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SCHOOL AID INCREASE; CONSORTIA ALTERNATIVE EDUCATION GRANT; AT-RISK FUND EXPANSION

House Bill 5697

Sponsor: Rep. Edward LaForge

Committee: Education

Complete to 6-25-98

A SUMMARY OF HOUSE BILL 5697 AS INTRODUCED 3-17-98

House Bill 5697 would amend three sections of the State School Aid Act to increase the general fund appropriation that funds education by \$70 million, to provide that a student's per pupil grant follow the student to an alternative education program operated by a consortium, and to expand the criteria that make districts eligible for an additional allowance, the so-called at-risk funds, and increasing that overall appropriation.

Specifically, the bill would increase the fiscal year 1998-99 general fund appropriation for education by \$70 million, from \$420,613,500 to \$490,613,500.

In addition, the bill would specify that if a pupil is enrolled in an alternative education program operated by an intermediate district, district, or "consortium for pupils who have been expelled from school for any reason," the district in which the pupil is counted would be required to pay the consortium an amount equal to the amount of total state school aid attributable to the pupil that is received by the district in which the pupil is counted in membership, prorated accordingly. (Proration is determined by a ratio that considers the number of days of the school year the pupil is educated in the alternative education program compared to, or divided by, the number of days of the school year.) Under current law, this funding arrangement is provided for intermediate school districts or other districts offering alternative education programs, but not to consortia established to educate pupils who have been expelled from school for any reason. In this bill, as under current law, if a district does not make the payment within 30 days after receiving a report that the program must file with the pupil's membership district and with the Department of Education, then the department is required to calculate the amount owed and deduct that amount from the remaining state school aid payments to the district.

Finally, the bill also would increase the fiscal year 1998-99 school aid fund money appropriated in section 31a (the so-called at-risk funds, an allowance available to eligible school districts that serve poor students and families where students are at risk of not meeting the district's core academic curricular objectives) by an amount not to exceed \$70 million, from \$260,000,000 to \$330,000,000. Currently, an eligibility criterion for these funds is the number of actual pupils in a district who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as defined in the National School Lunch Act. Under the bill that criterion would be expanded to include all who are eligible for free "or reduced-price" breakfast, lunch, or milk.

House Bill 5697 (6-25-98)

House Bill 5697 is tie-barred to the thirteen bills addressing, in general, the subject of violence in schools.

MCL 388.1611, 388.1625, and 388.1631a

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.