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Michigan Association of Superintendents and Administrators | June 12, 2018


Legislature Reports Budget

Today the Legislature finalized and approved the FY18/19 School Aid budget. It's now on its way to Gov. Snyder for his signature.

The budget was relatively unchanged from the version reported from the Conference Committee last week. As we shared last week, there was a \$312 million overall increase that will be distributed through the $2 x$ formula, which equates to a $\$ 120$ to $\$ 240$ increase per-pupil. The minimum foundation allowance will be $\$ 7,871$, and the base amount will be $\$ 8,409$.

There were some changes to shared time, section 166b. The bill now stipulates that if a district's shared-time membership equals or exceeds $5 \%$ of non-shared time students, during the preceding fiscal year that district's shared time pupils cannot exceed 10\%.

If a districts' membership counted under shared time is less than $5 \%$ of their total student membership in the preceding fiscal year, a district must not exceed shared time enrollment growth greater than $10 \%$ or $5 \%$ of non-shared time pupils.

If a district charges tuition for a pupil that resided out-of-state in the immediately preceding school year the pupil cannot be counted in the membership of the district, ISD or PSA.

The House Fiscal Agency explains section 6(4)(ii) "caps shared time at 10\% growth if shared time exceeds $5 \%$ of district non-shared time membership. If shared time is less than $5 \%$ of district non-shared time membership, growth is capped at the greater of either $5 \%$ of non-shared time membership or $10 \%$ growth in shared time. There is also an adjustment for consolidations/annexations."

For a line item summary, click here and for an estimate of your foundation allowance, click here.

