

SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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Dear Colleagues:

It's Spring Break! As school districts across Michigan return from or head out to Spring Break, the state legislature has done the same! They are currently in the middle of a two-week hiatus and will return to Lansing the week of April 8. In the meantime, here is an overview of the things that have been happening, and a look ahead to the next few weeks when they return.

1. Legislative “Normalcy” Ahead

Just a quick reminder and scene-setter that, while things in the legislature have been relatively quiet over the last few months, all of that is poised to change as we head into April. The two House seats that became open as a result of November's election results are in the process of being filled this month, with a special election to be held on April 16. Both seats in metro Detroit – the 13th and 25th districts – became vacant when their Democratic representatives won mayoral races, and the new Democratic candidates on the ballot are widely expected to win. If so, the Democrats will regain their 56-54 majority in the House of Representatives for the remainder of the term as we head into the November 2024 elections.

The new representatives will be seated shortly after the election results are certified, and at that point legislative activity is expected to ramp up significantly.

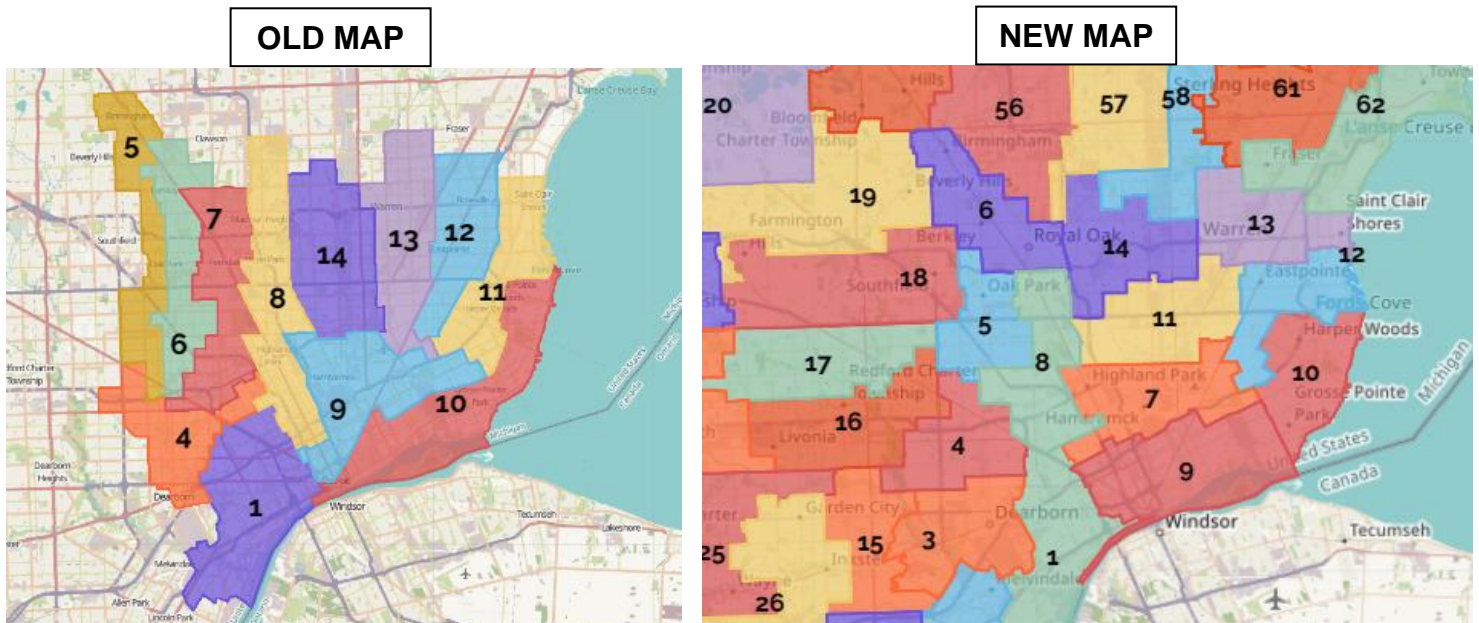
2. New Election Maps

Continuing on the “elections” theme, the Michigan Independent Citizens' Redistricting Commission has been working for the last several months to redraw district maps in metro Detroit that were challenged in court following the Commission's initial foray into drawing district lines. Both the State House and State Senate maps in the metro Detroit area were found to have improperly incorporated racial data when being drawn, with the net effect being to dilute the influence of voters in the city of Detroit.

This week the courts approved the proposed changes for House districts 1-14 and 16. According to the Commission, the new maps paid relatively more attention to municipality lines and were not drawn using racial data. The new maps will not impact any incumbent legislators as the residency of each legislator remains within their newly reconfigured district. All of the impacted districts are currently represented by Democratic legislators, and all of the districts are projected to still lean Democrat (although some may be by

narrower margins). We will see if these changes have any impact on the balance of power in Lansing following the November elections.

