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BILL ANALYSIS



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Senate Bill 654 (as introduced 12-10-15)
Sponsor: Senator Mike Shirkey
Committee: Appropriations

Date Completed: 1-26-16

CONTENT

The bill would amend Section 64b of the State School Aid Act to allow for school district reimbursement for a portion of dual or concurrent enrollment costs in the event a student did not choose to receive both high school and postsecondary credit for the course. Section 64b allocates an amount for supplemental payments to districts that support the attendance of pupils in 9th through 12th grade under the Postsecondary Enrollment Options Act or the Career and Technical Preparation Act, or that support the attendance of district pupils in a concurrent enrollment program. A school district may receive reimbursement under this section only if, among other things, the district awards high school credit for the postsecondary course. However, the Postsecondary Enrollment Options Act does not require both high school and postsecondary credit to be awarded for dual enrollment courses; therefore, the bill would allow a school district to get partial reimbursement for the course even if a high school student chose not to receive high school credit.

For a concurrent enrollment program (typically where the postsecondary course is taught at the high school during the high school day), the bill would change the current requirement for a district to ensure that a pupil "is awarded both" high school and college credit at any community college or State public university, to a requirement that the district ensure that the pupil "can be awarded" college credit (striking language about high school credit) at any community college or State public university.

Since fiscal year (FY) 2014-15, Section 64b of the State School Aid Act has appropriated \$1.75 million to school districts for partial reimbursement of tuition and fees paid for courses provided under the Postsecondary Enrollment Options Act or under the Career and Technical Preparation Act. In the 2013-14 school year, districts paid \$18.2 million in dual enrollment fees for 51,181 postsecondary courses, and students were awarded 54,319 postsecondary credits and 27,477 high school credits for those courses.

MCL 388.1664b

FISCAL IMPACT

If the changes in the bill allowed more districts to seek reimbursement under Section 64b, or allowed districts seeking reimbursement to seek greater amounts of reimbursement, and if in the absence of the bill those requests would have been lower, then it is possible that there otherwise would have been lapsing amounts under this section that would not occur with passage of the legislation. However, the magnitude of this is unknown, and if the full appropriation would have been spent with or without the bill, then the bill itself would have no fiscal impact on the State, but would change distribution among districts seeking reimbursement.

Local districts that sought more reimbursement due to changes in the bill would likely see resulting increased revenue under Section 64b of the School Aid Act, although exact amounts are not calculable and also would depend on overall reimbursement requests under this section, and whether proration would occur if reimbursement requests exceeded the appropriation. In FY 2014-15, just over \$700,000 of the \$1.75 million appropriation was spent.

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