

EXPAND DEFINITION OF DUAL ENROLLMENT POSTSECONDARY INSTITUTIONS

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House Bill 4735 (proposed substitute H-2)
Sponsor: Rep. Aaron Miller
Committee: Education Reform
Complete to 9-13-17

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

SUMMARY:

House Bill 4735 would amend the Postsecondary Enrollment Options Act to expand the eligible postsecondary institutions with which a student may participate in dual enrollment programs to include out-of-state institutions for pupils in districts, or public school academies or nonpublic schools located in districts, that border other states.

Essentially the Postsecondary Enrollment Options Act allows eligible high school students to take certain postsecondary courses for high school credit, as long as the Act's requirements are met, and provides for state funding for eligible costs up to a capped state share, calculated annually based on average statewide per pupil foundation allowances.

Currently, an *eligible postsecondary institution* includes a state university, community college, or independent nonprofit degree-granting college or university that complies with the act and is located in Michigan.

House Bill 4735 would expand that definition to apply to out-of-state colleges in bordering states that comply with the act, as long as at least one of the following applies:

- For eligible students enrolled in a school district, the district must share a land border with the state in which the out-of-state college is located.
- For eligible students enrolled in a public school academy (PSA, or charter school), or nonpublic school, the school must be located in a district that shares a land border with the state in which the out-of-state college is located.

The bill would also define *out-of-state college* as a degree-granting college or university located in another state that is determined by the Michigan Department of Education (MDE) to be legally established in that state and serve the same functions in that state as an eligible institution would in Michigan.

These changes to the Postsecondary Enrollment Options Act would align it with the State School Aid Act, which incorporated similar conditions for pupils eligible to be counted in a district's membership under PA 108 of 2017.¹

MCL 388.513

BACKGROUND:

In order to provide additional course options at postsecondary institutions, the Postsecondary Enrollment Options Act, enacted in 1996, provides for state payment for a share of eligible dual enrollment costs. State payment for "eligible charges" is subject to yearly course limits based on when the student first enrolls in courses under the act, as well as an overall limit of ten courses.

Unless otherwise agreed, the school district is billed directly by the postsecondary institution. The district then pays for the student's tuition, mandatory course fees, material fees, and registration fees, capped at the statewide pupil-weighted average foundation allowance—estimated at \$7,784 for the 2017-2018 school year— and adjusted for the proportion of the school year that the student attends the postsecondary institution from the state funds allocated to the district under the State School Aid Act. For students enrolled in nonpublic schools, the postsecondary institution bills the state Department of Treasury. To the extent that the funds provided by the state are insufficient to cover the eligible costs, the student is required to make up the difference.

FISCAL IMPACT:

House Bill 4735 would have no fiscal impact for the state or for school districts because the bill would align the Postsecondary Enrollment Options Act with recently enacted changes to Section 6 of the State School Aid Act to expand the pupils who may be counted by a district for dual enrollment purposes to include those attending out-of-state postsecondary institutions if the district borders another state.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

¹ See the State School Aid Act, MCL 388.1606(4)(jj) effective October 1, 2017.