

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 365 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Nancy Cassis
Committee: Education

CONTENT

The bill would amend the State School Aid Act to require that the Center for Educational Performance and Information (CEPI) collect all information from school districts and intermediate school districts, required by State or Federal law, that is currently submitted to various State departments, officers, or agencies.

By August 15, 2004, each State department, officer, or agency that collects information from districts or intermediate districts would have to make arrangements with CEPI and the districts to have CEPI collect the information and then provide it to the department, officer, or agency as necessary. To the extent that it did not cause financial hardship, CEPI would have to arrange to collect the information electronically. Each affected State department, officer, or agency would have to provide CEPI with any details necessary for it to collect information.

MCL 388.1694a

Legislative Analyst: Claire Layman

FISCAL IMPACT

The fiscal impact of this bill is indeterminate, at both the State and the local levels. On the State side, it is likely that there would be additional costs initially, as CEPI would gear up to collect new information currently received by other State agencies. The Center would have increased personnel needs and possibly increased hardware and software application costs, in order to electronically collect and/or compile the information required by other State agencies. Over time, however, once the systems were implemented, the need for increased personnel would be diminished. The Center still would need to compile the information and pass it along to the other State agencies that currently receive reports from districts, but this process, too, would become more streamlined over time. At the same time, the need for staff in other State agencies dedicated to collecting and compiling these data would probably diminish, as CEPI would take over this function.

On the local side, the fiscal impact is more difficult to characterize. Since districts still would be faced with the same reporting requirements, the only change would be that they would be reporting to one State agency, CEPI, rather than to multiple State agencies. If there is currently duplication of reporting (i.e., the same information provided to two or more State agencies), then local districts would experience cost savings when CEPI eliminated the duplication. Also, it is feasible that by centralizing the reporting to one State agency, districts would centralize the employees who send the data to the State, and perhaps increase efficiencies among employees, possibly needing fewer employees who would become experienced at submitting electronic data in standardized formats provided by CEPI. Putting an actual dollar figure to this analysis is not practicable.

Date Completed: 4-30-03

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