

SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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Dear Colleagues:

I hope you have all had a wonderful summer and are ready to go for another school year!

It has been a relatively quiet summer in Lansing. Most legislators have had an extended break while budget discussions took place behind closed doors. However, they are now back in session and things are heating up.

Here are a few items to be aware of:

1. Budget Action Finally Moving?

On Thursday morning, the Senate began the process of advancing the 2019-20 budget by passing a shell bill (SB 154) that will be the vehicle for moving forward a final budget proposal. The House took this step back in June (HB 4728). Many watchers in Lansing see this move as a signal that, at long last, real action is about to begin on the budget.

The intensity of public statements from the key players has also begun to ratchet up. On Wednesday, Governor Whitmer said that it was time for Republicans to "stop screwing around and get it (the budget) done." Senate Majority Leader Mike Shirkey responded by saying that through the summer the Senate has presented the governor with four different plans and that all have been rejected without negotiation. He did not offer details about the plans and subsequently indicated that the Senate would send Mrs. Whitmer a budget without additional funding for roads, dealing with that issue separately (an approach that the governor has previously said she would not do).

The governor's proposal for a 45-cent per gallon gas tax appears to be lacking enough support in the legislature to become the funding solution for roads. At the same time, Governor Whitmer has clearly stated her opposition to any of the various proposals floated in Republican circles that would refinance or extend MPSERS debt payments as a means of freeing up funding to ultimately shift to roads.

As a refresher of where positions stood prior to the summer recess, attached to this newsletter is a section-by-section overview of all three budget proposals (Governor, Senate, and House) along with an "At-a-Glance" overview of the three. These are the same documents we sent out in early June, and reflect the last "official" positions of the key players. Also attached is the Caucus Information Alert distributed at that time

summarizing the same in prose form. Of course, none of these proposals will represent the final agreement in total, but it may be helpful to recall where things stood in June.

The Senate has a session scheduled for Wednesday of next week, and it is possible that something more concrete may begin to happen at that point. We will keep you informed as things unfold!

2. Budget Impasse Impacts

Budget talks are taking on extra significance will the looming end of the state's fiscal year on September 30. Things typically have a way of working out, but if they do not, members should be thinking about the potential impacts of a stalemate that extends into October. If agreement on a new budget is not reached by that time, the state could face a government shutdown of some sort. Alternatively, it is also possible that there could be a continuation budget passed to fund government activities (including schools) at the same levels as the 2018-19 year while negotiations continue.

If the latter occurs, districts would most likely receive the same per pupil foundation allowance as they received in 2018-19 until a new budget deal is reached. Therefore, districts would be wise to look at their cash flow needs for the next few months and consider the options they may have. An MSBO survey released this week showed that of the 179 Michigan schools districts responding, more than 40% had planned for a foundation allowance increase of at least \$151 per pupil in their 2019-20 budgets, while only 12% had passed a no-increase budget. Again, while we can hope that the situation will be resolved soon, hopefully your district has contingency plans under consideration to address revenue shortfalls in the event this situation extends out into the first few months of school.

GSRP programs could also be highly impacted by a delay in the state budget. Without an approved GSRP allocation from MDE (based on the state budget), ISDs are not able to enter into contracts with subrecipients or reimburse expenses accrued by their programs after October 1. In other words, programs that begin their 2019-20 year before a budget is in place run the risk of losing reimbursement for expenditures made after October 1 and before a new budget is signed. However, if programs delay their start, they run the risk of having parents find other options for their preschool-aged children, and staff may seek other employment.

We are communicating these and other concerns with legislators. The School Equity Caucus continues to strongly advocate for a state budget that provides increased funding so schools can provide the educational opportunities our students deserve, and one that does so in a way that continues to close the equity gap in Michigan.

3. Incomplete Grades

During last year's lame duck legislative session, the most recent version of an A-F grading system was pushed through in the form of P.A. 601 (2018). Earlier this month, Sheila Alles (MDE's Chief Deputy Superintendent and formerly the interim State Superintendent) told the State Board of Education that MDE would not have the new system online by the September 1st deadline contained in the legislation. (Indeed, the latest M-STEP results

were only publicly released this week meaning that to meet the deadline, 2018 assessment data would have been the set used.)

Previously, the State Board of Education had requested a deadline extension from the legislature and MDE had asked for additional funding to complete the system, but neither request was granted. Upon hearing of this delay, the chair of the House Education Committee expressed her displeasure, and stated that she may explore a joint hearing with the Senate regarding MDE's failure to meet the legislative deadline.

The current anticipated release date of the new letter grades is now March 2020.

4. Legislation Recap

With the summer break and all of the attention being paid to the budget situation, work on other legislation has been nearly non-existent. Now that the legislature is back in session though, things may begin to pick up again. Here is a quick review of the status of some bills and where they stand in the legislative process:

- HB 4162 (sponsored by Rep. Reilly) This bill eliminating the WorkKeys assessment as part of the Michigan Merit Exam passed the House in June and has been assigned to the Senate Committee on Government Operations.
- HB 4108 (Hauck) This bill would add physical therapists and physical therapist assistants to the list of mandated reporters of child abuse. It also passed the House in June and has been sent to the Senate.
- HB 4368 (Hornberger) and HB 4369 (Johnson) Both of these bills were passed out of the House Education Committee in May, and are currently sitting in the House Ways and Means Committee. HB 4369 removes the pre-Labor Day start restriction and also eliminates the ISD-wide common calendar requirement, thereby returning complete flexibility to schools in determining their start date. HB 4368 eliminates the requirement to hold a hearing with MDE in attendance prior to receiving a pre-Labor Day start waiver.

The following bills addressing the Michigan Merit Curriculum (MMC) also passed the House Education Committee in May and are sitting in the House Ways and Means Committee:

- HB 4269 (Griffin) This bill would modify the current Visual/Performing/Applied Arts and foreign language requirements by requiring students to earn a total of three credits from any of the following "21st Century Skills" categories including:
 - -Languages other than English (including sign language, at any grade K-12 as long as it meets MDE guidelines)
 - -Visual/Performing/Applied Arts
 - -Computer science or computer coding
 - -A department-approved CTE program
- HB 4271 (Howell) Under this bill, students could earn a credit in Statistics or Personal Finance as a replacement for Algebra II as long as the replacement course aligned with the math content expectations developed by MDE.

 HB 4282 (Hauck) – The required Health Education course would be able to be fulfilled by a thirty-hour OSHA training course for students enrolled in a CTE program.

5. Coming Soon—Fall General Meeting!

Make plans now to join us for the September luncheon meeting immediately preceding the MASA Fall Conference in Traverse City. Updates will be provided on a number of subjects including many of the ideas discussed above.

We continue to move "up in the world" – this year quite literally! Our luncheon and meeting will be held on Level 17 of the Tower at the Grand Traverse Resort beginning at 11:15 a.m. on Wednesday, September 18. Doors will open at 11:00, and the meeting will conclude no later than 12:45 p.m. The view should be spectacular to help lift your spirits amidst all of the budget talk!

An email regarding registration for the luncheon will be sent out soon to all members. Look for that in your inbox!

6. 2019-20 Membership Dues

Also, just a quick reminder to those of you who have not yet submitted your membership dues for 2019-20. Your support of the School Equity Caucus is what keeps the critical cause of equity at the forefront of discussions around the state! Please contact us if you have any questions regarding membership.

As always, please be in touch with questions or concerns. Here's hoping you enjoy a wonderful Labor Day weekend!

See you soon in Traverse City!

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