

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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FY 2000-01 Year-to-Date Gross Appropriations	\$10,932,335,000
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Changes from FY 2000-01 Year-to-Date:

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| 1. Infrastructure Payments. The section that was designed to make infrastructure payments to schools never went into effect because of a tie-bar issue. The section is repealed, thus freeing up those funds for other uses within the School Aid Act. | (34,000,000) |
| 2. Proposal A Obligation Payment. Reductions in this line item are necessary due to updated pupil and taxable value estimates. | (30,000,000) |
| 3. Discretionary Payment. Increases are needed in this line item to reflect changes due to updated pupil and taxable value estimates. | 53,000,000 |
| 4. School Readiness. The Senate proposal retains the original \$72,600,000 yearly appropriation for the standard school readiness program. However, due to funds that will lapse at the end of the fiscal year in the competitive full day program funds, this line item is reduced by the anticipated amount of lapse. | (3,950,000) |
| 5. Elementary Summer School Program. Reduces funding in this line item by the amount expected to lapse at the end of the fiscal year. | (10,000,000) |
| 6. Coordinating Counseling Services. Reduces most of the funding for this program in this fiscal year, leaving only the amount necessary to pay for grants allocated to date. | (8,400,000) |
| 7. Special Education (State). Decreases are needed in this line item to reflect lower than previously estimated costs due to updated special education pupil and cost estimates. | (7,100,000) |
| 8. Professional Development. This program is eliminated entirely, beginning in FY 2000-01. | (10,000,000) |
| 9. Golden Apple MEAP Incentive. Funding is reduced to \$50,000 in FY 2000-01 for prior-year adjustments, and completely eliminated beginning in the next fiscal year. | (7,950,000) |
| 10. Special Education (Federal). Additional revenues are expected to be received by the State for providing special education services. | 15,000,000 |
| 11. Other Changes. Miscellaneous lines items are revised primarily to reflect anticipated reductions in revenues. One line item is increased (School Lunch programs) while three line items are reduced (Interagency Early childhood grants, Small Class-Size programs, and Career Preparation Implementation grants). | (6,600,000) |

Total Changes	(\$50,000,000)
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FY 2000-01 Senate Gross Appropriation	\$10,882,335,000
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Changes from FY 2000-01 Year-to-Date:

1. **Infrastructure.** Proposal eliminates the Section that appropriates \$34,000,000 annually to award as grants to local school districts for infrastructure projects. This Section of the bill was tie-barred to another bill that was vetoed by the Governor, thereby not allowing these funds to be expended. (Sec. 11k)
2. **Foundation Allowance Calculations.** The proposal includes several technical changes, including elimination of the “catch-up” formula language, since all districts are above the basic foundation allowance; and deletion of language pertaining to paying costs associated with federal court cases. (Sec. 20)
3. **Transfer Students to Detroit Public Schools.** The Senate added a section allowing Detroit Public Schools to bill public school academies for the foundation allowances of pupils that transfer to Detroit Schools after membership count day. (Sec. 25c)
4. **At-Risk Funding.** The proposal removes language which required the appropriations in this section to increase at the same rate as the basic foundation allowance. (Sec. 31a(13))
5. **Reading Improvement Program Grants.** Intent language is added stating that if additional revenues become available, those revenues will be used to fund this line item to the extent possible from those additional revenues. The Senate also included intent language stating that at least \$50 million in combined Federal and State funds will be allocated to this section. (Sec. 32f)
6. **Education Information Database.** Language is added allowing districts or intermediate districts to seek reimbursement of up to \$2.50 per pupil for net costs incurred from implementing the requirements of the Center for Educational Performance and Information or for the costs associated with compiling the information needed for the creation of the Single Record Student Database so long as those costs were incurred no earlier than the 1998-99 school year. (Sec. 94a)
7. **Golden Apple MEAP Awards.** Technical changes are included that allow for schools to qualify for an award even though they have split grade levels between two different buildings. However, no funding will be attached to the awards. (Sec. 96)
8. **Math and Science Centers.** Intent language is added stating that if funds are projected to lapse in a fiscal year, those funds will not lapse back to the School Aid Fund, but shall instead be reallocated in the current year and used to increase base funding for all math and science centers proportionally. (Sec. 99)
9. **Adult Education.** Adds intent language stating that additional funds will be restored to this section should the appropriate revenues become available. (Sec. 107)
10. **Full Funding Language.** The proposal includes language added to Sections 22a, 22b, and 51c to allow for transfers between these sections to ensure they are fully funded. (Secs. 22a, 22b, and 51c)
11. **School Code Repealer.** The proposal repeals Section 1282a of the Revised School Code which would require mandatory summer school if certain conditions are met.
12. **Review of Department Federal Grant Applications.** The Senate added language requiring the State Budget Director to review and approve all Department applications for Federal grants before submission to the Federal government. (Sec. 11)
13. **Items Included by The House but not the Senate.** Several items were included by the House, but not included in the Senate Substitute. These consisted of Recalculation of Foundation Allowances for districts above the “hold-harmless” cap, additional “At-Risk” dollars for Dearborn-Schools, and repealer of Sec. 1475 of the School Code allows tribal community colleges certain rights within the Code.

