



SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

121 W Allegan • Lansing, Michigan 48933
www.schoolequitycaucus.org
schoolequitycaucus@gmail.com
269-806-6159

December 31, 2018

Dear Colleagues:

The end of another year has come! I hope 2018 was a great year for you and yours! As we head into the new year, here is a look back at the recently completed lame duck session of the legislature and a look forward at things to come.

1. Record-Setting Lame Duck Session

Over the final four days of his term, outgoing Governor Rick Snyder took action on well over 300 bills sent to him over the last few days of the lame duck session of Michigan's 99th Legislature. He signed 184 bills into law and vetoed another 43 bills on his last day in office alone!

All told 689 bills were passed into law over the past two years of the 99th Legislature; of these, a whopping 341 (49.5%) were signed into law during the lame duck session.

When the dust settled, a number of new laws were enacted that will impact schools. Here is a list of the most important:

- **Supplemental Appropriations Bill (SB 149; P.A. 586)** – This law authorizes \$79.1 million in School Aid Fund (SAF) expenditures, of which \$21.2 million is supported by federal funds and \$30 million that was previously earmarked for Mental Health and School Support Services. The remaining \$27.9 million is covered by monies from the state's General Fund. Included in the legislation are funding for a number of individual allocations and projects.

Language changes from the original SAF authorization include a one-year delay in implementation of current budget language prevents districts from receiving foundation allowance in cases where those students also pay tuition (previously included in SB 1098). More information and specifics can be found by clicking [here](#).

- **School Aid Fund/Income Tax Percentage Reduction (HB 4991; P.A. 588)** – This legislation alters the percentage of income tax revenue dedicated to the School Aid Fund (SAF), reducing it from 23.81% to 22.45% of gross income tax revenues. In taking this step, newly-recaptured state revenue from the *Wayfair* online sales tax decision is redirected toward road funding and Governor Snyder's Renew Michigan environmental protection initiative. This is yet another action by the Legislature and Governor to divert school funding to other

budgetary priorities. Estimates are that this diversion will cost the SAF \$141.1 million in the current budget year, and roughly \$180 million in years to follow.

- **Letter Grading School Accountability (HB 5526; P.A. 601)** – The latest in the seemingly never-ending stream of school accountability systems was passed. After being amended multiple times, the final law requires the Department of Education to administer a system that assigns schools grades of A-F based on their performance in student proficiency, student growth, and graduation rate. Additionally, schools will be compared to their “peers” – schools of similar size and demographic makeup. Schools will also be assigned a rating (“significantly above average” through “significantly below average”) for their participation rate on state assessments, subgroup performance, and chronic absenteeism rate.

Significantly, the bill’s original concept included a 13-member commission to oversee the system. Due to the intensity of lobbying efforts by those in the education community, that plan had to be scrapped in order to get the minimum number of votes for passage. Therefore, many of the operational details of how to set up and administer the system will be in the hands of MDE (including how growth will be determined, how peer schools will be determined, and what sanctions will be imposed on those schools labelled as “lowest achieving”).

- **MPSERS Retirees Non-Core Services (SB 1225; P.A. 482)** – This law codifies current practice by specifying that custodial, food, and transportation services are “non-core” services for purposes of MPSERS, thereby allowing retirees to work in these areas without jeopardizing retirement benefits.
- **School Safety Legislation (SB 882/982/983/990/991; P.A. 467/435/436/437/669)** – SB 882 (P.A. 467) amends the Open Meetings Act to allow for closed sessions of a school board to discuss school safety planning. SB 982 (P.A. 435) creates the Office of School Safety within the Michigan State Police and SB 983 (P.A. 436) requires school districts to adopt an Emergency Operations Plan (exempt from FOIA provisions) by January 1, 2020. SB 990 (P.A. 437) requires districts to consult with local law enforcement regarding school safety issues prior to construction or renovation of school buildings. SB 991 (P.A. 669) requires districts to provide the State Police twice per year with emergency contact information for at least one school official.
- **Additional School Safety Legislation (HB 5828/5829/5851; P.A. 548/549/551)** – These laws create a School Safety Commission to establish school safety standards (HB 5828/P.A. 548) and require districts to designate a School Safety Liaison to identify and evaluate safety measures under the coordination of the afore-described School Safety Commission (HB 5829/P.A. 549). P.A. 551 requires districts to submit a report to the Michigan State Police detailing attempted acts of violence on school grounds that were prevented or thwarted, as well as information on threats of violence made on or off school grounds toward schools, school staff, or students that were prevented or thwarted.
- **School Violence Threats (HB 5942; P.A. 532)** – P.A. 532 makes it a misdemeanor to threaten a violent act against school students or employees on school property using a firearm, explosives, or dangerous weapon. It also classifies overt steps toward carrying out such a threat as a felony.

