

**Summary: As reported from Subcommittee
House Bill 5531 (H-1) Draft 1
FY 2007-08 SCHOOL AID SUPPLEMENTAL**



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	FY 2007-08 YTD	FY 2007-08 Executive	FY 2007-08 House	FY 2007-08 Senate	FY 2007-08 Conference	Difference: House From FY 2007-08 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	1,479,326,300	1,479,326,300	1,479,326,300	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	11,491,789,200	11,381,664,200	11,400,169,200	0	0	(91,620,000)	-0.8
GF/GP	34,909,600	34,909,600	34,909,600	0	0	0	0.0
Gross	\$13,006,025,100	\$12,895,900,100	\$12,914,405,100	\$0	\$0	(\$91,620,000)	-0.7

Note: FY 2007-08 as of January 18, 2008.

Overview

The School Aid budget makes appropriations to the state's 552 local school districts, 230 public school academies, and 57 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Education Performance and Information, Department of Labor and Economic Growth, and other entities to implement certain grants and other programs related to K-12 education.

Budget Changes from FY 2007-08 YTD Appropriations

1. Proposal A Obligation Payment (Sec. 22a)

Exec and House provides a reduction to the current year appropriation of \$61.0 million to reflect changes in taxable values and pupil membership blends.

	FY 2007-08 YTD	Conf. Change
Gross	\$6,012,000,000	(\$61,000,000)
Restricted	6,012,000,000	(61,000,000)

2. Discretionary Payment (Sec. 22b)

Exec and House reduces the current appropriation by \$38.7 million to reflect changes in pupil membership blends.

Gross	\$3,722,000,000	(\$40,000,000)
Restricted	3,722,000,000	(40,000,000)

3. Supplemental Funding to Small, Isolated Districts (Sec. 22d)

House allocates \$1,275,000 to a new subsection that appropriates an estimated \$33 per pupil for school districts that have 5.0 or fewer pupils per square mile and a total square mileage greater than 200.

Exec allocates the \$1,275,000 to a new subsection that appropriates an estimated \$56 per pupil for school districts located in the upper peninsula and has 5.0 or fewer pupils per square mile.

Gross	N/A	\$1,275,000
Restricted	N/A	1,275,000

4. Mercy Education Project. (Sec. 31h)

House adds \$100,000 to Wayne RESA for the Mercy Education Project.

Gross	N/A	\$100,000
Restricted	N/A	100,000

5. Early Childhood Investment Corporation (ECIC) Collaborative Grants (Sec. 32b)

House increases funding by \$750,000 for a total of \$2.5 million.

Gross	\$1,750,000	\$750,000
Restricted	1,750,000	750,000

6. Early Childhood Grants (Sec. 32c)

House increases funding by \$375,000 for a total of \$2.5 million for 0-3 abuse and neglect prevention grants.

Gross	\$2,125,000	\$375,000
Restricted	0	0
GF/GP	\$2,125,000	\$375,000

Budget Changes from FY 2007-08 YTD Appropriations

		FY 2007-08 YTD	Conf. Change
7. School Readiness Program – District Grants (Sec. 32d)	Gross	\$81,179,100	\$21,400,000
<u>House</u> increases funding by \$18.5 million to fully fund all participating districts' slots. This would increase the slots available statewide by over 5,400 for a total of over 29,200. The bill also provides \$2.9 million to increase the per pupil allotment from \$3,400 to \$3,500.	Restricted	80,900,000	21,400,000
<u>Exec</u> appropriates \$4.7 million to districts that received less funding than their FY 2006-07 allocation level. (Sec. 32e)	GF/GP	\$279,100	\$0
8. School Readiness Program – Competitive Grants (Sec. 32l)	Gross	\$12,650,000	\$400,000
<u>House</u> increases funding by \$400,000 to increase the per pupil allotment from \$3,400 to \$3,500.	GF/GP	\$12,650,000	\$400,000
9. Special Education Payment (Sec. 51a)	Gross	\$1,431,183,000	(\$16,000,000)
<u>Exec and House</u> decreases funding by \$16.0 million to \$990.5 million to reflect changes in special education students and estimated special education costs.	Federal	424,700,000	0
	Restricted	1,006,483,000	(16,000,000)
10. Newsline (Sec. 54c)	Gross	N/A	\$80,000
<u>House</u> allocates \$80,000 to the Department of Education to make Newsline electronically available statewide for the visually impaired.	GF/GP	N/A	80,000
11. FIRST Robotics (Sec. 99h)	Gross	N/A	\$300,000
<u>Exec and House</u> allocates \$300,000 for competitive grants to districts that provide high school pupils with expanded opportunities to improve math, science, and technology skills by participating in the FIRST Robotics competition. Applicants must provide at least a 50% match from other private or local funds. (This program was funded in 2006-07 at \$150,000.)	Restricted	N/A	300,000
12. Science Engineering Mathematics Aerospace Academy (Sec. 99m)	Gross	N/A	\$100,000
<u>House</u> allocates \$100,000 to Wayne State University for the SEMAA (science, engineering, mathematics, aerospace academy) program. SEMAA shall make available at no cost its program to all kindergarten through 12th graders.	Restricted	N/A	100,000
13. Assessment Testing Costs (Sec. 104)	Gross	\$34,200,000	\$600,000
<u>Exec and House</u> increase funding by \$600,000 to begin to make secondary credit prototype assessments available to districts.	Federal	8,800,000	0
	Restricted	25,400,000	600,000

