

SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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Dear Colleagues:

At long last, 2020 is coming to an end! As the year began, I thought, "Boy, this will be a great year with such a cool number!" Needless to say, things turned out a little differently than expected twelve months ago!

As we head into the new year, here is a look back at the recently completed lame duck legislative session and a look forward at things to come.

1. Lame Duck Round-Up

For the first time in several years, this lame duck session of the legislature saw relatively few bills make it across the finish line. COVID concerns limited the number of session days, and split party control also served to dampen the number of bills that were ultimately signed into law. With the legislative session officially ending on December 31, 2020, any legislation not signed by that time does not become law, and must be reintroduced in the next session. Several bills simply ran out of time to complete their journey through the legislature, and others that had been passed were not signed into law by Governor Whitmer before the December 31 deadline (and therefore also died).

In the end, the following were the most important laws enacted that will impact schools:

- Open Meetings Act Flexibility (SB 1246, sponsored by Sen. Theis, now PA 254) This measure extends the current flexibility under the Open Meetings Act that allows for public meetings to be conducted remotely. Without this legislation, flexibility would have expired on December 31, 2020 (other than for members absent due to military duty, a medical condition, or a statewide or local state of emergency or state of disaster). The law now extends this deadline to March 30, 2021.
- Expanded School Employee COVID-19 Grants (SB 748, sponsored by Sen. Stamas, now PA 257) PA 257 is the budget supplemental that, among a host of other things, provides an additional \$2.5 million for Teacher COVID-19 Grants to certain groups omitted from the original legislation. The new legislation now provides for the same \$500 payment to full-time teachers in GSRP (the Great Start Readiness Program), Head Start, special education for individuals aged 18-26, and adult education. Amounts are to be prorated for teachers whose work time is less than full-time equated; if the amount allocated (\$2.5 million) is insufficient to award

the full amount, grants will be reduced proportionally. To be eligible, a teacher must have:

- Performed at least 75% of their 2019-20 standard instructional workload in a brick-and-mortar classroom.
- Developed tools and methods last spring to deliver distance learning, takehome packets, or other methods described in the district or school's continuity of learning plan.
- Certified to the district that he or she worked additional time outside of normal working hours, experienced hazardous conditions, or incurred additional costs related to ensuring students could effectively participate in their school's continuity of learning plan.
- Critical Shortage/Employment of Retirees (HB 4694, sponsored by Rep. Lilly, now PA 267) This law provides important additional flexibility in regard to the employment of school retirees. First, the law extends the sunset on Critical Shortage legislation from July 1, 2021, to July 1, 2025. This means that districts will continue to be able to rehire retired employees, and that those retirees will be able to retain their pensions while earning wages in critical shortage areas, or as substitute teachers, instructional coaches, and independent contractors.
 Additionally, the current three-year limit on reemployment was lifted for individuals in critical shortage positions and for those working as independent contractors.

Under these changes, individuals who have been retired for less than one year are now able to be rehired in critical shortage positions or as independent contractors, provided that they are reemployed by a district that provided instruction under an extended COVID-19 learning plan. (Current law had required a 12-month waiting period before earning wages while retaining their pension.) The same provisions also apply to those being hired as a substitute teacher or instructional coach. Additionally, for those being rehired as a substitute teacher or instructional coach, the changes allow the rehiring of a retiree who retired after September 2, 2017 (something that had not been possible under current law).

Brownfield Redevelopment Revenue Recapture (HB 5059, sponsored by Rep. Slagh, now PA 279) – Beginning in 2021, the State will now be required to reimburse intermediate school districts (ISDs) for any tax increment revenue captured by a brownfield redevelopment authority. This includes monies from property taxes levied for certain operating purposes, including career and technical education and special education. The estimate of the required reimbursement payments to ISDs is roughly \$6.0 million annually, which would come out of existing SAF revenue.

Thanks to legislators for their responsiveness on these issues, and to all those of you who advocated on behalf of this legislation.

2. Looking Ahead to 2021

The new session of the legislature promises to see a continuation of the political balance seen over the last two years. Republicans will continue to control the state legislature (both House and Senate), with Governor Whitmer providing a Democratic counterbalance in the executive branch. In the Michigan House of Representatives, Republicans

will continue to hold their same 58-52 majority. State Senators were not on the ballot, so Republicans maintain their 22-16 majority in that chamber.

Twenty-nine (29) new State Representatives will be taking seats in the new session of the legislature. If you will be represented by one of these freshman representatives, we encourage you to begin making contact with them and communicating your perspective on issues related to the School Equity Caucus platform. Building relationships will be crucial as we seek to bring these new legislators up to speed on the host of education-related issues that will be receiving attention over the next two years. We would much rather that they hear from those in the field, rather than learning about how to "fix" education from outside groups!

In addition to funding concerns, there will continue to be many other issues relative to education lying ahead. COVID will obviously continue to result in ongoing adaptations, including some with legislative implications (i.e, upcoming required implementation of the third grade reading law, evaluation, and more). We will stay highly engaged as events unfold and will keep you informed along the way!

3. January CREC on the Horizon

The start of a new year also means we are nearing that time of year when attention begins turning to the 2021-22 budget cycle.

Coming up on Friday, January 15 will be the first Consensus Revenue Estimating Conference (CREC) of the new budget year, bringing together representatives from the House Fiscal Agency, the Senate Fiscal Agency, and the State Treasurer's Office (representing the executive branch). The panel will review information regarding current economic performance as well as projections for the near future – information that will certainly be interpreted in light of past and potential future COVID-related economic impacts.

Using these reports, as well as data on tax receipts to date, the group will issue its projection of state revenues for the current year and for the next two budget years. This in turn forms the basis for initial budget discussions by the governor and legislature, and is therefore an important barometer for school leaders as they make plans for next year's budget.

It's never too early to begin planning your district's budget, and what is heard in the next few weeks should provide some important context. We will keep you updated on the all the latest information.

4. Coming Soon—January Online Meeting!

In November we were pleased to offer a special post-election update to Caucus members. The positive comments we received from that session were very much appreciated!

We are currently finalizing plans for another online session in the next few weeks. This meeting will take a look at the latest news that comes out of the January CREC (discussed

above) and will hopefully provide districts with important information as they begin 2021-22 budget discussions.

Look for more information coming soon to your inbox! We hope you will be able to join us!

That's all for now as we head into a new year! Best wishes for a wonderful 2021!

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

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