



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 328 (Substitute S-1 as reported)
Senate Bill 329 (Substitute S-2 as reported)
Senate Bill 330 (Substitute S-2 as reported)
Sponsor: Senator Bill Hardiman (S.B. 328)
 Senator Nancy Cassis (S.B. 329)
 Senator Wayne Kuipers (S.B. 330)
Committee: Education

CONTENT

The bills would amend the State School Aid Act to provide funding for a proposed "Early Intervening Program". The Program would have to do either or both of the following:

- Monitor individual pupil learning for pupils in kindergarten through third grade and provide specific support or learning strategies to those pupils as early as possible to reduce the need for special education placement. (The Program also would have to include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan.)
- Provide early intervening strategies for pupils in kindergarten through third grade, using school-wide systems of academic and behavioral supports.

Senate Bill 328 (S-1) would permit local school districts or intermediate school districts (ISDs) that receive payments from the *Durant v State of Michigan* settlement to use those funds for the Early Intervening Program.

Senate Bill 329 (S-2) would allocate \$1.0 million from the money appropriated from the State School Aid Fund for 2005-2006 to the Michigan Department of Education (MDE) for grants for Early Intervening Programs.

Up to 75% of the money allocated would have to be used for grants to districts for the first year of a five-year grant program to develop an Early Intervening Model Program for kindergarten through third grade. The MDE would have to award up to 18 grants of \$40,000 each, with not more than three for the development of model sites of practice and not more than 15 for sites of improvement. A model site of practice would serve as an ongoing model that provided the Program for pupils and conducted professional development on-site for personnel visiting from a site of improvement. A site of improvement would be a site that sought to implement the Early Learning Success Program.

Up to 25% of the money allocated under the bill would have to be used for grants to districts for programs that provided early intervening strategies for pupils in kindergarten through third grade, using school-wide systems of academic and behavioral supports. The strategies would have to be scientifically research-based and include, at least, pupil performance indicators based upon response to intervention, instructional consultation with teachers, and ongoing progress monitoring.

By January 30 of the next fiscal year, the MDE to prepare and submit to the Governor and the Senate and House committees an annual report of outcomes achieved by the grant recipients funded under the bill for a fiscal year. The funded sites would have to collect data prescribed by the MDE and report to the Department on the percentage of pupils reading at grade level before and after the implementation of the program.

Also, the bill would allow districts receiving extra State aid under former Section 32e of the Act to use those funds for an Early Intervening Program. (Under Section 32e, eligible districts received funds to maintain and establish small classes in grades K-3. For fiscal years 2002-2003 and beyond, districts that had received Section 32e funds have the amount of those funds added to their foundation allowances to use in reducing class size.)

Senate Bill 330 (S-2) would allow eligible school districts and public school academies (PSAs) currently receiving at-risk funding under the Section 31a of the Act to use those funds to implement and operate Early Intervening Programs. (Under Section 31a, up to \$314,200,000 from the money appropriated from the State School Aid Fund is allocated for 2004-2005 for at-risk payments to eligible districts and eligible PSAs.)

MCL 338.1611f (S.B. 328)
338.1620 et al. (S.B. 329)
338.1631a (S.B. 330)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Senate Bill 328 (S-1) would have no fiscal impact on the State. The bill would allow funds received from the *Durant* case to be used for the costs associated with an Early Intervening Program, in addition to the uses currently permitted. As a result, local and intermediate school districts would have less *Durant* funds available for the present uses if they chose to use these funds to implement an Early Intervening Program.

Senate Bill 329 (S-2) would result in an increased cost to the State of \$1.0 million to fund grants in this program. Also, the Department of Education would see increased costs related to the requirement of preparing and submitting an annual report of outcomes achieved by the grant recipients funded under proposed Section 34, as well as costs related to establishing the competitive grant process outlined in the section. Each district awarded a grant under this program would see increased revenue of \$40,000.

Senate Bill 330 (S-2) would have no fiscal impact on the State.

Local school districts and PSAs that currently receive at-risk funds under Section 31a of the School Aid Act and that met the proposed criteria under the bill, could use a portion of those funds to implement and operate an Early Intervening Program. Currently, districts and PSAs receive an amount per pupil who is eligible for free breakfast, lunch, or milk. The amount received per eligible pupil is equal to a maximum of 11.5% of their foundation allowance. These funds are used for the costs associated with educating pupils determined to be at-risk as prescribed in the Act. Using the FY 2004-05 statewide average foundation allowance of \$7,100 per pupil, districts and PSAs receive a maximum of \$816.50 (11.5% of \$7,100) per eligible pupil for at-risk uses.

Date Completed: 4-26-05

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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.