



Telephone 373-8080
Fax 373-5874

HOUSE FISCAL AGENCY

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

HB4800 AS INTRODUCED

Sponsor
Committee

Rep. Wayne Kuipers
EDUCATION

Analyst(s) Cleary, Mary Ann
Cummings, Laurie

Completed 6/4/01

State Fiscal Impact

Cost	Increase
Revenues	None

Local Fiscal Impact

Cost	None
Revenues	None

The current cap in the number of public school academies (PSAs) that may be chartered by public universities of 150 schools, a cap which was reached in the fall of 2000. HB 4800 would raise the cap on university-chartered schools by 50 schools in FY 2001, and an additional 50 in FY 2002, and by an additional 25 each year thereafter. Since the school year which occurs in FY 2001 is nearly complete for most districts, this bill would essentially raise the cap by 100 schools for FY 2002.

The average size of a new public school academy is expected to be approximately 300 students, for a total of 30,000 additional students in FY 2002 and 7,500 each subsequent year. (This analysis assumes that the cap will be reached each year.) It is estimated that 25 percent of students in these new charters will transfer from nonpublic schools or, in the case of kindergarten students, would have otherwise enrolled in a nonpublic school. It is assumed that the remaining 75 percent would transfer from existing public schools, creating no additional cost to the state. This means that there would be approximately 7,500 additional pupils in the public school system in FY 2002, and 1,875 additional pupils in FY 2003 and each subsequent year.

In FY 2002, PSAs will receive a per pupil foundation allowance equal to that of the surrounding school district or \$6,800 per pupil, which ever is less. In FY 2003, the limit is \$7,000. Multiplying the per-pupil amounts by the estimated additional pupils in the public school system yields an estimated additional cost to the state of \$51.0 million in FY 2002 and \$13.1 in FY 2003.