



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4803 (as reported without amendment)

Sponsor: Representative Edward Gaffney, Jr.

House Committee: Natural Resources, Great Lakes, Land Use, and Environment

Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend the Revised School Code to prohibit school districts, public school academies, and intermediate school districts from beginning the school year before Labor Day.

The Code currently prohibits school districts, public school academies (PSAs), and intermediate school districts (ISDs) from being in session on the Friday before Labor Day. This bill would require the board of a school district or ISD or the board of directors of a PSA to ensure that the school year began after Labor Day, which would mean the first Monday in September. If, on the bill's effective date, the school district, ISD, or public school academy were under a collective bargaining agreement that conflicted with this requirement, then it would not apply to that school district or academy until the agreement expired.

MCL 380.1284b

Legislative Analyst: Curtis Walker

FISCAL IMPACT

While requiring schools to start their school year after Labor Day would probably have a positive impact on tourism-related activity, it probably would have only a very small positive impact, if any, on overall economic activity. This conclusion is based on two major points:

1) Starting the school year before Labor Day does have a negative impact on the tourism industry, but by no means is all of the travel that otherwise would occur over Labor Day completely lost to the Michigan economy. The constraint that the current early school start places on Labor Day travel does not necessarily reduce overall travel during a given year, but simply causes many families to rearrange their vacation plans. Instead of traveling over the Labor Day weekend, some families may now instead take a trip earlier in August, or wait to take a vacation during a school break (e.g., winter or spring). Therefore, some of the reduction in Labor Day weekend travel is simply shifted to another time.

2) While the travel that is being completely lost due to the earlier school start date has a negative impact on the tourism industry, it does not necessarily have a negative impact on the overall economy. Consumers face many demands on their fixed budgets and when they reduce spending in one area, such as travel over the Labor Day weekend, there are many other budget areas ready to compete for the funds in question. In other words, when travel is reduced for any reason, the funds that would have been used to finance that travel do not disappear, but are most likely spent in other consumer areas.

The bill would have no fiscal impact on local government.

Date Completed: 9-19-05

Fiscal Analyst: Kathryn Summers-Coty
Jay Wortley