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COLLABORATION INTEGRITY INNOVATION SERVICE ACCOUNTABILITY DATA-DRIVEN

Board Report---January 9, 2025

• Legislative Update: After a fast and furious week of December 16-20, the legislative session ended with minimal action taken. There was no session on December 17 due to the meeting of the Electoral College in the Senate Chambers. On December 18, one Senate Democrat and one House Democrat each said they would not attend session. This left both chambers without enough Democrat members to pass anything. Compounding this was a continued boycott by House Republicans, who were refusing to attend session unless tipped wages were addressed. The House couldn't even officially meet therefore because they didn't have a quorum.

On December 19, rumors were that one House Democrat, Rep. Karen Whitsett, would not come to Lansing. As that morning went on, it was discovered she was coming after all. Shortly after she reached the Capitol, the Speaker ordered a Call of the House. This is an order to report to the House Chamber and once you are in the Chamber, you cannot leave until the order is lifted. The Speaker also has the ability to deputize the State Police to go retrieve absent members. He did not take this step.

After just over an hour and with no additional members in the Chamber than when it started, the Speaker abruptly adjourned session until December 31. It is not expected that the House will be able to get a quorum on New Year's Eve and their actions point to being done, so anything that was still pending in the House will need to be reintroduced in the new session.

The Senate gaveled into session at 10:00 am on December 19. After the House's adjournment, they went into a lengthy caucus meeting, most likely to figure out what they could still do. Voting began at about 4:30 p.m. They could not make changes to any bills they passed because the House will not meet again to concur on any changes. At noon on Friday, December 20; it was reported that they had set a "modern record" for session length at 26 hours with no end in sight.

Some of the bills the Senate passed included:

<u>House Bills 4095</u>-4096 – Require MI State Police to establish standardized response terminology for emergency situations and require schools to adopt it.

<u>House Bill 4485</u> -- Extends statute of limitations for criminal sexual conduct.

<u>House Bill 4854</u> – Allows Native American students to wear traditional regalia at ceremonies of honor at school.

<u>House Bills 5231-5234</u> – Require certain information about a charter school's authorizer and Education Management Organizations to be printed on school signage and promotional materials.

<u>House Bill 5269</u> -- Requires the salaries of all employees of a charter school to be posted on their website.

<u>House Bills 5450-5451</u> – Require information on the new laws regarding the safe storage of firearms be provided to all parents annually. The Michigan Department of Health and Human Services would create the document, and districts would be required to share it by October 1 of each year, beginning in 2025.

<u>House Bill 5549</u> -- Requires school districts to have behavioral threat assessment and management teams in each school building.

<u>House Bill 5594</u> – Updates work permit requirements and moves administration to the Michigan Department of Labor and Economic Growth.

<u>House Bill 5659</u> – Codifies the school safety commission and sunsets the current commission.

<u>House Bill 6058</u> – Makes changes to Public Act 152 by raising the hard cap for insurance costs as well as requiring any district using the 80/20 option to make that the minimum amount covered.

Of all the bills approved, HB 6058 will be financially significant to school districts as it will increase district costs for health care and perhaps increase the number of staff electing district health coverage. The legislation overhauls the current PA 152 system by moving to an 80/20 contribution floor and adjusts the cap. Specifically, the bill provides that employers pay no more than the following on health care costs:

- \$8,258.54 times the number of employees and elected public officials with singleperson coverage.
- \$17,271.17 times the number of employees and elected public officials with individualand-spouse coverage or individual plus-1-nonspouse-dependent coverage.
- \$22,523.34 times the number of employees and elected 2 public officials with family coverage.

The bill adjusts these maximums by the greater of 3% or the average of the Michigan health insurance rates, as annually approved by the Department of Insurance and Financial Services (DIFS) for single and family coverage. For individual-and-spouse coverage or individual-plus-1-non spouse-dependent coverage, the increase adjustments will be as follows:

- Jan. 1, 2026 to Dec. 31, 2026: 2.2 times the amount of single-person coverage.
- Jan. 1, 2027 to Dec. 31, 2027: 2.3 times the amount of single-person coverage.
- On or after Jan. 1, 2028: 2.4 times the amount of single-person coverage.

The bill was not granted immediate effect in the Senate, meaning that if signed by the

Governor, the legislation will not be law until around April 1. However, the legislation was written to be applicable Jan. 1, 2025, which means there will be approximately a three-month period of retroactivity. Our state associations are diligently working with our colleagues to digest the impact of the bill and will continue to provide updates on its implications.

All these Senate approved bills will now go back to the House to be sent to the Governor for her consideration. The Senate finally adjourned just after 3:00 p.m. Friday, December 20 after 29 hours in session. They adjourned until Dec 30 at 11:30 a.m. when it adjourns Sine Die. This should also set an effective date for any bill that did not get immediate effect as March 31, 2025. The new Legislature will begin session on January 8.