



SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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Dear Colleagues:

Here is a brief update on several items of note as we head into November:

1. It's Almost Over!

The dreaded season of political ads and robo-calls will soon be mercifully at an end as the votes are tallied next Tuesday. Recent political polling on Michigan's major statewide races (governor, US Senate, attorney general, and secretary of state) is somewhat split, with many polls seeing comfortable leads for Democratic candidates. However, the latest poll done by Lansing-based EPIC-MRA indicates that many of the statewide races are at least competitive, with the attorney general's race showing as even. It is typical for races to tighten in this manner in the days leading up to an election.

Close attention is also being paid to legislative races across the state with control of both the Michigan House and Senate potentially at stake. While it seems unlikely that Democrats will gain control of the State Senate, the State House could still be in play where a net gain of nine seats would give the Democrats a majority. Also on the ballot are seats on the State Supreme Court, State Board of Education, university boards, and three statewide ballot proposals.

It should be interesting watching the results come in on Tuesday!

2. It's Almost Here...

Lansing has been a relatively quiet place over the past few weeks with legislators in full campaign mode. However, as the campaign season ends, we prepare for a potentially chaotic "lame duck" period that will begin the day after election.

If Republicans lose their current "trifecta" of control, there will most likely be a last-minute effort to push through unfinished items on their agenda. Many of these could have dire consequences for public education in Michigan. Even if the Republicans maintain control, the lame duck session is always unpredictable. Only fourteen session dates are currently scheduled before this version of the legislature ends, so the action will be fast and furious. Please watch for updates throughout the next two months; your help will be crucial if we are to prevent negative outcomes for education!

3. Training the Next Generation

As you well know, Michigan's strictest-in-the-nation term limits law means that there will be a tremendous turnover of faces in Lansing, even if all of the incumbents eligible to run return. Just to refresh your memory, here are the numbers:

- State Senate
 - 38 total seats, currently a 27-10 Republican majority (one previously Democrat-held seat is vacant)
 - Of the 27 Republicans, only eight are on the ballot again. Nineteen current Republican seats are open.
 - Of the 11 seats previously held by Democrats, only two have an incumbent running. Nine seats are open.
 - TOTAL – at least 28 of the 38 Senators (74%) will be new. If any incumbents lose and seats are “flipped”, that percentage will be higher.

- State House
 - 110 total seats, currently a 63-47 Republican majority
 - Out of the 63 seats currently held by Republicans, 37 have an incumbent on the ballot. 26 seats are open.
 - Of the 47 current Democratic representatives, only 28 are running again as incumbents. 19 seats are open.
 - TOTAL – at least 45 of the 110 Representatives (41%) will be new. If any incumbents lose and seats are “flipped”, that percentage will be higher.

As is patently evident, it will be vitally important for the school community to establish strong connections with the many new individuals who will be coming to Lansing. While many senators will be “moving up” from the House, new senators and representatives will have a great deal to learn in a short period about numerous complex education issues. We will need your help in reaching out to them to make connections and educate! We would rather that they learn about our issues from those in the field, rather than learning about how to “fix” education from outside groups.

You will be receiving more information on how to go about this important work in the weeks ahead, including some suggested talking points. Please be on the lookout for that, and begin thinking now about ways you can build those connections.

4. Progress?

In a Detroit News column this weekend, both gubernatorial candidates made reference to changing the way Michigan funds its schools. Columnist Bankole Thompson asked questions of both Gretchen Whitmer and Bill Schuette in the context of addressing the issues facing Detroit's schools, but their responses regarding our current funding structure provided the latest indication that momentum is building toward an overhaul of the way Michigan funds schools.

Mrs. Whitmer was quoted as saying, “My administration will convert to a weighted foundation allowance for school funding — one that accounts for every student’s needs — and change the financing system to address the higher costs of special education, at-risk pupils in urban, suburban and rural communities, and English language learners. We can get these priorities done by ending raids on the School Aid Fund and eliminating legislative pet projects, which siphon hundreds of millions of dollars away from our public schools each year.”

Mr. Schuette’s response was, “The Michigan School Finance Research Collaborative has produced a very good examination of what our school funding levels should be, for students in all our districts — whether urban or rural, large or small. They’ve also looked at differentiated funding levels to compensate for certain students’ added needs, like poverty or other factors that put students at risk.”

You can read the full column at:

<https://www.detroitnews.com/story/opinion/columnists/bankole-thompson/2018/10/24/bankole-next-governors-task-detroit-schools/1749322002/>

5. Less At-Risk Funding?

Concern has been expressed about lower-than-expected At Risk dollars in the first round of State Aid payments last week. According to our information, this occurred because of an increased number of students across the state being identified as At Risk. This increase was due to the practice introduced last year of direct certification of Medicare-eligible students for free and reduced lunch without requiring a separate application. (Remember that At Risk dollars flow out based on the previous year’s number of identified students.)

