

**THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)**  
**Act 94 of 1979**

**388.1718 Conditions for allotment or payment; failure to pay full amount; remittance; deduction from school aid.**

Sec. 118.

(1) Subject to subsection (3), a district shall not be allotted or paid a sum under this act unless that district pays the agreed-upon amount of tuition or other payment for pupils educated outside the boundaries of the pupil's district of residence.

(2) A district that sends pupils to 1 or more districts, that is legally liable for the payment of the amount described in subsection (1), and that fails to pay that amount in full before April 1 of each year shall remit the full amount owed to the receiving district before making any other financial expenditure or commitment for the next school fiscal year.

(3) The department shall not deduct any amount from a district's state school aid pursuant to this section unless the receiving district demonstrates to the satisfaction of the department, not later than April 30 of the same fiscal year, that the liable district has not paid the required amount as described in subsection (2).

**History:** 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995