



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4640 (Substitute S-2)
House Bill 4643 (Substitute S-2)
Sponsor: Representative Jessie Dalman
House Committee: Higher Education
Senate Committee: Education

Date Completed: 2-6-96

CONTENT

House Bill 4640 (S-2) would amend the School Code to require that the board of a school district or public school academy ensure that each pupil in 8th grade or higher was given information about college level equivalent courses, and to allow the board of a school district or public school academy or governing board of a nonpublic school to provide college level equivalent courses either directly, through an intermediate district program, or by agreement in a consortium or cooperative program.

House Bill 4643 (S-2) would create the "Postsecondary Enrollment Options Act" to provide for payment from a school district's State aid foundation grant for enrollment of certain high school students in postsecondary courses of education.

The bills would take effect on July 1, 1996, and are tie-barred to each other and to House Bill 4642, which would amend the State School Aid Act to replace language dealing with dual enrollment in high school and college level courses with a reference to the Postsecondary Enrollment Options Act proposed by House Bill 4643.

The proposed Postsecondary Enrollment Options Act would be repealed on June 30, 2001.

House Bill 4640 (S-2)

College Level Equivalent Courses

The bill would require that the board of a school district or public school academy ensure that, as part of the process of planning a pupil's schedule for an upcoming school year, each pupil in 8th

grade or higher was provided with general information about "college level equivalent courses" and with specific information about appropriate college level equivalent courses available for that pupil. The board of a school district or public school academy or governing board of a nonpublic school would have to consider providing college level equivalent courses either directly, through an intermediate district program, or by agreement in a consortium or cooperative program.

"College level equivalent course" would mean a course offered in high school, for which a pupil received high school credit, that was taught at a postsecondary instruction level and was designed to prepare a pupil for a "college level equivalent credit examination" in a particular subject area. "College level equivalent credit examination" would mean an examination that was administered by an independent testing service and that was used by colleges and universities generally to award postsecondary credit for achievement of a particular score.

If a school district or public school academy maintained pupil portfolios for high school pupils, each pupil's portfolio would have to include, in addition to the other records in the portfolio, all academic records and correspondence relating to the pupil's participation in a college level equivalent course or enrollment in a postsecondary course under the proposed Postsecondary Enrollment Options Act.

The State Board of Education annually would have to publish and distribute to school districts and public school academies, and upon request to nonpublic high schools, a college level equivalent course directory. The directory would have to list

postsecondary institutions in Michigan that granted college level equivalent credit and, for each of those institutions, describe the college level equivalent credit policy. The directory also would have to detail the specific courses and number of credits for which college level equivalent credit could be granted as well as the college level equivalent credit examination that would have to be completed and the score that would have to be achieved to qualify for college level equivalent credit for each of those courses.

The State Board could not include information about a particular postsecondary institution in the college level equivalent course directory, however, unless the institution's chief academic officer, or his or her designee, reviewed the information before publication and verified in writing that it was accurate.

Postsecondary Courses

Upon written request of a pupil's parent or legal guardian asking that the pupil be provided an opportunity to qualify to take one or more postsecondary courses as an eligible student under the Postsecondary Enrollment Options Act, the board of a school district would have to allow a pupil who was at least in 10th grade to take a test or assessment without charge at any time the test or assessment was regularly administered by the school district. A school district would not be required to include in an annual education report, or in any other report submitted to the Department for accreditation, results of tests or assessments taken by a pupil in 10th grade.

Reporting

The Code requires that, if the board of a school district wants all of its schools to be accredited, the board prepare and submit to the State Board not later than September 1 each year, an annual education report. The bill would require that beginning in the 1996-97 school year, the report include, for high schools, all of the following:

- The number and percentage of pupils enrolled in the school who were enrolled in one or more postsecondary courses under the proposed Postsecondary Enrollment Options Act or under the School Aid Act, during the immediately preceding school year.
- The number of college level equivalent courses offered to pupils enrolled in the

school, in the school district, and in consortia or cooperative programs available to pupils of the school district.

