

Legislative Update

Michigan Association of Superintendents & Administrators | September 12, 2019



Budget Update

Today the Conference Committee for HB 4242, the School Aid budget, acted on the Conference Report (CR). This bill was crafted, reportedly, without the input of the governor's office, so it's not clear where Gov. Whitmer will fall on the CR.

While the top-level items are definitely increased, we remain concerned that the Legislature did not include a weighted funding formula as referenced by the SFRC. Further, the presented budget shifts \$150 million away from higher education back to the classroom but falls far short of removing higher education and community college funding from the School Aid Fund completely. The budget increases come mostly from this shift of higher education funding and from redirecting online sales tax collections back to schools, away from other priorities that were funded in lame duck.

We will have more details in tomorrow's update but wanted to make sure you saw what was happening today.

Top-level:

- \$120-240 per-pupil 2X Foundation Allowance Increase
- \$5 million increase for at-risk, but penalty language for redirection of funds is maintained
- \$30 million increase for special education, raising reimbursement by 1%
- Cyber schools maintain their current foundation allowance
- \$14 million increase for literacy coaches, but maintains a local match requirement

- The CR does not include a high school per-pupil premium
- \$10 million increase for English language learner grants, bringing the total to \$16 million
- ISD general operations through Sec. 81 was increased by \$685,000 (1%)
- The CR does not include funding for a teacher shortage study, a priority we had hoped would make it in the final document
- Not surprisingly, the CR includes funding for private schools in Sec. 152b
- The CR maintains the requirement for a public hearing for a Labor Day waiver but removes the stipulation that MDE be present

A Conference Report cannot be amended on the floor, so this is the document that legislators are expected to vote on next week. Unless negotiations resume between the House, Senate, and the Governor, this is presumed to be the budget that will be sent to Gov. Whitmer's desk for consideration.

Thanks,

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