- **Elimination of Sunset on OK2Say (HB 5850; P.A. 550)** – This law eliminates the sunset on the Student Safety Act and the OK2Say program (previously scheduled to expire on October 1, 2021).
- **College Equivalent Course Notifications (HB 5907; P.A. 619)** – This law includes technical fixes on language as well as requiring notifications regarding college-level (AP/IB) courses and college-level credit exams (CLEP, etc.). This bill also became the subject of extensive negotiations as cyber schools attempted to address concerns regarding language requiring they “ensure” 1098 hours of instruction even if a student began “attending” the cyber school mid-year. This concern was resolved to prorate the number of hours required based on when during the year the student enrolls.
- **CTE Substitute Hiring Flexibility (HB 4421; P.A. 418)** – Allows CTE programs to hire as substitutes those individuals who may not have a teaching certificate, but who possess an active or recently-lapsed license in a relevant field.
- **Qualified Forest Property Tax Exemption (SB 1034; P.A. 671)** – Allows for increased exemptions from property tax for qualified forest property. This law will reduce local property tax collections as well as income for the School Aid Fund from the State Education Tax (the amount of revenue lost is not yet able to be estimated).
- **Tax Exemption for School Bus Purchases and Leases (SB 906/907; P.A. 672/678)** – Makes changes to the Sales Tax Act and the Use Tax Act, respectively, make the purchase or lease of a bus tax exempt if used for the purposes of fulfilling a contract for transportation services with a school district.
- **Pupil Transportation Act Revisions (HB 6028; P.A. 422)** – This law makes a series of updates and revisions to the Pupil Transportation Act.

Additionally, Governor Snyder vetoed HB 5230 that would have made modifications to the annuity provisions provided by the state retirement system.

Bills that died and were **not** enacted included:

- Keeping the growth percentage for teacher and administrator evaluations at 25% rather than the currently-mandated move to 40% (HB 5707/6401). (In other words, as of now growth percentages still move to 40% for this year.)
- Union leave time prohibitions (SB 795/796 and HB 5368/6474) and biannual public employee elections to confirm union representation (SB 1260).
- Tax exemptions for “sportsmen’s clubs” (SB 1035)
- “Public innovative districts” (HB 6314/6315)
- Making “permanent” pre-Labor Day start waivers for those districts that have already received one (SB 885)
- Making school calendars and schedules prohibited subjects of bargaining (HB 4163)

All told, it was a wild and woolly month of December. Your engagement in the process and pressure on legislators helped prevent many worse outcomes. Thank you for all of your support!

2. Emily Laidlaw Named as Governor's Policy Director

As noted in last month's newsletter, our primary lobbyist, Emily Laidlaw, was named as Education Policy Coordinator for Governor-Elect Gretchen Whitmer's transition team. As anyone who has worked with Emily can well imagine, she performed so admirably in that role that she has now been named to the Executive Office position of Policy Director for Governor Gretchen Whitmer!

While we are obviously sad to lose Emily and her expertise working directly with us at the School Equity Caucus, we are very pleased that she has this is an incredible opportunity. She will do great things for Michigan in this new role!

We will continue to be well represented in our lobbying efforts by Matt Kurta who has worked closely with Emily for many years in support of the Caucus agenda. Matt is well-known to Caucus members and is an outstanding, experienced Lansing veteran well-connected in the legislature and well-versed on education policy.

Please join me in thanking Emily for her service to the children of Michigan and in wishing all the best!

3. January CREC on the Horizon

With a new legislature and governor in place, we are nearing that time of year when attention begins turning to the 2019-20 budget cycle.

Coming up in the next couple of weeks will be the first of this year's Consensus Revenue Estimating Conferences (CREC), 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.

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. Reminder – Talking Points Document

Last month you should have received a talking points document based on the goals of the School Equity Caucus to help guide your conversations with your legislators, whether new or returning. With many new legislators coming to Lansing, it is very important for the school community to establish strong connections right from the start!

New senators and representatives will have a great deal to learn in a short period of time about numerous complex education issues, and we ask you to reach out to provide them with information about your perspective on these issues! We would much rather that they hear from those in the field, rather than learning about how to “fix” education from outside groups.

For your convenience, the talking points document is again being attached to the email containing this newsletter. Thanks in advance for your help in setting the stage with the incoming legislature!

5. Coming Soon—January General Meeting!

Make plans now to join us for the January luncheon meeting immediately preceding the MASA Midwinter Conference in Detroit. The meeting will take place in the Mackinac Ballroom of the Radisson (on Level 5) at 11:15 a.m. on Wednesday, February 6. Doors will open at 11:00, and the meeting will conclude no later than 12:45 p.m.

An email regarding registration for the luncheon will be sent out to all members in the near future. Look for that soon in your inbox! We hope to see you there!

That’s all for now as we head into a new year! Best wishes for a wonderful 2019!

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



Dirk Weeldreyer
Executive Director
(269) 806-6159
schoolequitycaucus@gmail.com