



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bills 473 through 476 (as introduced 8-29-19)  
Sponsor: Senator Wayne Schmidt  
Committee: Appropriations

Date Completed: 9-17-19

**CONTENT**

Senate Bill 473 through Senate Bill 476 would amend the Revised School Code, the Postsecondary Enrollment Options Act, the Management and Budget Act, and the Career and Technical Preparation Act, respectively, to change the word "basic" to "target", in reference to the foundation allowance.

The State School Aid Act currently uses the terms, "minimum foundation allowance" and "basic foundation allowance". For fiscal year (FY) 2018-19, the minimum is \$7,871 per pupil, and the basic is \$8,409.

The Conference Report for the FY 2019-20 School Aid budget (House Bill 4242) changed the name, "basic foundation allowance" to "target foundation allowance", and Senate Bills 473-476 would make that same change in the four affected Acts to ensure consistency across statutes. The change from "basic" to "target" could help to clarify the distinction between "base" funding (i.e., minimal funding) and "basic" funding (i.e., the target used when a gap-closing formula, like the "2x" formula, is funded).

MCL 380.1211 (S.B. 473)  
388.514 (S.B. 474)  
18.1367b (S.B. 475)  
388.1904 (S.B. 476)

**FISCAL IMPACT**

There is no fiscal impact from any of the bills in this package. This is a change in name only.

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