

**SCHOOL AID
Summary of FY 2009-10 One-Month Interim Budget
SB 252 (H-2)**



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	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted
IDG/IDT	\$0		\$0	\$0	
Federal	1,562,008,600		1,562,008,600	1,562,008,600	
Fed ARRA	600,000,000		0	0	
Local	0		0	0	
Private	0		0	0	
Restricted	11,019,798,200		1,050,000,000	1,087,000,000	
GF/GP	78,000,000		2,900,000	2,900,000	
Gross	\$13,259,806,800		\$2,614,908,600	\$2,651,908,600	

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through September 1, 2009.

Overview

The School Aid budget makes appropriations to the state’s 552 local school districts, 232 public school academies, and 57 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Education Performance and Information, Department of Labor and Economic Growth, and other entities to implement certain grants and other programs related to K-12 education.

Budget Changes From FY 2008-09 YTD Appropriations

**FY 2009-10
One-Month**

1. Total Appropriation (Sec.11)

Gross \$2,651,908,600

Senate provides \$2.62 billion to appropriate available full-year federal funding other than American Recovery and Reinvestment Act (ARRA) funds, as well as \$1.05 billion in School Aid Funds and \$2.9 million GF/GP to fund School Aid appropriations at 1/11 of their total FY 2008-09 levels with the following exceptions:

Federal	1,562,008,600
Restricted	1,087,000,000
GF/GP	\$2,900,000

- Reduce total payments to districts by \$20 per pupil, which is 1/11 of the per pupil reduction agreed to in HB 4447 CR-1*.
- Reduce payments to ISDs in order to reflect the 44.36% reduction made in HB 4447 CR-1*.

House appropriates \$2.65 billion and provides for 1/11 of payments but does not recognize any reductions made in HB 4447 CR-1*.

2. School Loan Bond Redemption Fund (Sec. 11j)

Gross \$40,000,000

Senate and House provides \$40.0 million to make required payments to the school loan bond redemption fund.

Restricted	40,000,000
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Boilerplate Changes From FY 2008-09

Sec.17b. Payment Schedule – REVISED

Senate and House adjusts the payment schedule so the department can make payments based on the one month budget and can adjust grant payments accordingly.

Sec. 147. MPSERS Retirement Rate – REVISED

Senate and House estimates percentage of payroll districts must pay for public school employee retirement at 16.94%.

Enacting Section – REPEALS SECTIONS

Senate repeals Sec. 99e (financial emergency district grant) **House** does not repeal any sections.

Enacting Sections – EFFECTIVE DATE

Senate makes the bill effective as of October 15 as long as House Bill 4447 does not take effect prior to October 14.

House makes the bill effective as of October 9 as long as House Bill 4447 does not take effect prior to October 8.

