



Senate Fiscal Agency
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Senate Bill 945 (as reported without amendment)
Sponsor: Senator Bruce Caswell
Committee: Education

CONTENT

The bill would repeal Public Act 38 of 1970, which provides for a statewide program of students' basic skills assessment within the Department of Education, and would amend the Revised School Code to do the following:

- Provide for a continuation of the program, known as the Michigan Educational Assessment Program (MEAP), in the Department of Treasury.
- Transfer a number of responsibilities regarding the MEAP and the Michigan Merit Examination from the Superintendent of Public Instruction and the State Board of Education to the Department of Treasury.
- Eliminate a requirement that a student who qualifies for a \$4,000 Michigan Promise grant bear the cost of retaking the college entrance examination component of the Michigan Merit Examination.

MCL 380.1278 et al.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would increase the costs of the Department of Treasury and decrease the costs of the Michigan Department of Education (MDE). Implementing test development and administration within the Department of Treasury would require additional staff and appropriations for that Department; however, the bill does not make an appropriation. Moving the testing responsibilities to the Department of Treasury would require changes to the State budget to shift the resources that currently pay for these functions from the MDE to Treasury. The FY 2013-14 budget for the MDE includes approximately \$12.5 million and 65.6 full-time equated employees for the Bureau of Assessment and Accountability Services. That bureau currently administers the Michigan Education Assessment Program and the Michigan Merit Exam, both of which would be moved to Treasury by the bill. Additional funding could be required if it were necessary to develop tests or change testing requirements on an accelerated schedule. This assumes that the cost of the administering the tests would remain in the School Aid budget, where those expenses are appropriated currently. The administration of the testing program previously was transferred from the MDE to Treasury by Executive Order 1999-7. Subsequently, Executive Order 2003-20 moved the responsibility back to the MDE.

The fiscal impact on local school districts and public school academies would depend on whether the change in the State department administering the testing programs resulted in policy changes that necessitated adjustments in local plans for test preparation and administration. Local costs could increase by an unknown amount if adjustments in testing procedures were required.

Date Completed: 5-22-14

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Bill Analysis @ www.senate.michigan.gov/sfa

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