



# SCHOOL EQUITY CAUCUS

*Making a difference for the public school children of Michigan*

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Dear Colleagues:

The calendar is turning to May, and with it the activity in Lansing is picking up! There is a lot to pass along. Here's the latest:

## **1. Legislature Returns to Democratic Majority**

The legislative stalemate that has slowed legislative activity for the last several months ended today as two new Democratic state representatives were sworn in. With this action the House has returned to a 56-54 Democratic majority, and all three chambers are again in Democratic hands. We have already started to see the pace of activity increase, and are expecting a busy few weeks before the legislature adjourns around the end of June. Our legislative roundup later in this newsletter will give more information about some of the bills that have been seeing attention.

## **2. Senate & House Budgets Released**

Of course, the big news item over the last two weeks has been the release of the Senate and House versions of the School Aid Fund (SAF) budget bill. The Senate bill (SB 751) has been referred out of the Senate Appropriations Committee, and is now on the floor of the full chamber. The House Appropriations Committee will be meeting on Wednesday, May 1 when they will consider the House version of the bill (HB 5503, sponsored by Reps. Weiss and Witwer), potentially moving it on to the House floor.

Once these bills are each approved by their respective chamber, it will be time to begin final budget negotiations. It is expected that it will be some weeks before the final budget bill emerges from the conference committee, and goes back through both houses before heading to Governor Whitmer. The budget continues to be expected to have had final approval by the end of June.

Prior to reviewing the major aspects of each bill, it is important to mention that one of the key inputs into the final bill will be the revenue numbers coming out of the May Consensus Revenue Estimating Conference (CREC). Twice each year representatives of the governor's budget office, the House Fiscal Agency, and the Senate Fiscal Agency gather to look at the current state of the economy and tax collections to this point in the fiscal year. This year's May CREC will be held on Friday, May 17 and will provide the "final" revenue numbers upon which next year's budget will be based. In time period since the previous CREC was held in January, reports are that actual revenues are running a bit

behind the projections agreed upon at that time. As always, we will provide you with an update following the upcoming meeting.

Each of the three parties to the state budget always like to put their own spin on the budget priorities and expenditure areas they would particularly like to see supported, and this is year is no exception. Don't forget that we are still fairly early in the process, and there are bound to be many compromises prior to the emergence of a final budget bill.

Here are some of the most notable proposals contained in the budget bills:

- Foundation Allowance
  - *Governor* – Governor Whitmer's proposal called for a 2.5% increase on the foundation allowance of \$241 (from \$9,608 to \$9,849 per pupil at the target foundation level), for an increase of \$316 million on this line item.
  - *Senate* – The Senate is proposing an increase of 3.1% to \$9,910 per pupil at the target foundation level (\$397 million in additional expenditure).
  - *House* – The House is proposing a \$217 increase in the foundation allowance (2.25% increase to \$9,825 per pupil at the target foundation level, additional expenditure of \$280 million).
  
- Cyber School Foundation Allowance
  - *Governor* – Calls for a reduction in cyber school foundation allowances to 80% of standard amount (\$7,879 per pupil, savings of \$27 million).
  - *Senate* – Agreed with the governor, but with higher proposed foundation allowance would provide cyber schools with \$7,928 per pupil
  - *House* – Maintains cyber school foundation allowance at the current amount of \$9,150 (frozen since 2022-23)
  
- MPSERS
  - *Governor* – Reduces overall support of MPSERS by \$758.9 million, including the repurposing of \$631.7 million from MPSERS OPEB contributions (see last month's newsletter for a more complete explanation). Reduces the district pension UAAL contribution cap to 20% from 20.96%. Continues reduction of payroll growth assumption to 0.25% (from 0.75%).
  - *Senate* – Agrees with governor
  - *House* – Agrees with governor on OPEB reduction, but further reduces pension cap to 18% (reinvests \$290.8 million in districts). Also provides \$51.6 million to districts to begin reimbursing employees for their 3% healthcare premium contribution. Overall reduction in state support for MPSERS of \$562.4 million.
  
