

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4242**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 11 and 17b (MCL 388.1611 and 388.1617b),
section 11 as amended by 2018 PA 586 and section 17b as amended by
2007 PA 137.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) ~~For the fiscal year ending September 30, 2018,~~
2 ~~there is appropriated for the public schools of this state and~~
3 ~~certain other state purposes relating to education the sum of~~
4 ~~\$12,682,127,200.00 from the state school aid fund, the sum of~~
5 ~~\$78,500,000.00 from the general fund, an amount not to exceed~~
6 ~~\$72,000,000.00 from the community district education trust fund~~
7 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~

1 ~~489, MCL 12.262, an amount not to exceed \$23,100,000.00 from the~~
2 ~~MPSERS retirement obligation reform reserve fund, and an amount not~~
3 ~~to exceed \$100.00 from the water emergency reserve fund. For the~~
4 ~~fiscal year ending September 30, 2019, 2020, there is appropriated~~
5 ~~for the public schools of this state and certain other state~~
6 ~~purposes relating to education the sum of \$12,876,825,200.00~~
7 ~~\$100.00 from the state school aid fund, the sum of \$87,920,000.00~~
8 ~~\$100.00 from the general fund, AND an amount not to exceed~~
9 ~~\$72,000,000.00 \$100.00 from the community district education trust~~
10 ~~fund created under section 12 of the Michigan trust fund act, 2000~~
11 ~~PA 489, MCL 12.262. , an amount not to exceed \$31,900,000.00 from~~
12 ~~the MPSERS retirement obligation reform reserve fund, an amount not~~
13 ~~to exceed \$30,000,000.00 from the school mental health and support~~
14 ~~services fund created under section 31m, and an amount not to~~
15 ~~exceed \$100.00 from the water emergency reserve fund. In addition,~~
16 ~~all available federal funds are appropriated each fiscal year for~~
17 ~~the fiscal years YEAR ending September 30, 2018 and September 30,~~
18 ~~2019-2020.~~

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

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

27 Sec. 17b. (1) Not later than October 20, November 20, December

1 20, January 20, February 20, March 20, April 20, May 20, June 20,
2 July 20, and August 20, the department shall prepare electronic
3 files of the amount to be distributed under this act in the
4 installment to the districts and intermediate districts and deliver
5 the electronic files to the state treasurer, and the state
6 treasurer shall pay the installments on each of those dates or, if
7 the date is not a business day, on the next business day following
8 that date. Except as otherwise provided in this act, the portion of
9 the district's or intermediate district's state fiscal year
10 entitlement to be included in each installment shall be 1/11. A
11 district or intermediate district shall accrue the payments
12 received in July and August to the school fiscal year ending the
13 immediately preceding June 30.

14 (2) The state treasurer shall make payment under this section
15 by drawing a warrant in favor of the treasurer of each district or
16 intermediate district for the amount payable to the district or
17 intermediate district according to the electronic files and
18 delivering the warrant to the treasurer of each district or
19 intermediate district, or if the state treasurer receives a written
20 request by the treasurer of the district or intermediate district
21 specifying an account, by electronic funds transfer to that account
22 of the amount payable to the district or intermediate district
23 according to the electronic files. The department may make
24 adjustments in payments made under this section through additional
25 payments when changes in law or errors in computation cause the
26 regularly scheduled payment to be less than the amount to which the
27 district or intermediate district is entitled pursuant to this act.

1 (3) Except as otherwise provided in this act, grant payments
2 to districts and intermediate districts under this act shall be
3 paid according to the installment **PAYMENT** schedule under subsection
4 (1).

5 (4) Upon the written request of a district or intermediate
6 district and the submission of proof satisfactory to the department
7 of a need of a temporary and nonrecurring nature, the
8 superintendent, with the written concurrence of the state treasurer
9 and the state budget director, may authorize an advance release of
10 funds due a district or intermediate district under this act. An
11 advance authorized under this subsection shall not cause funds to
12 be paid to a district or intermediate district more than 30 days
13 earlier than the established payment date for those funds.