SCHOOL AID LINE-ITEM SUMMARY FY 2007-08
(Dollars in Thousands)



Sec.	Basic Foundation Allowance:
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FY 2007-08
PA 137 of 2007 Year-to-Date
\$8,433

FY 2007-08	
Change From YTD	Exec Rec. Supplemental
\$0	\$8,433

FY 2007-08	
Change From YTD	House Subcommittee Supplemental HB 5531
\$0	\$8,433

11f	Durant - Cash Payments
11g	Durant - Debt Service
11j	School Bond Redemption Fund
11m	Cash Flow Borrowing Costs
22a	Proposal A Obligation Payment
22b	Discretionary Payment
24	Court-Placed Pupils
24a	Juvenile Detention Facility Programs
24c	Challenge Program
26a	Renaissance Zone Reimbursement
26b	PILT Reimbursement
29	Declining Enrollment Grants
31a	"At Risk" Pupil Support
31a	Adolescent Health Centers
31a	Hearing and Vision Screening
31d	State School Lunch Programs
31d	Federal School Lunch Programs
31f	School Breakfast Program
31h	Mercy Education Project
32b	ECIC Collaborative Grants
32c	Early Childhood Grants
32d	School Readiness
32e	School Readiness - Hold Harmless
32j	Great Parents Great Start ISD programs
32l	School Readiness - Competitive
39a1	Federal "No Child Left Behind"
39a2	Other Federal Funding
41	Bilingual Education - State
51a	Special Education - Federal
51a	Special Education - State
54a	Special Education Evaluation Lending Library
54c	Newsline Grant
57	Advanced & Accelerated Program
61a	Vocational Education
62	ISD Voc. Ed Millage Equalization
64	Health/Science Middle College Program
65	Precollege Engineering
74	Bus Driver Safety Instruction
74	School Bus Inspections

\$32,000.0
\$141.0
\$1,900.0
\$22,800.0
\$6,012,000.0
\$3,722,000.0
\$8,000.0
\$3,103.4
\$1,283.9
\$50,000.0
\$3,400.0
\$20,000.0
\$310,457.0
\$3,743.0
\$5,150.0
\$22,495.1
\$332,506.0
\$9,625.0
\$0.0
\$1,750.0
\$2,125.0
\$81,179.1
\$0.0
\$5,000.0
\$12,650.0
\$669,660.1
\$32,411.0
\$2,800.0
\$424,700.0
\$1,006,483.0
\$250.0
\$0.0
\$285.0
\$30,000.0
\$9,000.0
\$2,000.0
\$680.1
\$1,625.0
\$1,400.8

\$0.0	\$32,000.0
\$0.0	\$141.0
\$0.0	\$1,900.0
\$0.0	\$22,800.0
-\$61,000.0	\$5,951,000.0
-\$38,725.0	\$3,683,275.0
\$0.0	\$8,000.0
\$0.0	\$3,103.4
\$0.0	\$1,283.9
\$0.0	\$50,000.0
\$0.0	\$3,400.0
\$0.0	\$20,000.0
\$0.0	\$310,457.0
\$0.0	\$3,743.0
\$0.0	\$5,150.0
\$0.0	\$22,495.1
\$0.0	\$332,506.0
\$0.0	\$9,625.0
\$0.0	\$0.0
\$0.0	\$1,750.0
\$0.0	\$2,125.0
\$0.0	\$81,179.1
\$4,700.0	\$4,700.0
\$0.0	\$5,000.0
\$0.0	\$12,650.0
\$0.0	\$669,660.1
\$0.0	\$32,411.0
\$0.0	\$2,800.0
\$0.0	\$424,700.0
-\$16,000.0	\$990,483.0
\$0.0	\$250.0
\$0.0	\$0.0
\$0.0	\$285.0
\$0.0	\$30,000.0
\$0.0	\$9,000.0
\$0.0	\$2,000.0
\$0.0	\$680.1
\$0.0	\$1,625.0
\$0.0	\$1,400.8

