

## Summary of Senate Strike-all Amendment to HB 957 (rewrite of school funding law)

Deletes “academically” from definition of gifted student. Line 134.

Changes definition of “low income students” from the most recent estimate of the Census Bureau Small Area Income and Poverty Estimates (SAIPE) to average of last three years’ SAIPE. Deletes line in House version that reads, “In determining the total number of low income students, the economic status of any individual student or group of students may not be considered by a school district;” effect appears unchanged. Lines 136-142.

Deletes definition of “average daily membership;” replaces it throughout the bill with “student enrollment.” Deletes language defining minimum hours in a school day as “not less than 60% of the normal school day.” Lines 159-169.

Adds language listing specifically the programs that “shall” be funded outside of the formula, omitting career-tech programs, which in FY18 received \$76-million in General Funds and \$21-million in Special Funds.

- Early Learning Collaborative programs
- Reading intervention programs under the Literacy-Based Promotion Act
- University-based transportation programs
- Bus driver training programs
- Extended school year programs
- University-based programs
- Section 504 programs
- Nonpublic school textbooks
- Dyslexia therapy scholarship programs
- School Recognition Program

Additional programs “may” be funded outside of the formula at discretion of the Legislature. Lines 201-218.

Base student amount remains at \$4,800 (compared to MAEP base amount of \$5,381). Base student amount is set by the Legislature; legislation does **not** include an objective formula that considers either the costs of providing an adequate education or the costs associated with legislative and accreditation mandates. Includes no requirement that the base amount be adjusted periodically. Lines 221-225. Multiplier weights remain the same for:

- High Schools—30%. Lines 228-251.
- Poverty—25%. Lines 254-266.
- English Language Learners—20%. Lines 269-307.
- Special Education—Tier I 60%, Tier II 125%, Tier III 170%. Lines 310-360.
- Gifted Education—25%. Lines 363-386.
- Sparse District—10% (<4 students/sq ml) Lines 389-401.

Adds language requiring MDE to report progress of gifted programs and sufficiency of the supplemental allocation. Lines 376-386.

Retains language addressing calculation of student enrollment, the student count used to determine a school district’s annual allocation. Lines 404-482.

Punitive Average Daily Attendance provision is retained, which reduces a school district’s student count by twice the absentee rate when a district’s average absentee rate exceeds 7% in two unannounced head-count visits by the State Auditor’s office. Adds language stipulating that auditor’s head-count visit shall be “on one day when both teachers and students are in regular attendance for scheduled classroom instruction...” Lines 428-463.

Deletes “and revise” from section requiring the Legislature to review the school funding formula. Line 488. Review must take place every three years versus every four years in House version. Lines 485-494.

Adds language increasing funding in FY19 and FY20 for districts with an increase in enrollment. Lines 609-611.

Retains phase-in language (level funding with hold harmless in FY19 and FY20; in FY21-FY25, UPS phased in with no district gaining or losing in any year more than 3% of prior year’s state funding amount unless the change is attributable to a projected change in enrollment). Lines 602-629.

Retains language creating accountability rating system for school district financial performance. Lines 705-754.