- The number and percentage of pupils enrolled in the school who were enrolled in at least one college level equivalent course during the immediately preceding school year, disaggregated by grade level; the number and percentage of those pupils who took a college level equivalent credit examination; and the number and percentage of pupils who took an exam and who achieved a score that was at or above the level recommended by the testing service for college credit.

At least annually, the Department of Education would have to prepare and submit to the Legislature a report of the information described above, aggregated for statewide and intermediate school district totals, using the information submitted by school districts.

Training of Teachers

The Code requires that, for the first three years of a teacher's employment in classroom teaching, he or she be assigned by the school to one or more master teachers or college professors or retired master teachers who must act as a mentor or mentors to the teacher. During the three-year period, the teacher also must receive intensive professional development induction into teaching, based on a professional development plan that is consistent with statutory requirements, including classroom management and instructional delivery. The intensive professional development must consist of at least 15 days of professional development, the experiencing of effective practices in university-linked professional development schools, and regional seminars conducted by master teachers and other mentors. The bill specifies that training in teaching one or more college level equivalent courses could be included in the professional development plan and in the required 15 days of professional development.

Deletions

The bill would delete a section of the Code that governs the allocation and use of funds appropriated by the Legislature to support professional development and education (MCL 380.1525).

House Bill 4643 (S-2)

Eligibility

Under the proposed Postsecondary Enrollment Options Act, a school district in which an “eligible student” was enrolled would have to provide the student with a letter signed by the student’s principal indicating the student’s eligibility under the Act. An eligible student could apply to an “eligible postsecondary institution” to enroll in one or more “eligible courses” offered by that institution and, if accepted, could enroll in one or more of those courses.

A school district would have to make available to an eligible student enrolled in the district copies of all correspondence in the possession of the school district regarding the student’s participation in postsecondary enrollment under the bill. Correspondence would have to be kept by the school district for at least one year.

The bill would not apply to any postsecondary courses in which an eligible student was enrolled in addition to being enrolled full-time in that student’s school district; to a postsecondary course an eligible student was retaking after failing to achieve a satisfactory grade; or to a course contrary to the bill’s eligibility provisions. In determining full-time enrollment in a school district under the bill or full-time equated membership under the State School Aid Act for pupils enrolled in a postsecondary institution under the bill, the pupil’s enrollment in both the school district and the postsecondary institution would have to be counted as enrollment in the school district, and a pupil could not be considered to be enrolled in a school district less than full-time solely because of the effect of his or her postsecondary enrollment on the number of class hours provided to the pupil by the school district, including necessary travel time.

An eligible student enrolled in a postsecondary institution under the bill could not participate in intercollegiate athletics at the postsecondary institution while he or she was enrolled under the bill. An eligible student who violated the athletics prohibition would forfeit his or her eligibility under the bill.

The bill would not restrict the ability of an eligible student or any other pupil to enroll in any postsecondary institution without tuition and fee support under the bill, and would not restrict the

ability of a school district to use school district funds to support the enrollment of any pupil of the school district in a postsecondary institution.

By March 1 of each year, a school district would have to provide general information about the postsecondary enrollment options under the bill to all pupils in 8th grade or higher.

“Eligible student” would mean a student enrolled in at least one high school class in at least 11th grade in a Michigan school district, except a foreign exchange pupil enrolled under a cultural exchange program, who had successfully completed the School Code’s requirements for a State endorsement in one or more subject areas. A student enrolled in 12th grade who had not successfully completed the State endorsement requirements in *all* subject areas would be an eligible student only for the limited purpose of enrolling in one or more eligible courses in a subject area for which he or she had successfully completed the State endorsement requirements, in computer science or foreign language classes not offered by the school district, or in fine arts courses as permitted by the school district. For purposes of the bill, if a student’s eligibility for a State endorsement under the School Code were determined by his or her score on a MEAP test, the student could not be considered to qualify for a State endorsement in a subject area unless the student scored at least satisfactory, as set by the State Board, on the test for that subject area.

“Eligible postsecondary institution” would mean a State university, community college, or independent nonprofit degree-granting college or university that was located in Michigan and was in compliance with the bill.

