

Senate Bill 1044 (S-1 as amended by the Committee of the Whole)

Committee: Appropriations

FY 1999-2000 Year-to-Date Gross Appropriation	\$10,160,831,200
Changes from FY 1999-2000 Year-to-Date:	
1. Foundation Allowance. The Governor recommends and the Senate concurs with a reduction in the appropriation to reflect the lower than estimated pupils actually enrolled in FY 1999-2000 and the changes in local property tax values. The basic foundation allowance remains at the enacted level of \$5,696 per pupil.	(89,032,000)
2. Supplemental Payments to Hold Harmless Districts. The Governor recommends and the Senate concurs with additional appropriations to fully fund supplemental payments to hold harmless districts to ensure they receive their full foundation allowances.	7,000,000
3. Special Education. The Senate concurs with the Governor's recommendation for a reduction in the special education appropriation due to actual costs being lower than previously estimated.	(11,092,100)
4. Database for Education and Performance Information (DEPI). The Senate concurs with the Executive's recommendation for a new program designed to improve the quality and use of information by combining and centralizing currently available school district data and reports and creating a single, comprehensive database containing all school-related data.	10,000,000
5. Grants to Districts with High Local Revenue Collections. The Senate proposes a new grant to any school district with 30 or fewer pupils whose State and local revenues are comprised from at least 80% local revenue.	250,000
6. Other Changes. The Senate proposal contains miscellaneous adjustments in appropriations for school lunch programs, ISD vocational education millage equalization, and reimbursement to ISDs for losses in revenue due to changes in taxable values.	(98,500)
Total Changes	\$(82,972,600)
FY 1999-2000 Senate Gross Appropriation	\$10,077,858,600

Changes from FY 1999-2000 Year-to-Date:

1. **Non-Resident Pupil Definition.** Removes the "contiguous" requirement from the definition of a non-resident pupil to concur with the new proposal for State-wide schools of choice. (Sec. 6(6)(h))
2. **Non-Resident Pupils in a First Class School District.** Retains language requiring the permission of a first class district before counting nonresident pupils in the educating district if the pupils are residents of the first class district and the instructional site is located within the first class district. (Sec. 6(6)(j))
3. **General Fund Lapses.** New language is added requiring unexpended general fund allocations, except Renaissance Zone dollars, to lapse to the School Aid Fund. (Sec. 11(4))
4. **Recalculation of Foundation Allowance.** Proposal includes new language specifying that for a district whose mills were reduced by more than 9 from FY 1992-93 to FY 1993-94, the district's future foundation allowances shall be calculated as if its FY 1994-95 foundation allowance had been built off of its FY 1992-93 combined State and local revenue (instead of a blend between FY 1992-93 and FY 1993-94 revenues). (Sec. 20(18))
5. **Foundation Allowance Reduction.** The Senate removed language stating that each district's foundation allowance may be reduced if the Kids First! Yes! Constitutional Amendment is passed. (Sec. 20(20))
6. **At-Risk Funds for School Lunch.** Removes the restriction that \$10 per pupil received in At-Risk funds must be used to support school lunch programs. (Sec. 31a(5))
7. **Early Childhood.** Proposal increases the per pupil school readiness grant from \$3,100 to \$3,300 beginning in FY 2000-01.
8. **Day of Pupil Instruction.** Proposal **does not concur** with the Executive recommendation of the requirement that a full day of instruction will not be counted unless at least 5.0 hours of pupil instruction are held. (Sec. 101(11))
9. **School Calendar Task Force.** Creates the School Calendar Task Force to study the benefits or disadvantages of the mandatory closing of school on the Friday before Labor Day and to also look into a mandatory post-Labor Day start of the school year on a State-wide basis.
10. **High School Proficiency Tests.** Proposal deletes many portions of the requirements, including: Department development of scaled scores; mandatory administration of the tests in the last 30 days of grade 11; mandating that tests be scored by Michigan teachers, retired teachers, and administrators; and the requirement of a meeting between school district personnel and a student who does not meet the qualifications for endorsement.
11. **State-Wide Schools of Choice.** Proposal deletes the "contiguous" requirement that allows districts to operate a schools of choice program with a contiguous district that is outside of their resident ISD, thereby, making the schools of choice program open to any student within the State. (Sec. 105c)
12. **Non-Resident Schools of Choice Pupils.** Proposal adds language to the schools of choice Sections (105 and 105c) that guarantees students enrolled in a choice program under those sections to continue to enroll in that choice district until the pupil graduates from high school, even if the enrolling district discontinues offering a schools of choice program.
13. **Certificated Teachers and Counselors.** Proposal allows the use of non-certificated teachers and counselors only for the purposes of the Adult Learning program under Section 108. (Sec. 163)

