not included.
(b) Literacy related results, including multi-year trend data, from the following state assessments:		**(b)** Concur with Governor.	**(d) Literacy-related results, including multiyear trend data, from the following state assessments:**
(*i*) 3rd grade Michigan student test of educational progress (M-STEP).			**(*i*)** Concur with Governor.
(*ii*) 7th grade Michigan student test of educational progress (M-STEP).			**(*ii*)** Concur with Governor.
(*iii*) SAT			**(*iii*)** Concur with Governor.
(*iv*) National Assessment of Educational Progress (NAEP).			**(*iv*)** Concur with Governor.
(c) Additional metrics that help the		**(c)** Concur with Governor.	**(e) Additional metrics that help the**

public and policymakers track statewide literacy progress.			**public and policymakers track statewide literacy progress.**
(d) Data must be disaggregated by district and school demographics where possible.		**(2)** Concur with Governor.	**(2) The data published under subsection (1) must be disaggregated by district and school demographics where possible.**
(e) A summary of activities the state is taking to improve literacy outcomes.		**(d)** Concur with Governor.	**(f)** Concur with Governor.

NEW HOUSE Sec. 35q - Private Tutoring

Appropriates $40.0 million SAF in FY 2026-27 for a private tutoring pilot program.

(2) MDE must award grants to up to 20 eligible districts in opportunity index band 4 or higher, with urban, rural, and statewide geographic representation, by December 1, 2026.

(3) Participating districts must notify families about the program and accept reimbursement applications that include tutoring cost and weekly hours.

(4) Districts must prioritize economically disadvantaged and academically at-risk students and cover 100% of approved direct tutoring costs for at least 1 year.

(5) Districts may pay tutoring costs through advance family payments, reimbursement after receipts, or direct payment to providers.

(6) Up to $200,000 is allocated for an ISD to study the pilot's outcomes and report findings by September 30, 2028.

(7) Districts may retain 2.5% of funds for administration.

(10) Additional funding is appropriated from the state school aid pupil support reserve fund so that districts may receive $2,500 per retained grade 3 student who was not proficient in ELA and was not promoted, to support literacy improvement.

(11) Additional funding is appropriated from the general pupil support reserve fund so that nonpublic schools may receive $2,500 per retained grade 3 student who was not proficient in ELA and was not promoted, to support literacy improvement.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $40,000,000.00 for a pilot program that reimburses parents and legal guardians for the costs of private tutoring.**	Not included.

		(2) The department shall partner with not more than 20 districts through a grant process to implement the pilot program described in this section. The department shall inform all participating districts of their award under the pilot program by not later than December 1, 2026. All of the following apply to the pilot program: **(a) To participate in the pilot program, the district must be in an opportunity index band, as determined under section 31a, of 4 or higher.** **(b) The pilot program must include both urban and rural districts and include districts from all geographic regions of this state.** **(3) After receiving funding under this section, districts shall allow parents and legal guardians to submit an application for funds to reimburse the parent or legal guardian for the costs of private tutoring. Districts shall provide notice to parents and legal guardians about the pilot program, the application process, and a list of potential private tutors not later than 30 days prior to the application being made available. An application by a parent or legal guardian under this subsection must include at least all of the following:**	

		(a) The cost of the private tutoring program. **(b) The number of hours per week that the parent or legal guardian's child will receive tutoring in the program.** **(4) Districts shall prioritize funding for students that are economically disadvantaged and most academically at risk. Districts shall cover 100% of the direct costs for private tutoring for any child approved to participate in the pilot program for not less than 1 year. Upon approval of an application under subsection (3), a district shall inform the parent or legal guardian of the maximum amount of funding that the district will reimburse for private tutoring.** **(5) A district may make payments through 1 or more of the following methods:** **(a) A district may make advance payments to parents and legal guardians to cover tutoring costs. A parent or legal guardian shall submit to the district all receipts necessary to ensure reimbursements being made do not exceed program costs. A district or the department may contact a tutoring provider directly to verify program costs and participation.**	

		(b) A district may require a parent or legal guardian to submit a receipt documenting payment before providing reimbursement. A district shall reimburse a parent or legal guardian not later than 2 weeks after receiving proof of payment. **(c) A district may reimburse a private tutoring provider directly. The private tutoring provider shall provide to the district records of student attendance in the program.** **(6) From the funds allocated in subsection (1), there is allocated not more than $200,000.00 to an intermediate district to partner with the department to conduct a study on the outcomes of the pilot program under this section. The study must include, but is not limited to, an analysis of test scores before and after participation in the pilot program and a comparison to students that did not participate in the program. The intermediate district shall submit a report on the study to the house and senate subcommittees on school aid, the house and senate fiscal agencies, and the state budget office by not later than September 30, 2028.** **(7) A district receiving funding under this section may retain 2.5% of funds for administration.** **(8) Notwithstanding section 17b, the department shall make payments**	

		under this section on a schedule determined by the department. **(9) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026—2027 are carried forward into 2027-2028. The purpose of the work project is to continue to implement the pilot program on private tutoring and associated study. The estimated completion date of the work project is September 30, 2028.** **(10) In addition to the state school aid pupil support reserve fund money appropriated in section 11 and in addition to the state school aid fund money appropriated in subsection (1), there is appropriated for 2026-2027 the amount necessary from the state school aid pupil support reserve fund to fully fund the allocations under this subsection. The department shall make payments to districts in an amount equal to $2,500.00 per pupil in grade 3 who scored "not proficient" on the state English language arts test in the 2025-2026 school year and, with the consent of the pupil's parent or legal guardian, was not promoted to grade 4 in the 2026-2027 school year. Funds received under this subsection must be used by districts to help pupils retained in grade 3 to become proficient in English language arts. Nothing in this subsection requires a district to**	

		retain a pupil who scored "not proficient" on the state English language arts test. **(11) In addition to the general pupil support reserve fund money appropriated in section 11 and in addition to the funds appropriated in subsections (1) and (10), there is appropriated for 2026-2027 the amount necessary from the general pupil support reserve fund to fully fund the allocations under this subsection. The department shall make payments to nonpublic schools in an amount equal to $2,500.00 per pupil in grade 3 who scored "not proficient" on the state English language arts test in the 2025- 2026 school year and, with the consent of the pupil's parent or legal guardian, was not promoted to grade 4 in the 2026-2027 school year. Funds received under this subsection must be used by nonpublic schools to help pupils retained in grade 3 to become proficient in English language arts. Nothing in this subsection requires a nonpublic school to retain a pupil who scored "not proficient" on the state English language arts test.**	

NEW HOUSE Sec. 36 - Math Supports

Appropriates $100.0 million SAF in FY 2026-27 to improve educational outcomes in mathematics.

(2) MDE must create a committee for mathematics achievement to evaluate and rank math curricula, professional development, and other math tools, post annual rankings publicly, and recommend curricula for district purchase.

(3) Committee members must recuse themselves from evaluating items they helped create, could benefit from financially, or otherwise have a conflict of interest in.

(4) MDE must award funding to districts and ISDs for implementation of one of the 5 recommended curricula, with possible second-round funding for related professional development and tools if money remains.

(5) MDE may provide annual stipends of up to $8,000 to eligible committee members employed by public higher education institutions, districts, or ISDs.

(6) To receive funding, districts and ISDs must apply and report twice annually on the math curricula and related items they used and plan to use.

(7) Allocates up to $1 million to an ISD to work with MDE to purchase statewide access to supplemental math tools.

(9) Funding is a work project.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $100,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in mathematics.** **(2) The department shall create the committee for mathematics achievement, which shall include representatives of higher education and mathematics educators who have expertise in mathematics instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for mathematics achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of mathematics. The committee is encouraged to collaborate with entities with expertise on the**	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in mathematics.** **(2) The department shall create the committee for mathematics achievement, which must include representatives of higher education and mathematics educators who have expertise in mathematics instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for mathematics achievement. The department shall develop a process to identify and assemble experts for the committee for mathematics achievement. The primary focus of the committee for mathematics achievement is to recommend curricula and materials with the goal of increasing student academic outcomes in the area of mathematics. The committee for mathematics achievement is**

		subject of mathematics. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following:	**encouraged to collaborate with entities with expertise on the subject of mathematics. The department shall determine the size and benchmarks of the committee for mathematics achievement. The committee for mathematics achievement shall do all of the following:**
		(a) Critically evaluate mathematics curricula and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of mathematics. The committee shall assign grade tiers to a curriculum based on the curriculum's likelihood of increasing student mathematics outcomes. Priority must be given to curricula that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.	**(a) Critically evaluate K to 5 mathematics curricula and materials. The committee for mathematics achievement shall evaluate with research-based outcomes, using the committee for mathematics achievement's expertise in the field of mathematics. The committee for mathematics achievement shall assign grade tiers to a curriculum based on the curriculum's likelihood of increasing student mathematics outcomes. Priority must be given to curricula that already have a demonstrated history of increasing student outcomes. The committee for mathematics achievement may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee for mathematics achievement is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.**

		(b) Critically evaluate mathematics professional development. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of mathematics. The committee shall assign grade tiers to professional development programs based on the professional development program's likelihood of increasing student mathematics outcomes. Priority must be given to professional development programs that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.	**(b) Create, maintain, and annually post on a publicly available website a rankings list of all K to 5 mathematics curricula the committee for mathematics achievement has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee for mathematics achievement shall denote on the list whether major changes have been made to a mathematics curriculum on the list since the mathematics curriculum was evaluated by the committee for mathematics achievement and if the mathematics curriculum has not been evaluated since the last ranking.**
		(c) Critically evaluate other applicable mathematics tools or services the committee determines to have a high likelihood or demonstrated history of increasing student mathematics outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available	**(c)** Not included.

		materials not submitted to the department by a vendor.	
		(d) Create, maintain, and annually post on a publicly available website a rankings list of all mathematics curricula and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to a mathematics curriculum or other item on the list since the mathematics curriculum or other item was evaluated by the committee and if the mathematics curriculum or other item has not been evaluated since the last ranking.	**(d)** Not included.
		(e) The committee must select not more than 5 mathematics curricula to recommend for purchase by districts.	**(c) The committee for mathematics achievement must select not more than 5 mathematics curricula to recommend for purchase by districts.**
		(3) An individual on the committee for mathematics achievement shall recuse themselves from evaluating mathematics curricula or other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.	**(3)** Concur with House.

		(4) From the funds allocated in subsection (1), and subject to subsection (6), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until the committee for mathematics achievement has critically evaluated as many mathematics curricula and other items from subsection (2) as possible. Payments under this subsection must be made during the current fiscal year to support district implementation in 2027-2028. Payments under this section may be used only to purchase 1 of the 5 mathematics curricula described under subsection (2)(e). If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. Grant awards made under the second round may be used for mathematics professional development and other tools or services described under subsection (2)(b) and (c), with preference given to districts using higher-ranked mathematics tools. The department shall award funding under this section in an amount equal to the amount necessary for the district or intermediate district to implement the chosen mathematics curriculum or other item. The department may place a	**(4) From the funds allocated in subsection (1), and subject to subsection (6), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until the committee for mathematics achievement has critically evaluated as many mathematics curricula and other items from subsection (2) as possible. Payments under this subsection may be used only to purchase 1 of the 5 mathematics curricula described in subsection (2)(c). If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. The department shall award funding under this subsection as a formula grant in an amount equal to the amount necessary for the district or intermediate district to implement the chosen mathematics curriculum or other item until funding is depleted. The department may place a cap on the total award per district or intermediate district.**

		cap on the total award per district or intermediate district.	
		(5) From the funds allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for mathematics achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.	**(5) From the funds allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for mathematics achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee for mathematics achievement. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.**
		(6) To be eligible for funding under subsection (4), a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to	**(6)** Concur with House.

		provide to the department information twice per year, on or before May 1 and October 1, on the mathematics curriculum and other items used for the previous and current school years, and the mathematics curriculum and other items to be used for the next school year. The mathematics curriculum and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).	
		(7) From the funds allocated in subsection (1), there is allocated an amount not to exceed $1,000,000.00 to an intermediate district to partner with the department to purchase statewide access to supplemental mathematics education tools that meet both of the following: **(a) Provide students statewide with complete access to a personalized mathematics learning platform aligned to state standards.** **(b) Provide aligned professional development or implementation supports for educators.**	**(7)** Not included.
		(8) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	**(7)** Concur with House.
		(9) Funds allocated under subsection (1) for 2026-2027 are a	**(8)** Concur with House.

		work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to improve mathematics instructional practices. The estimated completion date of the work project is September 30, 2029.	

NEW HOUSE Sec. 36a - Science, Technology, Engineering, and Mathematics (STEM) Supports

Appropriates $50.0 million SAF in FY 2026-27 to improve educational outcomes in STEM.

(2) MDE must create a STEM achievement committee to recommend strategies and evaluate STEM tools.

(3) Committee members must recuse themselves from evaluating items they helped create, could benefit from financially, or otherwise have a conflict of interest in.

(4) MDE must award funding to districts and ISDs for implementation of one of the 5 recommended STEM curricula, with possible second-round funding for related professional development and tools if money remains.

(5) MDE may provide annual stipends of up to $8,000 to eligible committee members employed by public higher education institutions, districts, or ISDs.

(6) To receive funding, districts and ISDs must apply and report twice annually on the STEM curricula and related items they used and plan to use.

(8) Funding is a work project.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $50,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in STEM.** **(2) The department shall create the committee for STEM achievement, which shall include representatives of higher education and STEM educators who have expertise in STEM instruction and research. The committee shall exist until at least**	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in STEM.** **(2) The department shall create the committee for STEM achievement, which must include representatives of higher education and STEM educators who have expertise in STEM instruction and research. The committee for STEM achievement**

		September 2029. The department shall appoint the members of the committee for STEM achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the areas of STEM. The committee is encouraged to collaborate with entities with expertise on the subject of STEM. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following:	**shall exist until at least September 2029. The department shall appoint the members of the committee for STEM achievement. The department shall develop a process to identify and assemble experts for the committee for STEM achievement. The primary focus of the committee for STEM achievement is to recommend tools and strategies with the goal of increasing student academic outcomes in the areas of STEM. The committee for STEM achievement is encouraged to collaborate with entities with expertise on the subject of STEM. The department shall determine the size and benchmarks of the committee for STEM achievement. The committee for STEM achievement shall do both of the following:**
		(a) Critically evaluate STEM curricula and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of STEM. The committee shall assign grade tiers to the curricula based on the curriculum's likelihood of increasing student STEM outcomes. Priority must be given to curricula that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information	**(a) Critically evaluate applicable STEM tools or services for classroom instruction for pupils in grades 3 to 8 that the committee for STEM achievement determines to have a high likelihood or demonstrated history of increasing student STEM outcomes. The committee for STEM achievement may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee for STEM achievement is also strongly encouraged to evaluate available materials not submitted to the**

		provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.	**department by a vendor.**
		(b) Critically evaluate STEM professional development programs. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of STEM. The committee shall assign grade tiers to the professional development program based on the professional development program's likelihood of increasing student STEM outcomes. Priority must be given to professional development programs that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.	**(b) Create, maintain, and post annually on a publicly available website a rankings list of all STEM items that the committee for STEM achievement has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee for STEM achievement shall denote on the list whether major changes have been made to a STEM item on the list since the STEM item was evaluated by the committee for STEM achievement and if the STEM item has not been evaluated since the last ranking.**
		(c) Critically evaluate other applicable STEM tools or services the committee determines to have a high likelihood or demonstrated history of increasing student STEM outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must	**(c)** Not included.

		independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.	
		(d) Create, maintain, and post annually on a publicly available website a rankings list of all STEM curricula and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to a STEM curriculum or other item on the list since the STEM curriculum or other item was evaluated by the committee and if the STEM curriculum or other item has not been evaluated since the last ranking.	**(d)** Not included.
		(e) The committee must select not more than 5 STEM curricula to recommend for purchase by districts.	**(e)** Not included.
		(3) An individual on the committee shall recuse themselves from evaluating STEM curricula or other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.	**(3)** Concur with House.

		(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until it has critically evaluated as many STEM curricula and other items from subsection (2) as possible. Payments under this subsection must be made during the current fiscal year to support district implementation in 2027-2028. Payments under this section may be used only to purchase 1 of the 5 STEM curricula described under subsection (2)(e). If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. Grant awards made under the second round may be used for STEM professional development and other tools or services described under subsection (2)(b) and (c), with preference given to districts using higher-ranked STEM tools. The department shall award funding under this section equal to the amount necessary for the district or intermediate district to implement the chosen STEM curriculum or other item. The department may place a cap on the total award per district or intermediate district. Funds under this section may not be used to purchase curricula or	**(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until the committee for STEM achievement has critically evaluated as many STEM items from subsection (2) as possible. If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. The department shall award funding under this subsection as a formula grant in an amount equal to the amount necessary for the district or intermediate district to implement the chosen STEM item until funding is depleted. The department may place a cap on the total award per district or intermediate district. Funds under this subsection may not be used to purchase curricula that may be purchased using funds under section 36.**

		other tools that may be purchased using funds under section 36.	
		(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for STEM achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.	**(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for STEM achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee for STEM achievement. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.**
		(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department	**(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department**

		information twice per year, on or before May 1 and October 1, on the STEM curriculum and other items used for the previous and current school years, and the STEM curriculum and other items to be used for the next school year. The STEM curriculum and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).	**information twice per year, on or before May 1 and October 1, on the STEM items used for the previous and current school years, and the STEM items to be used for the next school year. The STEM items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).**
		(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	**(7)** Concur with House.
		(8) Funds allocated under subsection (1) for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to improve STEM instructional practices. The estimated completion date of the work project is September 30, 2029.	**(8)** Concur with House.
		(9) As used in this section, "STEM" means science, technology, engineering, and mathematics.	**(9)** Concur with House.

