



Senate Fiscal Agency
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House Bill is H.B. 4325

FY 2011-12 Senate-Passed Gross Appropriation	\$12,400,238,000
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House Changes to Senate-Passed:

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| 1. Foundation Allowance. The Senate included a per-pupil reduction of \$340 (which consists of continuing the existing \$170 State reduction and an additional \$170 cut). The House included a reduction of 3.5% applied to a district's foundation, or the basic foundation allowance, whichever is less, plus a further \$170 cut, for a total cut ranging between \$426 and \$467. | (148,313,200) |
| 2. Half-Day Kindergarten. The Senate included a change to kindergarten funding such that half-day programs would be funded with one-half funding. The House did not include this change for FY 2011-12, although it was included for FY 2012-13. | 175,000,000 |
| 3. Best Practices Incentive Grants. The Senate included \$200.0 million for a "best practices" incentive grant program. The House included language, but no funding. | (200,000,000) |
| 4. ISD Special Education – Hold Harmless and FICA. The Senate restored the proposed elimination of hold harmless and FICA payments to intermediate districts. House did not. | (16,713,900) |
| 5. Pupil Membership Blend. The Senate changed the pupil membership blend from 75/25 to 90/10, saving the State \$15.0 million. The House did not include this change. | 15,000,000 |
| 6. Renaissance Zone and PILT Reimbursement. The Senate reduced Renaissance Zone reimbursements by 50.0% (\$13.1 million) and eliminated PILT (\$2.9 million). The House did not include those cuts. | 16,040,000 |
| 7. State Aid to Libraries. The Senate fully funded State Aid to Library payments at FY 2010-11 levels; the House concurred with the Governor to eliminate this funding. | (3,607,300) |
| 8. School Readiness Grants. The Senate increased School Readiness funding by \$6.0 million; the House did not concur. | (6,000,000) |
| 9. At-Risk Payments for Dearborn and Baldwin. The Senate eliminated At-Risk payments for Dearborn and Baldwin; the House did not concur and instead restored the funding. | 5,000,000 |
| 10. Declining Enrollment for Small, Rural Districts. The Senate did not concur with the Governor to eliminate \$7.0 million for declining enrollment funding to small, rural districts. House retained a \$100 placeholder. | (6,999,900) |
| 11. Rural/Isolated Districts Funding. The Senate doubled current year funding for rural, isolated districts. The House concurred with the Governor to eliminate the funding. | (4,050,000) |
| 12. Other Categoricals. The Senate reduced Court Placed Pupils by \$500,000; restored \$700,000 of the MBT Hold Harmless funding; cut Math/Science Centers and ECIC Collaboratives by \$100,000 each, restored Youth Challenge to current year funding (\$97,500 cost), and cut the Michigan Virtual University by \$250,000. The House did not concur in these changes. | 152,500 |

Total Changes	(\$174,491,800)
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FY 2011-12 House-Passed Gross Appropriation	\$12,225,746,200
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Changes from FY 2011-12 Senate-Passed:

1. **Pupil Count Day.** Senate concurred with the Governor to change the pupil count day from the last Wednesday in September to the first Wednesday in October. House did not include this change. (Sec. 6)
2. **Half-Day Kindergarten.** Senate included a change in funding for kindergarten such that programs that operate half day would receive half funding, rather than current law full funding. The Senate made this change effective for the upcoming school year, FY 2011-12. House included this change, but made it effective in FY 2012-13. (Sec. 6(4)(r))
3. **Counting Certain Vocational Education Pupils in Membership.** Senate included language allowing educating districts to count certain vocational education pupils in membership, without the approval of the district of residence. (Sec. 6 (6)(p)(q) and (r))
4. **FY 2012-13 Appropriations.** Senate included language stating the intent of the Legislature to appropriate funding in FY 2012-13 at FY 2011-12 levels, adjusted for caseload and cost factors. House included actual FY 2012-13 appropriations, throughout the bill. (Sec. 12)
5. **Reporting of Health Care Bids.** Senate included a new requirement that districts post the health care bids required under the Public Employees' Health Benefit Act to their web sites. House did not include this requirement. (Sec. 18)
6. **Best Practices Incentive Grants.** Senate included \$200.0 million for FY 2011-12 for best practices incentive grants. House included the grant, but without an appropriation. The allowable uses of the grants differ between the two chambers. (Sec. 22f)
7. **Early Childhood Language.** House included numerous changes to various sections of early childhood funding, including intent to consolidate funding into a block grant in FY 2012-13, changing fiduciary agents, maintaining the use of Great Start Readiness Program (GSRP) funds for Parents in Education programming, not including the definition of full-day GSRP programming, and other items. (Sections 32b, 32d, 32j)
8. **Health Care Costs.** Senate included language encouraging districts to review their health care costs and consider additional employee cost sharing. House did not include this language, although capping of district health care costs is one of the criteria mentioned under the Best Practices grants of the House's version of Sec. 22f. (Sec. 166f)

Date Completed: 5-6-11

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