Date Completed: 03-21-00

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Senate Bill 1044 (S-1 as amended by the Committee of the Whole)
 Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$10,599,374,600
Changes from FY 2000-01 Year-to-Date:	
1. Foundation Allowance. The Senate concurs with the Governor in recommending the elimination of funding in Section 20 and adding language stating this Section will now be used for calculation purposes only to determine payments under new Section 22B, yet retains language that sets the basic foundation allowance for FY 2000-01 at \$5,981 per pupil; a 5.0% increase over FY 1999-2000.	(8,906,496,200)
2. Proposal A Obligation Payment. The Senate and Executive recommend creating Section 22A for the purposes of making the first payment under the new three-part payment method. Districts will be paid their 1994-95 foundation allowances for each pupil in membership (both general education and special education pupils) in the current year.	7,230,400,000
3. Special Education. The Senate recommends a reduction in the special education appropriation due to anticipated costs being lower than previously estimated, fewer than anticipated special education pupils, and the change to the new payment method. Payments for special education beginning in FY 2000-01 will be paid from new Section 51C, which states that districts will receive 28.6138% of total approved costs of special education and 70.4165% of total approved costs of special education transportation costs. Estimated costs for these payments in FY 2000-01 is \$546,918,100. This will be the second payment under the new three-part payment method.	(90,837,100)
4. Discretionary Payment. The Senate concurs with the Governor in the creation of new Section 22B, but increases the appropriation due to the higher cost of a higher basic foundation allowance. This Section will fund the third payment and is the difference between the amount a district would have received under the current funding method and the sum of the new Proposal A obligation payments and the new special education payments.	1,803,786,800
5. Special Payment for Detroit Schools. The Senate proposes an additional payment to the Detroit Public Schools equal to \$15,000,000.	15,000,000
6. Reading Intervention Grants. The Senate recommends an increase in funding to expand the program to districts currently not eligible for a grant. Of the additional funding, \$15,000,000 will be paid on an equal per special education FTE basis to districts with at least 10% of their total membership classified as special education students. It is estimated that eligible districts will receive \$1,900 per special education pupil in membership.	25,000,000
7. Early Childhood. The Senate concurs with the Executive to increase funding by \$12,500,000 for the expansion of the program to unserved children. An additional \$15,000,000 is appropriated to convert more of the current half-day programs to full-day programs.	27,500,000
8. Adult Learning Program. The Senate and the Governor concur in the creation of this new program, however funding is reduced to \$20,000,000; the current adult education program is continued at \$80,000,000.	20,000,000
9. Other Changes. The Senate proposal contains miscellaneous adjustments for school lunch programs, ISD millage equalization and general operations, reimbursement to ISDs for changes in taxable values, at-risk funding, and continued funding for the DEPI program.	36,630,300
Total Changes	\$160,983,800

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.



Changes from FY 1999-2000 Year-to-Date:

