

Charlie Glaes - Legislative Update for the Week of January 3-7

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Subject: Legislative Update for the Week of January 3-7



MASA Legislative Update

Legislative Update for the Week of January 3-7

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Rumors Circulate About Another SAF Raid

Rumors began circulating in Lansing this week that newly elected Governor Rick Snyder may propose shifting the general fund (GF) cost of the community colleges and higher education budgets over to the School Aid Fund (SAF).

The state is already facing a projected \$1.5 billion GF shortfall next year and, presuming the Governor goes through with his plan to replace the Michigan Business Tax (MBT) with a 6 percent flat corporate tax, the state will have about \$3 billion in spending cuts to do to balance the FY 2011-12 budget.

According to the House Fiscal Agency if the full costs (\$1.8 billion) of the Higher Education and Community College budgets were shifted into the SAF, it would reduce K-12 spending by \$1,150 per student. The School Aid Fund is already facing a roughly \$200 million shortfall from current year state revenue and the loss of over \$300 million in federal Education Jobs Act money leaves Michigan schools with a potential half a billion dollar single year drop.

ACTION: MASA and MAISA together with MASB have put out a [joint statement](#) expressing their strong concerns about these rumors. The groups also urged the Snyder administration to make education a priority in next year's budget by reforming Michigan's tax code and empowering schools to innovate. MASA/MAISA Government Relations also put out an alert for members to use to contact Governor Snyder and tell him that reforming education funding cannot mean forcing more students to share fewer dollars. Take action by visiting http://capwiz.com/gomasa/issues/alert/?alertid=21564506&type=SW&show_alert=1

Update on Core Services List

MASA/MAISA Government Relations contacted the Office of Retirement Services (ORS) this week

regarding the impact that the "Core Services" list is having on the availability of qualified instructional coaches and executive mentors/coaches and requested that those position be removed from the list. We have learned that State Superintendent Mike Flanagan also sent ORS an unsolicited email urging them to seriously consider this revision.

Our understanding is that ORS will be reviewing our request in the near future and we will keep you updated as this issue progresses. Depending on the outcome, it may be necessary to pursue legislation to address this problem.

A copy of the letter sent to ORS can be seen by visiting [http://qomasa.org/Portals/0/Resources/LegUpdates/Coaches Core Services List Memo.pdf](http://qomasa.org/Portals/0/Resources/LegUpdates/Coaches%20Core%20Services%20List%20Memo.pdf)

ISD Ed Jobs Allocations Available

Districts have begun receiving Educations Jobs Act allocations. MASA, MAISA and MSBO have been receiving questions from ISDs regarding these allocations.

To clarify, ISDs did receive an Ed Jobs allocation through the original bill (see page 3) in which the ISD's in total received \$4.5 million to be distributed based on 6.9% of their 2010-11 Section 81 allocation. When the Governor signed the bill to enact into law, she vetoed the restoration piece of the allocation (\$246 million based on \$154 per pupil restore of 11d) but the other two sections, the \$4.5 million for ISD's and \$65 million that was allocated to LEA's based on 2X formula were signed into law and made available in MEGS and CMS.

The \$4.5 million came from a total of \$6.0 million of Ed Jobs funding which was allowable to be used by the Department for administrative costs. MDE only used \$1.5 million so they "granted" the rest to ISD's.

If you have not done so already, contact the MDE to draw down available funds.

CREC Coming Next Week

The January 2011 Consensus Revenue Estimating Conference will be held next Friday, January 14 beginning at 9 am. The projections from this conference will be the foundation that the Governor and Legislature use to begin the budget setting process. Watch for a post conference update from MASA/MAISA Government Relations next week.

State of the State Scheduled

Gov. Rick Snyder wasted no time in scheduling his first State of the State address this week. Officially on the job for less than two weeks, Snyder is planning to give his first State of the State address at 7 p.m. on January 19 at the House chambers in the Capitol. It will mark the earliest State of the State address in at least 10 years.

Former Gov. Jennifer Granholm never gave a State of the State address before Jan. 19.

Senate Committees Announced, House Still A Mystery

Senate Republicans have a supermajority, both in the chamber and on committees. The 12-member Democratic caucus lost clout on all committees when assignments were announced this week -- filling just five of the 16 slots on Appropriations; holding three of the nine spots on the Redistricting Committee; and

only one seat on the four-member School Aid Appropriations Subcommittee. The members on the two education related committees are:

Senate Education Policy

Sen. Phil Pavlov (R-St. Clair) (C)
Sen. Judy Emmons (VC) (R-Sheridan)
Sen. Hoon-Yung Hopgood (MVC) (D-Taylor)
Sen. Patrick Colbeck (R-Canton)
Sen. Coleman Young (D-Detroit)

K-12, School Aid and Education Appropriations Subcommittee

Sen. Howard Walker (C) (R-Traverse City)
Sen. Bruce Caswell (VC) (R-Hillsdale)
Sen. John Pappageorge (R-Troy)
Sen. Hoon-Yung Hopgood (MVC) (D-Taylor)

The House committee assignments remain a mystery and multiple names are still circulating for the two chairmanships. An announcement is expected next week.