Control Legislative Update

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Summary

On Wednesday, Gov. Gretchen Whitmer announced that schools can reopen under Phase 4 of the MI Safe Start Plan, as long as they adhere to strict, mandatory health and safety protocols. Previous guidance suggested that schools were only clear for in person instruction under Phase 5. Also, this week, the legislature passed a supplemental appropriations bill to release \$880 million in CARES Act money, including \$168 million for education spending. And it wouldn't be a week in Lansing if we didn't see some sort of tax bill that impacts the School Aid Fund. Read on to learn more about these topics and many more.

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

Whitmer Lays Groundwork for Fall Reopening

This week, Gov. Whitmer set the stage for a fall opening across the state. As mentioned above, Ms. Whitmer held a press conference in which she declared her intention to have face-to-face instruction in Michigan schools this fall. In a slight shift, the announcement came that in person instruction could resume in places that were under Phase 4 of the MI Safe Start Plan, as long as districts adhere to strict and mandatory health and safety protocols. Any place in Phase 5 was already primed for in person schooling, but with a different set of protocols.

MASA welcomes this news as we know our members are eager to get their district prepared for the start of the next school year. The announcement certainly raises several questions regarding requirements, safety protocols, and local flexibility for when students return. Gov. Whitmer mentioned the possibility of a local or regional approach if we see a spike in cases that may have some schools pause in person instruction, while allow others to continue. Whitmer stated these decisions would be made in consultation with local health departments. This was not elaborated further during the press conference however we can expect more information on this subject in the near future.

The governor's Return to Learn Advisory Council is working on that guidance; we expect that it will be available on June 30. Gov. Whitmer promised a document that will be substantial and consider all the diverse populations we serve.

However, there is a glaring budget problem we have yet to resolve. The reality is you will likely be purchasing PPE, making creative schedules, and working with your staff without a clear idea of what your budget will look like. Until the US Senate takes action, we are in a waiting game for stable funding. Compounding budgetary concerns are the increased costs associated with opening up in an environment that may require PPE, additional staff, more cleaning, etc. AASA has estimated that the added cost will be approximately \$486 per pupil. Extrapolated across the entire student population, that's \$729 million in added costs related to a safe opening of school.

Supplemental Headed to Governor

On Wednesday, the House and Senate voted on a final version of SB 690, the supplemental federal spending bill. The total amount varied between versions but ultimately, the bill spends a total of \$880.1 million dollars. The legislature allocated \$168 million to education under the bill; \$25 million for the device purchasing program, \$18 million for school district health and safety grants, and \$125 million for a childcare rate reduction stipend.

The allocation of \$25 million dollars to MAISA for a Device Purchasing program and distance learning was included in the final version of SB 690. MAISA is required to use the funds to coordinate and provide an incentive for strategic purchasing of devices for use by students at home and in schools and to address access and connectivity issues for students, families, and community members. The bill includes language that states the goal of this program is to expand access over the next three to six months.

The funds will be made available to all K-12 districts and the bill requires that device purchasing program create incentives for each device purchased through the SPOT Bid. Large incentives are to be directed to schools with low device saturation in student home and greater poverty. Districts who receive funds from the program must agree to limit the spending of incentive funds to technology efforts. This includes network services, computer or device purchasing, wireless or wireline connectivity, online or digital curriculum, and supporting cybersecurity efforts and practices in the implementation of extended Wi-Fi and network access. Additionally, districts must agree to make any incentivized devices available for students for both home and school use and agree to provide only 1 device per student. Finally, districts shall spend all incentive funds in the fiscal year they are received.

In earlier versions of the bill, \$15 million was included for summer school. The final version of SB 690 now includes \$18 million (\$12 per pupil) to public schools to help students catch up with instruction they didn't receive during the height of the COVID-19 pandemic when in-person instruction was suspended. Specifically, SB 690 directs the Michigan Department of Education (MDE) to allocate funding from the District COVID-19 Costs line item to school districts to support instructional recovery programming, benchmark assessments, and health and safety expenditures necessary to provide safe instruction. Instructional recovery programs eligible for funding are understood to be programs that are specifically designed to enable students to catch up on learning that was interrupted by the COVID-19 outbreak. SB 690 states that funding needs to be allocated to all districts by July 30, 2020, on an equal per pupil basis. Charters are included in this funding.

House Unanimously Passes Summer Property Tax Delay Bills

On Thursday, the House passed HB 5761 and HB 5810, bills that will allow individuals and businesses to defer summer 2020 property taxes and allow local units of government to receive advance payments on those taxes from the state to fill funding gaps. These bills provide some relief to some taxpayers while also addressing the cash flow issue it would create for local governments.

Under these bills, a property owner would qualify for deferment if they experienced economic hardship as a result of the COVID-19 pandemic or the government's response to the pandemic and must file an affidavit with this information by August 28. Additionally, the person cannot be a party to an escrow agreement or other agreement obligating an individual or legal entity to pay those summer 2020 property taxes for that property owner or obtained a deferment of summer 2020 taxes against the property on some other basis.

If by March 2021, the individual could still not pay their bill, the legislation would allow them to enter into a payment plan that would still be interest free but would be subject to administrative fees.

The Department of Treasury came out as opposed to these bills this week, stating concerns with the timeline outlined in the bill, as well as concern for bonding and borrowing fund with the current budget situation the state is in.

We share in these concerns, as well as for districts who primarily rely on summer tax collections. We are currently working with bill sponsors to address our concerns and hopefully craft a final product that reconciles the very real economic hardship some are facing and the need to keep school revenue as stable as possible.

Temporary Certification Bill Reported with Amendments

On Wednesday, the House Education Committee reported SB 657, legislation to eliminate a provision prohibiting the interim teaching certificate (ITC) process from allowing an ITC for special education instructors. This bill will not create a requirement for districts to hire individuals with interim teaching certificates for special education teaching positions; rather, it allows districts to do so.

The bill was reported to the House Ways and Means Committee on a 10-4 vote. We've been supportive of this legislation throughout the process and continue to work toward its passage.

ICYMI: MDE Information

Upcoming Deadlines:

06/30/20 - Public Comment Period Perkins Grant FY18 Grant Term Waiver - The federal Carl D. Perkins Act requires states to expend their Fiscal Year 2018 state grant funds by September 30, 2020. Due to the COVID-19 emergency and the governor's stay at home order, funds were not expended as budgeted. For the state to retain these federal grant dollars, Michigan is proposing to request a waiver that extends the deadline for expending those funds to September 30, 2021. The public comment period for the FY18 Waiver to extend the grant period will be Monday, June 15, 2020, through Tuesday, June 30, 2020. Learn more.

09/01/20 – Michigan Electronic Grants System Plus (MEGS+) Child Nutrition Programs (CNP): School Nutrition Programs (SNP) 2021 application is now available. The MEGS+ website for completing the SNP 2021 renewal/application is now open and accessible at https://mdoe.state.mi.us/megsplus/. For participating School Food Authorities (SFAs), the 2021 renewal application must be completed online by September 1, 2020.