\$0.0	\$32,000.0
\$0.0	\$141.0
\$0.0	\$1,900.0
\$0.0	\$22,800.0
-\$61,000.0	\$5,951,000.0
-\$38,725.0	\$3,683,275.0
\$0.0	\$8,000.0
\$0.0	\$3,103.4
\$0.0	\$1,283.9
\$0.0	\$50,000.0
\$0.0	\$3,400.0
\$0.0	\$20,000.0
\$0.0	\$310,457.0
\$0.0	\$3,743.0
\$0.0	\$5,150.0
\$0.0	\$22,495.1
\$0.0	\$332,506.0
\$0.0	\$9,625.0
\$100.0	\$100.0
\$750.0	\$2,500.0
\$375.0	\$2,500.0
\$21,400.0	\$102,579.1
\$0.0	\$0.0
\$0.0	\$5,000.0
\$400.0	\$13,050.0
\$0.0	\$669,660.1
\$0.0	\$32,411.0
\$0.0	\$2,800.0
\$0.0	\$424,700.0
-\$16,000.0	\$990,483.0
\$0.0	\$250.0
\$80.0	\$80.0
\$0.0	\$285.0
\$0.0	\$30,000.0
\$0.0	\$9,000.0
\$0.0	\$2,000.0
\$0.0	\$680.1
\$0.0	\$1,625.0
\$0.0	\$1,400.8

SCHOOL AID LINE-ITEM SUMMARY FY 2007-08
(Dollars in Thousands)



Sec.	Basic Foundation Allowance:
81	ISD General Operations Support
94a	Center for Educational Performance (CEPI)
94a	CEPI Federal
98	Michigan Virtual High School (MVHS)
98	MVHS - Federal
99	Math/Science Centers - State
99	Math/Science Centers - Federal
99e	Financial Emergency District Funding
99h	FIRST Robotics
99i	Pontiac Crisis Intervention
99j	District Pilot Projects
99k	District Grants
99m	SEMA Grants
104	MEAP Testing - State
104	MEAP Testing - Federal
107	Adult Education - State
TOTAL APPROPRIATIONS	
REVENUE BY SOURCE	
	Federal Aid
	School Aid Fund
	MPSER Reserve for Undistributed Investment
	School Aid Stabilization Fund
	General Fund/General Purpose
TOTAL REVENUE	

FY 2007-08
PA 137 of 2007 Year-to-Date
\$8,433
\$80,912.0
\$2,435.4
\$3,543.2
\$2,250.0
\$3,250.0
\$3,500.0
\$4,456.0
\$125.0
\$0.0
\$300.0
\$500.0
\$1,950.0
\$0.0
\$25,400.0
\$8,800.0
\$24,000.0
\$13,006,025.1
\$1,479,326.3
\$11,491,789.2
\$0.0
\$0.0
\$34,909.6
\$13,006,025.1

FY 2007-08	
Change From YTD	Exec Rec. Supplemental
\$0	\$8,433
\$0.0	\$80,912.0
\$0.0	\$2,435.4
\$0.0	\$3,543.2
\$0.0	\$2,250.0
\$0.0	\$3,250.0
\$0.0	\$3,500.0
\$0.0	\$4,456.0
\$0.0	\$125.0
\$300.0	\$300.0
\$0.0	\$300.0
\$0.0	\$500.0
\$0.0	\$1,950.0
\$0.0	\$0.0
\$600.0	\$26,000.0
\$0.0	\$8,800.0
\$0.0	\$24,000.0
-\$110,125.0	\$12,895,900.1
\$0.0	\$1,479,326.3
-\$110,125.0	\$11,381,664.2
\$0.0	\$0.0
\$0.0	\$0.0
\$0.0	\$34,909.6
-\$110,125.0	\$12,895,900.1

FY 2007-08	
Change From YTD	House Subcommittee Supplemental HB 5531
\$0	\$8,433
\$0.0	\$80,912.0
\$0.0	\$2,435.4
\$0.0	\$3,543.2
\$0.0	\$2,250.0
\$0.0	\$3,250.0
\$0.0	\$3,500.0
\$0.0	\$4,456.0
\$0.0	\$125.0
\$300.0	\$300.0
\$0.0	\$300.0
\$0.0	\$500.0
\$0.0	\$1,950.0
\$100.0	\$100.0
\$600.0	\$26,000.0
\$0.0	\$8,800.0
\$0.0	\$24,000.0
-\$91,620.0	\$12,914,405.1
\$0.0	\$1,479,326.3
-\$91,620.0	\$11,400,169.2
\$0.0	\$0.0
\$0.0	\$0.0
\$0.0	\$34,909.6
-\$91,620.0	\$12,914,405.1