Sec. 39 - GSRP Formula

Provides the formula by which slot allocations for ISDs are calculated.

(2) The Great Start Readiness Target Foundation amount is $10,650 in FY 2025-26.

(4) School-day programs receive the full Great Start Readiness target foundation amount per child. Part-day or school-day blended with Head Start programs receive half of the target foundation amount per child. Extended-day programs receive 1.2 times the target foundation amount per child. Extended blended with Head Start or part-day extended programs receive 0.6 times the target foundation amount per child.

Executive	*Senate*	*House*	*Conference*
The great start readiness target foundation amount in FY 2026-27 is **$11,290.**	Concur with Governor.	The great start readiness target foundation amount in FY 2026-27 is **$10,916.**	The great start readiness target foundation amount in FY 2026-27 is **$11,736.**
(9) Not included.		**(9) By not later than the first business day of each month, each intermediate district or consortium of intermediate districts that receives funds under section 32d shall report all of the following to the department of lifelong education, advancement, and potential:**	**(9) Each intermediate district or consortium of intermediate districts that receives funds under section 32d shall report all of the following to the department of lifelong education, advancement, and potential by not later than September 15 of the immediately preceding fiscal year, December 15, and March 15:**
		(a) The total number of children enrolled in all great start readiness programs administered by the intermediate district or consortium of intermediate districts, disaggregated by program type and by provider type.	**(a)** Concur with House.
		(b) The total number of children on a waitlist for a great start readiness program administered by the intermediate district or consortium of intermediate districts.	**(b)** Concur with House.
		(c) The estimated total capacity of all great start readiness programs administered by the intermediate district or consortium of intermediate districts.	**(c)** Concur with House.

(10) Not included.		**(10) By not later than the twentieth day of each month, the department of lifelong education, advancement, and potential shall report to the house and senate fiscal agencies and the state budget office on the data collected under subsection (9), disaggregated by intermediate district or consortium of intermediate districts. The report shall include grant application information included under subsection (1) for each intermediate district or consortium of intermediate districts. The department of lifelong education, advancement, and potential shall submit the report described in this subsection in a spreadsheet-compatible format.**	**(10) By not later than October 1, January 1, and April 1 of each fiscal year, the department of lifelong education, advancement, and potential shall report to the house and senate fiscal agencies and the state budget office on the data collected under subsection (9), disaggregated by intermediate district or consortium of intermediate districts. The report must include grant application information included under subsection (1) for each intermediate district or consortium of intermediate districts. The department of lifelong education, advancement, and potential shall submit the report described in this subsection in a spreadsheet-compatible format.**
(11) Not included.		**(11) To assist the legislature in determining necessary funding levels to support payments for the great start readiness program as calculated under this section, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must include an estimated enrollment in great start readiness programs for the current and subsequent fiscal years.**	**(11) To assist the legislature in determining necessary funding levels to support payments for the great start readiness program as calculated under this section, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must include an estimated enrollment in great start readiness programs for the current and two subsequent fiscal years.**

Sec. 39a - Federal Grant Funds

(1) Appropriates $824,700,000 in FY 2025-26 in Federal No Child Left Behind (NCLB) funds.

(2) Appropriates $66,715,000 in other Federal funds in FY 2025-26.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	(1) From the federal funds appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~$824,700,000.00,~~ **$1,100.00** for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows: (a) An amount estimated at ~~$1,200,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds. (b) An amount estimated at ~~$100,000,000.00~~ **$100.00** for 2025-2026 for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds. (c) An amount estimated at ~~$13,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds. (d) An amount estimated at ~~$2,800,000.00~~ **$100.00** for ~~2025-2026~~

			2026-2027 for rural and low-income schools, funded from DED-OESE, rural and ~~low income~~ **low-income** school funds. (e) An amount estimated at ~~$585,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds. (f) An amount estimated at ~~$9,200,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds. (g) An amount estimated at ~~$40,400,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds. (h) An amount estimated at ~~$14,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants. (i) An amount estimated at ~~$55,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** to improve the

			academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants. (j) An amount estimated at ~~$3,100,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program. (k) An amount estimated at ~~$1,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for grants to support and demonstrate innovative partnerships to train school-based mental health service providers, funded from DED-OESE, mental health service professional demonstration grant program. (2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~$66,415,000.00~~ **$500.00** for ~~2025-2026~~ **2026-2027** for the following programs that are funded by federal grants: (a) An amount estimated at ~~$3,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** to provide services to homeless children and youth, funded from DED-OVAE, homeless children

			and youth funds. (b) An amount estimated at ~~$30,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states. (c) An amount estimated at ~~$14,000,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for the Michigan charter school subgrant program, funded from DED–OII, public charter schools program funds. (d) An amount estimated at ~~$17,700,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for the purpose of promoting and expanding high-quality preschool services, funded from ~~HHS-OCC~~, **HHS-OECD** preschool development funds. (e) An amount estimated at ~~$1,715,000.00~~ **$100.00** for ~~2025-2026~~ **2026-2027** for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

Sec. 41 - Bilingual Education

(1) Appropriates $62,732,600 for bilingual education grants in FY 2025-26.

(2)(a) Distributes $2,239 per FTE with composite score between 1.0 and 1.9.——

(b) Distributes $1,608 per FTE with composite score between 2.0 and 2.9.

(c) Distributes $263 per FTE with composite score between 3.0 and 3.9.

(3) If funds are insufficient, all payments are reduced by the same percentage.

(4) Districts must report fund usage by October 15; failure to do so results in withheld and eventually forfeited payments.

(5) Districts must allow audits and repay any disallowed costs.

(6) MDE must review and recommend per-pupil funding adjustments every three years starting in 2020.

(7) MDE must establish English learner program models that establish a minimum number of minutes per week in which districts must provide direct English language development instruction for students according to the student's proficiency levels

Executive	*Senate*	*House*	*Conference*
(1) ~~For a district to be eligible to receive funding under this section, the~~ **With funds received by a district under section 22b(3), the** district must administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS" **to applicable students**. ~~From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $62,732,600.00 in FY 2025-26 for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners. Services for English language learners under this section may include software used to assist learning.~~ ~~(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:~~ ~~(a) $2,329.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language~~	**Repeal.** *(Requirements put in the Revised School Code, Sec. 1280h)*	(1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~$62,732,600.00~~ **$65,869,300.00** for ~~2025-2026~~ **2026-2027** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners. Services for English language learners under this section may include software used to assist learning. (2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows: (a) ~~$2,329.00~~ **$2,445.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language	**Repeal.** *(Requirements put in the Revised School Code, Sec. 1280h)*

~~learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 75% of the target foundation allowance.~~		learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 75% of the target foundation allowance.	
~~(b) $1,608.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 50% of the target foundation allowance.~~		(b) ~~$1,608.00~~ **$1,688.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 50% of the target foundation allowance.	
~~(c) $263.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 35% of the target foundation allowance.~~		(c) ~~$263.00~~ **$276.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 35% of the target foundation allowance.	
~~(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same~~		(3) No change.	

~~percentage proration applied to all funding categories.~~			
~~(4) By October 15 of the fiscal year following the receipt of funding under subsection (1), each district receiving funds under subsection (1) shall submit to the department a report, not to exceed 10 pages, on the usage by the district of funds under subsection (1) in a form and manner determined by the department, including a brief description of each program conducted or services performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the December payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the state school aid fund.~~		(4) No change.	
~~(5) To receive funds under subsection (1), a district must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.~~		(5) No change.	
~~(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution~~		(6) No change.	

~~under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K to 12 school aid appropriations.~~ **(2)** ~~(7)~~ The department shall establish English language learner program models that establish a minimum number of minutes per week that districts must provide direct English language development instruction for students according to the student's proficiency levels. These models must be compliant with federal requirements related to English language learner program services. ~~To be considered an eligible recipient of funding under this section,~~ **With funds received under section 22b(3),** a district must ~~agree to~~ meet or exceed the minimum number of minutes per week, as determined by the department, that the district provides direct English language development instruction.		(7) No change.	

Sec. 41b - KEYS Grace Academy

Appropriates $2,000,000 SAF in FY 2024-25 only for KEYS Grace Academy to partner with Kalasho Education and Youth Services to provide education support services to immigrants, including Afghan refugees.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 51a - Total Special Education Funding (Includes Sections 54 and 56, which are paid out of the appropriation in Section 51a.)

(1) Appropriation of $2,028,696,100 from SAF and $500,000,000 in Federal funding for special education programs in FY 2025-26.

(2) Special education foundations.

(5) Special education rules change.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

(10) Special education non-section 52 payments to ISDs

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money in section 11, there is allocated an amount not to exceed ~~$2,028,696,100.00~~ **$2,126,096,100.00** in FY ~~2024-25~~ **FY 2025-26** and there is allocated an amount not to exceed ~~$2,219,596,100.00~~ **$2,280,137,500.00** in FY ~~2025-26~~ **FY 2026-27** from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~$450,000,000.00 in FY 2024-25 and~~ $500,000,000.00 in FY 2025-26~~,~~ **and FY 2026-27,** plus any carryover federal funds from previous year appropriations.	Concur with Governor.	(1) From the state school aid fund money in section 11, there is allocated ~~an amount not to exceed $2,028,696,100.00 for 2024-2025 and there is allocated~~ an amount not to exceed ~~$2,219,596,100.00~~ **$2,126,096,100.00** for 2025-2026 ~~from~~ **and there is allocated an amount not to exceed $2,264,937,500.00 for 2026-2027. From** state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, **there is allocated an amount** estimated at ~~$450,000,000.00 for 2024-2025 and~~ $500,000,000.00 for 2025-2026 **and $500,000,000.00 for 2026-2027**, plus any carryover federal funds from previous year appropriations.	(1) From the state school aid fund money in section 11, there is allocated ~~an amount not to exceed $2,028,696,100.00 for 2024-2025 and there is allocated~~ an amount not to exceed ~~$2,219,596,100.00~~ **$2,125,396,100.00** for 2025-2026 ~~from~~ **and there is allocated an amount not to exceed $2,264,337,500.00 for 2026-2027. From** state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, **there is allocated an amount** estimated at ~~$450,000,000.00 for 2024-2025 and~~ $500,000,000.00 for 2025-2026 **and $100.00 for 2026-2027**, plus any carryover federal funds from previous year appropriations.
(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~$441,400,000.00~~ **$457,800,000.00** in FY ~~2024-25~~ **FY 2025-26** and ~~$492,400,000.00~~ **$495,100,000.00** in FY ~~2025-26,~~ **FY 2026-27,** for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation.		(2) Concur with Governor.	(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~$441,400,000.00 for 2024-2025 and $492,400,000.00~~ **$457,800,000.00** for 2025-2026 **and $495,200,000.00 for 2026-2027**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation.

(5) From the amount allocated in subsection (1), there is allocated an amount not to exceed $3,200,000.00 in FY ~~2024-25 and~~ FY 2025-26 **and FY 2026-27** to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987.		(5) Concur with Governor.	(5) Concur with Governor.
(10) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~$1,600,000.00 in FY 2024-25 and estimated at $1,600,000.00~~ **$1,900,000.00** in FY 2025-26~~,~~ **and FY 2026-27,** to pay the foundation allowances for pupils described in this subsection.		(10) Concur with Governor.	(10) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~$1,600,000.00 for 2024-2025 and estimated at $1,600,000.00~~ **$1,800,000.00** for 2025-2026 **and estimated at $1,800,000.00 for 2026-2027**, to pay the foundation allowances for pupils described in this subsection.

Sec. 51c - Special Education Headlee

Appropriates $1,107,900,000 from the appropriation in Sec. 51a(1) in FY 2025-26 to provide funding for costs associated with Durant 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.

Executive	*Senate*	*House*	*Conference*
Appropriates **$1,055,000,000** in FY 2025-26 and **$1,140,700,000** in FY 2026-27.	Concur with Governor.	Concur with Governor.	Appropriates **$1,056,400,000** in FY 2025-26 and **$1,141,700,000** in FY 2026-27.

Sec. 51d - Special Education - Other Federal

Appropriates $83,000,000 in Federal grants to special education in FY 2025-26.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	(1) From the federal funds appropriated in section 11, there is allocated for ~~2025-2026~~ **2026-2027** all available federal funding, estimated at

			~~$83,000,000.00,~~ **$300.00,** for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department. (2) From the federal funds allocated under subsection (1), the following amounts are allocated: (a) For ~~2025-2026,~~ **2026-2027,** an amount estimated at ~~$14,000,000.00~~ **$100.00** for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds. (b) For ~~2025-2026,~~ **2026-2027,** an amount estimated at ~~$14,000,000.00~~ **$100.00** for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds. (c) For ~~2025-2026,~~ **2026-2027,** an amount estimated at ~~$55,000,000.00~~ **$100.00** for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.
Sec. 51e - Special Education Foundations			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Appropriates $524,800,000 from the appropriation in Sec. 51a(1) in FY 2025-26 to give districts and ISDs 100% of the foundation allowance for special education pupils.

Executive	*Senate*	*House*	*Conference*
Appropriates **$521,800,000** in FY 2025-26 and **$535,000,000** in FY 2026-27.	Concur with Governor.	Appropriates **$521,800,000** in FY 2025-26 and **$534,800,000** in FY 2026-27.	Appropriates **$519,800,000** in FY 2025-26 and **$533,200,000** in FY 2026-27.

Sec. 51g - Special Education Supports - Learning Library

Appropriates $3.0 million to develop content for use by special education students, teachers, and others.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.

NEW EXEC Sec. 51i - Special Education Weighted Funding Formula

(1) Expresses Legislative intent to move to a weighted special education funding model starting in FY 2027-28 to better reflect the varying costs of educating students with different disabilities.

(2) The model would apply different target funding weights by disability category, with lower weights (1.1) for speech/language impairments and specific learning disabilities, moderate weights (1.8) for other health impairments, and higher weights (3.1–3.8) for higher-cost needs such as physical, cognitive, sensory impairments, emotional impairment, autism spectrum disorder, early childhood developmental delays, and traumatic brain injury.

(3) Payments would be adjusted for other resources, meaning state aid under the weighted formula should take into account available federal funding and local revenue capacity of districts and ISDs.

Executive	*Senate*	*House*	*Conference*
(1) It is the intent of the legislature that, beginning in the fiscal year ending September 30, 2028, a weighted special education funding be implemented to recognize the higher costs associated with certain student needs. **(2) It is intended that such a weighted special education funding formula is implemented in a way to work toward the following target weights for payments to districts and intermediate districts for identified special education**	Concur with Governor.	Not included.	**(1) It is the intent of the legislature that, beginning in the fiscal year ending September 30, 2028, a weighted special education funding formula begins to be implemented to recognize the higher costs associated with certain student needs.** **(2) It is the intent of the legislature that a weighted special education funding formula described in subsection (1) be implemented in a way to work toward the following target weights for payments to districts and intermediate districts**

students:			**for identified special education students:**
(a) Speech and language impairment, 1.1.			**(a)** Concur with Governor.
(b) Specific learning disability, 1.1.			**(b)** Concur with Governor.
(c) Other health impairment multiplied, 1.8.			**(c)** Concur with Governor.
(d) Physical impairment multiplied, 3.1.			**(d)** Concur with Governor.
(e) Severe multiple impairments, 3.1.			**(e)** Concur with Governor.
(f) Cognitive impairment, 3.1			**(f)** Concur with Governor.
(g) Deaf or hard of hearing multiplied, 3.1.			**(g)** Concur with Governor.
(h) Deaf-blindness, 3.1.			**(h)** Concur with Governor.
(i) Emotional impairment multiplied, 3.8.			**(i)** Concur with Governor.
(j) Visual impairment, 3.8.			**(j)** Concur with Governor.
(k) Early childhood developmental delays. 3.8.			**(k)** Concur with Governor.
(*l*) Autism spectrum disorder, 3.8.			**(*l*)** Concur with Governor.
(m) Traumatic brain injury, 3.8.			**(m)** Concur with Governor.
(3) It is intended that payments to districts and intermediate districts under this formula be adjusted to take into account available federal revenue and local revenue			**(3) It is the intent of the legislature that payments to districts and intermediate districts under the formula described in this section be adjusted to take into account**

generating capacity of recipient districts and intermediate districts.			**available federal revenue and local revenue generating capacity of recipient districts and intermediate districts.**
NEW HOUSE Sec. 51i - Special Education Reserve Fund Creates a separate fund to reimburse districts for special education costs. (6) Deposits $20.0 million SAF in FY 2026-27 only.			
Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) The special education reserve fund is created as a separate account within the state school aid fund for the purpose of reimbursing districts for special education costs.** **(2) The state treasurer may receive money or other assets from any source for deposit into the special education reserve fund. The state treasurer shall direct the investment of the special education reserve fund. The state treasurer shall credit to the special education reserve fund interest and earnings from special education reserve fund investments.** **(3) Money in the special education reserve fund at the close of the fiscal year remains in the special education reserve fund and does not lapse to the state school aid fund or the general fund.** **(4) The department of treasury is the administrator of the special education reserve fund for auditing purposes.**	Not included.

