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**BILL ANALYSIS**

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Senate Bill 599 (Substitute S-1 as reported)
Sponsor: Senator Raymond E. Basham
Committee: Education

Date Completed: 4-14-04

RATIONALE

Teachers or other school employees with school-aged children often prefer to have their children attend school in the district where the parents work. Until 1996, when Michigan's Schools of Choice program began, doing so meant an employee had to reside in the same district where he or she worked. Now, under the Schools of Choice program, all parents may choose to send their children to a district outside their home district, provided that the accepting district participates in the program and operates in the same or a contiguous intermediate school district (ISD) as the resident district. Therefore, a parent working for a district participating in a School of Choice program but living outside of it may apply to have his or her child attend school where the parent works.

A school district that does not participate in the Schools of Choice program may accept students from other districts, but it must obtain the permission of the home district before it may count the student "in membership" (e.g., receive State aid for that student). A home district may refuse to release a student in this case, and might be more likely to refuse if it is experiencing declining enrollment. Some people believe that the children of school employees should be allowed to attend school in the district where their parents work, regardless of whether the parents' schools participate in the Schools of Choice program.

CONTENT

The bill would amend the State School Aid Act to allow a district to count a pupil in membership without approval from the pupil's district of residence, if the pupil had a parent employed by the district counting the

pupil. "Child" would include an adopted child or legal ward.

Currently, a district must have the approval of a pupil's district of residence to count the pupil in membership, unless the pupil attends a public school academy, attends classes less than half-time in the district, participates in a school of choice program, has been expelled, is enrolled in Michigan Virtual High School, or meets other conditions. The bill would add to these exemptions a pupil with a parent who was employed by the district.

Also, the bill would exclude from the definition of "tuition pupil" a pupil attending school in a district that employed his or her parent. A tuition pupil is one who attends school in a district other than his or her district of residence for whom tuition may be charged.

MCL 388.1606

BACKGROUND

The Schools of Choice program is established in the State School Aid Act and, according to the Michigan Department of Education, was created to provide additional public education options. Under the program, parents may choose to have their children attend a school outside their home district if the receiving district participates in the program and has room for additional students.

The State School Aid Act creates two similar Schools of Choice programs, and districts may choose to participate in one, both, or neither of them. In the first, known as Section 105 after the section in the Act that

governs it, a pupil may transfer from one school district to another within the same ISD. If a district chooses to participate, it must publish the grades, schools, and special programs for which enrollment is available. (A district may limit nonresident enrollment to a particular grade, school, or program.) If a district has a limited number of positions available, it must, by the second Friday in August, provide notice to the general public that nonresidents' applications will be taken for a 15-day period. If more applications are submitted than are positions available, enrollees are selected at random. If more positions become available for the second semester, a district may accept applications from and enroll nonresidents using similar notification and enrollment procedures.

The second type of program, commonly referred to as a 105c program, was added to the Act in 1999. A district participating in a 105c program may accept applications from nonresident students living in a district located in a contiguous ISD. The notification and enrollment procedures are identical to those for districts participating in the Section 105 program.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

It is advantageous for a child to attend school in the district where his or her parent is employed for a number of reasons. First, the parent is able to keep in closer touch with the child's teachers, administrators, and peers. Many educators cite the importance of parental involvement in a child's education, and a parent's regular contact with people involved in his or her child's school life makes participation more likely. Also, a parent employed by a district is knowledgeable about that district's policies and special programs, and can help the child follow the rules as well as take advantage of the school's successful offerings. Last, when both parent and child are in the same school district, they are on the same vacation schedule, eliminating the need for child care during breaks, and easing travel plans. It makes sense to extend the Schools of Choice program a bit

farther to accommodate school employees who want to be in closer contact with their children.

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would have an impact on the amount of funding paid by the State to each school district enrolling an employee's nonresident child in the district in which the parent worked. The number of such students is indeterminate. Using average foundation allowance data, the State would pay the full foundation allowance cost (State average estimated at \$7,200 per pupil) for each nonresident pupil who enrolled in the district in which his or her parent worked.

The enrolling school district would receive an additional foundation allowance for each such pupil while the district from which the pupil left would lose a foundation allowance. The amount gained and lost would depend on the number of pupils transferring and the districts to and from which they transferred.

Fiscal Analyst: Joe Carrasco

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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.