

January 22, 2021

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Summary

As a precautionary step related to some threats received by the Legislature and FBI, both the House and Senate canceled their legislative sessions this week. Fortunately, threats did not pan out, and legislators and their staff are all safe, and business will resume next Tuesday. While there was no formal session, Speaker Wentworth announced his selections for committees, which are detailed below. Gov. Whitmer held another press conference today related to epidemic orders, and with very few exceptions, things remain unchanged

for school districts – including a ban on in-person public meetings like those of a Board of Education.

Next week, in addition to the resumption of the legislative session, **Gov. Gretchen Whitmer will deliver her third State of the State Address on Wednesday, January 27, 2021.** This will be the first time in recent memory where the speech did not take place in the House Chambers and the first-ever virtual event. The speech will be broadcast live on local TV stations as well as streamed at Michigan.gov at 7:00 PM (Eastern Standard Time).

As always, please contact MASA with any questions or concerns.

New MDHHS Order

This morning the Michigan Department of Health and Human Services (DHHS) and Gov. Whitmer released a revised pandemic order. The key takeaway – indoor dining can resume at 25% capacity beginning on February 1. The order also imposes a 10 p.m. curfew for bars and restaurants, meaning all of those establishments must be closed by 10 pm., not last call issued at that time.

Included in today's announcement is an increase of large stadium capacities from 250 to 500, effective today. This will apply to those participating in the high school football championships this weekend. The order was revised to allow stadiums or arenas hosting sporting events up to admit 500 patrons if the venue has a seating capacity of over 10,000. This is effective immediately.

The remainder of today's order takes effect on February 1, 2021, and goes through February 21, 2021. It was clarified during the press conference that

the intention of a 3-week limited order is to allow for state officials to monitor our data and to adjust accordingly prior to the orders expiration.

Also new – the order allows for concessions to reopen at entertainment venues if safety protocols are adhered to. This includes requiring patrons to be seated while consuming food and drinks, groups are separated by at least six feet, no more than 6 patrons are seated at a table, and groups of patrons do not intermingle. The new order does not allow for contact sports to resume.

Further, while the order does allow for non-residential gatherings of up to ten people, the order only allows those gatherings to occur among a maximum of two households. So, **in-person board meetings may not go forward under this order**. We hear your call for an exception for board meetings and will continue to pursue our aggressive ask for the allowance of hybrid or in-person board meetings.

ESSER Funds Guidance

As you are aware, last month, the 116th Congress passed an additional COVID Relief package. Specifically, the \$900 billion Act allocates \$54.3 billion to K-12 schools through the Elementary and Secondary School Emergency Relief Fund (ESSER). The funding is available through Sept. 30, 2022.

We have received several inquiries for guidance on how to use these funds, and if they are different from previous ESSER awards. Please see <u>this</u> <u>document</u> for more details on allowable usages.

Also, over the last week, there has been some confusion about some information we shared. Michigan is slated to receive over \$1.6 billion in ESSER 2 funds. 90% of those funds will go out using the Title 1A funding formula. As

of writing this sentence, the US Department of Education has yet to release those funds to the State. USED has 30 days to do so, but that date has not yet passed. As soon as those funds come to MDE, we will work with MDE and lawmakers to ensure a smooth distribution of the 90%. This allocation is approximately four times what your original ESSER allocation was in mid-2020 (not CFR etc., just the Title 1A ESSER allocation).

The remainder of the \$1.6 billion – approximately \$167 million – has a little bit more flexibility and will go to the Michigan Department of Education. **However**, like all new money, this grant must be appropriated by the Michigan Legislature.

Gov. Whitmer, on Tuesday, announced her own plan for these funds and encouraged lawmakers to appropriate the remaining \$167 million to districts using two calculations –straight per pupil and according to a district's special education FTE. Further, the governor proposed spending an additional \$300 million in Michigan School Aid Fund balance to beef up that appropriation to a total of \$457 million to distributed using the per pupil and special education FTE formula. These dollars would have the same set of restrictions that the ESSER funds would and should most definitely be considered one-time money.

The proposal, while supported by many in the education community <u>including MASA</u>, was not warmly received by legislative leaders. This is mentioned to let you know that these dollars should not be spent yet, as it is still uncertain as to how they'll be distributed and on what timeline. We, of course, are urging swift appropriation and will keep you posted.

House Committee Assignments Announced

Yesterday House Speaker Jason Wentworth (R-Clare) released his committee assignments for the 101st Legislature, and with it, the chairs with whom MASA will work closely over the next two years. The chair of the House Education Committee for this term will be Rep. Pamela Hornberger (R-Chesterfield) and the chair of the House School Aid and Department of Education subcommittee will be Rep. Brad Paquette (R-Niles). Chair Hornberger is the previous chair of the committee and we look forward to continuing our work together with her. Chair Paquette, while new to wielding this gavel, is no stranger to our issues. Rep. Paquette, like Rep. Hornberger, is a former educator and has served on the education committee the last two years. There is also a new committee this term, Workforce, Talent, and Trades that we anticipate taking up education-related issues. That committee is chaired by Rep. Beth Griffin (R- Mattawan).

It was also confirmed that this term, for most legislation, committee chairs will report bills directly to the floor. Recall last session there was a two-committee bill screening process before bills would reach the House floor for a full vote. Bills spending any money must go through appropriations and bills dealing with a criminal penalty must go through Judiciary. Otherwise, committees will be reporting to the floor as was the case prior to last term. Effectively this gives a higher level of control to the committee chairperson. There is no Ways and Means Committee this term.

Internet Gaming Begins in Michigan

At noon today begins the first day Internet sports and casino gaming is legal in Michigan. Recall that Gov. Whitmer signed a bill in 2019 to legalize online sports betting. Since that time, operators waited while a licensing system for online operations could be completed. The Michigan Gaming Control Board

authorized the licenses of several operators to begin online sports betting or both online gaming and sports betting today. More are expected to be approved in the coming weeks.

You may remember that when this bill package was moving through the legislature, MASA and other education associations raised some concerns related to the impact these changes would have on iLottery. Any reduction in revenues for brick-and-mortar casinos would cause reductions in the School Aid Fund (SAF). A compromise between the administration and the Legislature addressed this concern by settling on a higher tax on igambling. Casinos with physical or online sports books will be subject to an 8.4 percent tax on receipts after winnings were paid out. Still, there is a range of revenue estimates for these bills and there is not a reliable way to predict how many people will now participate in online gaming and no longer visit a casino to gamble, the School Aid Fund will see dedicated revenue from the following funds in the Department of Treasury: Internet sports betting, fantasy sports betting, and internet gaming.

We flag this topic as something that the MASA Government Relations Team is following.

ICYMI: MDE Updates

MEMO #005-21

Reminder – Anti-Bullying Policy Modifications

On January 7, 2021, the Michigan Department of Education (MDE) released information regarding the revised State Board of Education (SBE) model antibullying policy. This memorandum is to remind local and intermediate school districts (ISDs) and public school academies (PSAs) that if a local school board

or PSA board of directors creates a new anti-bullying policy or amends an existing policy, state law requires a copy to be submitted to MDE (MCL 380.1310b). New or updated anti-bullying polices are to be submitted through the Michigan Electronic Grants System Plus (MEGS+). Read the full memo.

MEMO #006-21

Advanced Placement (AP) Potential Tool Webinars

The Michigan Department of Education (MDE) has partnered with the College Board to present a series of webinars for districts to investigate the use of the Advanced Placement (AP) potential tool. Read the full memo.