		(5) Money available in the special education reserve fund must not be expended without a specific appropriation. **(6) For the fiscal year ending September 30, 2027 only, $20,000,000.00 from the state school aid fund must be deposited into the special education reserve fund.**	
Sec. 53a - Court Placed Special Education FTE Appropriates $10,500,000 in FY 2025-26.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Update fiscal years.	Update fiscal years.	Update fiscal years.
Sec. 54 - MI School for Deaf and Blind Appropriates $1,688,000 in FY 2025-26 for the MI School for the Deaf and Blind.			
Executive	*Senate*	*House*	*Conference*
Appropriates **$4,529,400** in FY 2026-27.	Concur with Governor.	Concur with Governor.	**(1)** Each intermediate district receives an amount per pupil for each pupil in attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to the total instructional cost at each school. The department shall not allocate more than $1,688,000.00 of the allocation for ~~2025-2026~~ **2026-2027** in section 51a(1) under this section. **(2) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $2,841,400 for 2026-2027 for the Michigan Schools for the Deaf and Blind. Notwithstanding section**

			17b, the department shall make payments under this section on a schedule determined by the department.

NEW EXEC Sec. 54b - MiMTSS Technical Assistance Center

Appropriates $1,600,000 SAF in FY 2026-27 to expand literacy and social-emotional/behavioral supports through Michigan's Multi-Tiered System of Supports (MiMTSS) Technical Assistance Center.

(a) Funds are used to expand statewide MTSS expertise, technical assistance, dyslexia supports, and evidence-based literacy practices aligned with the science of reading.

(b) Requires an annual report on district progress implementing MTSS and K–12 reading interventions, plus any additional implementation information deemed useful.

(c) Allows up to 2% of funds for fiscal agent administration.

Executive	*Senate*	*House*	*Conference*
From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 in FY 2026-27 to expand the implementation of the literacy and social, emotional, and behavioral components of a multi-tiered system of supports, including positive behavioral interventions and supports, using the Michigan Multi-Tiered System of Supports Technical Assistance Center. All of the following apply to funds allocated under this section: **(a) The department shall use funds allocated under this subsection, through an intermediate district, for the purpose of expanding the statewide expertise, technical assistance, and implementation of the multi-tiered system of supports, dyslexia expertise, and evidence-based instructional practices**	Concur with Governor.	Not included.	Concur with Governor.

grounded in the science of reading using the Michigan Multi-Tiered System of Supports Technical Assistance Center. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds. **(b) The department shall produce a report each year to the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies that details the following:** **(*i*) The progress being made by districts in implementing multi-tiered systems of supports.** **(*ii*) The progress being made by districts in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.** **(*iii*) Other information the department determines would be useful to understand the status of districts' implementation of effective multi-tiered systems of supports and reading intervention programs.** **(c) Up to 2% of funds allocated under this subsection may be used by the intermediate district serving as the fiscal agent for these funds to administer this subsection.**			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 54d - Early On

Appropriates $23,670,600 in FY 2025-26 for formulaic grants to ISDs to provide State Early On programs for children birth to 3 years of age with development delays or disabilities.

Executive	*Senate*	*House*	*Conference*
Appropriates **$25,120,700** in FY 2026-27.	Concur with Governor.	Appropriates **$28,670,700** in FY 2026-27.	Appropriates **$26,081,900** in FY 2026-27.

Sec. 55 - Conductive Learning Center

Appropriates $500,000 GF/GP in FY 2024-25 for the Conductive Learning Center, which works with children and adults with neuromotor disabilities.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 56 - Special Education Millage Equalization

Ensure that the millage levied by ISDs for special education brings in a minimum amount per mill.

(1) Definitions

(2) Appropriates $40,008,100 in FY 2025-26 to ensure that the millage levied by ISDs for special education brings in a minimum amount per mill.

(3) Reimbursement for millages levied in FY 2023-24.

(4) Reimbursement for millages levied in FY 2024-25.

(5) Freezes Wayne RESA at no more than 62.9% of the total appropriation and adjusts taxable value equalization amounts accordingly.

(6) Ensures no ISD loses more than 25% funding compared to the prior year.

(7) In addition to the allocation under (1), appropriates $34,200,000 SAF in FY 2025-26 to ISDs levying special education mills at percentages of allowable mills.

(8) Requires Treasury to distribute remaining funds in the same proportion as they were allocated under subsections (3) and (4).

(9) Additional definitions.

Executive	*Senate*	*House*	*Conference*
(1) For the purposes of this section: **(b) "Capped local special education property tax revenue" means the amount of revenue that would be received if an intermediate district levied the maximum millage rate permitted for that intermediate district under section 1724a of the**	(1) Concur with Governor.	(1) For the purposes of this section: **(b)** Not included.	(1) For the purposes of this section: **(b)** Not included.

revised school code, MCL 380.1724a, capped at the statewide average special education millage rate.			
(c)~~(b)~~ "Millage levied" means the millage levied in the **immediately preceding fiscal year** for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741**.** ~~, including a levy for debt service obligations.~~		(b) No change.	(b) No change.
(d) "Special education head count" means, for a particular fiscal year, the total special education head count of an intermediate district and the districts constituent to the intermediate district from the fall pupil membership count day of the immediately preceding year, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, special education head count of the district is not included in the special education head count of the intermediate district.		**(d)** Not included.	**(d)** Not included.
(e) "Statewide average special education millage rate" means the statewide levy amount divided by the statewide taxable value.		**(e)** Not included.	**(e)** Not included.
(f) "Statewide average taxable value per unreimbursed costs" means the statewide taxable value divided by the statewide unreimbursed costs.		**(f)** Not included.	**(f)** Not included.
(g) ~~(c)~~ "Taxable value" means the total taxable value of the districts		(c) No change.	(c) No change.

constituent to an intermediate district **in the immediately preceding fiscal year**, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district. **Taxable value also includes both of the following:** **(*i*) The value of personal property exempt under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursed to the intermediate district under section 17 of the local community stabilization authority act, 2024 PA 86, MCL 123.1357.** **(*ii*) Tax increment property captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, and reimbursed to the intermediate district under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.** **(h) "Unreimbursed costs" means the sum of costs reported on the SE-4094 and SE-4096 reports for all districts in the intermediate district, less the amount of reimbursement received under section 51c, and less the capped local special education property tax revenue.**		**(h)** Not included.	**(h)** Not included.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed ~~$40,008,100.00 in FY 2024-25 and~~ $40,008,100.00 in FY 2025-26 and **$89,208,100.00 in FY 2026-27 for payments** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741.	(2) Concur with Governor.	(2) From the allocation under section 51a(1), there is allocated an amount not to exceed $40,008,100.00 for ~~2024-2025~~ **2025-2026** and $40,008,100.00 for ~~2025-2026~~ **2026-2027** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741.	(2) Concur with House.
~~(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in FY 2023-24 is made in FY 2024-25 at an amount per FY 2023-24 membership pupil computed by subtracting from $260,200.00 the FY 2023-24 taxable value behind each membership pupil and multiplying the resulting difference by the FY 2023-24 millage levied, and then subtracting from that amount the FY 2023-24 local community stabilization share revenue for special education purposes and FY 2023-24 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to~~	~~(3)~~ Concur with Governor.	(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2023-2024~~ **2024-2025** is made in ~~2024-2025~~ **2025-2026** at an amount per ~~2023-2024~~ **2024-2025** membership pupil computed by subtracting from ~~$260,200.00~~ **$278,700.00** the ~~2023-2024~~ **2024-2025** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2023-2024~~ **2024-2025** millage levied, and then subtracting from that amount the ~~2023-2024~~ **2024-2025** local community stabilization share revenue for special education purposes and ~~2023-2024~~ **2024-2025** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield	(3) Concur with House.

~~125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in FY 2024-25 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~		redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2024-2025~~ **2025-2026** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.	
(3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those millages levied in FY 2024-25 is made in FY 2025-26 at an amount per FY 2024-25 membership pupil computed by subtracting from ~~$278,500.00~~ **$278,700.00** the FY 2024-25 taxable value behind each membership pupil and multiplying the resulting difference by the FY 2024-25 millage levied, and then subtracting from that amount the FY 2024-25 local community stabilization share revenue for special education purposes and FY 2024-25 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment	**(3)** ~~(4)~~ Concur with Governor.	(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2024-2025~~ **2025-2026** is made in ~~2025-2026~~ **2026-2027** at an amount per ~~2024-2025~~ **2025-2026** membership pupil computed by subtracting from ~~$278,500.00~~ **$294,200.00** the ~~2024-2025~~ **2025-2026** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2024-2025~~ **2025-2026** millage levied, and then subtracting from that amount the ~~2024-2025~~ **2025-2026** local community stabilization share revenue for special education purposes and ~~2024-2025~~ **2025-2026** tax increment revenues captured by a	(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2024-2025~~ **2025-2026** is made in ~~2025-2026~~ **2026-2027** at an amount per ~~2024-2025~~ **2025-2026** membership pupil computed by subtracting from ~~$278,500.00~~ **$294,000.00** the ~~2024-2025~~ **2025-2026** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2024-2025~~ **2025-2026** millage levied, and then subtracting from that amount the ~~2024-2025~~ **2025-2026** local community stabilization share revenue for special education purposes and ~~2024-2025~~ **2025-2026** tax increment revenues captured by a

financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in FY 2025-26 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.		brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2025-2026~~ **2026-2027** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.	brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2025-2026~~ **2026-2027** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.
(4) ~~(5) The~~ **For 2025-2026, the** department shall ensure that the amount paid to a single intermediate district under subsection (2) does not exceed 62.9% of the total amount allocated under subsection (2).	**(4)** ~~(5)~~ Concur with Governor.	(5) No change.	(5) No change.

(5) ~~(6) The~~ **For 2025-2026, the** department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.	**(5)** ~~(6)~~ Concur with Governor.	(6) No change.	(6) No change.
(6) ~~(7) From~~ **For 2025-2026, from** the allocation under section 51a(1), there is allocated an amount not to exceed $34,200,000.00 in FY ~~2024-25 and~~ FY 2025-26 to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows: (a) In ~~FY 2024-25 and~~ FY 2025-26, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the	**(6)** ~~(7)~~ Concur with Governor.	(7) From the allocation under section 51a(1), there is allocated an amount not to exceed $34,200,000.00 for ~~2024-2025 and~~ 2025-2026 **and 2026-2027** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows: (a) For ~~2024-2025 and~~ 2025-2026 **and 2026-2027**, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under	(7) Concur with House.

revised school code, MCL 380.1724a, an amount computed by subtracting from $251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.		section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.	
(b) In FY ~~2024-25 and~~ FY 2025-26, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately		(b) For ~~2024-2025 and~~ 2025-2026 **and 2026-2027**, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the	

preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.		immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.	
(7) ~~(8) After~~ **In 2025-2026, after** making allocations to eligible intermediate districts under subsections (3)~~, (4), and (7),~~ **and (6),** if funds remain unallocated from the allocations under subsections (2) and ~~(7),~~ **(6),** the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under ~~subsections~~ **subsection** (3)**.** ~~and (4).~~	**(7)** ~~(8)~~ Concur with Governor.	(8) No change.	(8) No change.
(8) ~~(9)~~ As used in subsection ~~(7):~~ **(6):** (a) "3-year average membership" means the 3-year average pupil membership for each of the 3 most recent fiscal years. (b) "3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.	**(8)** ~~(9)~~ Concur with Governor.	(9) No change.	(9) No change.
(9) Beginning in 2026-2027, the department shall provide payments under subsection (2) to each intermediate district described in this subsection as follows:	**(9)** Concur with Governor.	**(9)** Not included.	**(9)** Not included.

(a) The department must first calculate a reimbursement for those millages levied in the immediately preceding fiscal year at an amount per special education head count, by subtracting the intermediate district's taxable value per special education head count from the statewide average taxable value per special education head count, and multiplying the resulting difference by the immediately preceding fiscal year millage rate levied, capped at the statewide average special education millage rate. **(b) The department must then calculate a reimbursement for unreimbursed costs by subtracting the quotient of the intermediate district's taxable value and the statewide average taxable value per unreimbursed costs from the intermediate district's unreimbursed costs.** **(c) The calculation under subdivision (a) must be greater than $0.00 for an intermediate district to receive reimbursement under this subsection. For those intermediate districts whose calculation under subdivision (a) is less than or equal to $0.00, the amount in subdivision (b) is $0.00 for purposes of the calculation in subdivision (d).** **(d) The department must then calculate the average of the amounts calculated under**			

subdivisions (a) and (b) for each intermediate district. For the purpose of this calculation, calculations in subdivision (a) or (b) that result in negative totals are treated as $0.00. **(e) The amount reimbursed under subsection (2) is the 3-year average of the amount calculated under subdivision (d) for the 3 most recent fiscal years.**			
(10) If total payments calculated under subsection (9) exceed the amount allocated in subsection (2), the department must prorate the payments on an equal percentage basis.	**(10)** Concur with Governor.	**(10)** Not included.	**(10)** Not included.
(11) Not included.	**(11) In addition to the funds allocated under subsection (2), from the state school aid pupil support reserve fund money appropriated in section 11, there is allocated an amount not to exceed $11,000,000.00 for 2026-2027 only to intermediate districts described in this section. For any intermediate district where the calculation under subsection (9) results in a number that is less than the amount the intermediate district received under this section in 2025-2026, the department shall make an additional payment to that intermediate district in an amount equal to 100% of the difference between the current year payment and the total payment received in 2025-2026. If the total payments**	**(11)** Not included.	**(11)** Not included.

	calculated under this subsection exceed the amount allocated under this subsection, the department must prorate payments on an equal percentage basis.		

Sec. 61a - Vocational Education

Appropriates $41,733,800 in FY 2025-26 to reimburse districts and secondary career and technical education (CTE) centers for the added costs of operating secondary-level CTE programs, with funding capped at 75% of program costs and allocated based on enrollment, program costs, student outcomes, postsecondary articulation, and labor-market demand, including grade 9 participation. Up to $800,000 may be used for CTE administrative reimbursements, and eligible adult education participants may enroll in CTE programs outside regular school hours.

Executive	*Senate*	*House*	*Conference*
Appropriates **$44,233,800** in FY 2026-27. **(4)** Not included.	Concur with Governor.	Appropriates **$43,820,500** in FY 2026-27. **(4) New career and technical education programs and existing career and technical education programs are eligible for funding under this section.**	Appropriates **$45,985,000** in FY 2026-27. **(4)** Not included.

Sec. 61b - CTE Middle College Program

Appropriates $8,368,000 in FY 2025-26 for Career and Technical Education (CTE) early/middle college programs, CTE dual enrollment, and planning grants to expand programs that increase credential attainment and college- and career-readiness.

(2) MDE must distribute funds to intermediate districts serving as fiscal agents for approved programs by career education planning district, with administrative costs capped at 5%.

(3) Eligibility conditions for fiscal agents, including fund distribution, regional planning with workforce councils, career cluster ranking, and required program and student outcome reporting in MSDS.

(4) Requires a department-approved regional strategic plan that identifies employer demand, participating education providers, parent/student outreach strategies, and other departmental requirements.

(5) Defines eligible CTE programs as those aligned to top regional career clusters, Michigan Merit Curriculum, postsecondary credit agreements, qualified instruction, integrated supports, and college-level course delivery.

(6) Directs MDE to calculate statewide average CTE costs by CIP code and distribute funding equal to 50% of per-pupil costs multiplied by prior-year enrollment.

(7) Conditions funding on programs providing required administrative and federal reporting information, allowing audits, and repaying any disallowed costs.

(8) Sets aside up to $500,000 for competitive planning grants (up to $50,000 each) for new or expanded early middle college programs, requiring a dollar-for-dollar local match.

(9) Allows funds to cover allowable costs beyond foundation allowances and Section 61a reimbursements, with combined payments capped at total program costs and administrative use limited to 5%.

(10) Requires equal-percentage proration, based on CTE dual enrollment payments only, if appropriations are insufficient to fully fund calculated awards.

(11) Guarantees continued reimbursement for enrolled pupils through graduation even if their career cluster later falls out of the top five rankings.

Executive	*Senate*	*House*	*Conference*
Appropriates **$8,868,000** in FY 2026-27. (9) No change.	Concur with Governor.	Appropriates **$9,368,000** ($8,368,000 ongoing/**$1,000,000** one-time) in FY 2026-27. (9) No change.	Appropriates **$9,220,400** in FY 2026-27. (9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances**, including, but not limited to, work-based learning programs**. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section must not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

Sec. 61d - CTE Incentive Payment

Appropriates $13,400,000 in FY 2025-26 only for additional payments to districts for pupils enrolled in CTE programs.

Districts are paid $88 per pupil in Grades 9 to 12 enrolled in at least 1 CTE program.

Districts are paid another $88 per pupil in grades 9 to 12 enrolled in at least 1 CTE program that provides instruction in critical skills and high-demand career fields.

If funds are insufficient to support payments of $88 per pupil, those payments are prorated on an equal per-pupil basis.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

NEW HOUSE Sec. 61w - CTE Virtual Reality Programs

Appropriates $5.0 million SAF in FY 2026-27 only for competitive grants to support virtual reality simulation programs that enhance and expand existing CTE programs.

