



Telephone 373-8080

Fax 373-5874

HOUSE FISCAL AGENCY

124 N. Capitol Avenue
4 – North, HOB Lansing, MI

HB4190 AS REPORTED WITH AMENDMENT(S)
H-2

Sponsor
Committee

Rep. Doug Hart
EDUCATION

Analyst(s) Cleary, Mary Ann
Cummings, Laurie

Completed 3/7/01

State Fiscal Impact

Cost	None
Revenues	None

Local Fiscal Impact

Cost	None
Revenues	None

HB 4190 would amend the School Aid Act to create changes to the current Golden Apple Award program. It would expand the eligibility for a Golden Apple Award from elementary schools offering BOTH grades 4 and 5 in the same building to a combination of the following: 1) a school operating grade 5 AND 2) one or more other school buildings that operate grade 4, which promotes pupils to the school building operating grade 5. For example, a school that offers grades kindergarten through 4th grade (a "K-4" school) that sends its 4th graders to a school offering grades 5 through 8 (a "5-8" school) could receive an award, even though the K-4 building does not offer 5th grade itself. The K-4 would then share part of the award with the 5-8 school.

For schools with split grades 4 and 5, the amount of the award would equal \$1,000 per full-time employee working in a school operating grade 4 (plus \$10,000 for the principal) and would be received by the school operating grade 4. The funds must be used for school improvements focused on grades K to 5, as determined by a majority vote of the employees in the school operating grade 4.

HB 4190 would also eliminate special education students from the calculation of the required 90% participation rate unless the student's Individual Education Plan requires them to take the applicable MEAP tests or an alternative tests. Currently, at least 90% of all students in a school's fourth and fifth grades must have taken the MEAP test in order for the school to be eligible. However, not all special education students currently take the applicable MEAP tests, meaning that schools with a high percentage of special education students may have difficulty reaching the 90% threshold.

HB 4190 (H-2) could create a fiscal impact by qualifying more schools for an award based on an improvement in their composite MEAP scores. There are approximately 250 school buildings with a grade 4-5 split. Since HB 4190 would make one award for two or more buildings together, this leaves a possibility of up to 125 additional awards. Since some grade 5-8 schools have more than one K-4 "feeder" school, we anticipate the potential number of awards to be below 125 schools.

We estimate that making split-grade schools eligible for awards will create a minor additional cost to the School Aid Fund. In FY 1999-2000, 8% percent of eligible elementary buildings received awards based on an increase in their composite MEAP score. If this percentage holds true for the additional schools made eligible under HB 4190, we expect a maximum of about 10 additional awards. At a cost of \$50,000 per award, this would create a cost of an additional \$500,000 to the School Aid Fund, and increase of 6.25% over the current \$8 million Golden Apple appropriation.

Excluding special education students from the calculation of the required 90% MEAP test participation rate should increase the number of schools eligible for the award. The resulting number of additional schools that would qualify for a Golden Apple award is currently indeterminate and would equal approximately \$50,000 per additional school.