1. **Non-Resident Pupil Definition.** Removes the “contiguous” requirement from the definition of a non-resident pupil to concur with the new proposal for State-wide schools of choice. (Sec. 6(6)(h))
2. **Non-Resident Pupils in a First Class School District.** Retains language requiring the permission of a first class district before counting nonresident pupils in the educating district if the pupils are residents of the first class district and the instructional site is located withing the first class district. (Sec. 6(6)(j))
3. **General Fund Lapses.** New language is added requiring unexpended general fund allocations, except Renaissance Zone dollars, to lapse to the School Aid Fund. (Sec. 11(4))
4. **Recalculation of Foundation Allowance.** Proposal includes new language specifying that for a district whose mills were reduced by more than 9 from FY 1992-93 to FY 1993-94, the district’s future foundation allowances shall be calculated as if its FY 1994-95 foundation allowance had been built off of its FY 1992-93 combined State and local revenue (instead of a blend between FY 1992-93 and FY 1993-94 revenues). (Sec. 20(18))
5. **Foundation Allowance Reduction.** The Senate removed language stating that each district’s foundation allowance may be reduced if the Kids First! Yes! Constitutional Amendment is passed. (Sec. 20(20))
6. **At-Risk Funds for School Lunch.** Removes the restriction that \$10 per pupil received in At-Risk funds must be used to support school lunch programs. (Sec. 31a(5))
7. **Early Childhood.** Proposal increases the per pupil school readiness grant from \$3,100 to \$3,300 beginning in FY 2000-01.
8. **Day of Pupil Instruction.** Proposal **does not concur** with the Executive recommendation of the requirement that a full day of instruction will not be counted unless at least 5.0 hours of pupil instruction are held. (Sec. 101(11))
9. **School Calendar Task Force.** Creates the School Calendar Task Force to study the benefits or disadvantages of the mandatory closing of school on the Friday before Labor Day and to also look into a mandatory post-Labor Day start of the school year on a State-wide basis.
10. **High School Proficiency Tests.** Proposal deletes many portions of the requirements, including: Department development of scaled scores; mandatory administration of the tests in the last 30 days of grade 11; mandating that tests be scored by Michigan teachers, retired teachers, and administrators; and the requirement of a meeting between school district personnel and a student who does not meet the qualifications for endorsement.
11. **State-Wide Schools of Choice.** Proposal deletes the “contiguous” requirement that allows districts to operate a schools of choice program with a contiguous district that is outside of their resident ISD, thereby making the schools of choice program open to any student within the State. (Sec. 105c)
12. **Non-Resident Schools of Choice Pupils.** Proposal adds language to the schools of choice Sections (105 and 105c) that guarantees students enrolled in a choice program under those sections to continue to enroll in that choice district until the pupil graduates from high school, even if the enrolling district discontinues offering a schools of choice program.
13. **Certificated Teachers and Counselors.** Proposal allows the use of non-certificated teachers and counselors only for the purposes of the Adult Learning program under Section 108. (Sec. 163)

Date Completed: 03-21-00

Fiscal Analyst: J. Carrasco
K. Summers-Coty



Senate Bill 1044 (S-1 as amended by the Committee of the Whole)

Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$10,760,358,400
Changes from FY 2000-01 Year-to-Date:	
1. Foundation Allowance. The Senate sets the basic foundation allowance for FY 2001-02 at \$6,280 per pupil; a 5.0% increase over FY 2000-01.	N/A
2. Proposal A Obligation Payment. The Senate decreases funding for the Proposal A Obligation Payment in FY 2001-02 corresponding to an increase in projected taxable values. Again, this is the first payment of the three-part payment method equivalent to each district's 1994-95 foundation allowance multiplied by current-year total pupils.	(112,654,700)
3. Special Education. The Senate increases the special education appropriation over the prior year due to anticipated higher costs. Payments to districts for special education will be paid from Section 51C, which states that districts will receive 28.6138% of total approved costs of special education and 70.4165% of total approved costs of special education transportation costs. This is the second part of the payment under the three-part payment method. Intermediate districts (ISDs) will continue to be paid under Sec. 51a as they are currently.	62,706,600
4. Discretionary Payment. The Senate increases the appropriation due to the five percent increase in the basic foundation allowance over the prior year. Again, this Section funds the third payment under the new method and is the amount a district would have received under the current funding method minus the sum of the Proposal A obligation payment and the special education payment.	568,129,700
5. At-Risk. The Senate increases funding corresponding to the proposed increase in the basic foundation allowance and removes the proration projected to occur in this section.	14,218,100
6. Early Childhood. The Senate concurs with the Executive to increase funding by \$5,000,000 over the current year for further expansion of wrap-around services and full-day programs	5,000,000
7. Special Payment for Detroit Schools. The Senate proposes an additional payment to the Detroit Public Schools equal to \$15,000,000.	15,000,000
8. Other Changes. The Senate concurs with the Executive to fund the Database for Education and Performance Information at \$172,000 more than the prior year, and the proposal contains miscellaneous appropriations increases for school lunch programs reimbursements, ISD vocational education millage equalization, ISD general operations, and reimbursement to ISDs for losses in revenue due to changes in taxable values.	5,900,200
Total Changes	\$558,299,900
FY 2001-02 Senate Gross Appropriation	\$11,318,658,300

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.