(3) VR programs must provide tactile, multimodal instruction in grades 6-12 math and science, including middle school math and Algebra I, using real-world career-based 3-D learning tools.

(4) Grant funds must support CTE programs tied to high-skill, high-wage, high-demand occupations based on local workforce needs, and may cover multiple career clusters.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for competitive grants to districts and intermediate districts to support virtual reality simulation programs that enhance and expand existing career and technical education programs.** **(2) Eligible districts and intermediate districts shall apply for funds under this section on a competitive basis in a form and manner determined by the department.** **(3) A virtual reality simulation program described in this section must offer tactile, multimodal learning experiences that derive and teach core state standards-aligned concepts and skills for**	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $2,900,000.00 for competitive grants to districts and intermediate districts to support digital career exploration programs and virtual reality simulation programs that enhance and expand existing career and technical education programs.** **(2) Districts and intermediate districts shall apply for funds under this section on a competitive basis in a form and manner determined by the department.** **(3) A virtual reality simulation program described in this section must offer software, hardware, or both that provides immersive career exploration and workforce development programming for**

		grades 6 to 12 math and science, including middle school math and algebra I. The virtual reality simulation program should immerse students in real-world problems across the economy to build career exposure and relevance, using 3-D models and interactives that visualize and manipulate abstract mathematical concepts that students typically struggle to grasp, retain, and apply.	**students.**
		(4) Not included.	**(4) Fifty percent of the funds allocated under this section must be awarded to districts and intermediate districts to purchase software, hardware, or related technology platforms. The remaining 50% of the funds must be awarded to districts and intermediate districts to partner with businesses or nonprofit organizations that provide mobile virtual reality career exploration services, including providers capable of delivering software and hardware with immersive career experiences directly to schools.**
		(4) Awards received under this section must be used to support career and technical education programs aligned with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and market needs. A recipient may use an award under this section to support virtual reality simulation programs that reach multiple career clusters.	**(5) Awards received under this section must be used to support career and technical education programs aligned with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and market needs. A recipient may use an award under this section to support virtual reality simulation programs that reach multiple career clusters**

			or career exploration opportunities. **(6)** Concur with House.
		(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	

NEW HOUSE Sec. 61x - CTE Shared Services

Appropriates $30.0 million SAF in FY 2026-27 only to reimburse districts and ISDs with CTE programs for the costs of providing CTE and transportation to students outside the boundaries of the ISD. Districts and ISDs that receive funding may not charge other districts and ISDs for the provision of services.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $30,000,000.00 to reimburse districts and intermediate districts with career and technical education programs for the costs of providing career and technical education and transportation to students outside the geographic boundaries of the intermediate district. Funds allocated under this section are intended to expand student access to, and enrollment in, career and technical education programs.** **(2) Districts and intermediate districts may enter into an agreement with other intermediate districts, or districts residing in the geographic boundaries of a different intermediate district, to provide career and technical education and transportation to and from career and technical education programs. Districts and intermediate districts receiving funding under this section may not**	Not included.

		charge other districts or intermediate districts for the provision of services. **(3) The department shall determine the amount of the awards provided under this section. It is the intent of the legislature that payments are sufficient to incentivize districts and intermediate districts to participate.** **(4) Funds allocated in this section are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to allow sustained partnerships between districts and intermediate districts for the provision of career and technical education. The estimated completion date of the work project is September 30, 2029.**	

Sec. 62 - ISD Vocational Education Millage Reimbursement

Appropriates $9,190,000 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis.

Freezes Genesee ISD allocation at no more than 38.4% of the total appropriation and adjusts taxable value equalization amounts accordingly.

Further includes a guarantee that no ISD shall lose more than 25% of funding from one year to the next.

Executive	*Senate*	*House*	*Conference*
Update fiscal years. (3) Reimbursement for those millages levied in ~~FY 2023-24~~ **FY 2024-25** is made in ~~FY 2024-25~~ **FY 2025-26** at an amount per ~~FY 2023-24~~ **FY 2024-25** membership pupil computed by	Concur with Governor.	Update fiscal years. (3) Concur with Governor.	Update fiscal years. (3) Concur with Governor.

subtracting from ~~$269,800.00~~ **$288,300.00** the ~~FY 2023-24~~ **FY 2024-25** taxable value behind each membership pupil and multiplying the resulting difference by the ~~FY 2023-24~~ **FY 2024-25** millage levied, and then subtracting from that amount the ~~FY 2023-24~~ **FY 2024-25** local community stabilization share revenue for area vocational technical education and ~~FY 2023-24~~ **FY 2024-25** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education.			

(4) Reimbursement for those millages levied in ~~FY 2024-25~~ **FY 2025-26** is made in ~~FY 2025-26~~ **FY 2026-27** at an amount per ~~FY 2024-25~~ **FY 2025-26** membership pupil computed by subtracting from ~~$287,400.00~~ **$303,500.00** the ~~FY 2024-25~~ **FY 2025-26** taxable value behind each membership pupil and multiplying the resulting difference by the ~~FY 2024-25~~ **FY 2025-26** millage levied, and then subtracting from that amount the ~~FY 2024-25~~ **FY 2025-26** local community stabilization share revenue for area vocational technical education and ~~FY 2024-25~~ **FY 2025-26** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.		(4) Reimbursement for those millages levied in ~~FY 2024-25~~ **FY 2025-26** is made in ~~FY 2025-26~~ **FY 2026-27** at an amount per ~~FY 2024-25~~ **FY 2025-26** membership pupil computed by subtracting from ~~$287,400.00~~ **$303,400.00** the ~~FY 2024-25~~ **FY 2025-26** taxable value behind each membership pupil and multiplying the resulting difference by the ~~FY 2024-25~~ **FY 2025-26** millage levied, and then subtracting from that amount the ~~FY 2024-25~~ **FY 2025-26** local community stabilization share revenue for area vocational technical education and ~~FY 2024-25~~ **FY 2025-26** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.	(4) Reimbursement for those millages levied in ~~FY 2024-25~~ **FY 2025-26** is made in ~~FY 2025-26~~ **FY 2026-27** at an amount per ~~FY 2024-25~~ **FY 2025-26** membership pupil computed by subtracting from ~~$287,400.00~~ **$302,800.00** the ~~FY 2024-25~~ **FY 2025-26** taxable value behind each membership pupil and multiplying the resulting difference by the ~~FY 2024-25~~ **FY 2025-26** millage levied, and then subtracting from that amount the ~~FY 2024-25~~ **FY 2025-26** local community stabilization share revenue for area vocational technical education and ~~FY 2024-25~~ **FY 2025-26** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.
Sec. 65 - Detroit Pre-College K-12 Engineering Program (DAPCEP) Appropriates $900,000 from the State School Aid Pupil Support Reserve Fund in FY 2025-26 only for the Detroit Area Pre-College Engineering Program (DAPCEP).			
Executive	*Senate*	*House*	*Conference*

Appropriates **$900,000** from the State School Aid Pupil Support Reserve Fund in FY 2026-27 only.	Concur with Governor.	**Repeal.**	Concur with Governor.
Sec. 67 - Michigan College Access Network (MCAN) Appropriates a total of $3,000,000 GF/GP in FY 2025-26 for Michigan College Access Network operations, local college access networks, the Michigan college advising program, subgrants to districts with comprehensive high schools that establish a college access team, the Michigan college access portal, public awareness and outreach campaigns, and subgrants to postsecondary institutions for mentors and college advisors.			
Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	Concur with Governor.
NEW HOUSE Sec. 67d - Hospitality and Tourism CTE Grants Appropriates $900,000 from the state school aid pupil support reserve fund in FY 2026-27 only for the administration of a grant program to support hospitality and tourism CTE programs.			
Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $900,000.00 to an intermediate district to partner with the department for the administration of a grant program to support hospitality and tourism CTE programs.** **(2) Districts and intermediate districts may use funds received through grants under this section to partner with nonprofit organizations for the provision of hospitality and tourism CTE programs.** **(3) Districts and intermediate districts shall apply for funding under this section in a form and**	

		manner determined by the department. **(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.** **(5) As used in this section, "hospitality and tourism CTE programs" means career and technical education programs that teach or train students in restaurant management, culinary arts or hospitality, and tourism management as part of career and professional development.**	

Sec. 67f - FAFSA Completion Grants

Appropriates $10,000,000 from the State School Aid Pupil Support Reserve Fund in FY 2025-26 only to incentivize high school seniors to complete their Free Application for Federal Student Aid (FAFSA).

(2) Districts must apply by December 1, 2025, and certify FAFSA graduation requirements and use funds for approved FAFSA-completion activities.

(5) Funds must be paid by January 31, 2026, in an equal amount per-12th-grade-pupil.

Executive	*Senate*	*House*	*Conference*
Appropriates **$10,000,000** from the State School Aid Pupil Support Reserve Fund in FY 2026-27 only. (2) To be eligible to receive funding under this section, each district must apply in a form and manner determined by the department of lifelong education, advancement, and potential. ~~The department of lifelong education, advancement, and potential shall make the application available by not later than November 1, 2025. A district shall apply for~~	Concur with Governor.	**Repeal.**	Concur with Governor.

~~funding to the department of lifelong education, advancement, and potential by not later than December 1, 2025.~~ **(4) The department of lifelong education, advancement, and potential may use past participation in the FAFSA Completion Challenge under this section as a factor in determining district eligibility.** **(5)** ~~(4) By not later than January 31, 2026, the~~ **The** department of lifelong education, advancement, and potential shall pay each eligible district an equal amount per pupil multiplied by the number of pupils enrolled and attending grade 12 in the district. **Initial payments must be made no later than January 31, 2027.** **(8) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2029. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2030.**			

Sec. 74 - Bus Driver Safety/School Bus Inspection Program

Appropriates $3,949,900 in FY 2025-26.

(2) Of the total appropriation, $2,025,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.

(4) The remaining $1,924,900 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.

Executive	*Senate*	*House*	*Conference*

Appropriates **$4,003,100** in FY 2026-27. (2) No change. (4) **$1,978,100** to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.	Concur with Governor.	Concur with Governor.	Appropriates **$4,753,100** in FY 2026-27. (2) **$2,775,000** to state supported colleges or universities and intermediate districts providing school bus driver safety instruction. (4) Concur with Governor.

Sec. 81 - Intermediate School Districts (ISD) General Operations

Appropriates $83,157,700 in FY 2025-26 for basic operational funding.

Executive	*Senate*	*House*	*Conference*
Appropriates **$85,257,700** in FY 2026-27.	Appropriates **$85,355,700** in FY 2026-27.	Appropriates **$85,236,700** in FY 2026-27.	Appropriates **$85,236,600** in FY 2026-27.

Sec. 94 - Advanced Placement (AP), International Baccalaureate (IB), College-Level Examination Program (CLEP) Assessments

$2,600,000 GF/GP ($1,200,000 ongoing / $1,400,000 one-time) is appropriated in FY 2025-26 for efforts to increase the number of pupils who participate and succeed in Advanced Placement (AP) and International Baccalaureate (IB) programs, and to support the college-level examination program (CLEP). Funds are used to cover part or all of the costs of tests for low-income pupils, with payments estimated at $20 per test completed, or $150 per IB registration. Students pay at least $5 toward each test or registration paid for under this section. If funds remain after initial awards, remaining funds may be used to reimburse costs for students whose family income exceeds low-income status.

Executive	*Senate*	*House*	*Conference*
Appropriates $1,200,000 GF/GP (ongoing) in FY 2026-27. (1) Not included.	Appropriates **$2,600,000** GF/GP ($1,200,000 ongoing/**$1,400,000** one-time) in FY 2026-27. (1) Not included.	Concur with Governor.	Appropriates $1,200,000 GF/GP (ongoing) and $1,600,000 SAF (one-time). (1) …**The department must maintain administrative oversight of the billing and reimbursement process.**

Sec. 94a - Center for Educational Performance and Information (CEPI)

Appropriates $19,364,700 GF/GP and $2,193,500 in Federal funds to support the operations of the CEPI and the development and implementation of a comprehensive P-20 data management and student tracking system.

A portion of the funding is to support collaborative efforts on the P-20 longitudinal data system.

Grants will be awarded to eligible ISDs or a consortium of ISDs, and activities funded under the grant may include portal hosting, hardware and software acquisition, maintenance, enhancements, and other items.

Executive	*Senate*	*House*	*Conference*
(5) Appropriates **$19,548,500** GF/GP and **$193,500** Federal in FY 2026-27. **(10)** Not included.	Concur with Governor.	Concur with Governor.	(5) Appropriates **$19,548,500** GF/GP and **$100** Federal in FY 2026-27. **(10) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $500,000.00 for payments on behalf of districts for costs associated with e-transcript services for high schools and pupils.**

Sec. 94e - MERI Partnership

Appropriates $1,000,000 SAF in FY 2025-26 only for support of the Michigan Education Research Institute.

Executive	*Senate*	*House*	*Conference*
Appropriates **$1,000,000** SAF (ongoing) in FY 2026-27.	Appropriates **$1,000,000** SAF in FY 2026-27 only.	**Repeal.**	Concur with Governor.

NEW HOUSE Sec. 94f - School Accountability System

Appropriates $350,000 GF/GP in FY 2026-27 only to MDE to develop a school accountability system with letter grades.

(2) Beginning in FY 2026-27, MDE must annually assign each public school an A-F grade based on academic performance, student growth, English learner progress, graduation rates, advanced coursework, and college and career readiness.

(3) By May 1 each year, MDE must publicly report each districts student promotion and retention policy and identify any noncompliant schools.

(4) By May 1 each year, MDE must publicly report by district the number and percentage of grade 3 students who were not proficient in English but were promoted to grade 4, and identify any noncompliant schools.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the general fund money appropriated in section 11, there is allocated not more than $350,000.00 for 2026-2027 to the department for the purposes described in this section.**	Not included.

		(2) Beginning with the 2026-2027 school year, and by not later than the beginning of each subsequent school year, the department shall develop a school accountability system that assigns a letter grade of A, B, C, D, or F for each of the following indicators for each public school in this state: **(a) Pupil proficiency in mathematics and English language arts, as measured by the percentage of all pupils who achieve proficiency on the applicable state assessment, as determined by the department.** **(b) Pupils who achieved adequate growth in mathematics and English language arts on the applicable state assessment during the preceding school year, with emphasis on the progress of the lowest 25% of pupils in the school.** **(c) Pupils who are English language learners and who achieve adequate growth toward proficiency in the English language, as determined by the department and as required under the every student succeeds act, Public Law 114-95.** **(d) The 4-year graduation rate of pupils enrolled in high school, as applicable and as defined by and reported to the center.** **(e) Pupil proficiency in science, as measured by the percentage of all pupils who achieved proficiency on**	

		the applicable state assessment, as determined by the department. **(f) Pupil proficiency in high school social studies, as measured by the percentage of all pupils who achieve proficiency on the applicable state assessment, as determined by the department.** **(g) Pupil participation and performance in accelerated courses, including, but not limited to, advanced placement, international baccalaureate, and dual credit college courses.** **(h) Pupil performance on college and career readiness assessments.** **(3) The department shall annually collect and publicly report, by district, the local school board's student promotion and retention policy. This report must be published on the department's website by May 1. Any school that does not provide this information must be designated in the report as having failed to comply.** **(4) The department must annually collect and publicly report, by district, the number and percentage of students in grade 3 who scored "not proficient" on the state English language arts test and were promoted to grade 4. This report must be published on the department's website by May 1. Any school that does not provide this**	

		information must be designated in the report as having failed to comply.	

NEW CONF Sec. 94f - Literacy Accountability and Research

Appropriates $3,000,000 SAF in FY 2026-27 only to a public university with an existing research partnership with MDE and districts for research and program evaluation activities supporting statewide literacy initiatives.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $3,000,000.00 to a public university in this state with an existing research partnership with the department and districts for research and program evaluation activities supporting statewide literacy initiatives. The public university described in this subsection shall use funds received under this section to collect and analyze data, assess program implementation and outcomes, develop and report on key performance indicators, and provide recommendations to improve literacy achievement and inform state implementation, policy, and investment decisions.** **(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**

NEW HOUSE Sec. 95b - Growth and Projection Analytics System

Appropriates $1.0 million SAF in FDY 2026-27 only for a growth and projection analytics system with student and teacher growth reports.

(2) The platform must continue hosting and reporting services and provide MDE added support for research, analysis, web reporting, and training.

(3) Funding must go to an ISD that partners with MDE and a competitively selected vendor to carry out the section.

(4) MDE and the vendor must provide statewide educator training on using growth reports to understand impacts on student learning and growth.

(5) MDE must provide online, role-based growth and projection reports to educators at the school, district, and state levels, consistent with privacy laws.

(6) By March 31, MDE must work with CEPI to post district- and school-level student growth metrics by grade and subject on a public website.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $1,000,000.00 for a growth and projection analytics system with student and teacher growth reports.** **(2) The growth and projections reporting platform must provide continued hosting and delivery of reporting and offer the department additional supports in the areas of research, analysis, web reporting, and training.** **(3) Funding under this section must be awarded to an intermediate district to partner with the department and a platform vendor to meet the requirements of this section. The platform vendor must be determined through a competitive grant process.** **(4) The department and the platform vendor shall provide statewide training for educators to understand the reporting that details the impact to student learning and growth.**	**(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $2,000,000.00 for a growth and projection analytics system with student and teacher growth reports.** **(2)** Concur with House. **(3)** Concur with House. **(4)** Concur with House.

