

# Legislative Analysis



## ALLOWABLE USES OF INTERMEDIATE SCHOOL DISTRICT CAREER AND TECHNICAL EDUCATION MILLAGE

Phone: (517) 373-8080  
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**House Bill 4279 as reported from committee**  
**Sponsor: Rep. Curt S. VanderWall**  
**Committee: Education**  
**Complete to 2-27-24**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 4279 would amend the Revised School Code to allow an intermediate school district (ISD) to contract with another ISD for the purposes of operating an *area career and technical education (CTE) program*,<sup>1</sup> and to add language specifying that money raised through a CTE millage by an ISD can be spent on a program that is operated under a contract with another ISD. This would apply to millages authorized after the effective date of the bill.

*Area career and technical education program* means a program of organized, systematic instruction designed to prepare the following individuals for useful employment in recognized occupations:

- Individuals participating in CTE readiness activities that lead to enrollment in a CTE program in high school.
- Individuals enrolled in high school in a school district, intermediate school district, public school academy, or nonpublic school.
- Individuals who have completed or left high school and who are available for full-time study in preparation for entering the labor market.
- Individuals who have entered the labor market and who need training or retraining to achieve stability or advancement in employment.

As used in this term, as well as in the term “area vocational-technical education program,” *area* means the geographical territory within the boundaries of a K-12 school district, an intermediate school district, or a community college district that is designated by the Michigan Department of Education (MDE) as the service area for the operation of an area vocational-technical education program.

MCL 380.681 and 380.684

### BACKGROUND AND DISCUSSION:

Intermediate school districts are presently allowed to seek voter approval of a millage to fund operations of an area career and technical education program. Local districts located within an ISD that does not have a CTE program (regardless of whether that program is funded through a millage) may contract with another ISD so that their students can attend a CTE program within that other intermediate district. The costs of transporting students to the other ISD’s CTE program facility are paid by the student’s home district.

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<sup>1</sup> [R 395.241](#) of the Michigan Administrative Code contains the definition of a state-approved CTE program.

Supporters of the bill say that making the proposed changes will alleviate budgetary pressures incurred by home districts when transporting pupils to a CTE facility in another district. They note that the increased travel costs are still less than the cost to the district or ISD to operate a full program on its own, ensuring that students are still able to pursue the educational opportunities they want without the district needing to seek a larger millage to operate a program on its own when one is already offered by a nearby district.

#### **FISCAL IMPACT:**

The bill would have no impact on the state and could reduce costs for certain school districts that currently have pupils enrolled in CTE programs operated under a contract with another ISD. The bill would allow ISDs to seek a millage to cover the costs of contracting with another ISD for the CTE programs, which would increase revenues if passed.

#### **POSITIONS:**

The Wexford-Missaukee ISD testified in support of the bill. (5-16-23)

The following entities indicated support for the bill:

- Michigan Department of Education (5-16-23)
- Michigan Association of Intermediate School Administrators (5-23-23)
- Home Builders Association of Michigan (5-16-23)
- Michigan Alliance for Student Opportunity (5-16-23)

Legislative Analyst: Josh Roesner  
Fiscal Analysts: Jacqueline Mullen  
Noel Benson

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