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BILL ANALYSIS



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Senate Bill 679 (Substitute S-3 as reported by Committee of the Whole)
Sponsor: Senator Leon Stille
Committee: Education

CONTENT

The bill would amend the School Code of 1976, which it would rename the "Revised School Code", to do the following:

- Replace second, third, and fourth class school districts and primary school districts with "general powers school districts", and specify their powers and duties, such as holding elections.
- Remove the maximum of 75 on the total number of public school academy contracts that all State public universities may issue; permit community colleges to contract for more than one academy; and provide that a school district "that operates grades K-12" could issue a contract.
- Provide that revenue from taxes levied by a school district could be used to support a public school academy operated by the district.
- Require the State Board of Education to report to the Legislature on mandates imposed on school districts, intermediate school districts (ISDs), and public school academies.
- Provide that a school-age child residing in the State could attend any public school in the State offering the appropriate grade level for the child.
- Delete requirements that the State Board propose rules establishing a required core academic curriculum.
- Increase the required number of pupil instruction days in a school year to 195 by the 2011-2012 school year, and increase the minimum number of pupil instruction hours to 1,170 by the 2011-2012 school year.
- Provide for the issuance of a one-year nonrenewable temporary teaching certificate to an out-of-state teacher and require him or her to pass a basic skills or subject area examination to receive a Michigan teaching certificate.
- Provide for the issuance of a teaching certificate to a person who met certain criteria, including at least five years' occupational experience and passage of basic skills and subject area examinations, without requiring him or her to meet other requirements.
- Permit, instead of require, the establishment of a bilingual instruction program; and, require the State to fund bilingual education at the level funded in FY 1995-96.
- Provide that a child would not have to attend a public school if the child were being educated by his or her parent or legal guardian at the child's home.
- Require a school board or public school academy board to ensure certain average class sizes for grades K-3 in schools where at least half of the pupils qualified for free breakfast, lunch, or milk.
- Prohibit the State Board or Department of Education from promulgating rules, if the Supreme Court ruled that provisions on rules promulgation and adoption in the Administrative Procedures Act were unconstitutional and a statute requiring legislative review of rules were not enacted within 90 days.
- Require public school academies to comply with Code provisions on the tagging of missing students' records; identification requirements for enrolling students; prohibition against separate schools or departments based on race, color, or sex; bilingual education; and, school building construction.

- Require the State Board to nullify immediately a person's teaching certificate upon conviction of various offenses concerning: child abuse or neglect, criminal sexual conduct, controlled substance possession and delivery, and sale or furnishing of liquor to minors.

The bill also would repeal entire parts of the Code pertaining to primary districts and districts of the fourth, third, and second classes. The bill would repeal various sections of the Code including those on: assistance for students not advancing in grade level; teaching dispute management; multicultural education; site-based decision-making; and, continuing education requirements for administrators. In addition, the bill would repeal various academic requirements including those pertaining to: pupil performance standards; student portfolios; establishment of grades and courses to provide a core academic curriculum; student eligibility to enroll in drivers education courses; and, prohibition against students' carrying pocket papers.

The bill also would repeal provisions in the State School Aid Act on tuition charges (MCL 388.1711) and payments to districts in which tuition pupils are in school membership (MCL 388.1718).

MCL 380.1 et al.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have an unknown fiscal impact on State and local government. Provisions of this bill could contain a mandated cost to units of local government pursuant to Section 29 of Article IX of the State Constitution of 1963. Individual provisions of the bill are discussed below.

School Choice. Under the current State School Aid Act, the State payment for a student is based on the foundation allowance of the pupil's district of residence. For students currently in public schools, the State payment would not be changed by the choice provisions of the bill. The open enrollment provisions, however, could attract children currently educated in private or home schools to the public school system. This would increase pupil membership and thus the State cost of funding the foundation allowance appropriation by an estimated \$10.7 million annualized cost for each 1% of the State's 194,000 private and home-schooled pupils who enrolled in public schools. The appropriation for the foundation allowance is fixed, however, and if expenditures were estimated to exceed the appropriated amount, payments to all districts from the foundation allowance would be subject to proration. Alternatively, a supplemental appropriation could be made to allow full funding of the foundation allowance. The impact of the choice provisions on local school districts would vary based on local circumstances. A local district would lose a foundation allowance for each pupil who left for another district under choice. Implementation of the choice provisions would require related changes in the State School Aid Act.

Professional Development. The requirement that local and intermediate districts, and public school academies provide an additional day of professional development to teachers in each year beginning in 1997-98 appears to be a new State mandate. The cost of this provision could begin in 1997-98 and increase each year to the estimated full cost of \$22 million to \$30 million annually, when the full five additional days were implemented in 2001-2002.

Bilingual Education. The bill would change bilingual education from a mandated State program to an optional program and would recommend that State funding continue at least at the current level. In FY 1995-96, the State School Aid Act provides \$4,212,000 to fund the mandated program. While the bill does not affect the FY 1995-96 appropriation, eliminating the mandate could make this funding available for other programs.

Days and Hours of Instruction. The bill would prohibit recess from counting as pupil instruction

time. Current practice allows up to two recesses to be counted as instructional time if they are supervised by a certificated teacher, are of a reasonable duration, and are not adjacent to the lunch period. In addition, the bill would add intent language that would gradually increase the required number of days by one day per year beginning in 1997-98, until a total of 195 days of pupil instruction was reached in the 2011-2012 school year. The required number of hours would gradually increase from the current 990 to 1,170 in the 2011-2012 school year. Local school districts, ISDs, and public school academies could incur increased costs in complying with this provision depending on the length of the current school calendar.

Class Size Reduction. A school district or public school academy with elementary school buildings where at least 50% of the pupils were eligible for free lunch, breakfast, or milk could incur additional expenses in complying with the class size limitation in grades K to 3 in those buildings. Although the districts would not be required to spend funds in addition to the amount of State payments from the At-Risk Program, they would likely have to reallocate At-Risk or other funding from existing programs in order to comply with the provision.

General Powers. Local districts could incur additional administrative and legal costs in developing or changing procedures, governance structures, and bylaws under general powers.

Millage for Staff Housing. The current provision that allows school districts to levy a one-year tax to fund housing for district employees would be limited by the bill after January 1, 1996, to only those districts renewing an existing millage for that purpose.

Use of Property Taxes for Public School Academies. The bill would provide an option for local or intermediate districts to use property tax revenue or the proceeds of a bond issue to support a public school academy authorized by the district.

Public School Academies--New Requirements. Public school academies would have new requirements under the substitute. They would be subject to the same limitations as local and intermediate school districts with regard to borrowing in anticipation of State aid payments. They would be subject to the intended increases in days and hours of instruction and to the report of days and hours of pupil instruction conducted in the previous school year. Academies would be required to insure their property, tag the records of missing students, verify identity and age of pupils at enrollment, abide by antidiscrimination provisions, and submit site plans of proposed construction to the Superintendent of Public Instruction. These requirements could increase the cost of academy operations.

Public School Academies--Cap on Authorizations by Universities and Community Colleges. The removal of the limitations on the number of public school academies authorized by universities and community colleges could allow quicker expansion of public school academies.

Department of Education and State Board of Education. The State Board of Education would incur additional costs for preparing reports evaluating public school academies. The costs of the reports would range from minimal to \$25,000 depending on the number of academies and the methodology employed by the State Board.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.