		(5) The department shall provide internet-based electronic student growth and projection reporting under this section to educators at the school, district, and state levels. The reporting must include role-based permissions that allow educators to access information about the performance of the students within their immediate responsibility in accordance with applicable privacy laws.	**(5)** Concur with House.
		(6) By not later than March 31, the department shall work with the center to make data available on a publicly accessible website that provides student growth metrics at the district and school level by grade and subject.	**(6)** Concur with House.
		(7) Not included.	**(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**

Sec. 97k - Student Advocacy Center of Michigan

Appropriates $250,000 SAF in FY 2024-25 only for the Student Advocacy Center of Michigan to support its statewide helpline for families in educational crisis.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 97n - Community Violence Intervention Grants

Appropriates $10,000,000 SAF in 2025-2026 only to support community violence intervention programs in districts.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	No change.	Appropriates **$10,000,000** SAF for FY 2026-27 only.

Sec. 98 - Michigan Virtual University (MVU)

Appropriates $9,800,000 GF/GP in FY 2025-26 to MVU for operations of the Virtual High School and the Michigan Virtual Learning Research Institute.

(2) Requires MVU to operate the Michigan Virtual Learning Research Institute (MVLRI) to research, evaluate, lead, and report on virtual learning quality, effectiveness, professional development, policy, course catalogs, and statewide coordination.

(3) Directs MVU to continue operating the Michigan Virtual School as an accredited statewide instructional model, with limits on course subsidies and required criminal background checks for instructional staff.

(4) Authorizes MVU to use allocated funds to expand new online and blended professional development programs for educators.

(5) Requires MVU to operate a statewide laboratory focused on advanced research, best practices, experimentation, policy development, and responsible use of artificial intelligence in schools.

(6) Allows the Michigan Virtual School to offer a broad range of virtual courses and programs, including IT, college-equivalent, dual enrollment, at-risk, and professional development offerings, if listed in the statewide catalog.

(7) Permits home-schooled and nonpublic students in subscribing districts to access Michigan Virtual School services at no additional cost beyond what districts pay for resident pupils.

(8) Requires MVU to submit an annual report detailing districts served, available courses, enrollments, completions, and overall completion rates for the Michigan Virtual School.

(9) Requires the annual report to also include a plan to serve at least 600 schools through Michigan Virtual School courses or the statewide content platform.

(10) Advisory group for the Michigan Virtual Learning Research Institute.

(11) Requires MVU to submit both projected and audited annual budgets detailing costs and district fees for delivering virtual educational services.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	Appropriates **$9,800,000** GF/GP in FY 2026-27 only.

NEW EXEC Sec. 98d - Michigan Learning Channel

(1) Appropriates $3,000,000 million SAF for 2026–2027 to support the Michigan Learning Channel (MLC) as a 24/7, standards-aligned instructional broadcast and online service managed by Detroit Public Television in partnership with multiple Michigan public TV stations.

(2) Requires the Michigan Learning Channel to submit a compliance report by February 1, 2028, to legislative and fiscal entities documenting that all conditions in subsection (1) were met.

(3) Directs MDE to make payments under this section by December 1, 2026.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated under section 11, there is allocated in FY 2026-27 only an amount not to exceed $3,000,000.00 to Northern Michigan	Concur with Governor.	Not included.	**(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $3,000,000.00 to a public university**

University to support the Michigan Learning Channel (MLC) as described in this section. Northern Michigan University shall not retain any portion of the funding received under this section for administrative purposes and shall provide funding to support the MLC. All of the following apply to the MLC: **(a) The MLC must expand literacy programming aligned with this state's pre-K to 12 educational standards over the air, online, and in communities.** **(b) The MLC shall provide over the air broadcasts 24 hours each day for 7 days each week of quality instructional content that is aligned with this state's pre-K to 12 educational standards. Over-the-air broadcasts as described in this subdivision must be streamed live and must be archived for on-demand viewing on a companion website, along with additional learning materials relevant to lessons.** **(c) The MLC must be managed and operated by DPTV, and DPTV shall assume all risk, liability, and responsibility for the MLC in accordance with regulations by the United States Federal Communications Commission, PBS broadcast standards, and standard nonprofit business standards. DPTV shall serve as the fiduciary**			**that has previously partnered with a statewide, public, nonprofit educational media service providing free, standards-aligned instructional programming to Michigan schools. The public university described in this subsection shall not retain any portion of the funding received under this section for administrative purposes. The statewide, public, nonprofit educational media service described in this subsection must meet all of the following requirements:** **(a) Provide free, curriculum-aligned educational programming and instructional resources for pupils, families, and educators through over-the-air broadcast, digital streaming, and online platforms.** **(b) Deliver educational programming that is aligned with this state's pre-K through grade 12 academic standards and supports literacy instruction grounded in evidence-based reading practices.** **(c) Operate in partnership with Michigan public broadcasting stations to provide statewide educational programming and classroom resources.** **(d) Demonstrate the capability to produce and distribute Michigan-specific educational content statewide through broadcast and**

agent and service manager for the MLC. The MLC shall originate from a central operations center that is responsible for providing the infrastructure, content, and engagement of the MLC in partnership with this state's educational leadership organizations. **(d) The MLC shall require that DPTV provide technology, funding, staff training, and central management of the MLC to station partners to insert additional channels into each station's broadcast streams and to support staffing and engagement as outlined in a memorandum of understanding among the stations.** **(e) The MLC shall require that DPTV partner with at least 5 other Michigan public television stations, including, but not limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-the-air MLC broadcasts described in this section and to support engagement with local educators. Stations described in this subdivision must be able to use the infrastructure provided by the MLC to develop their own local content that best serves their communities.** **(2) By not later than February 1, 2028, the MLC shall provide a report to the house and senate appropriations subcommittees responsible for school aid, the house and senate fiscal agencies,**			**digital platforms.** **(e) Maintain an online library of instructional resources for educators, pupils, and families that is available statewide at no cost.** **(f) Use the funding allocated under this section solely for the expansion of literacy programming, educator resources, and family engagement activities.** **(2) By not later than February 1, 2028, the statewide, public, nonprofit educational media service described in subsection (1) shall provide a report to the house and senate appropriations**

and the state budget director detailing the MLC's compliance with ensuring that conditions listed under subsection (1) were met. **(3) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, 2026.** **(4) As used in this section:** **(a) "DPTV" means Detroit Public Television.** **(b) "MLC" means the Michigan Learning Channel.**			**subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director detailing its compliance with ensuring that conditions listed under subsection (1) were met.** **(3)** Concur with Governor. **(4)** Not included.
Sec. 99 - District and ISD grants Appropriates $53,095,000 in FY 2024-25 only for district-specific projects and one-time grants.			
Executive	*Senate*	*House*	*Conference*
Repeal.	(Strike existing and replace.) **From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $53,000,000.00 for 2026-2027 only for district supports and pilot programs. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**	**Repeal.**	**Repeal.**
Sec. 99b - Code.org: Computer Science Professional Learning			

Appropriates $500,000 SAF in FY 2024-25 only to develop and implement teacher professional development programs for computer science and computational thinking courses and content.

Executive	*Senate*	*House*	*Conference*
No change.	No change.	**Repeal.**	No change.

Sec. 99h - Robotics

Appropriates $5,000,000 from the State School Aid Pupil Support Reserve Fund for public schools and $600,000 from the General Pupil Support Reserve Fund for nonpublic schools in FY 2025-26 only for competitive grants to districts, ISDs, and nonpublic schools that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, computer science, and technology skills by participating in competitions robotics, cybersecurity, and coding competition programs.

Districts are required to pay at least 25% of the cost of the program.

Executive	*Senate*	*House*	*Conference*
Appropriates **$5,000,000** from the State School Aid Pupil Support Reserve Fund and **$600,000** from the General Pupil Support Reserve Fund in FY 2026-27 only.	Appropriates **$6,000,000** from the State School Aid Pupil Support Reserve Fund and **$720,000** from the General Pupil Support Reserve Fund in FY 2026-27 only.	Concur with Governor.	Concur with Governor.

NEW SENATE Sec. 99o - Driver's Training Startup Grants

(1) Appropriates $10,000,000 SAF for 2026–2027 only to provide grants to districts and ISDs for school-based driver's training programs.

(2) Grant funds may be used for any costs necessary to implement and operate a driver's training program, including staffing, vehicles, insurance, materials, equipment, and related expenses.

(3) Districts and ISDs must apply as directed by the department and certify that the program will be operated by their own employees without outsourcing to third parties.

(4) Grants are capped at $500,000 per applicant, prioritized first for prior recipients continuing programs and then awarded on a first-come, first-served basis, with a limit of one grant per recipient per fiscal year.

(5) Funding is a work project.

Executive	*Senate*	*House*	*Conference*
Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $10,000,000.00 for 2026-2027 only for grants to districts and intermediate districts for school-based driver's training programs.**	Not included.	Not included.

	(2) Grants under this section must be used to pay for the costs of implementing a driver's training program. Costs may include, but are not limited to, salaries and benefits for staff, vehicle purchases or leases, insurance, materials and equipment, and any other costs necessary to run a program. **(3) To receive funding under this section, districts and intermediate districts must apply in a form and manner prescribed by the department. An applicant shall certify that the applicant will run the program using district or intermediate district employees and will not outsource any programming to an outside third party.** **(4) The maximum grant amount for an applicant is $500,000.00. The department shall prioritize applicants that received a grant for the same purpose in a previous year, including awards under this section, former section 99ii, and former section 99jj, as long as the applicant continues the driver's training program for another year. Afterwards, the department shall prioritize awards on a first-come, first-served basis. No district or intermediate district may receive more than 1 grant in a single fiscal year.** **(5) The funds allocated under this**		

	section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to continue support for district- and intermediate-district-run driver's training programs. The estimated completion date of the work project is September 30, 2031. **(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**		

NEW EXEC Sec. 99s - MiSTEM Grants

Appropriates $8,000,000 SAF million for 2026–2027 for MiSTEM programs.

(2) Requires the MiSTEM Council to annually review and recommend updates to the statewide STEM strategy and to ensure council members are trained in a third-party STEM program evaluation system.

(3) Directs the MiSTEM Council to make specific annual funding recommendations by December 15 for approved programs and demonstration grants that meet alignment, certification, experiential learning, and regional representation requirements, with a competitive grant fallback if recommendations are not made.

(4) Allocates $3,800,000 million for 2026–2027 to support MiSTEM-approved programs or demonstration grants.

(5) Allocates $4,200,000 million for 2026–2027 to support MiSTEM network regions, including a base allocation per region and additional per-pupil funding distributed by enrollment.

(6) Requires each MiSTEM network region to implement a comprehensive regional STEM strategy, collaborate with workforce and education partners, support STEM programming and professional learning, facilitate events, manage grants, and conduct outreach and coordination activities.

(7) Requires grant recipients to allow audits of program records and to reimburse the state for any disallowed costs identified.

(8) Requires grant recipients to provide at least a 10% local match from public or private sources.

(9) Requires annual public reporting by grant recipients.

(10) Fiscal agents may retain no more than 5% of funds.

(11) Definitions.

Executive	*Senate*	*House*	*Conference*
(1) From state school aid fund	Concur with Governor.	Not included.	Concur with Governor.

money appropriated under section 11, there is allocated in FY 2026-27 an amount not to exceed $8,000,000.00 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments, to increase the number of pupils who are college- and career-ready upon high school graduation, and to promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department. **(2) The MiSTEM council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM council shall use funds received under this subsection to ensure that its members or their designees are trained in a third-party evaluation**			

system such as the Change the Equation STEMworks program for the purpose of rating STEM programs. **(3) The MiSTEM council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program or demonstration grant approved by the MiSTEM council. All of the following apply:** **(a) To be eligible for MiSTEM council approval as described in this subsection, a program must satisfy all of the following:** **(*i*) Align with this state's academic standards.** **(*ii*) Have STEMworks or other third-party certification.** **(*iii*) Provide project-based experiential learning, student programming, or educator professional learning experiences.** **(*iv*) Focus predominantly on classroom-based STEM experiences or professional learning experiences.** **(b) The MiSTEM council shall approve programs that represent all network regions and include a diverse array of options for students and educators.**			

(c) To be eligible for MiSTEM council approval as described in this subsection, a demonstration grant must satisfy all of the following: **(*i*) Align with this state's academic standards.** **(*ii*) In collaboration with the department, scale project, problem or place-based learning in a building or district in support of the statewide STEM strategy as recommended by the MiSTEM council.** **(d) The MiSTEM council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs, demonstration grants and professional learning experiences for the programs on the list of approved programs. At the direction of the MiSTEM council, funds can be used to evaluate and market regions, programs and demonstration grants.** **(e) If the MiSTEM council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM**			

council. Each grant must provide STEM education-related opportunities for pupils. **(4) From the state school aid fund money allocated under subsection (1), there is allocated in FY 2026-27 an amount not to exceed $3,800,000.00 for the purpose of funding programs or demonstration grants under this section in FY 2026-27 as recommended by the MiSTEM council.** **(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed $4,200,000.00 in FY 2026-27 to support the activities and programs of the MiSTEM network regions. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region $220,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.** **(6) A MiSTEM network region shall do all of the following:** **(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region and the department to develop a**			

regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following in collaboration with the department: **(*i*) Identify regional employer need for STEM.** **(*ii*) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.** **(*iii*) Identify educator professional learning opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.** **(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.** **(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this**			

state in coordination with the MiSTEM council and the department of labor and economic opportunity. **(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.** **(e) Work with districts to provide STEM programming and professional learning.** **(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.** **(g) In collaboration with the department, deploy marketing and outreach efforts to publish the availability of STEM learning opportunities.** **(7) To funds under this section, a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.**			

(8) To receive funds under this section, a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection. **(9) By not later than July 1 of each fiscal year for which funding is allocated under this section, grant recipients shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes. The report described in this subsection must be published on a publicly accessible website.** **(10) Not more than 5% of funds awarded under this section may be retained by a fiscal agent.** **(11) As used in this section:** **(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.**			

(b) "Department" means the department of labor and economic opportunity. **(c) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.** **(d) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.**			

Sec. 99aa - Project SEARCH

Appropriates $1,000,000 SAF in FY 2024-25 only for an ISD that has partnered with Project SEARCH to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment. Provides that funds in FY 2024-25 are a work project.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 99ee - Hispanic Collaborative

Appropriates $3,000,000 SAF in FY 2024-25 only for programming provided by the Hispanic Collaborative.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

NEW CONF Sec. 99nn - Virtual Reality Math and Science Pilot

Appropriates $2,900,000 SAF in FY 2026-27 only to support a virtual reality (VR) math and science pilot program serving up to 9,000 students in as many as 8 school districts through an ISD partnership with the MDE and a VR program provider.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $2,900,000.00 to an intermediate district to partner with the department and a virtual reality program provider to serve up to 9,000 students in up to 8 districts in a virtual reality simulation pilot program that improves math and science education for students in grades 6 to 12.** **(2) A virtual reality simulation pilot program described in this section must do all of the following:** **(a) Offer tactile, multimodal learning experiences that teach core state standards-aligned concepts and skills for grades 6 to 12 mathematics and science, with a focus on improving outcomes on standards-aligned algebra I and middle school math benchmarks.** **(b) Immerse students in real-world problems across occupations and career clusters to build career exposure and relevance, using 3-D models and interactives that visualize and manipulate abstract mathematical and science concepts. A virtual reality program provider described in this section must have already conducted a randomized controlled trial by a third-party evaluator that demonstrated double-digit growth**

			outcomes in algebra I benchmark assessments. **(c) Align with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and market needs. Districts participating in a pilot program described in this section shall provide access to all mathematics and science teachers in a district for the purpose of building the strong quantitative and critical thinking foundations that every student requires to be successful across career clusters.** **(3) An intermediate district receiving funds under this section shall forward funds received to a virtual reality program provider determined by the department within 30 days of the receipt of funds. The intermediate district may retain up to 2.5% of funds received for administrative costs. The intermediate district bears no responsibility for the operation of the virtual reality pilot program described in this section.** **(4) To be eligible for funding under this section, an intermediate district must apply in a form and manner determined by the department.** **(5) To be eligible to participate in the pilot program, districts must apply in a form and manner determined by the department.**

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

Sec. 99mm - Menominee Schools Asbestos Cleanup

Appropriates $4,500,000 SAF in FY 2024-25 only to Menominee Area Public Schools to cover the cost of an emergency water and asbestos event, cost inflation for unfinished bond work delayed due to asbestos cleanup, and for costs related to consolidation activities.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 101 - Minimum Hours and Days of Instruction

Provides guidelines for the minimum number of hours and days pupils must receive instruction for the district to receive State aid.