The following maps, [taken from this Bridge magazine article](#), give a comparison of the former and new configurations:



The Commission is continuing to work on the six State Senate maps also thrown out in the same court ruling.

3. Budget Work Continuing

In early February Governor Whitmer rolled out her version of the 2024-25 School Aid Fund (SAF) budget, creating a starting point for the House and the Senate as they work on their own respective versions. Through the month of March, the K -12 Appropriations Subcommittees in both the Senate and House held budget hearings. It is expected that the both chambers will be releasing their budget proposals later in April, with a final budget will hopefully be passed some time in June.

Over the last several weeks, more information has continued to come out regarding the portion of Governor Whitmer's proposal that called for a reallocation of \$669 million from current MPERS OPEB payments (funding retirement benefits) back into other areas of the budget. The system's OPEB benefits are now understood to have been nearly 100% funded in September of 2022, with their funding levels reaching 126% of full funding in September of 2023. Current valuations are now placing the value of the MPERS accounts holding these funds at 140% of their recommended actuarial value with assets of \$12 billion. This additional information has helped to better frame the discussion around whether it is necessary to continue depositing additional funds into the OPEB side of the retirement system.

There are a couple of important things to keep in mind regarding this discussion:

- The benefits side of MPSERS is only a part of the story. The actual pension accounts remain significantly underfunded and “make-up” payments to this part of the retirement system will need to continue for many years still.
- Ending deposits into the OPEB accounts will require changes to the legislation governing these payments (beyond the actual budget bill).
- Together, the \$669 million in OPEB reallocation and the \$525 million taken from the SAF fund balance (as described earlier) represent nearly \$1.2 billion worth of revenue in Governor Whitmer’s proposal, and are funding much of the new programming being proposed.

If these payments are to end, the most essential argument to make is that it is the state’s traditional K-12 schools that should be the ones that benefit. The moves to fully fund these OPEB benefits have come at the expense of many other programs and fiscal benefits across the state’s K-12 school system (with a large additional amount yet to pay off). Those who have sacrificed for many years to pay down this huge bill should be the ones to benefit – our state’s public school children and employees. **Public school academies/charter schools or higher education must not be the recipients of this windfall.**

Additionally, here are other points of discussion for district leaders to use in their advocacy with legislators over the weeks ahead:

- **More funding needs to go to the base foundation allowance.** A 2.5% increase will have districts losing ground when considering inflation-driven salary increases, step increases on top of that, large expected increases in insurance costs, and so on.
- **The budget contains too many categorical grants.** The 2024-25 budget should strive to reduce and roll up many of these grants. Beyond the prescriptive nature of these grants, it has also become very apparent over the current school year that the large number of grants to be administered have severely taxed the ability of MDE to promulgate rules in a reasonable timeframe, leading to lengthy delays in the distribution of funds and a lack of impact on the education of students in the classroom.
- **Among the grants that should be rolled up (or distributed automatically elsewhere in the budget) are the competitive grants that exist within the current budget.** Competitive grant programs are inherently inequitable, putting a significant additional burden especially on our smaller districts that do not have large central office staff resources.
- **Keep building on the current SFRC weighted funding model.** We have made progress, but much more work needs to be done before we fully achieve the funding model and levels from the SFRC report. By reducing other grants, more money can go in this direction using the existing framework that has already been laid out.
- **The transportation grant is a positive step toward meeting the recommendations of the SFRC funding study and should be permanently moved into the “ongoing” expenditure category.**
- **Community colleges and universities need to come out of the SAF.** What was first sold some years ago as a “one-time loan” is now severely hampering the ability to adequately fund K-12 education. Under Governor Whitmer’s budget recommendation, community college expenditures are proposed to increase to \$465.9 million, while university funding from the SAF would increase to a total of \$545.5 million (up \$93 million from a year ago). This puts the grand total of SAF

support for colleges and universities over \$1 billion – a number that would mean additional funding of approximately \$730 per K-12 student if it was returned to its intended purpose. Proposal A, as specifically outlined in our state constitution, was structured to fund a K-12 public school system – not a PK-14 or PK-16 system. It is not possible to fund such a system without major changes and increases to our state’s revenue structure for education.

When meeting with legislators, be sure to tell actual stories of the struggles your district is having with onerous and overwhelming grant administration requirements, inflationary increases, tight labor markets, and the potential for financial challenges as revenues flatten out. This approach helps make things real for those who do not live in the educational world every day.