Changes from FY 1999-2000 Year-to-Date:

1. **Non-Resident Pupil Definition.** Removes the “contiguous” requirement from the definition of a non-resident pupil to concur with the new proposal for State-wide schools of choice. (Sec. 6(6)(h))
2. **Non-Resident Pupils in a First Class School District.** Retains language requiring the permission of a first class district before counting nonresident pupils in the educating district if the pupils are residents of the first class district and the instructional site is located within the first class district. (Sec. 6(6)(j))
3. **General Fund Lapses.** New language is added requiring unexpended general fund allocations, except Renaissance Zone dollars, to lapse to the School Aid Fund. (Sec. 11(4))
4. **Recalculation of Foundation Allowance.** Proposal includes new language specifying that for a district whose mills were reduced by more than 9 from FY 1992-93 to FY 1993-94, the district’s future foundation allowances shall be calculated as if its FY 1994-95 foundation allowance had been built off of its FY 1992-93 combined State and local revenue (instead of a blend between FY 1992-93 and FY 1993-94 revenues). (Sec. 20(18))
5. **Foundation Allowance Reduction.** The Senate removed language stating that each district’s foundation allowance will be reduced if the Kids First! Yes! Constitutional Amendment is passed. (Sec. 20(20))
6. **At-Risk Funds for School Lunch.** Removes the restriction that \$10 per pupil received in At-Risk funds must be used to support school lunch programs. (Sec. 31a(5))
7. **Early Childhood.** Proposal increases the per pupil school readiness grant from \$3,100 to \$3,300 beginning in FY 2000-01.
8. **Day of Pupil Instruction.** Proposal **does not concur** with the Executive recommendation of the requirement that a full day of instruction will not be counted unless at least 5.0 hours of pupil instruction are held. (Sec. 101(11))
9. **School Calendar Task Force.** Creates the School Calendar Task Force to study the benefits or disadvantages of the mandatory closing of school on the Friday before Labor Day and to also look into a mandatory post-Labor Day start of the school year on a State-wide basis.
10. **High School Proficiency Tests.** Proposal deletes many portions of the requirements, including: Department development of scaled scores; mandatory administration of the tests in the last 30 days of grade 11; mandating that tests be scored by Michigan teachers, retired teachers, and administrators; and the requirement of a meeting between school district personnel and a student who does not meet the qualifications for endorsement.
11. **State-Wide Schools of Choice.** Proposal deletes the “contiguous” requirement that allows districts to operate a schools of choice program with a contiguous district that is outside of their resident ISD, thereby making the schools of choice program open to any student within the State. (Sec. 105c)
12. **Non-Resident Schools of Choice Pupils.** Proposal adds language to the schools of choice Sections (105 and 105c) that guarantees students enrolled in a choice program under those sections to continue to enroll in that choice district until the pupil graduates from high school, even if the enrolling district discontinues offering a schools of choice program.
13. **Certificated Teachers and Counselors.** Proposal allows the use of non-certificated teachers and counselors only for the purposes of the Adult Learning program under Section 108. (Sec. 163)

Date Completed: 03-21-00

Fiscal Analyst: J. Carrasco
K. Summers-Coty

Senate Bill 1044 (S-1 as amended by the Committee of the Whole)