Executive	*Senate*	*House*	*Conference*
(3) Except as otherwise provided in subsections (11) and (12) all of the following apply to the provision of pupil instruction: (d) Except as otherwise provided in ~~subdivisions (e), (f),~~ **this subsection,** if a district does not have at least 75% of the district's membership in attendance on any day of pupil instruction, the department shall pay the district state aid in that proportion of 1/180 that the actual percent of attendance bears to 75%. ~~(h) For the FY 2024-25 school year only, a district does not need to meet the minimum number of hours and days of pupil instruction requirement under subdivision (a) if that district meets all of the following requirements:~~ ~~(*i*) The district is located wholly or~~	Concur with Governor.	(3) Except as otherwise provided in subsections (11) and (12) all of the following apply to the provision of pupil instruction: (d) Except as otherwise provided in subdivisions (e)**,** ~~and~~ (f), **(h), and (i),** if a district does not have at least 75% of the district's membership in attendance on any day of pupil instruction, the department shall pay the district state aid in that proportion of 1/180 that the actual percent of attendance bears to 75%. ~~(h)~~ Concur with Governor.	Concur with Governor.

~~partially in a county that is covered by a state of emergency declared by the governor.~~ ~~(*ii*) A majority of the district board votes to exempt the district from the minimum number of hours and days of pupil instruction required under subdivision (a).~~ ~~(*iii*) The vote by the district board under subparagraph (*ii*) exempts the district from providing only the hours and days of pupil instruction actually missed due to the state of emergency.~~ ~~(*iv*) The vote by the district board under subparagraph (*ii*) exempts the district from not more than 15 days of pupil instruction required under subdivision (a). The amount that may be exempted under this subdivision is in addition to any days counted as pupil instruction under subsection (4).~~ **(h) Subdivision (d) does not apply to a district-operated special education program approved by the department if the program's instructional calendar exceeds 180 days of pupil instruction. For any day of instruction provided as part of a qualifying program under this subdivision, the district-operated special education program is exempt from the attendance threshold established under subdivision (d), provided that the district-operated special education program offers the minimum hours of pupil instruction required under**		**(h)** Concur with Governor.	

this section and maintains documentation of the program's approved instructional calendar. **(i) At the request of a district with fewer than 100 pupils in membership as reported in the most recent fall pupil count, the superintendent shall grant a waiver from the requirements of subdivision (d) if the district demonstrates that the absence of a single household may materially reduce the district's daily attendance percentage below the threshold established in subdivision (d). A waiver granted under this subdivision must provide that the district is subject to the proration provisions of subdivision (d) only if the district does not have at least 60% of the district's membership in attendance on any day of pupil instruction. The district shall maintain records necessary to substantiate its eligibility for the waiver granted under this subdivision**		**(i)** Concur with Governor.	

Sec. 104 - Student Assessments

Appropriates $37,509,400 from the SAF for reimbursement of costs associated with State student assessment requirements. Also appropriates $8,000,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.

Executive	*Senate*	*House*	*Conference*
Appropriates **$40,000,000** SAF in FY 2025-26 and **$44,500,000** SAF in FY 2026-27. Appropriates $8,000,000 Federal in FY 2025-26 and FY 2026-27.	Concur with Governor.	Concur with Governor.	Appropriates **$40,000,000** SAF in FY 2025-26 and **$44,500,000** SAF in FY 2026-27. Appropriates **$100** Federal in FY 2025-26 and FY 2026-27.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 104h - Benchmark Assessments

Appropriates $11,500,000 SAF in FY 2025-26 for districts for implementation of a benchmark assessment system for the 2025-26 school year.

(1) Requirements for assessment consistency, parent reporting, and data submission to MDE.

(2) Requires districts to apply for funding, use approved benchmark assessments, administer the same assessments in fall and spring, and meet all reporting requirements to be eligible for funds.

(4) Requires MDE to provide at no cost one state-approved, standards-aligned, nationally normed, internet-delivered benchmark assessment that complements the state summative system and measures student achievement and growth.

(5) Requires MDE to submit an annual legislative report by November 15 summarizing benchmark assessment results by district, grade level, and demographic subgroup, including growth data if available.

Executive	*Senate*	*House*	*Conference*
Update fiscal years. (1) …All of the following apply to the benchmark assessment system described in this subsection: (a) The system must provide for all of the following: (*ii*) …To support fall to spring growth calculations, the same benchmark assessment that is administered in the fall must be administered in the ~~spring.~~ **last marking period of the school year.** ~~(f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(*ii*), or within a time frame specified by the department, the district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by~~	Concur with Governor.	Concur with Governor.	Concur with Governor.

~~the department, from all benchmark assessments administered in the FY 2025-26 school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall 2025 to spring 2026.~~ (2) To receive funding under this section, a district must do all of the following: (d) Meet all reporting requirements pertaining to ~~assessment and mode of instruction data outlined~~ **the pupil's parent or legal guardian as described** in this section. (4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection ~~(6)~~ **(5)** available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following: **(h) Include a digital library of teaching resources that are tied directly to the benchmark assessment and aligned to Michigan standards.** ~~(5) By not later than November 15 of each year subsequent to a year in which funding is appropriated under this section, the department shall submit a report to the house and senate appropriations committees, the~~			

~~house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.~~			

Sec. 107 - Adult Education

Appropriates $28,913,600 for standard Adult Education programs and $4,000,000 for grants to CTE programs that connect participants with employers.

Executive	*Senate*	*House*	*Conference*
Appropriates **$40,500,000** in FY 2026-27.	Appropriates **$42,525,000** in FY 2026-27.	Appropriates **$40,500,000 ($32,913,600 ongoing/$7,586,400 one-time)** in FY 2026-27.	Appropriates **$42,525,000** in FY 2026-27.

Sec. 107a - Adult Education Pilots

Appropriates $15,000,000 SAF in FY 2023-24 only to pilot programs that will better connect adult learners with existing postsecondary and employment opportunities, including Michigan Reconnect and Michigan Works.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 147 - Retirement Contribution Rate

In FY 2025-26, the employer rates vary between 15.21% and 29.91% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.

The total uncapped rate varies between 30.23% and 44.93%.

The amount under Section 147c represents State support of 49.69% of the unfunded accrued liability costs in FY 2025-26.

Years left in the amortization schedule are 13.

Executive	*Senate*	*House*	*Conference*
In FY 2026-27, the employer rates vary between 15.21% and **27.51%** of payroll paid by the employer and the	Concur with Governor.	Concur with Governor.	Concur with Governor.

remainder of the total retirement contribution rate by the State under Section 147c. The total uncapped rate varies between **28.72%** and **41.02%**. Years left in the amortization schedule are **12**.			

Sec. 147a - MPSERS Payment to Districts

(1) Appropriates $100,000,000 SAF in FY 2024-25 to districts to offset a portion of the UAAL cost for MPSERS.

(2) Appropriates $336,200,000 SAF and $100,000 GF/GP in FY 2025-26 to hold districts, intermediate districts, and libraries harmless from the increased normal cost due to reducing the assumed rate of return (AROR) due to State policy and dedicated gains policy (new AROR of 6.8%). In addition, corrects the basis on which to distribute this funding from all payroll to only that payroll affected by changes in the AROR (i.e., payroll in the basic, MIP, and first pension plus hybrid plans).

(3) Appropriates $11,939,000 SAF in FY 2024-25 only to ISDs and district libraries to offset a portion of the UAAL cost for MPSERS.

(4) Appropriates $598,000,000 SAF in FY 2024-25 to districts, ISDs, district libraries, and community colleges to offset a portion of the UAAL cost for MPSERS.

Executive	*Senate*	*House*	*Conference*
~~(1) From the state school aid fund money appropriated in section 11, there is allocated in FY 2024-25 an amount not to exceed $100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating~~	Concur with Governor.	~~(1)~~ Concur with Governor.	~~(1)~~ Concur with Governor.

~~district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~			
(1) ~~(2) In addition to the allocation under subsection (1), from~~ **From** the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~$414,900,000.00 in FY 2024-25 and an amount not to exceed $336,200,000.00~~ **$361,200,000.00** in 2025-2026 **$307,400,000.00 in 2026-2027** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed $100,000.00 in ~~2024-2025 and~~ 2025-2026 **and 2026-2027** for payments to participating district libraries. The amount allocated to each participating entity under this ~~subsection~~ **section** is based on each participating entity's reported quarterly payroll for members that became tier 1 before February 1, 2018 for the current fiscal year. A participating entity that receives money under this ~~subsection~~ **section** shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate.		**(1)** ~~(2) In addition to the allocation under subsection (1), from~~ **From** the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~$414,900,000.00 in FY 2024-25 and an amount not to exceed $336,200,000.00~~ **$361,100,000.00** in 2025-2026 **$307,400,000.00 in 2026-2027** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed $100,000.00 in ~~2024-2025 and~~ 2025-2026 **and 2026-2027** for payments to participating district libraries. The amount allocated to each participating entity under this ~~subsection~~ **section** is based on each participating entity's reported quarterly payroll for members that became tier 1 before February 1, 2018 for the current fiscal year. A participating entity that receives money under this ~~subsection~~ **section** shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate.	**(1)** ~~(2) In addition to the allocation under subsection (1), from~~ **From** the state school aid fund money appropriated under section 11, there is allocated ~~an amount not to exceed $414,900,000.00 for 2024-2025 and~~ an amount not to exceed ~~$336,200,000.00~~ **$380,000,000.00** for 2025-2026 **and an amount not to exceed $351,200,000.00 for 2026-2027** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed $100,000.00 for ~~2024-2025 and~~ 2025-2026 **and 2026-2027** for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 before February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate.
(2) As used in this ~~subsection:~~		Concur with Governor.	**(2)** Concur with House

section: (a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196. (b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.		*(No new subsection)*	
~~(3) In addition to the allocations under subsections (1) and (2), from the state school aid fund money appropriated in section 11, there is allocated in FY 2024-25 only an amount not to exceed $11,939,000.00 for payments to participating intermediate districts and participating district libraries. A participating intermediate district or participating district library shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the participating intermediate district or participating district library for the fiscal year in which it is received. The amount allocated to each participating intermediate district or participating district library under this subsection is calculated as follows:~~ ~~(a) For each participating intermediate~~		~~(3)~~ Concur with Governor.	~~(3)~~ Concur with Governor.

~~district, $11,912,000.00 multiplied by each participating intermediate district's percentage of the total statewide payroll for all participating intermediate districts for the immediately preceding fiscal year.~~ ~~(b) For each participating district library, $27,000.00 multiplied by each participating district library's percentage of the total statewide payroll for all participating district libraries for the immediately preceding fiscal year.~~ ~~(c) As used in this subsection:~~ ~~(*i*) "Participating district library" means a district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~ ~~(*ii*) "Participating intermediate district" means an intermediate district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~ ~~(4) In addition to the allocations under subsections (1), (2), and (3), from the~~		~~(4)~~ Concur with Governor.	~~(4)~~ Concur with Governor.

~~state school aid fund money appropriated in section 11, there is allocated in FY 2024-25 an amount not to exceed $598,000,000.00 for payments to participating entities. The amount allocated to each participating entity under this subsection is based on each participating entity's percentage of the total statewide payroll for all participating entities for the immediately preceding fiscal year. The amount allocated in this subsection represents an amount to effectively reduce each participating entity's unfunded actuarial accrued liability from 20.96% to an estimated 15.21% of covered payroll. It is the intent of the legislature that the allocation under this subsection be used to support student mental health, school safety, the educator workforce, and academic interventions.~~ ~~(a) As used in this subsection:~~ ~~(*i*) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.~~ ~~(*ii*) "Participating entity" means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~			

Sec. 147b - MPSERS Obligation Reform Reserve Fund			
Creates the fund as a separate account within the School Aid Fund. Money in the fund must not be expended without a specific appropriation.			
Executive	*Senate*	*House*	*Conference*
(4) Money in the MPSERS retirement obligation reform reserve fund at the close of the fiscal year ~~remains in the MPSERS retirement obligation reform reserve fund and does not~~ **shall** lapse to the state school aid fund**.** ~~or to the general fund.~~ The department of treasury is the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes. ~~(5) In FY 2022-23, $825,000,000.00 from the state school aid fund is deposited into the MPSERS retirement obligation reform reserve fund. It is the intent of the legislature that $425,000,000.00 of the funds deposited under this subsection in FY 2022-23 are used to offset costs associated with accelerating the reduction of the payroll growth assumption for reporting units that are not university reporting units until that rate is zero by October 1, 2026.~~	Concur with Governor.	Concur with Governor.	Concur with Governor.
Sec. 147c - MPSERS UAAL Rate Stabilization Payment			
Appropriates $1,536,500,000 SAF and $300,000 GF/GP in FY 2025-26 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 15.21%, pursuant to Section 41 of the MPSERS Act.			
Executive	*Senate*	*House*	*Conference*
Appropriates **$1,454,400,000** SAF and $300,000 GF/GP in FY 2026-27.	Concur with Governor.	Concur with Governor.	Appropriates **$1,536,800,000** SAF and $300,000 GF/GP in FY 2025-26 and **$1,454,400,000** SAF and $300,000 GF/GP in FY 2026-27.

(1) …All of the following apply to funding under this subsection: (a) ~~Except as otherwise provided in this subdivision, in FY 2025-26,~~ **In FY 2026-27,** the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount for districts of $1,100.00**.** ~~, which represents an average increase of $362.00 per pupil compared to the immediately preceding state fiscal year.~~ (b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of ~~20.96%~~ **15.21%** included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of ~~20.96%~~ **15.21%** included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.			(1) …All of the following apply to funding under this subsection: (a) ~~Except as otherwise provided in this subdivision, for 2025-2026, the~~ **The** amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount for districts of $1,100.00**.** ~~, which represents an average increase of $362.00 per pupil compared to the immediately preceding state fiscal year.~~ (b) Concur with Governor.

Sec. 147e - MPSERS Transition Costs

Appropriates $118,400,000 SAF in FY 2025-26 to pay for increased school employer costs associated with PA 92 of 2017.

Executive	*Senate*	*House*	*Conference*
Appropriates **$116,500,000** in FY 2025-26 and **$136,200,000** in FY 2026-27.	Concur with Governor.	Concur with Governor.	Appropriates **$71,000,000** in FY 2025-26 and **$88,800,000** in FY 2026-27.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Sec. 147g - MPSERS Employee Healthcare Reimbursement

Appropriates $181,519,700 SAF in FY 2024-25 only to reimburse employees for costs associated with the health care premium subsidy benefit.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	**Repeal.**	**Repeal.**

Sec. 152a - Data Collection and Reporting Costs

Appropriation of $41,000,500 to pay the necessary costs related to the State-mandated collection, maintenance, and reporting of data.

From this allocation, $3,000,000 is allocated for costs associated with collecting data necessary to provide reporting to tribal governments on the status of students affiliated with their particular tribe and data necessary to determine student participation in federal programs.

Executive	*Senate*	*House*	*Conference*
Update fiscal years.	Concur with Governor.	Concur with Governor.	Concur with Governor.

Sec. 152b - Nonpublic School Reimbursements

Includes $1,000,000 GF/GP in FY 2025-26 to reimburse nonpublic schools for mandated costs. Provides that funds in FY 2024-25 are a work project and available funds may be expended in future fiscal years.

(12) Requires reimbursements to be made for expenses in previous fiscal years using funds remaining in work projects or, if those funds are insufficient, using funds appropriated in FY 2025-26.

Executive	*Senate*	*House*	*Conference*
Repeal.	Appropriates $1,000,000 GF/GP in FY 2026-27.	Concur with Senate.	Concur with Senate.

NEW EXEC Sec. 152c - Tribal Consultation

Appropriates $5,000,000 SAF in FY 2026-27 only to create statewide supports for ESSA federal tribal consultation requirements.

(2) Funded RESA must convene a statewide collaboration including tribal leaders, tribal education organizations, school leaders, and relevant state and program staff.

(3) Collaboration must deliver professional learning on tribal consultation and produce annual outcome-based progress reports starting January 1, 2028.

(4) Minimum content and statewide availability timelines for professional learning on Native student identification, data sharing, and ESSA tribal consultation.

(5) Funding is a work project.

Executive	*Senate*	*House*	*Conference*
(1) From the state school aid fund money appropriated in section 11, there is allocated in FY 2026-27 only an amount not to exceed	**(1)** Concur with Governor.	Not included.	**(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed**

$5,000,000.00 to Marquette-Alger Regional Educational Agency to develop statewide supports for the federal tribal consultation requirements under the every student succeeds act, Public Law 114-95.			**$2,500,000.00 to Marquette-Alger Regional Educational Agency to develop statewide supports for the federal tribal consultation requirements under the every student succeeds act, Public Law 114-95.**
(2) The intermediate district receiving funds under this section shall utilize the funds to support a collaboration that includes, but is not limited to:	**(2) Marquette-Alger Regional Education Agency shall utilize the funds to support a collaboration that includes, but is not limited to:**		**(2) Marquette-Alger Regional Educational Agency shall use the funds to support a collaboration that includes, but is not limited to:**
(a) Elected tribal leadership from federally recognized tribes in Michigan.	**(a)** Concur with Governor.		**(a)** Concur with Governor.
(b) The Confederation of Michigan Tribal Education Departments.	**(b)** Concur with Governor.		**(b)** Concur with Governor.
(c) School, district, and intermediate school district leadership, including elected board members.	**(c)** Concur with Governor.		**(c)** Concur with Governor.
(d) Directors of programs impacted by the federal tribal consultation requirements.	**(d)** Concur with Governor.		**(d)** Concur with Governor.
(e) The department's indigenous education initiative.	**(e)** Concur with Governor.		**(e)** Concur with Governor.
(3) The collaboration shall be responsible for the following:	**(3)** Concur with Governor.		**(3) The collaboration described in subsection (2) shall do both of the following:**
(a) Creating, disseminating, and evaluating professional learning to support the implementation of the federal tribal consultation requirements.			**(a)** Concur with Governor.