In Michigan, the number of students labelled as at-risk jumped from approximately 676,000 to around 743,000. With a set number established as a total line-item for At Risk in the budget (\$499 million again this year, the same as in 2017-18), this meant that a smaller amount would be able to be distributed on a per-pupil basis.

From a financial standpoint, hopefully you will be one of the lucky districts to have seen an increase in your number of students identified as At Risk to make up for the lower per-pupil amount. (Of course, those newly-identified students will also need to receive services.) Overall though the total amount of At Risk dollars in the budget statewide has remained the same as last year.

It is anticipated that this was a one-year jump, and that the number of identified students will remain more consistent heading into next year and beyond.

6. Community College/University Funding Report

The raid on School Aid Fund (SAF) dollars to support community colleges and universities continues unabated with the dollar amount for this fiscal year surpassing \$900 million (equivalent to more than \$600 per K-12 student). This month the House Fiscal Agency released an easy-to-understand summary report with all of the

information in a nutshell. In addition to covering all of the budget for community colleges, the SAF is now funding 30% of the state's university budget. You can find the report by clicking on this link:

[https://www.house.mi.gov/hfa/PDF/TestPDF/Fiscal Brief SAF in CC and HE Oct2018.pdf](https://www.house.mi.gov/hfa/PDF/TestPDF/Fiscal%20Brief%20SAF%20in%20CC%20and%20HE%20Oct2018.pdf)

7. Legislation to Watch

As noted above, campaign season has made for a relatively quiet October in the legislature. We are watching a long list of bills that potentially may move, including the following (most of which were also discussed last month):

- **HB 5707** (sponsored by Rep. Miller) would amend current legislation on teacher evaluation, and keep the percentage of evaluations based on student growth and assessment at the current 25%. A companion bill (**HB 6401**, sponsored by Rep. Noble) would do the same for administrators. The latest version of the teacher bill also includes a provision that would allow districts to choose not to evaluate teachers for three years after they receive a rating of highly effective.

The Caucus is in full support of this legislation to reduce the evaluation burden on administrators and to prevent the currently-mandated increase on growth factors from going to 40%. The bills have both been reported out from committee and are awaiting action on the House floor.

- As noted last month, the 2019 state supplemental budget is expected to be moved after the election. Much like a school district's budget amendments through the year, this budget will flesh out and modify the budget adopted by the legislature in June. Of particular note in the supplemental process will be resolution to the specific means of allocating mental health funding designated for school safety (as potentially implemented via HB 5966 and SB 1031). Also under discussion are special education and CTE millage equalization funding as well as early literacy language.
- Additionally, attention is being focused on current budget language that prevents districts from receiving foundation allowance in cases where those students also pay tuition. A bill to delay implementation of this provision for one year (**SB 1098**, sponsored by Sen. Jones) has passed the Senate Education Committee this week and is on the Senate floor.
- **HB 5907** (sponsored by Rep. Frederick) was originally a bill addressing technical fixes on language as well as notifications regarding college-level (AP/IB) courses and college-level credit exams (CLEP, etc.). However, after being passed in the House, the bill was amended in the Senate Education Committee to include a provision seeking to address a pupil accounting manual change that required cyber schools to "ensure" 1098 hours of instruction even if a student began "attending" the cyber school mid-year.

Unfortunately, the language used to fix this change replaced a requirement to "ensure" 1098 hours of instruction to one using the word "provide". There are

concerns that this change would lessen the quality of education provided by cyber delivery methods as compared to traditional schools. The bill has passed the Senate Education Committee and is on the Senate floor. However, negotiations continue with the goal of developing alternative language that addresses the pupil accounting manual concern while ensuring cyber schools are held to the same standards of educational quality as traditional schools.

- **HB 4421** (sponsored by Rep. Hughes) would allow for flexibility in hiring substitutes for CTE programs to include those individuals without teaching certificates, but who possess an active or recently-lapsed license in a relevant field to be employed as a substitute. The bill has previously passed the House and has received a hearing in the Senate Education Committee.
- **HB 6314/6315** (sponsored by Rep. Kelly) would provide for the creation of “public innovative districts” that would be allowed to bypass many of the state’s rules and regulations in the name of innovation. At present the bills do not appear to have the necessary votes to move; however, they could receive attention in lame duck.
- Other bills that may potentially see action in lame duck include:
 - A letter grade accountability proposal
 - Pre-Labor Day start authorization
 - Teacher preparation and alternative certification options

8. In Your Spare Time...

PBS’s Frontline program that investigated Facebook received a great deal of attention this week. However, I found last week’s report on Kentucky’s pension problems to be particularly interesting (with some eerie similarities to what we have experienced in Michigan).

If you’re looking for something to do and feel like you need to know that others are dealing with the same problems we have been, check out “The Pension Gamble” (aired October 23). You can access it by clicking on this link:

<https://www.pbs.org/video/the-pension-gamble-hzokyh/>

Hope you’re enjoying the last of the fall colors! As always, please be in touch with questions or concerns.



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