Committee: Appropriations

FY 2001-02 Year-to-Date Gross Appropriation	\$11,318,658,300
Changes from FY 2001-02 Year-to-Date:	
1. Foundation Allowance. The Senate sets the basic foundation allowance for FY 2002-03 at \$6,468 per pupil; a 3.0% increase over FY 2001-02.	N/A
2. Proposal A Obligation Payment. The Senate decreases funding for the Proposal A Obligation Payment in FY 2001-02 corresponding to an increase in projected taxable values. Again, this is the first payment of the three-part payment method equivalent to each district's 1994-95 foundation allowance multiplied by current-year total pupils.	(159,037,700)
3. Special Education. The Senate increases the special education appropriation over the prior year due to anticipated higher costs. Payments to districts for special education will be paid from Section 51C, which states that districts will receive 28.6138% of total approved costs of special education and 70.4165% of total approved costs of special education transportation costs. This is the second part of the payment under the three-part payment method. Intermediate districts (ISDs) will continue to be paid under Sec. 51a as they are currently.	61,519,200
4. Discretionary Payment. The Senate increases the appropriation due to the three percent increase in the basic foundation allowance over the prior year. Again, this Section funds the third payment under the new method and is the amount a district would have received under the current funding method minus the sum of the Proposal A obligation payment and the special education payment.	391,643,200
5. Equity Payment. The Senate and Governor include an equity payment to ensure that all districts in FY 2002-03 have a calculated foundation allowance of at least \$6,500 per pupil. The Senate also included language clarifying that equity payments will be built into the next year's foundation allowance calculations.	17,388,400
6. At-Risk. The Senate increases funding corresponding to the proposed increase in the basic foundation allowance and removes the proration projected to occur in this section.	8,957,300
7. Early Childhood. The Senate concurs with the Executive to increase funding by \$5,000,000 over the current year for further expansion of wrap-around services and full-day programs	5,000,000
8. Special Payment for Detroit Schools. The Senate proposes an additional payment to the Detroit Public Schools equal to \$15,000,000.	15,000,000
9. Other Changes. The Senate proposal contains miscellaneous appropriations increases for the Database for Education and Performance Information, school lunch programs reimbursements, ISD general operations, and reimbursement to ISDs for losses in revenue due to changes in taxable values.	3,461,800
Total Changes	\$343,932,200
FY 2002-03 Senate Gross Appropriation	\$11,662,590,500

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Changes from FY 1999-2000 Year-to-Date:

1. **Non-Resident Pupil Definition.** Removes the "contiguous" requirement from the definition of a non-resident pupil to concur with the new proposal for State-wide schools of choice. (Sec. 6(6)(h))
2. **Non-Resident Pupils in a First Class School District.** Retains language requiring the permission of a first class district before counting nonresident pupils in the educating district if the pupils are residents of the first class district and the instructional site is located within the first class district. (Sec. 6(6)(j))
3. **General Fund Lapses.** New language is added requiring unexpended general fund allocations, except Renaissance Zone dollars, to lapse to the School Aid Fund. (Sec. 11(4))
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5. **Foundation Allowance Reduction.** The Senate removed language stating that each district's foundation allowance may be reduced if the Kids First! Yes! Constitutional Amendment is passed. (Sec. 20(20))
6. **At-Risk Funds for School Lunch.** Removes the restriction that \$10 per pupil received in At-Risk funds must be used to support school lunch programs. (Sec. 31a(5))
7. **Early Childhood.** Proposal increases the per pupil school readiness grant from \$3,100 to \$3,300 beginning in FY 2000-01.
8. **Day of Pupil Instruction.** Proposal **does not concur** with the Executive recommendation of the requirement that a full day of instruction will not be counted unless at least 5.0 hours of pupil instruction are held. (Sec. 101(11))
9. **School Calendar Task Force.** Creates the School Calendar Task Force to study the benefits or disadvantages of the mandatory closing of school on the Friday before Labor Day and to also look into a mandatory post-Labor Day start of the school year on a State-wide basis.
10. **High School Proficiency Tests.** Proposal deletes many portions of the requirements, including: Department development of scaled scores; mandatory administration of the tests in the last 30 days of grade 11; mandating that tests be scored by Michigan teachers, retired teachers, and administrators; and the requirement of a meeting between school district personnel and a student who does not meet the qualifications for endorsement.
11. **State-Wide Schools of Choice.** Proposal deletes the "contiguous" requirement that allows districts to operate a schools of choice program with a contiguous district that is outside of their resident ISD, thereby making the schools of choice program open to any student within the State. (Sec. 105c)
12. **Non-Resident Schools of Choice Pupils.** Proposal adds language to the schools of choice Sections (105 and 105c) that guarantees students enrolled in a choice program under those sections to continue to enroll in that choice district until the pupil graduates from high school, even if the enrolling district discontinues offering a schools of choice program.
13. **Certificated Teachers and Counselors.** Proposal allows the use of non-certificated teachers and counselors only for the purposes of the Adult Learning program under Section 108. (Sec. 163)

Date Completed: 03-21-00

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