(b) Not later than January 1, 2028, and each subsequent fiscal year, preparing a summary report that includes measurable outcomes to evaluate the progress made in the development of effective government-to-government relations. The report must be submitted to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director.			**(b) By not later than January 1, 2028, and January 1 of each subsequent fiscal year, prepare a summary report that includes measurable outcomes to evaluate the progress made in the development of effective government-to-government relations. The report described in this subdivision must be submitted to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director.**
(4) All of the following apply to professional learning under this section:	**(4) All of the following apply to professional learning under this section:**		**(4) All of the following apply to professional learning described in subsection (3)(a):**
(a) The learning must include, at a minimum:	**(a)** Concur with Governor.		**(a) The professional learning must include at least the following:**
(*i*) Identification of native students, including:	**(*i*)** Concur with Governor.		**(*i*)** Concur with Governor.
(A) Federal identification guidelines from the federal office of management and budget under statistical policy directive number 15 for American Indian and Alaska Native students.			**(A)** Concur with Governor.
(B) Tribal affiliation data collection guidelines under MCL 388.1694a.			**(B)** Concur with Governor.
(C) Program participation data collection guidelines under MCL 388.1694a for federal programs funded under 20 USC 7401 to 7546			**(C)** Concur with Governor.

and the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.			
(*ii*) Data sharing from school districts to federally recognized tribes as governed by the federal education rights and privacy act, 20 USC 1232, 34 CFR Part 99; the federal protection of pupil rights amendment, 20 USC 1232h, 34 CFR Part 98; and the Michigan protection of pupil privacy act, MCL 380.1136.	**(*ii*) Guidelines and rules related to data sharing from school districts to federally recognized tribes as governed by the federal education rights and privacy act, 20 USC 1232, 34 CFR Part 99; the federal protection of pupil rights amendment, 20 USC 1232h, 34 CFR Part 98; and the Michigan protection of pupil privacy act, MCL 380.1136.**		**(*ii*) Guidelines and rules related to data sharing from school districts to federally recognized tribes as governed by the federal education rights and privacy act, 20 USC 1232, 34 CFR Part 99; the federal protection of pupil rights amendment, 20 USC 1232g, 34 CFR Part 98; and section 1136 of the revised school code, MCL 380.1136.**
(*iii*) The federal Tribal consultation requirements under the every student succeeds act, Public Law 114-95.	**(*iii*)** Concur with Governor.		**(*iii*)** Concur with Governor.
(*iv*) Key elements of effective tribal consultation.	**(*iv*)** Concur with Governor.		**(*iv*)** Concur with Governor.
(b) The initial professional learning must be made available to all administrators, staff, and board members in each local educational agency, public school academy, and intermediate school district by September 30, 2027, with additional resources released at least annually during the course of the work project.	**(b)** Concur with Governor.		**(b) The initial professional learning must be made available to all administrators, staff, and board members in each district and intermediate district by September 30, 2027, with additional resources released at least annually during the course of the work project.**
(5) The funds allocated under this section in FY 2026-27 are a work project appropriation, and any unexpended funds in FY 2026-27 are carried forward into FY 2027-28.	**(5)** Concur with Governor.		**(5) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028.**

The purpose of the work project is to create, disseminate, and evaluate statewide supports for local education agencies, public school academies, and intermediate school districts in meeting federal requirements for tribal consultation. The estimated completion date of the work project is September 30, 2031.			**The purpose of the work project is to create, disseminate, and evaluate statewide supports for districts and intermediate districts in meeting federal requirements for tribal consultation. The estimated completion date of the work project is September 30, 2031.**
(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.	**(6)** Concur with Governor.		**(6)** Concur with Governor.

Sec. 163 - Teacher Certification Requirements

Except as otherwise allowed in the Revised School Code, this section requires districts to hire certified teachers and counselors. Districts will lose funding for each noncertificated teacher hired. States that if a school official knowingly continues to employ a noncertificated teacher, the official is guilty of a misdemeanor, punishable by imprisonment for up to 90 days, a fine of up to $1,500, or both.

(2) Penalty to a district for violation.

(4) Exceptions to compliance requirements.

(5) Credit against other payments to avoid double penalty.

(7) Exception for violations that occurred between July 1, 2020 and June 30, 2021.

Executive	*Senate*	*House*	*Conference*
No change.	(1) Except as otherwise provided in the revised school code, the board of a district or intermediate district shall not permit any of the following: (a) An individual who is not appropriately placed under a valid certificate, valid substitute permit, authorization, or approval issued under rules promulgated by the	(1) Concur with Senate.	(1) Except as otherwise provided in the revised school code **or rules promulgated by the department**, the board of a district or intermediate district shall not permit any of the following: (a) No change.

	department to teach in an elementary or secondary school.		
	~~(b) An individual who does not satisfy the requirements of section 1233 of the revised school code, MCL 380.1233, and rules promulgated by the department to provide school counselor services to pupils in an elementary or secondary school.~~		(b) No change.
	(b) ~~(c)~~ An individual who does not satisfy the requirements of section 1246 of the revised school code, MCL 380.1246, and rules promulgated by the department to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an elementary or secondary school or in a district or intermediate district, unless the individual is working under a valid substitute permit issued under rules promulgated by the department.		(c) No change
	(2) Except as otherwise provided under subsection (4) or (5), ~~a district or intermediate district employing an individual in violation of this section must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (5), if a district or intermediate district is notified by the department that it is employing an individual in violation of this section and it continues to employ the individual in violation of this section 10~~	(2) Except as otherwise provided under subsection (4) or (5), **if** a district or intermediate district ~~employing~~ **employs** an individual in violation of this section**, all of the following apply:**	~~(2) Except as otherwise provided under subsection (4) or (5), a district or intermediate district employing an individual in violation of this section must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (5), if a district or intermediate district is notified by the department that it is employing an individual in violation of this section and it continues to employ the individual in violation of this section 10~~

	~~business days after receiving the notification, both of the following apply:~~**if a district or intermediate district employs an individual in violation of this section, all of the following apply:**		~~business days after receiving the notification, both of the following apply:~~
	~~(a) The district or intermediate district must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section that occurs before the expiration of the 10-day period described in this subsection.~~	~~(a)~~ Concur with Senate.	~~(a)~~ Concur with Senate.
	~~(b) The district or intermediate district must have deducted an amount equal to 100% of the amount paid to the individual for the period of employment that is in violation of this section that occurs after the 10-day period described in this subsection.~~	~~(b)~~ Concur with Senate.	~~(b)~~ Concur with Senate.
	(a) The district or intermediate district shall, not later 10 school days after receiving notice of the violation, rectify the noncompliance.	**(a)** Concur with Senate.	(3) ~~For purposes of~~ **Except as otherwise provided under** subsection ~~(2),~~ **(5),** if a district or intermediate district ~~on behalf of an individual or an individual successfully completes the credential application process through the department, including the submission of an appropriate application, required fees, and all required supporting documentation, the individual's employment with the district or intermediate district after this completion is not considered a period of employment that is in violation of this section.~~**does not correct an instance of noncompliance within**
	(b) For the first violation within a 3-year period, the district or intermediate district must receive a letter from the superintendent of public instruction or superintendent of public instruction's designee regarding the violation and potential penalties as a result of further violations.	**(b) For the first violation within a 3-year period, the department shall provide a letter to the district or intermediate district regarding the violation and potential penalties as a result of further violations.**	

			15 school days after receiving the written notice under subsection (2), the department shall make a state aid adjustment as follows:
	(c) For the second violation within a 3-year period, the district or intermediate district must receive a letter with the information described in subdivision (b) and must have deducted an amount equal to 25% of the amount paid to the individual for the period of employment that is in violation of this section.	**(c) For the second violation within a 3-year period, the district or intermediate district** must have deducted an amount equal to ~~50%~~ **25%** of the amount paid to the individual for the period of employment that is in violation of this section.	**(a) If the district or intermediate district does not correct the noncompliance within 15 school days after receiving written notice under subsection (2), the department shall make a state aid adjustment of $50,000.00 on the sixteenth school day after the district or intermediate district receives the notice.**
	(d) For the third violation within a 3-year period, the district or intermediate district must receive a letter with the information described in subdivision (b) and must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section.	**(d)** ~~(a) The~~ **For the third violation within a 3-year period, the** district or intermediate district must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section**.** ~~that occurs before the expiration of the 10-day period described in this subsection.~~	**(b) Beginning on the seventeenth school day after the district or intermediate district receives the notice, the department shall make an additional state aid adjustment of $1,000.00 for each school day the individual continues to be employed or assigned in violation of this section.**
	(3) For purposes of subsection (2), ~~if~~ **both of the following apply:**	(3) Concur with Senate.	**(c) The total state aid adjustment under this subsection must not exceed $100,000.00 per individual per assignment per fiscal year.**
	(a) If a district or intermediate district on behalf of an individual or an individual successfully completes the credential application process through the department, including the submission of an appropriate application, required fees, and all required supporting documentation, the individual's employment with the district or intermediate district after this completion is not considered a period	**(a)** Concur with Senate.	**(d) No state aid adjustment shall be made for any period of noncompliance that occurs before the district or intermediate district receives written notice under subsection (2).** **(e) No state aid adjustment shall be made if the district or intermediate district corrects the noncompliance**

	of employment that is in violation of this section. **(b) If a district or intermediate district has no violations under this section for a period of 3 years after a violation under subsection (1), the district or intermediate district is subject only to the penalties described in subsection (2)(a) upon the next violation.** **(2)** Not included. **(4)** Not included.	**(b) If a district or intermediate district has no further violations of this section for a period of 3 years after violations under subsection (2), the district or intermediate district is subject only to the penalties described in subsections (2)(a) and (2)(b) upon the next violation.** **(2)** Not included. **(4)** Not included.	**within 15 school days after receiving written notice under subsection (2).** **(2) If the department or the department's designee determines that a district or intermediate district has employed or assigned an individual in violation of this section, the department or the department's designee shall provide written notice of noncompliance to the district or intermediate district. The written notice must identify the individual, the affected assignment, the nature of the noncompliance, and the date on which the notice is issued. The written notice must also state that the district or intermediate district has 15 school days after receiving the notice to correct the noncompliance before a state aid adjustment is imposed under this section.** **(4) A determination of noncompliance under subsection (2) is final unless the district or intermediate district requests review by the superintendent of public instruction within 30**

			calendar days after receiving the written notice under subsection (2). A request for review does not stay the 15-school-day correction period or the accrual of a state aid adjustment under subsection (3), unless the superintendent of public instruction determines that a stay is warranted.
	(4) No change.	(4) No change.	**(5)** ~~(4)~~ A ~~deduction~~ **state aid adjustment** under subsection ~~(2) for employment in violation of this section~~ **(3)** may be ~~less than the amount required under that subsection~~ **reduced or waived, in whole or in part,** if the superintendent of public instruction finds that the district or intermediate district was hindered in its ability to ~~obtain a substitute credential to enable the district or intermediate district to employ the individual in compliance~~ **comply** with this section due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities**.** ~~, including, but not~~ **Unusual and extenuating circumstances under this subsection may include, but are not** limited to, a natural disaster, death or serious illness of the individual or another employee, an emergency school closure, **a documented technical issue with the systems used to obtain the required certification, permit, authorization, or approval,** fraud or other intentional wrongdoing of the individual or another employee, or an emergency health condition as defined by city, county, or

			state health authorities. **In determining whether to reduce or waive a state aid adjustment, the superintendent of public instruction may consider whether the district or intermediate district had adequate systems and procedures in place to prevent noncompliance and whether the district or intermediate district took timely and reasonable action to correct the noncompliance after discovering or being notified of the violation.**
	(5) ~~There must be no deduction under subsection (2) for employment of an individual if there is a membership adjustment under section 15 based on the same employment.~~**This section provides the sole and exclusive penalty for a violation of subsection (1). A district or intermediate district must not also be subject to a membership adjustment under section 15 for a violation of subsection (1).**	(5) ~~There must be no deduction under subsection (2) for employment of an individual if there is a membership adjustment under section 15 based on the same employment.~~**This section provides the sole and exclusive penalty for a violation of subsection (1). A district or intermediate district will not also be subject to a membership adjustment under section 15(4).**	**(6)** ~~(5) There must be no deduction under subsection (2) for employment of an individual if there is a membership adjustment under section 15 based on the same employment.~~**A state aid adjustment under this section for an educator misplacement is in lieu of any membership adjustment under section 6 or section 15 based on the same individual, district or intermediate district, assignment, and period of noncompliance.**
	(6) If a school official is notified by the department that the school official is employing an individual in violation of this section and knowingly continues to employ that individual **for a period longer than 10 school days**, the school official is guilty of a misdemeanor punishable by a fine of $1,500.00 for each incident. This penalty is in addition to all other financial penalties otherwise specified in this article.	**(6)** Concur with Senate.	**(7)** ~~(6)~~ If a school official is notified by the department **or the department's designee** that the school official is employing **or assigning** an individual in violation of this section and knowingly continues to employ or assign that individual ~~,~~ **in violation of this section,** the school official is guilty of a misdemeanor punishable by a fine of $1,500.00 for each incident. This penalty is in addition ~~to all other financial penalties otherwise specified in this article.~~**any state aid**

			adjustment imposed under this section.
	(8) Not included.	**(8)** Not included.	**(8) As used in this section:**
			(a) "Assignment" means a specific class, course, subject area, instructional setting, administrative position, school counselor position, or other position for which an individual is responsible.
			(b) "Educator misplacement" means the employment or assignment of an individual in violation of subsection (1).
			(c) "School day" means a day on which pupils are scheduled to receive instruction in the affected building, program, or assignment.
			(d) "Written notice" means notice issued by the department or its designee to the district or intermediate district identifying a violation of this section.

Sec. 164j - State Fiscal Recovery Funds

Requires the state budget director to ensure all American Rescue Plan Act state fiscal recovery funds are fully spent by December 31, 2026, authorizes reallocating at-risk funds to specified public safety payroll purposes in corrections and state police, mandates compliance with federal guidance, and requires timely legislative notification and accounting adjustments.

Executive	*Senate*	*House*	*Conference*
Repeal.	No change.	**Repeal.**	**Repeal.**

Sec. 164k - Requirement to Receive State Aid

If a district or intermediate district is confirmed to be violating any listed requirements, MDE must withhold 5% of the state payment they would otherwise receive until they return to compliance.

(a) Districts must ensure all breakfast and lunch foods comply with federal school meal rules.

(b) Districts must, when practicable, require households to complete the child nutrition and education benefits application even if universal meals are offered.

(c) Districts may not offer financial incentives for student attendance on pupil membership count days after Fall 2025.

(d) Districts must make student survey questions and results public, post them online, and notify parents or guardians; “survey” includes any survey from the district or any level of government.

(e) Districts using non–evidence-based K–5 curricula must inform parents that the curriculum is not evidence-based or aligned to state standards and may harm academic outcomes, must explain why they are not using an evidence-based, standards-aligned curriculum, and must provide a plan and timeline for adopting an evidence-based, standards-aligned curriculum.

Executive	*Senate*	*House*	*Conference*
Repeal.	**Repeal.**	(a) No change.	(a) A district or intermediate district shall ensure that all food made available to a student in the breakfast or lunch program complies with all federal rules and regulations related to school meals**, including provisions restricting access to soda and candy as described in federal Smart Snacks Standards**.
		(d) No change.	~~(d) A district or intermediate district shall ensure that student survey questions and results are made available to the public, posted on the district's or intermediate district's website, and that parents and legal guardians are notified of the survey. As used in this subsection, "survey" includes any survey from the district or intermediate district or from the local, state, or federal government.~~
		(e) No change.	~~(e) Beginning with the fiscal year ending September 30, 2026, if a district is not using a curriculum from the department's evidence-based curriculum list required under section 1280f of the revised school code, MCL 380.1280f, the district must provide a~~

			~~notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:~~ ~~(i) A statement informing parents or legal guardians that the curriculum used by the district is not evidence-based or not aligned to state standards, which could negatively impact student academic outcomes.~~ ~~(ii) A statement explaining why the district is not using a curriculum that is evidence-based or aligned to state standards.~~ ~~(iii) A plan, including a projected timeline, for when a new curriculum will be adopted that is evidence-based and aligned to state standards.~~
		(f) A district or intermediate district shall ensure that all students participate in the presidential fitness test.	**(d) Beginning with the 2026-2027 school year, the board of a district or intermediate district shall ensure that each school operated by the board implements the presidential fitness test for all students enrolled in physical education classes, consistent with guidance developed by the department under subsection (2) and except as otherwise stated in a student's individual education plan, in accordance with the suggestions and strategies promulgated under federal Executive Order No. 14327, 90 Fed. Reg. 37993 (July 31, 2025).** **(2) The department, in consultation with the Governor's Council on Physical Fitness, Health, and Sports, shall develop guidance for**

			the implementation of this subdivision. The guidance must be consistent with applicable state and federal law. Th eguidance is not limited to, but must include: **(a) That any student with an Individualized Education Plan (IEP) shall not be required to participate in the presidential fitness test, unless that student's IEP otherwise requires the presidential fitness test; and** **(b) A requirement that the presidential fitness test may only be administered in physical education classes, if such classes are offered by the school.**

Sec. 164*l* **- Grant Transparency**

(1) Requires the legislature to provide a timely, publicly documented list of legislatively directed spending items to the responsible entity and state budget director.

