



# SCHOOL EQUITY CAUCUS

*Making a difference for the public school children of Michigan*

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Dear Colleague:

## **1. Legislators Are Set to Return for Fall Sessions**

The Legislature is scheduled to return from its summer recess in a couple of weeks. Most legislators have been to their Lansing offices during the break, several subcommittees have met, and a few full sessions were held.

Nine full legislative session dates are scheduled for September and just three in October. The general election is November 4<sup>th</sup>, followed by 12 scheduled Lane Duck sessions in November and December. Other sessions could be scheduled and some currently scheduled could be cancelled.

During the sessions to be held prior to November 4<sup>th</sup>, legislators hope to take up several proposals that have been debated for many months, if not years. Those that are left unresolved—and other legislative propositions new or hardly discussed—could see action in Lane Duck.

A few of the still prominent issues on the legislative agenda that are expected to see action include:

- **EAA expansion**

In spite of nearly two years of debate, the apparent failure of the Detroit model, and the concerted efforts of nearly every school organization, other groups, and most media, the expansion of the EAA will not go away because it has profound political and ideological implications for its supporters—and to some extent for those who oppose it.

In the continuing effort to make it more palatable and thereby more likely to pass at some point, legislators plan to offer additional bill revisions later this week to address some of its more troubling elements. We are told the revisions will include, among other things, an ISD option, a slightly more impenetrable but still not-hard cap, and an exit process. A copy of the bill's proposed changes is not yet available so it's hard to know if or to what extent the revisions might help.

The Caucus still opposes the EAA and is unlikely to ever support it in any form as the solution for schools with inadequate student achievement. However, after many months of effort, the legislation is currently not as damaging as it once was.

Some feel that if it was implemented in its present, still far from perfect version, much less harm would be done to fewer students and their schools than earlier versions would

surely have caused. We hope that the proposed revisions will move the legislation farther along that path.

- **Distressed district early warning**

The several bills that make up the Treasury-promoted Early Warning legislation continue to evolve. I wrote in detail last month (*Caucus Newsletter*, July 30<sup>th</sup>) about the many elements and complexity of the most recent bills.

Conversations with legislators and among stakeholders in the Early Warning Legislation Workgroup have addressed some of the still unresolved concerns. It remains unclear if all, or even most, of our issues with the legislation will ever be satisfactorily resolved.

A few of the bills' provisions now being considered for changes include:

- Make one of the action triggers be a 5% or more decline in *expenditures per pupil* instead of a 5% or more decline in *general fund balance*, and eliminate the three consecutive years provision. Expenditures per pupil would be calculated by dividing the total general fund operating expenditures for a school's fiscal year by the final count of pupils in membership that same year.
- Make the decline in enrollment action trigger be by 5% or more instead of 10% or more in a single school year or by 10% rather than 20% or more over three consecutive years.
- Create a stronger, more supportive role for ISDs by providing an opportunity for the ISD to review the local's budget assumptions, enrollment projections, and the likely budgetary affect of the Consensus Estimating Conference revenue predictions and hopefully an approved School Aid Budget.

- **Sinking fund**

Many observers think some form of sinking fund use expansion will finally pass this fall. It is likely, however, to increase the scope of uses to include only technology and security. The bill would reduce allowable millage from 5 to 3 mills and reduce the allowable duration from 20 to 10 years.

- **School rankings**

The confusing, little understood, and hardly noticed by parents school color-code rankings were recently published by the MDE. It is probably safe to assume that based on feedback from local constituents to legislators, we could see a renewed legislative effort this fall to create some form of letter grade ranking system.

- **MMC foreign language**

Passage of the Michigan Merit Curriculum foreign language requirement flexibility has put 2014-15 seniors in limbo. The legislation was intended to include seniors in the flexibility provisions. However, due to a bill writing oversight, the actual flexibility language excludes them, thereby leaving the seniors under the previous foreign language requirements.

Obviously, this has caused significant scheduling, staffing, and graduation requirement nightmares for students and their schools. Legislators and the MDE are aware of the issue and plan to rectify the oversight as soon as possible.

- **Other legislation that could see further debate and possible action include;**

- Performance Evaluation System (PES)
- Third Grade Reading
- Critical Shortage List
- Transfer student assessment oversight to Treasury
- MPSERS fixes
- Supplemental (possible but not likely)

## **2. Charter Schools Remain in the Spotlight**

Due mostly to the series of Detroit Free Press articles, subsequent columns written elsewhere, and their advocates' unusual and strident characterizations of their detractors, charter schools are under some pretty intense scrutiny right now.

Superintendent Flanagan and the State School Board reacted by holding meetings and issuing warnings and ultimatums to charter authorizers and managers. Then, just when it looked like the issues raised might be quietly news-cycled to the back burner, the state superintendent was cartooned to parallel a southern segregationist governor, blocking kids from the school house door.

Legislators who have long avoided the issues that were identified in the media analysis now appear more comfortable discussing the concerns that school organizations and others have been pointing to for years, including the charters' lax or nearly non-existent oversight, lack of transparency, the often too-cozy and profitable relationships among authorizers, management companies, and employees, the \$1 billion SAF price tag with little gain, and charters' affect on MPSERS stranded costs.

Every problem with the way charter schools operate in Michigan cost traditional schools funding and thereby educational opportunities for students. This chance to keep charter school defects in the public and legislative focus and perhaps generate a few important corrections in the law is fortuitous and should not be squandered. Superintendents should include a discussion of charter school fixes in every conversation with their legislators. School organizations should make putting prudent and necessary controls on charter schools a priority.

## **3. Plan to Participate in the Caucus' Fall General Membership Meeting**

The School Equity Caucus will hold its **Fall General Membership Lunch Meeting** from **11:30 a.m. to 1:00 p.m., Wednesday, September 24<sup>th</sup> at the Grand Traverse Resort, Traverse City** (Acme) during the MASA Fall Conference. Discussions led by our lobbyist Don Olendorf and others will bring you up to date on the very latest on school issues and legislation, including what to expect in the always anxiety producing Lame Duck session.

As we have done for the last several years, members of the Michigan Small and Rural Schools Association have been invited to join us. Lunch will be provided by our business associates, Hutchison Shockey Erley & Co and American Fidelity.

Watch for a meeting and lunch sign-up notice coming soon to your email. Space will be limited so don't wait too long to respond once you receive the notice. While we hope to have the largest meeting room available, it can only accommodate up to about 70 participants. The last two years we filled the room. Hope to see you in Traverse City.

*Jerry*

Gerald Peregord  
Executive Director