

LegislativeUpdate

Michigan Association of Superintendents & Administrators | January 11, 2019



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Summary

We hope that you enjoyed your winter break!

This week in Lansing the action resumed as the 100th Legislature was gavelled in. This session began with bipartisan sentiments from both of the newly elected leaders of the House and Senate, Speaker Lee Chatfield (R-Levering) and Majority Leader Mike Shirkey (R-Clarklake), respectively.

Speaker Chatfield outlined the House's priorities for the upcoming session, naming no-fault auto insurance the single largest issue holding back our state. Additionally, he touched on funding infrastructure, both roads and water, as well as expanding government transparency.

Senate Majority Leader Shirkey's remarks echoed the House, stating that he believes the legislature has an obligation to reform auto insurance. However, he did not elaborate on further details. We anticipate that this issue will be at the forefront of this current session, and it's usually not uncontroversial.

The introductory days of the new session consist of housekeeping items, such as floor seat assignments, and ceremonial events. As with many new sessions, we see a lot of new faces. Twenty-nine incoming House members have never held an elected position previously, which equates to nearly two-thirds of the freshman class. In the upper chamber, seven members in the state Senate have never held an elected position before. Also noteworthy for the 100th Legislature is the presence 16 educators in the House and five in the Senate.

CREC Estimates Show Slow Growth

Today was the January edition of the Consensus Revenue Estimating Conference (CREC). As usual, representatives from the administration joined the House and Senate Fiscal Agencies to prepare the estimates on which Gov. Whitmer and lawmakers will base their initial budget proposals. Although state revenues show some growth, the trend is slowing and is definitely not favoring the School Aid Fund.

Compared to May revenue estimates, the General Fund is up \$288.6 million and the School Aid Fund is down \$23.9 million for FY 19 (the current year). For FY 20, the January estimates show a \$199 million increase in GF dollars and \$25.9 million in growth for the SAF compared to the May estimates.

If you look at the balance sheets for the School Aid Fund and assume flat expenditures, it appears that the next budget could include an increase of \$187 million, which could equate to a large per pupil increase if spent in the foundation allowance. We would caution against spending that money at this time.

The slow growth in the School Aid Fund is disappointing, particularly in the context of all the policy changes recently enacted that divert hundreds of millions of dollars away from schools to the General Fund. These numbers also could complicate efforts to spend more on roads or repeal the so-called “pension tax”, which have been labeled as priorities for lawmakers on both sides of the aisle, as well as Gov. Whitmer. To what extent this news will impact the governor’s priorities, is yet to be seen. But mark your calendar for Gov. Whitmer’s first State of the State address at 7 p.m. on Feb. 5 in the House chamber.

ICYMI: MDE Memos

MDE released a series of memos this week. Please take a look at these as many are relevant to your work.

MEMO #001-19

Partial Federal Government Shutdown

http://www.michigan.gov/documents/mde/Fed_Shutdown_Information_643261_7.pdf

MEMO #002-19

Statewide A-F School Accountability System

http://www.michigan.gov/documents/mde/A-F_Accountability_System_643263_7.pdf

MEMO #003-19

Early Childhood Support Networks (ECSN) Grant

http://www.michigan.gov/documents/mde/ECSN_grant_643264_7.pdf

MEMO #004-19

Great Start to Quality (GSQ) Grant

http://www.michigan.gov/documents/mde/GSQ_grant_643265_7.pdf

MEMO #005-19

MDE Workshop: Student Growth for Educator Evaluation

http://www.michigan.gov/documents/mde/Student_Growth_for_Ed_Eval_643266_7.pdf

MEMO #006-19

Webinar Series: Preparing, Placing, Developing, and Retaining Educators

http://www.michigan.gov/documents/mde/OEE_PD_Webinar_643272_7.pdf

MEMO #007-19

Proposed Code of Ethics for Educators

http://www.michigan.gov/documents/mde/Code_of_Ethics_643273_7.pdf

MEMO #008-19

Digital Literacy Course Launch – January 14, 2019

http://www.michigan.gov/documents/mde/Digital_Literacy_Launch_643275_7.pdf

MEMO #009-19

BULLETIN 1022 – CHANGE NOTICE #28

http://www.michigan.gov/documents/mde/Change_Notece_1022_643277_7.pdf

MEMO #010-19

Pupil Membership Auditing Manual

http://www.michigan.gov/documents/mde/Pupil_Membership_Auditing_Manual_643278_7.pdf

MEMO #011-19

School Bus Replacement Grants

http://www.michigan.gov/documents/mde/Bus_Replacement_Grants_643279_7.pdf