(2) Requires the responsible entity to administer direct appropriation grants through documented agreements, eligibility verification, reimbursement-based payments, and conflict-of-interest safeguards.

(3) Requires executed grant agreements to include project details, spending limits, reporting, clawback provisions, and publicly disclosed documentation.

(4) Allows the responsible entity to enter into memoranda of understanding with other state departments to improve grant administration or oversight.

(5) Requires grant recipients to retain records for at least seven years, respond to information requests, and submit to monitoring, site visits, and audits.

(6) Requires all grant funds to be spent and projects completed by September 30, 2030, with unspent or unexecuted funds returned to the state treasury.

(7) Appropriates grant funds to the responsible entity solely for the purpose of administering the intended grants.

(8) Requires the responsible entity to publicly post and regularly update detailed reports on grant recipients, purposes, funding status, and sponsors.

(9) Allows SBO to centrally compile and publish grant reporting information in place of individual entity reports.

(10) Requires the responsible entity to halt funding and refer grants for audit or investigation if misuse or misrepresentation is identified.

(11) Defines "responsible entity" as any department, district, intermediate district, or other entity administering a grant under this article.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHT

Current Law (FY 2025-26) Governor, Senate, and House Recommendations (FY 2025-26 and FY 2026-27)

Executive	*Senate*	*House*	*Conference*
(1) ~~Not later than~~ **Within** 30 days ~~after~~ **of** the enactment of ~~the~~ **an** amendatory act ~~that added~~ **to** this ~~section,~~ **article,** the ~~legislature~~ **house and senate fiscal agencies** shall provide to the ~~responsible entity and the~~ state budget ~~director~~ **office** a **jointly agreed upon** list of legislatively directed spending items, **as defined in Public Acts 32 and 33 of 2025, funded by the amendatory act.**~~, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section.~~ The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with ~~house or senate rules and this section.~~ **Public Acts 32 and 33 of 2025.**	(1) ~~Not later than~~ **Within** 30 days ~~after~~ **of** the enactment of ~~the~~ **an** amendatory act ~~that added~~ **to** this ~~section,~~ **article,** the ~~legislature~~ **house and senate** shall provide to the ~~responsible entity and the~~ state budget ~~director~~ **office** a **jointly agreed upon** list of legislatively directed spending items, **as defined in Public Acts 32 and 33 of 2025, funded by the amendatory act.**~~, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section.~~ The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with ~~house or senate rules and this section.~~ **Public Acts 32 and 33 of 2025.**	(1) ~~Not~~ **By not** later than 30 days after the enactment of the amendatory act that added ~~this~~ section **164m**, the ~~legislature shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with house or senate rules and this section.~~ **state budget office shall post a list of legislatively directed spending items funded under this article as defined in sections 364 and 364a of the management and budget act, 1984 PA 431, MCL 18.1364 and 18.1364a. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with sections 364 and 364a of the management and budget act, 1984 PA 431, MCL 18.1364 and 18.1364a.**	(1) Not later than 30 days after the enactment of ~~the~~ **any** amendatory act ~~that added~~ **to** this ~~section,~~ **article,** the ~~legislature~~ **house and senate** shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, ~~which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section.~~ **as defined in sections 364 and 364a of the management and budget act, MCL 18.1364 and 18.1364a, that are funded by the amendatory act.** The list must include all information and documents pertaining to the funded items as publicly disclosed ~~in accordance with house or senate rules and this section.~~**under sections 364 and 364a of the management and budget act, MCL 18.1364 and 18.1364a.**
~~(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the responsible entity shall perform, at a minimum, at least all of the following activities to administer the grants described in subsection (1):~~ ~~(a) Establish a process to review, complete, and execute a grant~~	~~(2)~~ Concur with Governor.	~~(2)~~ Concur with Governor.	~~(2)~~ Concur with Governor.

~~agreement with a grant recipient. The responsible entity shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.~~ ~~(b) Verify to the extent possible that a grant recipient is a not-for-profit entity and will use funds as publicly disclosed and for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.~~ ~~(c) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The responsible entity may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.~~ ~~(d) Disburse the grant money per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the responsible entity, to verify that expenditures were made in accordance with the project purpose.~~ ~~(e) If the state budget director determines that information provided by the grantee does not meet the disclosure requirements, that the grant will be used to pay a tax lien,~~			

~~delinquent tax, or other obligation owed to this state, or that the grant will create a conflict of interest, the responsible entity shall not release the grant money to the grantee. Money that is not released under this subdivision lapses at the end of the fiscal year. There is not a conflict of interest if the sponsoring legislator certifies that the sponsoring legislator's immediate family members, legislative staff members that have worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator do not have a direct or indirect pecuniary interest in the legislatively directed spending item.~~			
~~(3) An executed grant agreement under this section between the responsible entity and a grant recipient must include at least all of the following:~~	~~(3)~~ Concur with Governor.	~~(3)~~ Concur with Governor.	~~(3)~~ Concur with Governor.
~~(a) All necessary identifying information for the grant recipient, including any tax and financial information necessary for the responsible entity to administer grant money under this section.~~			
~~(b) A description of the project for which the grant money will be expended, including tentative timelines and the estimated budget. Project budget must include how all grant money will be used and must indicate if any grant money will be provided to a third party or subrecipient. The responsible entity~~			

~~shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations under the amendatory act that added this section. The grantee shall return to the state treasury any interest in excess of $1,000.00 earned on the grant money while unexpended and in possession of the grantee.~~ ~~(c) Unless otherwise specified in the responsible entity's policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of the amendatory act that added this section.~~ ~~(d) A requirement for reporting by the grant recipient to the responsible entity and the legislative sponsor that provides the status of the project and an accounting of all money expended by the grant recipient, as determined by the responsible entity.~~ ~~(e) A clawback provision that allows the department of treasury to recoup or otherwise collect any grant money that is declined, unspent, or otherwise misused.~~ ~~(f) The documents publicly disclosed under subsection (1).~~			
~~(4) If appropriate to improve the administration or oversight of a grant described in subsection (1), the responsible entity may adopt a~~	~~(4)~~ Concur with Governor.	~~(4)~~ Concur with Governor.	~~(4)~~ Concur with Governor.

~~memorandum of understanding with another state department to perform the required duties under this section.~~			
~~(5) A grant recipient shall respond to all reasonable information requests from the responsible entity related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audit as determined by the responsible entity. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient authorized to bind the grant recipient that the requirements of this subsection will be met.~~	~~(5)~~ Concur with Governor.	~~(5)~~ Concur with Governor.	~~(5)~~ Concur with Governor.
~~(6) The grant recipient shall expend all grant money awarded and complete all projects not later than September 30, 2030. If, at that time, any unexpended money remains, the grant recipient shall return that money to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2026, the responsible entity shall return money associated with the grant to the state treasury.~~	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.	~~(6)~~ Concur with Governor.
~~(7) Any grant money that is awarded to a responsible entity is appropriated in that responsible entity for the purpose of the intended grant.~~	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.	~~(7)~~ Concur with Governor.
~~(8) Except as otherwise provided in subsection (9), beginning March 15 of the current fiscal year, the responsible~~	~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.	~~(8)~~ Concur with Governor.

~~entity shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of money allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The responsible entity shall update the report and post the updated report in a publicly accessible location on its website not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The responsible entity shall include in the report the most comprehensive information the responsible entity has available at the time of posting for grants awarded.~~			
~~(9) If the state budget office determines that it is more efficient for the state budget office to compile all affected responsible entities' information and post a report of the compiled information rather than the report required under subsection (8) being posted by individual responsible entities, the state budget office may compile that information across all affected responsible entities and other state departments and post the compiled report and any updates on the same time schedule as identified in subsection (8).~~	~~(9)~~ Concur with Governor.	~~(9)~~ Concur with Governor.	~~(9)~~ Concur with Governor.
~~(10) If the responsible entity reasonably determines that the money allocated for an executed grant agreement under this section was~~	~~(10)~~ Concur with Governor.	~~(10)~~ Concur with Governor.	~~(10)~~ Concur with Governor.

~~misused or that use of the money was misrepresented by the grant recipient, the responsible entity shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols, which may include referral for criminal investigation.~~			
~~(11) As used in this section, "responsible entity" means the department, the department of lifelong education, advancement, and potential, a district, an intermediate district, or other person that administers a grant under this article.~~	~~(11)~~ Concur with Governor.	~~(11)~~ Concur with Governor.	~~(11)~~ Concur with Governor.
(2) In accordance with section 364(4) of the management and budget act, 1984 PA 431, MCL 18.364(4), the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.	**(2)** Concur with Governor.	**(2) In accordance with section 364(4) of the management and budget act, 1984 PA 431, MCL 18.1364, the department or agency administering the grant shall submit a report not later than November 1. The department or agency shall update the report and shall submit updated reports not later than March 15 and September 15 of the current fiscal year. The department or agency shall include in the report the most comprehensive information the department or agency has available at the time of posting for grants awarded, including, but not limited to, project milestones, percent completed, funding expended, and funding encumbered.**	**(2) In accordance with section 364 of the management and budget act, 1984 PA 431, MCL 18.1364, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.**

(3) Not included.	**(3)** Not included.	**(3) Before executing a grant agreement, all grant recipients must provide a spending plan that specifies the scope of service, the program goals, the measurement for meeting program goals, and how all grant funds will be used, and must indicate if any grant funds will be provided to a third party or subrecipient.**	**(3)** Not included.
(4) Not included.	**(4)** Not included.	**(4) Each department or agency responsible for awarding or disbursing grant funds must annually audit the entity's use of the grant funds for each fiscal year in which the grant is active. Each entity must submit information requested by the department or agency to confirm compliance.**	**(4)** Not included.
(5) Not included.	**(5)** Not included.	**(5) Each department or agency shall work with the office of the auditor general to conduct an audit of the grant according to generally accepted accounting practices and audit standards. The office of the auditor general must be given access to all internal and external records. All contracts or agreements between a department or agency and a grant recipient or between a grant recipient and a third party must include a clause granting the office of the auditor general access to all internal and external records.**	**(5)** Not included.
(6) Not included.	**(6)** Not included.	**(6) Grant recipients and their immediate family members are prohibited from being employed by**	**(6)** Not included.

		the executive branch or legislative branch of this state. In addition, grant recipients are prohibited from serving on any state board that has direct or indirect responsibility for approving or auditing grant funds awarded or disbursed by any department or agency.	
(7) Not included.	**(7)** Not included.	**(7) Full and complete audits of grant funds issued by the department or an agency of this state, without redaction unless required by law, must be posted to the department's or agency's website in a conspicuous place for public review.**	**(7)** Not included.
(8) Not included.	**(8)** Not included.	**(8) On a quarterly basis, the department or agency shall submit a report on legislatively sponsored grant funds that includes, but is not limited to, all of the following:** **(a) The name of each grant recipient and the status of each grant.** **(b) The amount distributed to each grant recipient.** **(c) Any changes to scope or costs of program.**	**(8)** Not included.
(9) Not included.	**(9)** Not included.	**(9) The report under subsection (8) must include the following statements made by the department or agency:** **(a) A statement that confirms the department or agency reviewed and affirmed compliance by each grant**	**(9)** Not included.

		recipient with program scope and expenditure of grant funding. **(b) A statement that confirms the department or agency reviewed applicable program reports and requests for reimbursement.**	

NEW EXEC Sec. 164m - Requirements to Receive Weighted Foundation Allowance

Requires districts receiving section 22b(3) funds to use them for evidence-based academic supports (including literacy, math, English learners, and MTSS), limit administrative costs, report data to MDE, allow audits, and annually communicate results and funding use to parents.

(2) Allows MDE to withhold and ultimately forfeit section 22b(3) funds if a district fails to comply with the requirements.

(3) Requires MDE to monitor district compliance and collect any information necessary to do so.

Executive	*Senate*	*House*	*Conference*
(1) With funds received by a district under section 22b(3), districts must do all of the following: **(a) Comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, use resources received under section 22b(3) to address student achievement and success including but not limited to, literacy, mathematics, and providing direct English language development instruction through the English language learner program models established in Section 41(2).**	Not included. *(Requirements put in the Revised School Code, Sec. 1280h)*	Not included.	**(1) Except as otherwise provided in section 22b(3)(g), a district that receives funds under section 22b(4) must do all of the following:** **(a) Use funds received for purposes including, but not limited to, student achievement and success, literacy, mathematics, and providing direct English language development instruction.** **(b) Administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS".** **(c) Agree to meet or exceed the minimum number of minutes per week, as determined by the department under subsection (2), that the district provides direct**

			English language development instruction.
(b) Implement a multi-tiered system of supports that is an evidence-based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must be implemented in grades K to 12, or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates. The multi-tiered system of supports described in this subdivision must provide at least all of the following essential components: **(*i*) Team-based leadership.** **(*ii*) A tiered delivery system.** **(*iii*) Selection and implementation of instruction, interventions, and supports.** **(*iv*) A comprehensive screening and assessment system.** **(*v*) Continuous data-based decision making.**			**(d)** Concur with Governor
(c) Utilize all funding received under section 22b(3) to support student needs for pupils counted toward the weighted pupil membership			**(e) Support pupil needs for pupils counted toward the district's weighted pupil membership, including, but not limited to, items**

calculated in section 6 including, but not limited to, items identified in a district's Michigan Integrated Continuous Improvement Process (MICIP) plan. An amount not to exceed 2% of the amount received under section 22b(3), may be utilized to support administrative costs related to complying with this section. Administrative costs include but are not limited to central office salaries and benefits, business and fiscal services, school administrative staff and expenses, and do not include costs associated with direct instructional staff working with pupils counted toward the weighted pupil membership calculated in section 6.			**identified in a district's Michigan Integrated Continuous Improvement Process (MICIP) plan. An amount not to exceed 2% of the amount received under section 22b(4) may be used to support administrative costs related to complying with this section. Administrative costs include, but are not limited to, central office salaries and benefits, business and fiscal services, and school administrative staff and expenses, and do not include costs associated with direct instructional staff working with pupils counted toward the weighted pupil membership.**
(d) Provide information to the department, in a form and manner determined by the department, necessary for the department to monitor programs and services funded with dollars received under section 22b(3) for compliance with the requirements in this section, and to ensure the multi-tiered system of supports and English language learner programs are implemented with fidelity.			**(f) Provide information to the department, in a form and manner determined by the department, necessary for the department to monitor programs and services described in this section for compliance with the requirements of this section and to ensure the multi-tiered system of supports and English language learner programs are implemented with fidelity.**
(e) Allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in any audit.			**(g)** Concur with Governor

(f) Communicate the following information to parents or legal guardians at least annually:			**(h) Communicate the following information to parents and legal guardians at least annually, as applicable for grades offered by the district:**
(*i*) Literacy related results for the district, including multi-year trend data, from the following state assessments, as applicable to grades offered by the district: 3rd grade Michigan student test of educational progress (M-STEP), 7th grade M-STEP, and SAT for students that are economically disadvantaged and English language learners. The district must ensure that information is reported in a manner to safeguard study privacy.			**(*i*)** Concur with Governor
(*ii*) Information detailing the amount of funding received under section 22b(3), how the district distributed that funding, and what evidence-based interventions were implemented with those dollars. The information must include a method, including contact information, for parents or legal guardians to provide feedback on the use of these dollars as well as to seek more information about services and interventions available for their children.			**(*ii*)** Concur with Governor
(2) Not included.			**(2) The department shall establish English language learner program models that establish a minimum number of minutes per week that**

			districts must provide direct English language development instruction for pupils according to the pupil's proficiency levels. The program models described in this subsection must comply with federal requirements related to English language learner program services.
(2) If the department determines that a district does not comply with this section, the department may withhold an amount equal to the monthly payment due to the district from the funds allocated under section 22b(3) until the district complies with this section. If the district does not comply with this section by the end of a fiscal year, the withheld funds are forfeited to the state school aid fund.			**(2)** Not included.
(3) The department shall monitor districts for compliance with this section and may require districts to provide any information to the department, in a form and manner determined by the department, necessary to fulfil this requirement.			**(3)** Concur with Governor
(4) Not included.			**(4) As used in this section, "English language learner" and "weighted pupil membership" mean those terms as defined in section 6.**

NEW CONF Sec. 164n - Work Project Report

MDE and MiLEAP must regularly report to the Legislature on every work project account, showing what funds exist, how much has been spent or committed, what remains available, and what happened to any money that expired or reverted.

Executive	*Senate*	*House*	*Conference*

Not included.	Not included.	Not included.	**By not later than 6 months after the state budget office issues work project letters, and again on or before April 15, the department and the department of lifelong education, advancement, and potential shall submit an annual report to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the senate and house policy offices that summarizes all work project accounts. The report described in this section must include all of the following:** **(a) A list of all work project accounts.** **(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.** **(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.**

NEW HOUSE Sec. 164m - Efficiency and Cost Containment Measures

Districts and intermediate districts are encouraged to pursue cost-saving strategies that improve efficiency and maximize state funding.

Executive	*Senate*	*House*	*Conference*
Not included.	Not included.	**Districts and intermediate districts are encouraged to evaluate and pursue efficiency and cost-containment measures that**	Concur with House. (*Moved to Sec. 164o*)

		maximize state funding. Districts and intermediate districts shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing.	