- Great Start Readiness Preschool (GSRP)
  - *Governor* – Called for an increase in base funding of 2.5% (as with the foundation allowance) plus an added 5% increase (total of \$10,342 per full-time student with additional increases for part-time and extended day programs. Advocates serving all preschool-aged children (no income requirement). Total increase of \$106.2 million.

- *Senate* – Increases eligibility threshold to 400% of federal poverty level (total increase of \$136 million).
- *House* – Increased base funding by 2.25% plus the additional 5% recommended by the governor (to \$10,317 per student). Increases eligibility threshold to 350% of federal poverty level.
- Special Education
  - *Governor* – Continued full funding at 100% of the foundation allowance. Total expenditures at \$2.7 billion.
  - *Senate* – Funded at 100% of the foundation allowance.
  - *House* – Funded at 100% of the foundation allowance.
- At Risk (31a)
  - *Governor* – Maintains support at 11.5% of foundation allowance. Would allow district over 90% free/reduced lunch to use 30% of funds to retain and recruit staff. Total allocation of \$975.8 million.
  - *Senate* – Increases funding by \$85.6 million. Would allow the use of up to 60% of funds to retain and recruit staff.
  - *House* – Increases funding by the 2.5% increase to the foundation allowance plus an additional 5%. Overall funding increase of \$70.1 million to a total of \$1 billion. Would allow Detroit PSCD to use up to 40% of funds for salary/benefit increases for instructional staff or to hire additional staff.
- EL Funding
  - *Governor* – Increases allocation by \$3.0 million (2.5% + an added 5%) to \$42.8 million. Requires a minimum number of minutes of instruction per week.
  - *Senate* – Doubles allocation to \$79.5 million (doubles amounts for each WIDA score band).
  - *House* – Increases by \$5.0 million to a total of \$44.7 (2.25% + an added 10%). Also requires minimum minutes per week.
- Transportation Funding
  - *Governor* – Maintains funding at \$125 million from the Transportation Fund
  - *Senate* – Concurred with the governor.
  - *House* – Concurred with the governor, but also deposits \$150 million into the Transportation Fund for future use and changes funding quartiles to octiles.
- ISD Operations
  - *Governor* – Calls for a 2.5% increase (\$2.0 million) to \$81.4 million.
  - *Senate* – Calls for a 3.1% increase to \$81.9 million.
  - *House* – Calls for a 2.25% increase plus an additional 5% (equating to a 7.36% increase) to a total of \$85.3 million.
- Section 31aa (Per Pupil Mental Health/School Safety)
  - *Governor* – \$300 million in per pupil grants (down from \$330 million). Intent to reduce to \$150 million in 2025-26. Removes requirement that 50% must be spent on mental health.

- *Senate* – Reduces to \$150 million.
- *House* – Concurred with the governor, but adds \$13.3 more in GEER funding.
- Student Loan Repayment (Sect. 27k)
  - *Governor* – Not included
  - *Senate* – Includes \$75 million, but directs MDE to create an online portal to process grants to individuals (no longer with local districts).
  - *House* – Not included
- Early Literacy Coaches
  - *Governor* – Increases funding to \$45.3 million (\$3.3 million).
  - *Senate* – Not included.
  - *House* – Concurred with the governor.
- Isolated District Funding
  - *Governor* – Proposed a 2.5% increase plus an additional 5% (\$885,000) to \$12.5 million.
  - *Senate* – Proposed increase of \$500,900 to \$12.1 million.
  - *House* – Proposed a 2.25% increase plus an additional 5% (\$854,400) to \$12.5 million.
- Before/After School Funding
  - *Governor* – Proposed \$50 million in competitive grant funding (repeating funding from 2023-24). Clinton County RESA to award the grants.
  - *Senate* – Increases funding by \$19 million to \$69 million
  - *House* – Increases funding by \$25 million to \$75 million.
- Early Childhood Block Grants
  - *Governor* – Proposed increase of \$1.0 million for home visits to \$4.5 million. Total amount increased to \$20.4 million.
  - *Senate* – Increases by \$600,000 to \$20 million.
  - *House* – Concurred with governor.
- Mentoring Support
  - *Governor* – Proposed funding of \$50 million for teacher, counselor, and administration mentoring.
  - *Senate* – Does not include.
  - *House* – Does not include.
- FAFSA Challenge
  - *Governor* – Increases funding by \$30 million one-time finding to a total of \$40 million (to continue program for an additional four years).
  - *Senate* – Includes funding at \$15 million (\$5 million increase).
  - *House* – Retains funding at \$10 million.

