



Senate Fiscal Agency
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Senate Bill 650 (Substitute S-1 as reported)
Senate Bill 651 (as reported without amendment)
Sponsor: Senator Lana Theis (S.B. 650)
 Senator Jeremy Moss (S.B. 651)
Committee: Education and Career Readiness

CONTENT

Senate Bill 650 (S-1) would amend the State School Aid Act to do the following:

- Modify the definition of "teachers of record" to eliminate a February 1, 2020, sunset date for allowing districts partnered with an education management organization (EMO) for a dropout recovery program to use a teacher of record who is employed by or contracted through the EMO.
- Require a dropout recovery program to provide both an advocate and a teacher of record in order to qualify for special membership counting provisions.

Senate Bill 651 would amend the Revised School Code to do the following:

- Require an EMO partnered with a school district or public school academy (PSA) to provide certain information regarding dropout recovery programs to the district or PSA on a quarterly basis.
- Require a school district or public school academy partnered with an EMO to provide certain information to the Department of Education each year.
- Allow a teacher of record to be employed by or contracted through an EMO.

MCL 388.1623a (S.B. 650)
380.1231 et al. (S.B. 651)

Legislative Analyst: Dana Adams

FISCAL IMPACT

Senate Bill 650 (S-1) would have no fiscal impact on the State. The bill could have a fiscal impact on school districts that currently partner with an EMO for a dropout recovery program, which instead would have to hire teachers directly for the program (or cease operating a program) if the sunset of February 1, 2020, were not removed. However, whether those impacts would be positive or negative is indeterminate. In addition, the bill could lead to increased costs for districts that currently employ either an advocate or teacher of record, since the bill would require districts instead to employ both an advocate and teacher of record for dropout recovery programs.

Senate Bill 651 would have no fiscal impact on the State or local schools or PSAs. The bill could have a fiscal impact on school districts and PSAs that chose to operate a dropout recovery program with an EMO because of the proposed additional oversight and reporting requirements. Those additional costs likely would be minimal since it is the responsibility of the EMO to provide the information necessary to the Department.

The Department would experience minimal administrative costs to collect the information required under the bill. Since the dates would be subject to the Department, the costs likely would be covered by current data collection processes and appropriations.

Date Completed: 12-11-19

Fiscal Analyst: Cory Savino
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