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BILL ANALYSIS



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House Bill 4143 (Substitute S-2 as reported)
House Bill 4144 (Substitute S-2 as reported)
Sponsor: Representative John Moolenaar
House Committee: Education
Senate Committee: Education

Date Completed: 9-14-05

RATIONALE

The Postsecondary Enrollment Options Act and the Career and Technical Preparation Act allow high school students to enroll in courses at community colleges and universities, or at career and technical preparation programs operated by colleges and universities, for the purpose of receiving high school and/or postsecondary credit. Under both laws, a participating student's school district pays tuition and other eligible charges (mandatory course fees, material fees, and registration fees) from the district's State school aid funds, based on a formula in the Acts. To participate, students must meet eligibility criteria related to achievement on the high school proficiency exam (MEAP test) until the 2006-2007 school year, or on a readiness assessment or the Michigan Merit Exam beginning with that school year. The Acts also require students to be enrolled in at least one high school class in at least 11th grade, and prohibit students from participating in intercollegiate athletics while they are dually enrolled. The Acts do not otherwise limit the eligibility of students.

Some people have questioned whether students who are enrolled in high school for a fifth year should be eligible for dual enrollment paid for by school districts. In January 2005, the Attorney General issued an opinion that a school district may receive State school aid funds for a fifth-year student who is attending classes at a postsecondary institution under the Postsecondary Enrollment Options Act (PSEO), as long as the student meets the Act's eligibility criteria (Opinion of the Attorney General No. 7168). According to the opinion, nothing in the Act precludes a

school from "...encouraging students to remain in high school for a fifth year for the purpose of qualifying as an eligible student under the PSEO so that they may attend courses at postsecondary institutions that are paid for with state funds".

It has been suggested that fifth-year students should not be eligible for dual enrollment under the Acts, subject to exceptions for special circumstances.

CONTENT

House Bills 4143 (S-2) and 4144 (S-2) would amend the Postsecondary Enrollment Options Act and the Career and Technical Preparation Act, respectively, to limit eligibility under the Acts to students who had not been enrolled in high school for more than four school years.

Specifically, subject to State Board of Education rules, an eligible student could not have been enrolled in high school for more than four school years, including the school year in which the student sought to enroll in an eligible course under the Acts. A pupil who was enrolled in high school for less than 90 days of a school year due to illness or other circumstances beyond the control of the pupil or his or her parent or guardian would not be considered to be enrolled for that school year.

The State Board would have to promulgate rules establishing criteria and procedures under which a student who had been enrolled for more than four years but not more than five years could be considered an

eligible student. The rules would have to address special circumstances under which a student could qualify under this provision, and could limit the number of courses in which a student could enroll.

MCL 388.513 (H.B. 4143)
388.1093 (H.B. 4144)

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Dual enrollment programs increase the academic options for high school students who have reached certain levels of achievement. The programs allow students to earn high school and/or college credits, at State expense, for courses not offered by their districts. Participating students have the opportunity to explore career options while receiving technical or career training or credit toward an advanced degree. These options can help promote future employment or college graduation. It is questionable, however, whether the programs were designed to subsidize the postsecondary education of fifth-year high school students, who presumably should have graduated.

According to the Attorney General's opinion cited above, information received with the request for an opinion indicated "...that a school district is encouraging students to remain in high school for an additional year so that they can participate in the dual enrollment program and earn college credits at state expense". While the motives of the school district may be laudable, this creates a potential loophole that could be costly to the State, if students abused the system. Although most fifth-year students might have extenuating circumstances, such as illness, that kept them in high school, other students might simply have "goofed off" for four years.

To prevent a problem from developing, the bills generally would make fifth-year students ineligible under the Acts. Since some students might have valid reasons for not graduating after four years, however, the bill would require the State Board to create exceptions for special circumstances.

Response: If it is true that most fifth-year students have extenuating circumstances, then the exceptions could swallow the rule. This could result in excessive paperwork and staff time to determine who would be eligible. Rather than making fifth-year students ineligible for dual enrollment subject to exceptions, perhaps the bill should make fifth-year students *eligible except* under specific circumstances.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The State could realize a small saving for each pupil affected by this legislation. The students still would be allowed to enroll in high school to complete their diplomas; however, due to also being enrolled in college courses, it is likely that they would be counted only as a partial FTE. As a result, the State would pay out less in a foundation allowance, thus providing a small saving to the School Aid Fund.

Local districts would lose the corresponding amount of foundation allowance that would no longer be covered for these dual enrollment students.

Fiscal Analyst: Joe Carrasco

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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.