



**Capitol Services, Inc.**  
110 W. Michigan Ave., Ste 700. Lansing, MI 48933  
517.372.0860 Fax 517.372.0723  
www.CapitolServices.org

To: Council About Parochial Aid  
From: Cara Spagnuolo and Ellen Hoekstra  
Date: Legislative Report  
Re: March 6, 2008

### **School Aid Increases Proposed**

The Governor has issued her executive budget bill, and hearings on specific budget bills are taking place. Highlights of her proposals for the K-12 budget include:

- Increasing the minimum foundation allowance to \$7,420, an increase of \$216 per pupil (3%), and the basic foundation allowance to \$8,541, an increase of \$108 per pupil (1.3%), with those districts in between receiving between \$108 to \$216 per pupil.
- Moving \$32 million from the *Durant* settlement, cash payments to which are now ending, to help districts replace large high schools with low academic achievement and high drop out rates with small high schools.
- Renaming the School Readiness Program (Sec. 32d) as the Great Start Readiness Program and adding \$24 million to add around 7000 new slots at a per child allotment of \$3400. These programs target at risk four year olds.
- Maintaining At-Risk (Sec. 31a) funding at \$310,457,000, the current funding level.
- ISD operational funding is increasing by \$2.9 million to \$83.8 million. \$1.9 million is earmarked for providing technical assistance related to Michigan Merit curriculum to high schools not achieving AYP.
- Reducing the retirement costs to school districts paid by districts from 16.17% to 16.54%, due to some actuarial changes in state law.

The School Aid bill began in the Senate this year, with hearings taking place before the Senate K-12 Subcommittee. Subcommittee members have already heard remarks about many parts of the budget, including support for the increases in the school readiness program, given that a number of districts are serving far more at risk four year olds than the state funding will cover.

### **Proportional Senate, Voucher Plans Getting Slow Start**

A proposal that would convert the current foundation grants to a voucher could be headed for the November ballot. Under the Personal Education Account proposal, all School Aid Fund revenues would be divvied out to residents with children ages 4 to 18 and could be used for tuition at any educational institution, including all colleges and universities. Please see the attached articles for more details on this proposal, which frankly does not seem to have much traction at this point.

### **Shared Time Instruction**

SB 836, sponsored by Sen. Gerald Van Woerkom (R-Norton Shores), would amend the State School Aid Act to insert a 60 timeline into the terms under which a district may receive State school aid for a nonpublic school student or home schooled student enrolled in certain curricular offerings provided by the district.

Under this act, a parent or legal guardian of a minor who is enrolled in a nonpublic school within a district, or who is being home schooled but resides in the district may enroll the minor in a curriculum offering that is provided by the district at the nonpublic school site.

State school aid may be provided for a minor under these provisions only if the following conditions are met: the nonpublic school be located, or the nonpublic students be educated, within the geographic boundaries of either the district or a contiguous district operating under a cooperative program for which the district is a member and that is established for the purpose of providing nonessential elective courses to nonpublic students. The instruction must be scheduled during the hours of a regular school day and the instruction must be provided by an employee of the district or of an ISD.

The current law would require that the nonpublic school be located, or the nonpublic students be educated within the geographic boundaries of the district, or if the district could not provide all or some of the instruction, the portion that the district could not provide would instead be provided by a contiguous district. The bill indicates that districts must indicate their willingness or unwillingness to provide instruction by May 1 of the previous school year. In cases which the request is made after March 1, the district has 60 days to respond. Nonresponse within these time frames would permit a nonpublic school to go to a contiguous district.

The bill passed the Senate and has been referred to the House Committee on Education.

## **Promise Grant Legislation**

SB 646, sponsored by Sen. Deborah Cherry (D-Burton), would amend the Michigan Promise Grant Act to remove a requirement that a student who graduates from high school beginning in the 2010-2011 school year complete three credits in math and three credits in science in order to be eligible for grant payments during the student's first two years of postsecondary enrollment. Currently, the Act provides for a \$4,000 grant to be paid to students who take the State Assessment and enroll in an approved postsecondary educational institution within two years of graduating.

Any student who receives a qualifying score on the reading, writing, math and science sections of the State assessment is eligible for two payments of \$1,000 each to be paid on October 1 for each of the student's first two year of postsecondary enrollment. The Act also requires that a student who graduates from high school in or after the 2010-2011 school year to complete at least three credits in math and three credits in science as required under the Michigan Merit Standard in order to be eligible for a grant.

The bill, which has been referred to the Committee on Education, is being sought by the Michigan Catholic Conference and other nonpublic schools because they are concerned that they may not be able to offer their students the math and science course work required by the Michigan Promise Grant, even if they meet the cut score requirements. Their curricula are not required by law to be aligned with the Michigan Curriculum Standards. Although the committee has had two hearings on the bill, it has not moved forward, due in part to opposition from the Michigan Chamber of Commerce.