4. School Safety Bills Begin Hearings

Last week the House Education Committee began holding hearings on a series of bills related to school safety originally developed by a bipartisan group of legislators more than a year ago. There are twelve bills all together in the package and five bills were the subject of this initial hearing. These bills would:

- Create a school safety and mental health commission within the Department of Education. (HB 4089, sponsored by Rep. Meerman)
- Require that OK2Say tips be passed on to the appropriate ISD and corresponding local law enforcement officials within 24 hours. (HB 4092, sponsored by Rep. DeBoer)
- Mandate a consistent terminology plan, developed by the Michigan State Police, to be used in the event of emergencies in schools across the state. (HB 4095 & 4096, sponsored by Reps. Young and Puri, respectively)
- Require that schools implement a behavior threat assessment team to evaluate threats and behaviors of students deemed to potentially pose a threat to themselves or others. (HB 5549, sponsored by Rep. Breen).

It is expected that these bills will continue to receive attention through the spring.

5. Legislative Roundup

The pace of policy activity picked up over the last few weeks, and things are expected to keep moving as we head further into spring. Here is the latest update on some of that legislation:

- **SB 285** (sponsored by Sen. Polehanki) – This bill was passed by the Senate Education Committee last week and has been sent to the floor of the Senate. The bill would make attendance in kindergarten mandatory for all five-year-olds in Michigan (kindergarten is currently still considered to be optional).
- **SB 744** (sponsored by Sen. McDonald Rivet) – When evaluation legislation was approved some months ago, the number of rating categories were reduced, including the elimination of the “Highly Effective” rating. Additionally, the probationary period was reduced to four years if a teacher receives a rating of “Highly Effective” (prior to July 1, 2024) or “Effective” (after July 1, 2024).

This bill further modifies these provisions to also include ratings of “Effective” received prior to July 1, 2024 in the calculation of whether a teacher completed the probationary period. Additionally, probationary teachers had previously been required to achieve a rating of “Highly Effective” or “Effective” on their three most recent evaluations in order to complete probation. This bill would also eliminate the provision that these ratings be on consecutive evaluations. Therefore, the net effect of this legislation is that probationary teachers would now need a minimum of three “Effective” ratings (including the most recent) in their first four years of teaching to receive tenure.

The bill passed the Senate on party lines last week and has been moved on to the House.

- **HBs 5527 & 5528** (sponsored by Reps. Fitzgerald and Carter, respectively) – These bills moved quickly through the House and have now been sent to the Senate. Starting with the 2025-26 school year, public schools would be required to have AED’s located in accessible, unlocked locations in the school and at athletic facilities. The current version of the bills recommends that schools make “the best effort possible” to ensure that AED’s are accessible within 1-3 minutes. The bills would further mandate that all high school coaches maintain valid CPR/AED certification starting with the 2025-26 school year, and they also provide civil liability protection for good faith efforts at resuscitation.
- **SB 567/568** (sponsored by Sens. Irwin and Polehanki, respectively) – These proposals regarding dyslexia passed the Senate earlier this month and have now been sent to the House. While the attempt to address this issue is appreciated, and despite modifications that have been made so far, the bills continue to contain a number of overly prescriptive mandates that would make it difficult for districts to respond to the needs of children in the ways they deem best. The bills as currently written require districts to screen all K-3 students for dyslexia at least three times per year and contain a number of other specific requirements if students show characteristics of dyslexia. The bill currently calls for implementation beginning with the 2027-28 school year.
- **HB 4603** (sponsored by Rep. Liberati) – The legislation would amend state law governing the construction of school buildings to more broadly allow for design-build team approaches to school facility construction in addition to more standard architect- or engineer-led design. This bill passed the House on a 95-11 vote and has been sent to the Senate, where it has been sent to the Committee on Regulatory Affairs.
- **SB 518** (sponsored by Sen. Camilleri) – This bill extends the current provision that allows the state superintendent to issue an interim special education teaching certificate to individuals enrolled in an alternate pathway program toward certification. The current authorization for this interim certification expires in July of this year. Under this bill the authority would be extended for another three years (until July 2027). The bill remains on the full House floor awaiting final passage, having unanimously passed the Senate in October. The bill appears to have bipartisan support, but it is unclear whether it will be brought for a final vote before the two vacant House seats are filled in April.

- **HB 5353** (sponsored by Rep. Fitzgerald) – School districts have long been aware that “unfunded mandates” coming from Lansing are all too common, despite the provisions contained in the Headlee Amendment to the state’s constitution. This legislation, while not retroactive, would require the legislature to fund any new or increased activity or service required by state law. Numerous attempts have been made to fix this problem, and this latest attempt received a hearing earlier this month in the House Local Government and Municipal Finance Committee, chaired by the bill sponsor.

That’s all for now! Whether you are just returning from or heading out on Spring Break, we hope it is, or was, a time of rest and recuperation before the final big push gets underway! The “sprint to the finish” will be the same in Lansing and we’ll keep you updated on all of the latest as we move quickly through spring and on to summer!

As always, please be in touch with questions or concerns.



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