“Eligible course” would mean a course offered by an eligible postsecondary institution that was not offered by the school district in which the eligible student was enrolled, or was offered by the school district but was determined by the board of the school district not to be available to the student because of a scheduling conflict beyond the student’s control; that was an academic course not ordinarily taken as an activity course; that was a course that the postsecondary institution normally applied toward satisfaction of degree requirements; that was not a hobby craft or recreational course; and that was in a subject area other than physical education, theology, divinity, or religious education. For an eligible student who had not successfully completed the requirements

for a State endorsement in all subject areas, an eligible course would be limited to a course in a subject area for which he or she had successfully completed the State endorsement requirements, a course in computer science or foreign language not offered by the school district, or a course in fine arts as permitted by the school district.

Registration and Charges

Within a reasonable time after registration, the postsecondary institution would have to send a written notice to the student and his or her school district, indicating the course or courses and hours of enrollment. The postsecondary institution would have to notify the student about tuition, fees, books, materials, and other related charges, as determined by the institution, in the customary manner used by the institution, and would have to notify the student of the estimated amount of the "eligible charges" that would be billed to the school district. ("Eligible charges" would mean tuition, mandatory course fees or material fees, and registration fees required by an eligible institution for enrollment in an eligible course, but would not include transportation or parking costs or activity fees. Eligible charges also would include any late fees charged by an eligible postsecondary institution due to a school district's failure to make a required payment according to the timetable prescribed in the bill.)

Unless otherwise agreed between an eligible postsecondary institution and a school district, after the expiration of the institution's drop/add period for a course, the institution would have to send a bill to an eligible student's school district detailing the eligible charges for each eligible course in which the student was enrolled under the bill. Upon receiving the bill, the school district would have to cause to be paid to the institution on behalf of the student an amount equal to the lesser of the amount of the eligible charges or the State portion of the school district's foundation allowance under the State School Aid Act, adjusted for the proportion of the school year that the eligible student attended the postsecondary institution. A school district could pay more money to an eligible institution on behalf of an eligible student than would be required under the bill, and could use local school operating revenue for that purpose. The student would be responsible for payment of the remainder of the costs associated with his or her postsecondary enrollment that were not paid by the school district. An eligible postsecondary institution could not charge a late fee to an eligible

student or district for a payment that was made in compliance with the bill's timetable even if the payment otherwise would have been considered late by the postsecondary institution.

A school district could require an eligible student to provide, on a form supplied by the school district, reasonable verification that the eligible student was regularly attending a postsecondary course.

If an eligible student did not complete the eligible course, and if the school district had paid money for the course on behalf of the student, the postsecondary institution would have to forward to the district any funds that were refundable due to noncompletion of the course. The school district then would have to forward to the student any refunded money in excess of the amount paid by the district for the course on behalf of the student.

If a school district paid for books for an eligible student for a postsecondary course, the books would be the property of the district and would have to be turned over to the district after the student completed the course.

The bill would not require a school district to pay or otherwise provide financial support for transportation or parking costs necessary for an eligible student to participate in postsecondary enrollment under the bill. A school district would not be liable for any injury incurred by an eligible student that was related to transportation necessary for the student to participate in postsecondary enrollment under the bill.

Payment of all or part of eligible charges under the bill for postsecondary courses would have to begin in the State fiscal year beginning on October 1, 1996.

Enrollment and Credit

An eligible postsecondary institution could give priority to its postsecondary students when enrolling eligible students in postsecondary courses under the bill for high school credit only. Once an eligible student had been enrolled in a postsecondary course, however, the institution could not displace the eligible student with another student.

An eligible student could enroll in, and receive payment by the school district of all or part of eligible charges for, an eligible course under the bill for high school credit or postsecondary credit,

or both. At the time an eligible student enrolled in a postsecondary course under the bill, he or she would have to designate whether the course was for high school or postsecondary credit, or both, and would have to notify both his or her high school and the institution of that designation. An eligible student taking more than one postsecondary course under the bill could make different credit designations for different courses. An eligible student could not audit a postsecondary course in which he or she was enrolled under the bill.

A school district would have to grant academic credit to an eligible student enrolled in an eligible course for high school credit under the bill if he or she successfully completed the course, as determined by the eligible postsecondary institution. The amount of high school credit granted by a school district for a postsecondary course completed under the bill would have to be determined by the school district.

