



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4724 (as reported without amendment)
Sponsor: Representative Judy Emmons
House Committee: Education
Senate Committee: Education

CONTENT

The bill would amend the State School Aid Act to make the requirements of the Act and the rules promulgated under it subject to waiver under an Educational Flexibility and Empowerment ("Ed-Flex) contract, as proposed by House Bill 4693 (S-1).

House Bill 4693 (S-1) would create the "Educational Flexibility and Empowerment Law" to permit school districts to apply for, and authorize the State Superintendent of Public Instruction to approve, an Ed-Flex contract. The State Superintendent could waive for a district State statutes and rules that were part of a performance-based contract with clearly defined and measurable performance goals, or certain Federal requirements in accordance with Federal law allowing educational waivers.

House Bill 4724 is tie-barred to House Bill 4693.

Proposed MCL 388.1609

Legislative Analyst: Claire Layman

FISCAL IMPACT

The Department of Education could face increased administrative costs associated with reviewing and processing Ed-Flex waivers if this legislation resulted in increased waiver requests.

The bill could result in decreased local costs, but the ultimate fiscal impact would depend upon how many waivers were sought, the type of waivers sought (e.g., those that would result in increased efficiency or economy), and the degree of success by the school districts in accomplishing the goals of the waivers. In other words, if a district sought a waiver in order to operate in a more economical manner, and if by receiving the waiver the district did see reduced costs with the same or a higher level of educational achievement, then the fiscal impact of this bill would be a reduction in local costs. However, it is not possible to state that this would be a certain outcome.

Date Completed: 1-27-04

Fiscal Analyst: Kathryn Summers-Coty