In addition, all parties call for the continuation of universal free breakfast and lunch. A host of other programs and one-time “carve-out” inclusions from last year’s budget were dropped.

This long list is by no means exhaustive – there are many, many more proposals that are not described here! And further clarifications may appear as the proposals are analyzed further. You can learn more by checking out these overview documents:

[Senate Budget Proposal](#)

[House Budget Proposal](#)

With regard to the MPSERS OPEB discussion, **we continue to advocate for the state's traditional K-12 schools that should be the ones that benefit from the program's full funding.** The moves to fully fund these OPEB benefits have come at the expense of many other programs and fiscal benefits across the state's K-12 school system (with a large additional amount yet to pay off). Those who have sacrificed for many years to pay down this huge bill should be the ones to benefit – our state's public school children and employees.

We also continue to recommend that in your discussions with legislators, you urge these additional points:

- **More funding needs to go to the base foundation allowance.** A 2.5% increase will have districts losing ground when considering inflation-driven salary increases, step increases on top of that, large expected increases in insurance costs, and so on.
- **Eliminate competitive grants within the budget.** Competitive grant programs are inherently inequitable, putting a significant additional burden especially on our smaller districts that do not have large central office staff resources.
- **Reduce the number of categorical grants.** This will enable more funding to flow to the foundation allowance.
- **Keep building on the current SFRC weighted funding model.** We have made progress, but much more work needs to be done before we fully achieve the funding model and levels from the SFRC report. By reducing other grants, more money can go in this direction using the existing framework that has already been laid out.
- **Community colleges and universities need to come out of the SAF.** The grand total of SAF support for colleges and universities in the governor's budget proposal is over \$1 billion – a number that would mean additional funding of approximately \$730 per K-12 student if it was returned to its intended purpose. Proposal A, as specifically outlined in our state constitution, was structured to fund a K-12 public school system – not a PK-14 or PK-16 system. It is not possible to fund such a system without major changes and increases to our state's revenue structure for education.

We will keep you informed as more information becomes available about the shape of the final package.

### **3. Senate Election Maps Under Review**

Last month we reported on the work being done by the Michigan Independent Citizens' Redistricting Commission (MICRC) that has been tasked with redrawing district maps in metro Detroit following a court challenge. Both the State House and State Senate maps in the metro Detroit area were found to have improperly incorporated racial data when being drawn, with the net effect being to dilute the influence of voters in the city of Detroit.

The courts approved the proposed changes for House districts 1-14 and 16 last month, and now the MICRC is working on the six Senate maps that were thrown out. The maps are due back to the court for review by May 22, and final court approval is scheduled to take place by July 26.

We will see what impact, if any, these new districts have on the balance of power in the legislature.

#### 4. AED & Design-Build Bills Signed by Governor

PA's 36 and 37 were signed into law by Governor Whitmer last week, and require schools to have AED's located in accessible, unlocked locations in the school and at athletic facilities. The current version of the bills recommends that schools make "the best effort possible" to ensure that AED's are accessible within 1-3 minutes. The bills would further mandate that all high school coaches maintain valid CPR/AED certification starting with the 2025-26 school year, and they also provide civil liability protection for good faith efforts at resuscitation. The law's provision take effect with the start of the 2025-26 school year.

In a somewhat related note, **HB 4291** (sponsored by Rep. Brabec) received a hearing last week in the House Health Policy Committee. This bill would require all coaches of interscholastic and youth sports to receive training in Sudden Cardiac Arrest (SCA), and would require coaches to immediately remove a child demonstrating symptoms of SCA from athletic participation and prevent their participation until they were fully evaluated and cleared by a health professional.