Date Completed: 7-11-01

Fiscal Analyst: Joe Carrasco
Kathryn Summers-Coty

FY 2001-02 Year-to-Date Gross Appropriations	\$11,521,453,300
Changes from FY 2001-02 Year-to-Date:	
1. Infrastructure Payments. The section that was designed to make infrastructure payments to schools never went into effect because of a tie-bar issue. The section is repealed, thus freeing up those funds for other uses within the School Aid Act.	(34,000,000)
2. Proposal A Obligation Payment. Reductions in this line item are necessary due to changes in updated pupil and taxable value estimates.	(36,000,000)
3. Discretionary Payment. Increases are included in this line item to reflect updated pupil and taxable value estimates, \$15 million to build into Detroit Schools' base, \$4.3 million for certain declining enrollment districts, and \$600,000 to build into the Gibraltar Schools' base.	75,900,000
4. At-Risk Funding. The percentage increase for this line item is reduced from 5.0% to 3.4%. Originally, funding for this line item was to increase at the same percentage as the increase in the basic foundation allowance.	(5,000,000)
5. School Readiness. The Senate proposal retains the original \$72,600,000 yearly appropriation for the standard school readiness program. All of the funding for the competitive full day program is eliminated.	(25,000,000)
6. Reading Programs. All of the funding for this program, except for \$1,500,000 for READY (reading) kits, is eliminated.	(56,250,000)
7. Elementary Summer School Program. Funding for this line item is eliminated beginning in this fiscal year.	(38,000,000)
8. Coordinating Counseling Services. Beginning this fiscal year, all of the funding for this line item is eliminated.	(10,000,000)
9. Special Education (State). Decreases are needed in this line item to reflect lower than previously estimated costs due to updated special education pupil and cost estimates.	(11,040,000)
10. Accreditation Assistance. Reduces the amount of funding beginning this fiscal year for departmental technical assistance to districts for accreditation purposes.	(2,000,000)
11. Professional Development. This program is eliminated entirely, beginning in FY 2000-01.	(10,000,000)
12. Golden Apple MEAP Incentive. Funding is completely eliminated beginning in FY 2001-02.	(8,000,000)
13. Adult Education. Reduces the appropriation by \$5,000,000 bringing the total appropriation for this line item down to \$75,000,000.	(5,000,000)
14. Partnership for Adult Learning (PAL). Funding for this program is eliminated beginning this fiscal year.	(20,000,000)
15. Special Education (Federal). Additional revenues are expected to be received by the State for providing special education services.	58,000,000
16. Other Changes. Line items include: Court Placed Pupils and School Lunch programs, Interagency Early Childhood grants, Small Class-Size programs, Gifted and Talented programs, Vocational Education Technical Centers, Career Preparation Implementation grants, and Math/Science Centers.	(9,400,000)
Total Changes	(\$135,790,000)
FY 2001-02 Senate Gross Appropriation	\$11,385,663,300

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.



