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Senate Bill 622 (Substitute S-5 as passed by the Senate)
Senate Bill 623 (Substitute S-5 as passed by the Senate)
Sponsor: Senator Judy K. Emmons
Committee: Education

Date Completed: 10-31-11

CONTENT

Senate Bill 622 (S-5) and Senate Bill 623 (S-5) would amend the Postsecondary Enrollment Options Act and the Career and Technical Education Act, respectively, to broaden the guidelines for students eligible to participate in dual enrollment. Dual enrollment is the practice of enrolling in a high school and in an eligible postsecondary institution simultaneously, earning college credit while a high school student. Specifically, the bills would do the following:

- **Remove the requirement that a student be in at least grade 11 to participate in dual enrollment.**
- **Include in the definition of "eligible student" a student enrolled in a State-approved nonpublic school and a home-schooled child enrolled in high school.**
- **Clarify that an eligible course is one offered for postsecondary credit.**
- **Allow a student to take not more than two eligible courses per academic year for the student's first, second, or third academic year of dual enrollment, and not more than four courses during the student's fourth academic year of dual enrollment.**
- **Include in the definition of "eligible charges" a limit for community colleges, such that the tuition rate used to determine eligible charges is the tuition rate for residents of the community college district regardless of the residency status of the eligible student.**

The bills are tie-barred to each other and to Senate Bills 709 and 710. Senate Bills 709 (S-3) and 710 (S-3) would amend the Career and Technical Preparation Act and the Postsecondary Enrollment Options Act, respectively, to extend dual enrollment provisions to State-approved nonpublic and home-schooled students, require the Department of Treasury to pay the eligible charges for those students at a postsecondary institution, and revise the calculation of the payment to a postsecondary institution made on behalf of a public school student.

Senate Bills 622 (S-5) and 623 (S-5) are described below.

Senate Bill 622 (S-5)

Under current law, a student must be in at least grade 11 and must achieve a qualifying score on all subject areas of the Michigan Merit Exam, or achieve a qualifying score on specific subject areas, in order to enroll in eligible courses and qualify for dual enrollment. Also, students may enroll in computer science or foreign language courses not offered by the district, or a course in fine arts as permitted by the district, even if a qualifying score has not been achieved.

The Postsecondary Enrollment Options Act defines "eligible course" as one offered by an eligible postsecondary institution (i.e., a community college, State university, or independent nonprofit degree-granting college or university in Michigan) that is not offered by the school district, or that is offered but not available because of a scheduling conflict. An eligible course also must be an academic course not ordinarily taken as an activity course, a course that the postsecondary institution normally applies toward satisfaction of degree requirements, a course that is not a hobby craft or recreational course, and a course that is not in the area of physical education, theology, divinity, or religious education.

The statute defines "eligible student" as a student enrolled in at least one high school class in at least grade 11 in a school district. Also, a student is an eligible student only for the limited purpose of enrolling in one or more eligible courses in a subject area for which a qualifying score was achieved, or for a computer science, foreign language, or fine arts course, as permitted. The bill would remove the requirement that eligible students be enrolled in at least 11th grade. Also, the bill would include in the definition of "eligible student" a student enrolled in a State-approved nonpublic school or a home-schooled child enrolled in high school, and would amend the definition of "eligible course" to refer to a course offered for postsecondary credit.

The statute defines "eligible charges" as tuition and mandatory course fees, material fees, and registration fees required by an eligible institution for enrollment in an eligible course. Under the bill, for community colleges, the tuition rate used in determining eligible charges would be the tuition rate for residents of the college regardless of the residency status of the eligible student.

Finally, the bill would include new limits on the number of dual enrollment courses that could be taken by any eligible student (public, nonpublic, or home-schooled), by amending the definition of "eligible course". Specifically, a course would be eligible if it did not exceed the following limits: not more than two courses per academic year for the student's first three years of dual enrollment, or not more than four courses per academic year for the student's fourth year of dual enrollment.

Senate Bill 623 (S-5)

The Career and Technical Education Act mirrors the Postsecondary Enrollment Options Act, but for programs that teach a trade, occupation, or vocation. The changes proposed to the Act by Senate Bill 623 (S-5) mirror the changes detailed above under Senate Bill 622 (S-5).

MCL 388.513 (S.B. 622)
388.1903 (S.B. 623)

FISCAL IMPACT

Students enrolled in public schools in this State are allowed to enroll in postsecondary options as outlined under the Postsecondary Enrollment Options Act and the Career and Technical Education Act. When a student is enrolled in a postsecondary course pursuant to either of these Acts, the school district may count the student in its membership and receive foundation allowance funding, but then must pay to the educating postsecondary institution all eligible charges (tuition and fees) out of the State portion of that foundation allowance funding, paid under the State School Aid Act.

While the bills would expand the eligibility for students to participate in dual enrollment by eliminating the requirement that a student be in at least grade 11, State costs for public students should not change, since presumably the State is already paying for the (public) students' enrollments at the local school districts. Also, under current practice, a nonpublic student can enroll in a public district and then participate in dual enrollment as a part-time

public school student. Therefore, with respect to the addition of nonpublic and home-schooled students to the definition of "eligible student", a fiscal impact would occur if removing the requirement to enroll first in a public district resulted in higher participation by nonpublic students. For each additional dual enrollment course taken by a nonpublic or home-schooled student who does not currently first enroll in a public district, the cost would be about \$1,200 per year, if the eligible charges totaled one-sixth of the statewide average foundation allowance.

At the local school district level, if more students participated, then the local districts would see reductions in revenue equal to the additional tuition and fees that would have to be paid to the postsecondary institutions. Similarly, if community colleges saw increased enrollments as a result of this legislation, their revenue generated from local districts would increase based on the additional tuition and fees collected. However, community colleges would likely see reduced average per-participant revenue because of the restriction under which a community college could charge in-district tuition only, regardless of residency status. The overall impact on community colleges (the likelihood of increased participants, but lower per-participant average tuition) is indeterminate.

It seems likely that the expansion of dual enrollment opportunities, particularly the expansion to all high school grades, not just 11 and 12, would lead to increased participation. This would result in lower district revenue (paying more tuition and fees) and higher community college revenue (from that additional tuition and fees).

It is unknown how the cap on courses that may be taken under dual enrollment would affect districts and postsecondary institutions. If the average number of courses taken currently is less than the cap, then there would be no impact. If the average is higher, however, then fewer courses could be taken, and more foundation allowance revenue would remain with school districts and would not flow through to the postsecondary institutions.

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