



SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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INFORMATION ALERT

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Re: Lame Duck Legislature Passes PPT Elimination and other Bills.

The Lame Duck Legislative Session came to an apparent end early this morning, after legislators passed bills that will affect schools, and allowed others to die. Most significantly, the Personal Property Tax Elimination (PPT) group of bills—known as the Calley Plan—passed in a sufficiently favorable form that allowed school groups to take a neutral position.

Passed

- **Personal Property Tax** – As passed, the PPT elimination would guarantee 100 percent reimbursement to schools for any dollars lost, except for sinking fund millage. The replacement revenue would come from reallocating the current Use Tax between the General Fund and School Aid Fund (SAF). Currently, two-thirds of the uses tax goes to the General Fund and one-third to the SAF.

The reallocation will require approval in a statewide vote, August 2014. If voters fail to approve the measure, the PPT elimination would not take effect.

- **School Bond Loan Fund** – The group of bills designed to reform the School Bond Loan Fund (SBLF) and School Loan Revolving Fund (SLRF) passed, as was thought by most to be inevitable. However, two elements that significantly lessen the consequences for most schools were included: a three-year sunset and a five-year millage rate smoothing. So while we continued to the very end to oppose the bills, the negative effects are somewhat mitigated.

The passage of these bills now create an opportunity, perhaps even an imperative, to create a new way to fund school infrastructure. It is no longer possible for the state to ignore the issue. A couple of legislators, including at least one who will chair an appropriations committee, have signaled their intent to make school infrastructure funding a priority.

- **Weapons** – Individuals with concealed weapon permits, and extra training, will now be allowed to carry their guns into schools, day care centers, churches and other facilities. As rationale, supporters cited delay time in police response to “shooting sprees” and the ability of armed citizens to stop the perpetrator.

Schools and other facilities can opt out of the expanded concealed weapon law, retaining the current prohibition. Signs would have to be posted announcing the prohibition.

- **Community Colleges** – Community Colleges will now be able to offer certain four-year degrees—further blurring the demarcations between K12, community college, and higher education.

Died

Education Achievement Authority (EAA) – Earlier this week, school organization lobbyists were successful in reshaping the EAA bill to the extent it would have been significantly less onerous had it passed and yet would still have provided assistance to some of the state’s persistently failing schools.

The school community came together and so successfully worked this bill that it was unable to garner sufficient votes, in spite of the Governor and legislative leadership’s very hard push. The bill’s supporters promise a reintroduction as soon as the new legislative session commences, although it is not clear in what form that will happen.

- **Conversion Schools** – The bill designed to allow parents and teachers to take over a school, also failed to move from committee. In the end there was never a great deal of legislative support for some of its features, and concerns about constitutionality persisted. Nevertheless, the bill’s sponsor promises to reintroduce it in January.
- **New Forms of Schools** – The proposal that would allow other entities to create new forms of schools also died in committee, but again, is likely to reemerge as part of the package of bills that will evolve from the School Aid Act rewrite.

All things considered, public schools fared much better in *Lame Duck* than many expected. This governor and legislature have proven particularly adept at pushing their agenda, including many proposals adamantly opposed by the public school community. We should be pleased that those bills that passed were more favorably reshaped and the others never gathered sufficient votes to pass.

Your attention, engagement, and persistence paid off in a very significant way.

Jerry