Changes from FY 2001-02 Year-to-Date:

1. **Infrastructure.** Proposal eliminates the Section that appropriates \$34,000,000 annually to award as grants to local school districts for infrastructure projects. This Section of the bill was tie-barred to another bill that was vetoed by the Governor, thereby not allowing these funds to be expended. (Sec. 11k)
2. **Foundation Allowance Calculations.** The proposal includes several technical changes, including elimination of the “catch-up” formula language, since all districts are above the basic foundation allowance; and deletion of language pertaining to paying costs associated with federal court cases. (Sec. 20)
3. **Transfer Students to Detroit Public Schools.** The Senate added a section allowing Detroit Public Schools to bill public school academies for the foundation allowances of pupils that transfer to Detroit Schools after membership count day. (Sec. 25c)
4. **At-Risk Funding.** The proposal removes language which required the appropriations in this section to increase at the same rate as the basic foundation allowance. (Sec. 31a(13))
5. **Reading Improvement Program Grants.** Intent language is added stating that if additional revenues become available, those revenues will be used to fund this line item to the extent possible from those additional revenues. The Senate also included intent language stating that at least \$50 million in combined Federal and State funds will be allocated to this section. (Sec. 32f)
6. **Education Information Database.** Language is added allowing districts or intermediate districts to seek reimbursement of up to \$2.50 per pupil for net costs incurred from implementing the requirements of the Center for Educational Performance and Information or for the costs associated with compiling the information needed for the creation of the Single Record Student Database so long as those costs were incurred no earlier than the 1998-99 school year. (Sec. 94a)
7. **Golden Apple MEAP Awards.** Technical changes are included that allow for schools to qualify for an award even though they have split grade levels between two different buildings. However, no funding will be attached to the awards. (Sec. 96)
8. **Math and Science Centers.** Intent language is added stating that if funds are projected to lapse in a fiscal year, those funds will not lapse back to the School Aid Fund, but shall instead be reallocated in the current year and used to increase base funding for all math and science centers proportionally. (Sec. 99)
9. **Adult Education.** Adds intent language stating that additional funds will be restored to this section should the appropriate revenues become available. (Sec. 107)
10. **Full Funding Language.** The proposal includes language added to Sections 22a, 22b, and 51c to allow for transfers between these sections to ensure they are fully funded. (Secs. 22a, 22b, and 51c)
11. **School Code Repealer.** The proposal repeals Section 1282a of the Revised School Code which would require mandatory summer school if certain conditions are met.
12. **Review of Department Federal Grant Applications.** The Senate added language requiring the State Budget Director to review and approve all Department applications for Federal grants before submission to the Federal government. (Sec. 11)
13. **Items Included by The House but not the Senate.** Several items were included by the House, but not included in the Senate Substitute. These consisted of Recalculation of Foundation Allowances for districts above the “hold-harmless” cap, additional “At-Risk” dollars for Dearborn-Schools, and repealer of Sec. 1475 of the School Code allows tribal community colleges certain rights within the Code.

Date Completed: 7-11-01

Fiscal Analyst: Joe Carrasco
Kathryn Summers-Coty

FY 2002-03 Year-to-Date Gross Appropriations	\$11,885,323,800
Changes from FY 2002-03 Year-to-Date:	
1. Infrastructure Payments. The section that was designed to make infrastructure payments to schools never went into effect because of a tie-bar issue. The section is repealed, thus freeing up those funds for other uses within the School Aid Act.	(34,000,000)
2. Proposal A Obligation Payment. Reductions in this line item are necessary due to changes in updated pupil and taxable value estimates.	(37,000,000)
3. Discretionary Payment. Increases are needed in this line item to reflect changes due to updated pupil and taxable value estimates, \$15 million to build into Detroit Schools' base, and \$600,000 to build into Gibraltar Schools' base.	59,600,000
4. At-Risk Funding. The percentage increase for this line item is reduced from 3.1% to 1.6%. Originally, funding for this line item was to increase at the same percentage as the increase in the basic foundation allowance.	(10,000,000)
5. School Readiness. The Senate proposal retains the original \$72,600,000 yearly appropriation for the standard school readiness program. Elimination of the funding for the competitive full day program is continued.	(30,000,000)
6. Reading Programs. Elimination of the funding for this line item, except for \$1,500,000 for READY (reading) kits, is continued in this fiscal year.	(56,250,000)
7. Elementary Summer School Program. Elimination of the funding for this line item is continued in this fiscal year.	(50,000,000)
8. Coordinating Counseling Services. Elimination of the funding for this line item is continued in this fiscal year.	(10,000,000)
9. Special Education (State). Decreases are needed in this line item to reflect lower than previously estimated costs due to updated special education pupil and cost estimates.	(15,150,000)
10. Accreditation Assistance. Again reduces the amount of funding this fiscal year for departmental technical assistance to districts for accreditation purposes.	(5,000,000)
11. Professional Development. Elimination of the funding for this line item is continued in this fiscal year.	(10,000,000)
12. Golden Apple MEAP Incentive. Elimination of the funding for this line item is continued in this fiscal year.	(8,000,000)
13. Adult Education. Continues the reduction of the appropriation by \$5,000,000 bringing the total appropriation for this line item down to \$75,000,000.	(5,000,000)
14. Partnership for Adult Learning (PAL). Elimination of the funding for this line item is continued in this fiscal year.	(20,000,000)
15. Special Education (Federal). Additional revenues are expected to be received by the State for providing special education services.	90,000,000
16. Other Changes. Lines items include: Court Placed Pupils and School Lunch programs, Interagency Early Childhood grants, Small Class-Size programs, Gifted and Talented programs, Vocational Education Technical Centers, Career Preparation Implementation grants, and Math/Science Centers.	(8,600,000)
Total Changes	(\$149,400,000)
FY 2002-03 Senate Gross Appropriation	\$11,735,923,800