The high school credits granted to an eligible student under the bill would have to be counted toward the school district's graduation requirements and subject area requirements. Evidence of successful completion of each course and high school credits granted would have to be included in the student's high school record. Subject to the Federal Family Educational Rights and Privacy Act, an eligible postsecondary institution would have to provide the school district with a copy of an eligible student's grade in each course taken for high school credit under the bill. Upon the request of an eligible student, his or her high school record and transcript also would have to include evidence of successful completion and postsecondary credits granted for a course taken for postsecondary credit. In either case, the eligible student's high school record and transcript would have to indicate that the credits were earned at an eligible postsecondary institution and identify the institution.

If a student enrolled in an eligible postsecondary institution after leaving high school, the eligible postsecondary institution, in accordance with institutional policy, would have to award postsecondary credit for courses successfully completed by that student for high school credit. An eligible postsecondary institution could not charge a student for credit awarded under this provision.

Guidance Counseling

To the extent possible, a school district would have to provide counseling services to an eligible student and his or her parent or guardian before the student enrolled in postsecondary courses under the bill, to ensure that the student and his or her parent or guardian were fully aware of the benefits, risks, and possible consequences of enrolling in a postsecondary course. Each school district would have to provide information to all high school students on the postsecondary enrollment options under the bill, including all of the following:

- Enrollment eligibility.
- The institutions and types of courses that were eligible for participation.
- The decision-making process for granting academic credits.
- An explanation of eligible charges that would be paid by the school district and of financial arrangements for eligible charges and for paying costs not paid for by the school district.
- Eligibility for payment of all or part of eligible charges by the school district under the bill.
- An explanation that, if the student qualified for payment of all or part of eligible charges by the school district under the bill, the school district would pay that support directly to the postsecondary institution upon being billed by the institution and that the parent and student would not be responsible for that payment but would be responsible for payment of costs not paid for under the bill.
- Available support services.
- The need to arrange an appropriate schedule.
- Consequences of failing or not completing a postsecondary course in which the student enrolled.
- The effect of enrolling in a postsecondary course on the eligible student's ability to complete the required high school graduation requirements.
- An explanation of how the parent or legal guardian of a student in at least 10th grade could request that the student be allowed to take a test or assessment used for a State endorsement early in order to qualify to be an eligible student.
- The academic and social responsibilities that would have to be assumed by the

eligible student and his or her parent or guardian.

The person providing counseling would have to encourage the eligible student and his or her parent or guardian also to use available counseling services at the eligible postsecondary institution before the quarter or semester of enrollment to ensure that anticipated plans were appropriate. A school district could provide the counseling required under the bill in a group meeting if additional personalized counseling also were made available.

Before enrolling in an eligible course at an eligible postsecondary institution, an eligible student and his or her parent or guardian would have to file with the institution a signed form provided by the student's school district stating that the student was an eligible student, they had received the required information and counseling and that they understood the responsibilities that would have to be assumed in enrolling in the course. Upon request, the Department of Education would have to provide technical assistance to a school district and to an eligible postsecondary institution in developing appropriate forms and counseling guidelines.

Reporting Requirements

Each intermediate school district annually would have to collect from each of its constituent school districts and provide to the Department of Education at the same time that it submitted the annual comprehensive financial report required under the State School Aid Act, information for the immediately preceding school year on all of the following:

- The amount of money spent by the school district for payments required under the bill.
- The number of eligible students who were enrolled in the school district and the number of those eligible students who enrolled in one or more postsecondary courses and received payment of all or part of eligible charges under the bill, both in the aggregate and by grade level.
- The percentage of the school district's enrollment represented by the eligible students who enrolled in one or more postsecondary courses and received payment for eligible charges, both in the aggregate and by grade level.
- The total number of postsecondary courses for which the school district made payment

under the bill, the number of those courses for which postsecondary credit was granted, the number of those courses for which high school credit was granted, and the number of those courses that were not completed by the eligible student.

By March 1 of each year, the Department of Education would have to prepare and submit to the Senate and House Fiscal Agencies and the Department of Management and Budget a summary annual report on the information described above.

