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BILL



ANALYSIS

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House Bill 5291 (Substitute S-3 as reported)
Sponsor: Representative Al Psholka
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

House Bill 5291 was passed by the House in April 2016, containing fiscal year 2016-17 appropriations for the K-12, Community Colleges, and Higher Education budgets. In June, Senate Bill 801 was enacted, containing FY 2016-17 appropriations for those budgets, leaving House Bill 5291 available as a vehicle to use for supplemental changes.

The Senate substitute for House Bill 5291 is, by and large, a technical supplemental that proposes no changes in spending (either positive or negative), and includes a number of language changes that would provide clarification to the earlier-enacted Senate Bill 801. The bill includes changes in Sections 20 (foundation allowance), 25e (pupil memberships between count days), 61a (career and technical education), 61c (CTE equipment upgrades), 98 (Michigan Virtual University), 99h (FIRST Robotics), 99t (online algebra tool), and 104c (assessments).

Specifically, the changes are as follows:

Section 20 (foundation allowance). The bill would fix a drafting error in the language that prescribes the calculation of the State share of a district's foundation allowance.

Section 25e (allows a strict discipline academy (SDA) to count a portion of an FTE for a pupil who transfers to the SDA after the fall count day and before the supplemental count day). The bill would clarify that a district or intermediate district that enrolls a student who transferred back from a strict discipline academy between the count days can count a partial pupil membership equal to the number of days of instruction. The bill also would broaden the language to include the transfer, between the fall and supplemental count days, of pupils to an academy that primarily focuses on educating homeless students and that provides an alternative education program for more than 200 days per year, in addition to pupils who transfer to a strict discipline academy.

Section 61a (provides for career and technical education grant funding). The bill would allow districts previously ineligible for career and technical education (CTE) funding to be eligible if their foundation allowance is at the minimum. Previously, eight districts were ineligible for funding because they were fiscal agents for the CTE grants and received a foundation allowance bump that was in lieu of CTE funding. However, over time, the "2x" foundation formula increased the minimum foundation allowance such that the foundation allowances of two of the eight districts no longer were above the minimum. The bill would allow those two districts to be eligible for CTE funding, and for the other six to be eligible when the minimum foundation allowance "catches up" to their foundation allowances.

The bill also would clarify that the \$79,000 grant identified in Section 61a(4) to support training in restaurant management and culinary arts is specifically for a provider of the Prostart Curriculum.

Section 61c (CTE equipment upgrades). The bill includes one technical change that would correct the spelling-out of the acronym, CEPD, to mean "career education planning districts". The bill also includes a clarification for the \$200,000 mechatronics grant in subsection (6) to be awarded to a district with more than one mechatronics site and with fewer than 1,200 pupils in membership.

Section 98 (Michigan Virtual University). The bill includes a clarification that the Michigan Virtual University (MVU) and external stakeholders are encouraged to coordinate with the Michigan Department of Education (MDE) for professional development. (Current law requires MDE to coordinate with MVU.)

Section 99h (FIRST Robotics). The bill would allow the Department to pay out FIRST Robotics grants on a schedule other than the monthly State aid payments, and would change the stipends from \$1,500 for one coach per team to "up to \$1,500" for one coach per team.

Section 99t (online algebra tool). The bill would clarify a requirement for an online algebra tool to receive funding under this section by adding that the statewide contract in at least one other state be in a state that has between 18 million and 19 million people, and is offered in that state in partnership with a public university.

Section 104c (M-STEP). The bill would clarify that the Department should continue to field test assessments in grades K to 2, and implement those assessments only after successful field testing, with full implementation to occur not later than 2018-19.

MCL 388.1620 et al.

FISCAL IMPACT

The bill would appropriate no more and no fewer dollars to State or local government. This supplemental proposes language changes only.

Date Completed: 9-8-16

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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.