## **Flanagan Testifies Against Reducing Graduation Requirements**

Superintendent Mike Flanagan testified this week that it is too early to begin reducing mandates for high school graduation. Testifying in front of the House Education High School Alternatives Subcommittee, he urged people to wait before making changes, since "these are freshmen who have completed one semester." He indicated that he thought some of the concern arose from people confusing course requirements with the actual state standards. Another source of the problem, he said is the result of some districts reducing the number of school days, now that the state has gone from a school day to an hour of instruction requirement. However, some legislators, including Rep. Steve Lindberg (D-Marquette), once a high school teacher, remained unconvinced of the Superintendent's thesis. He suggested that the state create some carve outs, pointing out that if he had been required to master a musical instrument before graduating from high school, he would never have graduated. At the recent Education Summit, the Government made similar comments.

## **Senate and House Committees of Interest to CAP**

**Senate Education:** Chair Sen. Wayne Kuipers (R), Vice Chair Sen. Gerald Van Woerkom (R), Sen. Nancy Cassis (R), Minority Vice Chair Sen. Gretchen Whitmer (D), Sen. John Gleason (D).

**Senate Appropriations K-12 School Aid and Department of Education Subcommittee:** Chair Sen. Ron Jelinek (R), Vice Chair Sen. Cameron Brown (R), Sen. Valde Garcia (R), Minority Vice Chair Sen. Liz Brater (D)

**Senate Appropriations Community Colleges Subcommittee:** Chair Sen. Bill Hardiman (R), Vice Chair Michelle McManus (R), Minority Vice Chair Sen. Irma Clark- Coleman (D)

**Senate Appropriations Higher Education Subcommittee:** Chair Sen. Tony Stamas (R), Vice Chair Sen. Tom George (R), Sen. Bill Hardiman (R), Sen. Michelle McManus (R), Minority Vice Chair Sen. Jim Barcia (D), Sen. Glenn Anderson (D), Sen. Liz Brater (D)

**House Education:** Chair Rep. Tim Melton (D), Vice Chair Rep. Mary Valentine (D), Rep. Kathy Angerer (D), Rep. Terry Brown (D), Rep. Barb Byrum (D), Rep. Brenda Clack (D), Rep. Marc Corriveau (D), Rep. Robert Dean (D), Rep. Hoon-Yung Hopgood (D), Rep. Steven Lindberg (D), Rep. Andy Meisner (D), Rep. Fred Miller (D), Rep. Gino Polidori (D), Rep. Bettie Scott (D), Minority Vice Chair Rep. John Moolenaar (R), Rep. Judy Emmons (R), Rep. David Hildenbrand (R), Rep. Jack Hoogendyk (R), Rep. Marty Knollenberg (R), Rep. Paul Opsommer (R), Rep. Tom Pearce (R), Rep. Tanya Schuitmaker (R), Rep. Glenn Steil (R)

**House Appropriations K-12 School Aid and Department of Education Subcommittee:** Chair Rep. Matthew Gillard (D), Vice Chair Rep. Aldo Vagnozzi (D), Rep. Marsha Cheeks (D), Rep. Dudley Spade (D), Minority Vice Chair Rep. Bruce Caswell (R), Rep. Chuck Moss (R)

**House Appropriations Community College Subcommittee:** Chair Rep. Michael Sak (D), Vice Chair Joan Bauer (D), Minority Vice Chair Darwin Booher (R)

**House Appropriations Higher Education Subcommittee:** Chair Rep. Pam Byrnes (D), Vice Chair Lee Gonzales (D), Rep. Joan Bauer (D), Rep. Shanelle Jackson (D), Rep. Gary Mc Dowell (D), Rep. Alma Wheeler Smith (D), Minority Vice Chair Bill Caul (R), Rep. David Agema (R), Rep. Fran Amos (R)

### **House Standing Committee on Judiciary**

Chair Rep. Pail Condino (D), Vice Chair Rep. Andy Coulouris (D), Rep. Steve Bieda (D), Rep. Marc Corriveau (D), Rep. mark Meadows (D), Rep. Andy Meisner (D), Rep. Bettie Scott (D), Rep. Virgil Smith (D), Rep. Rebekah Warren (D), Rep. Tanya Schuitmaker (R),

Rep. David Law (R), Rep. Kevin Elsenheimer (R), Rep. John Stakoe (R), Rep. Rick Jones (R),  
Rep. Tory Rocca (R)

**Senate Standing Committee on Judiciary**

Chair Sen. Wayne Kuipers (R), Sen. Alan Cropsey (R), Sen. Alan Sanborn (R), Sen. Bruce  
Patterson (R), Sen. Gretchen Whitmer (D), Sen. Hansen Clarke (D), Sen. Mike Prusi (D)