



Senate Fiscal Agency
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FY 2010-11 Senate-Passed Gross Appropriation \$12,707,812,000

House Changes to Senate-Passed:

- 1. **Per-Pupil Funding.** The Senate had increased the per-pupil reduction from this year's \$165 cut by another \$118, for a total reduction of \$283 compared to the 2008-09 school year. The House lowered the \$165 reduction to \$100 per pupil for 2010-11, spending \$183 per pupil more than the Senate, for a cost of \$287.3 million. 287,264,100
- 2. **Restoration of Declining Enrollment Grants.** The House restored the Senate's elimination of Declining Enrollment grants. 20,000,000
- 3. **Section 20j.** The Senate had restored one-half funding of Section 20j, along with an increase in the foundation allowance of \$10-\$20 per pupil, contingent on the enactment of legislation providing for a period of tax amnesty, and that sufficient revenues were generated by such amnesty. The House did not include these provisions (removing \$51.5 million from the bill), but did increase the six 20j districts whose per-pupil funding fell below the basic foundation allowance (\$8,489) with the Governor's veto of this section in FY 2009-10. The six affected districts are Avondale, Clarenceville, East Lansing, Harper Woods, Livonia, and Northville, and the total cost of this provision was \$10.3 million. (41,200,000)
- 4. **Intermediate School District (ISD) Operations.** The House increased ISD operational support by 12%, or \$8.0 million. This restored some of the 20% reduction in funding to ISD operations that occurred in FY 2009-10. 8,000,000
- 5. **Great Start Readiness Grants.** The House restored the FY 2009-10 50% reduction in funding to at-risk four-year olds served by entities other than districts. 7,575,000
- 6. **Interagency Early Childhood Grants.** The House restored a section vetoed by the Governor in FY 2009-10, appropriating \$1.5 million GF/GP for interagency early childhood grants targeting the prevention of childhood abuse and neglect. This appropriation is contingent on GF/GP revenues from the elimination of the double deduction allowed for State income tax purposes for indirect costs incurred in oil and gas production. 1,500,000
- 7. **Child and Adolescent Health Centers.** The House increased funding for Child and Adolescent Health Centers, back to FY 2008-09 levels. 1,185,700
- 8. **School Bus Inspections.** The Senate had concurred with the Governor to shift the responsibility for school bus inspections onto school districts, with a small State Police staff to randomly audit local inspections. The House added funding for the State Police to continue to perform all bus inspections. 969,700
- 9. **Other Funding Additions.** The House restored funding for 3% wage and salary economics (\$267,100), increased funding for holding districts harmless from changes in the MBT (\$700,000), added \$250,000 for administration of the GenNet program, and restored \$100,000 in vetoed funding for Cultural Access Grants. 1,317,100
- 10. **Technical Adjustments.** The House incorporated numerous technical funding adjustments, stemming from consensus on pupil, special education, and taxable value estimates. (39,799,800)
- 11. **Other Issues.** The House reduced by 25% the per-pupil funding for pupils in a cyber school or in a program under a seat-time waiver, saving \$5.7 million. The House also reduced MI Virtual University's appropriation by \$250,000. (5,950,000)

Total Changes..... \$240,861,800

FY 2010-11 House-Passed Gross Appropriation \$12,948,673,800

Changes from FY 2010-11 Senate-Passed:

1. **Pupil Membership Definition.** The House added language that counts a pupil in a cyber school or in a program under a seat-time waiver as 75% of a full-time equivalent student. (Sec. 6(4)(ff))
2. **Service Consolidation Plans.** The Senate had required a report from schools on their efforts to consolidate services. The House required districts to begin consolidating identified services no later than February 1, 2011 with a report on the implementation. (Sec. 11d)
3. **Dearborn's At-Risk Payment.** The House added language revising the FY 2009-10 25% reduction to Dearborn's At-Risk allocation such that it would be reduced after all payments under the section were prorated, rather than before the proration. The change is effective beginning in FY 2010-11. (Sec. 31a)
4. **ISD Operations.** The House added language protecting from future reductions the portion of an ISD's allocation under Section 81 equal to the amount transferred into the section for each ISD in 1994-95 related to their FICA and retirement allocations. (Sec. 81)
5. **Days and Hours.** The Senate had increased the minimum number of days of instruction to 170 for FY 2010-11; the House maintained current law, with districts providing no fewer than 165 days of instruction. (Sec. 101)
6. **Charters Providing Instruction for Nonpublic Schools.** The Senate had included language allowing a charter school that is located in the district, or in a district contiguous to the district, in which the nonpublic school is located to provide instruction to a nonpublic student under the same conditions that apply to the contiguous district. The House did not include this language. (Sec. 166b)
7. **Basic Materials Hotline/Claims Process.** The Senate had changed current law to allow for districts to determine what constitutes adequate teaching materials, and eliminated the basic materials hotline and claims process. The House maintained current law. (Sec. 166c)
8. **Non-Disclosure Penalty.** The House added new language prohibiting a district or an education management organization contracted by the district from requiring an employee or someone working in the district to sign an agreement prohibiting them from disclosing information about their salary or other compensation. A violation of this section would impose a 5% total state aid penalty to the district. (Sec. 166d)

Date Completed: 5-26-10

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