MCL 380.1204a et al. (H.B. 4640)

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bills would increase minimally the cost of State government and are estimated to increase total local district expenditures for students dually enrolled in high school and a postsecondary institution. This is discussed further below.

State Impact

The bills would not affect State School Aid Act expenditures. They would, however, cause a minimal increase in the administrative expenses of the Department of Education due to the additional rule-making authority that would be provided in House Bill 4643 (S-2) and the requirement in House Bill 4640 (S-2) to publish a directory of Michigan postsecondary institutions offering college credit for college level equivalency courses (advanced placement courses) taken in high school.

Local Impact

House Bill 4643 (S-2)

It is expected that expenditures by local school districts and public school academies for payments to postsecondary institutions for dually enrolled high school students would increase under House Bill 4643 (S-2) due to the larger number of students who would be eligible for dual enrollment. The required payment for each dually enrolled student, however, would decline.

Currently, for a dually enrolled student, a district must pay the postsecondary institution the lesser of the actual tuition and fees or an amount up to the entire foundation allowance, adjusted for the

proportion of time the student is enrolled in postsecondary courses. The Department of Education reported that in FY 1993-94, 1,061 students participated in dual enrollment and \$212,089 of tuition and fees was paid on their behalf by local districts. This is an average payment of approximately \$200 per participant, an amount that on average is below the adjusted foundation allowance limit. House Bill 4643 (S-2) would further limit the required payment by a local district to the State portion of the foundation allowance, adjusted for the portion of time the student was enrolled in postsecondary courses.

Local districts would be affected differently by the use of the State share of the foundation allowance, instead of the total foundation allowance as under current law, as the basis for determining the amount of a district's required tuition and fee support of a dually enrolled student.

The estimated State share of the foundation allowance varies greatly between districts with similar foundation allowances. For example, the school districts of Maple Valley and Kaskaska both have foundation allowances of \$4,506 in FY 1995-96. The estimated State share of the foundation allowance, however, is \$4,330 in Maple Valley and \$2,201 in Kaskaska. A student enrolled at a college for one-sixth of the school year under the bill would receive support of up to \$722 in Maple Valley, but only \$367 in Kaskaska. This compares with the current law figure of \$751 per pupil in both districts. The Bridgman district, with a foundation allowance of \$7,007 per student in FY 1995-96, has an estimated State share of \$1,140. The required tuition support for a Bridgman student enrolled in college for one-sixth of the year would decline from \$1,168 to \$190 under the bill.

The estimated State share of the foundation allowance is recalculated by the Department of Education monthly during the school year based on the most recent available data on pupil membership. For the first half of the school year, before the October pupil membership count data are tabulated and reported, the estimated State share of the foundation allowance is calculated using prior year data.

The State share of the foundation allowance does not affect local property taxes. In most districts, the local portion of the foundation allowance is the revenue from 18 mills levied on nonhomestead property*. This amount is not affected by pupil enrollment. It is fixed for a school year based on the nonhomestead taxable value of the district.

For districts with a foundation allowance of \$6,653 or less in FY 1995-96, the State payment to a district from the foundation allowance appropriation is equal to:

$$\left(\begin{array}{c} \text{pupil} \\ \text{membership} \end{array} \times \begin{array}{c} \text{foundation} \\ \text{allowance} \end{array} \right) - \begin{array}{c} \text{district's revenue} \\ \text{on the 18 mills} \end{array}$$

For most districts with a foundation allowance greater than \$6,653 in FY 1995-96, the State payment to a district from the foundation allowance appropriation** is equal to:

$$\left(\begin{array}{c} \text{pupil} \\ \text{membership} \end{array} \times \$6,653 \right) - \begin{array}{c} \text{district's revenue} \\ \text{on the 18 mills} \end{array}$$

*Or the number of mills levied in 1993, whichever is less.

**Some of these districts may receive additional State payment from the foundation allowance appropriation based on their eligibility for hold harmless millage exemptions.

House Bills 4640 (S-2)

Local districts and public school academies could incur additional expenses in complying with the testing and expanded annual education report for high schools provisions of these bills. The additional cost, however, is unknown.

Fiscal Analyst: E. Pratt
A. Rich

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.