

~~56 Percent Rule Exemption
February 2002~~

~~Act 594 of 1987 authorized the State Board of Education to approve guidelines under which school districts may be granted exemptions from the requirements of paying to certified staff 80 percent (80%) of 70 percent (70%) of the increase in net current revenue over the net current revenue of the previous year when the district can demonstrate extenuating circumstances resulting from an extraordinary one-time increase in net current revenue such as the conversion of debt service millage to maintenance and operation.~~

~~REGULATION~~

- ~~1. Applications for consideration for relief from the requirements of amounts of increases in net current revenues to be paid to certified personnel shall be on forms provided by the State Department of Education.~~
- ~~2. The applications will be reviewed by a committee of State Department of Education personnel.~~
- ~~3. In order to be granted relief from teacher salary fund requirements under these guidelines, districts must meet all of the following criteria:
 - ~~(a) The district must be able to show that its unrestricted fund balances will be greatly reduced or depleted in the future as a result of having to meet the 56% requirements.~~
 - ~~(b) The school district must have met the certified salary requirements of Act 34 of the First Extraordinary Session of 1983 and Act 594 of 1987 in the previous year.~~
 - ~~(c) The district must have an existing tax rate of at least 19 mills or must at the next election ask for a millage rate of at least 19 mills.~~~~
- ~~4. The Department of Education may require follow up and/or additional information before the end of the fiscal year from those districts being granted relief.~~
- ~~5. Relief shall not be granted beyond the amount necessary to prevent the district from greatly reducing or depleting its' balances. Certified staff must be paid at least as much as they received the previous year unless there is a corresponding reduction of duties.~~
- ~~6. Relief shall be granted on an annual basis.~~