PA 39 (formerly HB 4603) was signed by Governor Whitmer today and allows for design-build team approaches to school facility construction in addition to the more standard architect- or engineer-led design.

#### 5. Legislative Roundup

The pace of policy activity has certainly picked up over the last few weeks! Here is the latest on pertinent legislation:

- **SB 285** (sponsored by Sen. Polehanki) – This bill was passed by the full Senate earlier this month and has been sent to the House where it has been referred to the House Education Committee. The bill would make attendance in kindergarten mandatory for all five-year-olds born prior to September 1 of each year (kindergarten is currently still considered to be optional). Parents would have the ability to hold their child out of kindergarten for an additional year by submitting written notification to that effect to the school.
- A group of long-awaited charter school transparency bills have begun receiving consideration. **HBs 5231-5234** (sponsored by Reps. Weiss, Young, Steckloff, and Scott respectively) would require the name of a charter school's authorizer and educational management organization be printed on school signs and promotional materials. **HB 5269** (sponsored by Rep. Kolesar) would require salary information to be posted on a charter school's website. All of these bills have passed the House Education Committee and are on the House floor.

- **HBs 5450 & 5451** (sponsored by Reps. MacDonnell and Brixie) received a hearing in the House Education Committee last week. These bills would require Michigan public schools to distribute information on the safe storage of firearms to students.
- **SB 741-743** (sponsored by Sens. Camilleri and Bayer) – This proposed legislation would require a school library staffed by a school librarian in every Michigan public school building. The libraries would be required to be in place by the start of the 2025-26 school year, while the mandate calling for a school librarian (prorated by size of the school building) would be mandated as of the start of the 2024-25 school year. The bills also would require participation in an interlibrary loan program. The legislation is in the Senate Education Committee where it received a hearing earlier this month.

No action was taken this month on the following bills:

- **SB 744** (sponsored by Sen. McDonald Rivet) – This bill fixes certain elements of the evaluation legislation approved several months ago. In that earlier law, the number of rating categories were reduced, including the elimination of the “Highly Effective” rating, and the probationary period was reduced to four years if a teacher receives a rating of “Highly Effective” (prior to July 1, 2024) or “Effective” (after July 1, 2024).

This bill further modifies these provisions to also include ratings of “Effective” received prior to July 1, 2024 in the calculation of whether a teacher completed the probationary period. Additionally, probationary teachers had previously been required to achieve a rating of “Highly Effective” or “Effective” on their three most recent evaluations in order to complete probation. This bill would also eliminate the provision that these ratings be on consecutive evaluations. Therefore, the net effect of this legislation is that probationary teachers would now need a minimum of three “Effective” ratings (including the most recent) in their first four years of teaching to receive tenure.

The bill passed the Senate in March and is currently in the House Education Committee.

- **SB 567/568** (sponsored by Sens. Irwin and Polehanki, respectively) – These proposals regarding dyslexia passed the Senate in March and remain in the House Education Committee. While the attempt to address this issue is appreciated, and despite modifications that have been made so far, the bills continue to contain a number of overly prescriptive mandates that would make it difficult for districts to respond the needs of children in the ways they deem best. The bills as currently written require districts to screen all K-3 students for dyslexia at least three times per year and contain a number of other specific requirements if students show characteristics of dyslexia. The bill currently calls for implementation beginning with the 2027-28 school year.
- **SB 518** (sponsored by Sen. Camilleri) – This bill extends the current provision that allows the state superintendent to issue an interim special education teaching certificate to individuals enrolled in an alternate pathway program toward certification. The current authorization for this interim certification expires in July

of this year. Under this bill the authority would be extended for another three years (until July 2027). The bill remains on the full House floor awaiting final passage, having unanimously passed the Senate in October.

**6. School Equity Caucus Executive Director Posting**

Just a quick reminder that the position of Executive Director of the Caucus has been posted and is attached to this email. Applications are due by Friday, May 10 and must be submitted according to the directions on the posting.

Individuals wishing to learn more about the position are welcome to call me at (269) 806-6159.

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That's all for this lengthy update! As always, please be in touch with questions or concerns.



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