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

Changes from FY 2002-03 Year-to-Date:

1. **Infrastructure.** Proposal eliminates the Section that appropriates \$34,000,000 annually to award as grants to local school districts for infrastructure projects. This Section of the bill was tie-barred to another bill that was vetoed by the Governor, thereby not allowing these funds to be expended. (Sec. 11k)
2. **Foundation Allowance Calculations.** The proposal includes several technical changes, including elimination of the “catch-up” formula language, since all districts are above the basic foundation allowance; and deletion of language pertaining to paying costs associated with federal court cases. (Sec. 20)
3. **Transfer Students to Detroit Public Schools.** The Senate added a section allowing Detroit Public Schools to bill public school academies for the foundation allowances of pupils that transfer to Detroit Schools after membership count day. (Sec. 25c)
4. **At-Risk Funding.** The proposal removes language which required the appropriations in this section to increase at the same rate as the basic foundation allowance. (Sec. 31a(13))
5. **Reading Improvement Program Grants.** Intent language is added stating that if additional revenues become available, those revenues will be used to fund this line item to the extent possible from those additional revenues. The Senate also included intent language stating that at least \$50 million in combined Federal and State funds will be allocated to this section. (Sec. 32f)
6. **Education Information Database.** Language is added allowing districts or intermediate districts to seek reimbursement of up to \$2.50 per pupil for net costs incurred from implementing the requirements of the Center for Educational Performance and Information or for the costs associated with compiling the information needed for the creation of the Single Record Student Database so long as those costs were incurred no earlier than the 1998-99 school year. (Sec. 94a)
7. **Golden Apple MEAP Awards.** Technical changes are included that allow for schools to qualify for an award even though they have split grade levels between two different buildings. However, no funding will be attached to the awards. (Sec. 96)
8. **Math and Science Centers.** Intent language is added stating that if funds are projected to lapse in a fiscal year, those funds will not lapse back to the School Aid Fund, but shall instead be reallocated in the current year and used to increase base funding for all math and science centers proportionally. (Sec. 99)
9. **Adult Education.** Adds intent language stating that additional funds will be restored to this section should the appropriate revenues become available. (Sec. 107)
10. **Full Funding Language.** The proposal includes language added to Sections 22a, 22b, and 51c to allow for transfers between these sections to ensure they are fully funded. (Secs. 22a, 22b, and 51c)
11. **School Code Repealer.** The proposal repeals Section 1282a of the Revised School Code which would require mandatory summer school if certain conditions are met.
12. **Review of Department Federal Grant Applications.** The Senate added language requiring the State Budget Director to review and approve all Department applications for Federal grants before submission to the Federal government. (Sec. 11)
13. **Items Included by The House but not the Senate.** Several items were included by the House, but not included in the Senate Substitute. These consisted of Recalculation of Foundation Allowances for districts above the “hold-harmless” cap, additional “At-Risk” dollars for Dearborn-Schools, and repealer of Sec. 1475 of the School Code allows tribal community colleges certain rights within the Code.

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