

LegislativeUpdate

Michigan Association of Superintendents & Administrators | May 24, 2019



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Summary

There is still no budget from the House, but the Legislature and Gov. Whitmer appear to have reached a deal on changing Michigan's Auto No-Fault law. As of publication, the Legislature is in a rare Friday session to hammer out the final

details before heading into the holiday weekend.

The Detroit Regional Chamber's annual Mackinac Policy Conference is next week, and with Auto No-Fault potentially wrapping up today, it's expected that next week will be a very light lift for the Legislature. We will provide an update next week with a summary of the happenings on the Island.

As always, please contact [MASA](#) with any questions or concerns.

House Ed

The House Education Reform Committee met briefly on Tuesday to hear testimony on two bills. The first, HB 4208 is sponsored by Rep. Steve Johnson (R-Wayland) and would prohibit a teacher's end of the year evaluation from being conducted by a family member or similarly situated teacher. If you are thinking that this bill sounds familiar to you, you're correct. This is a reintroduction of legislation from last session. This bill may cause a burden on smaller districts due to the broad definition of family members and we will be seeking to amend the bill to allow for local control and the ability for school boards to approve exceptions. MASA does not have a position on this bill at this time.

Additionally, the committee heard testimony on HB 4262 sponsored by Rep. John Reilly (R-Oakland Twp.). As introduced, the bill would allow for a minor's parent or legal guardian to issue a work permit for employment if the student is homeschooled. Currently, there are exceptions in the law for students with family businesses and farms. If passed, this change would mean that the parent of the home-schooled student would be the only person responsible for verifying a student's age and ensuring work hours comport with state law. MASA opposes this legislation. It's expected to get voted out of committee next week.

Press Box Update

The House and Senate versions of legislation to exempt press boxes from heating requirements saw movement this week. As we summarized in our last update, HB 4548 and SB 294 would amend Michigan's construction code to clarify that interior spaces, such as press boxes, that are built as viewing areas for outdoor sporting activities are exempt from the permanent heating requirements.

Testimony only was given on HB 4548 in the Regulatory Reform committee. The bill is sponsored by Rep. Bronna Kahle (R-Adrian) who testified that the legislative intent of the bill was to have this change only apply to K-12 facilities. As it reads now, the house bill could apply to all sports facilities, therefore we should see a substitute version of the bill shortly to clarify.

Over in the Senate, the Regulatory Reform committee amended their version of the bill to include structures such as ticket offices and concession stands in this change. The substitute reduced the square footage requirements in order to remove unnecessary requirements for these spaces, such as elevators. Lastly, the language we anticipate in the House version to clarify that this change only applies to K-12 facilities only was also added.

House Considers Codifying Online Sales Tax

On Wednesday, the House Tax Policy committee took up a bipartisan package of recently introduced bills. HB 4540-HB 4543 seek to codify the Department of Treasury's current policy that requires out-of-state retailers to remit sales and use tax. The bill is also expanding this practice to cover independent sellers operating through marketplace facilitators.

As you know, the U.S. Supreme Court's *Wayfair* decision allowed state

Treasuries to collect sales taxes from out-of-state online retailers. The legislature wants to codify this current practice in law, as well as expand it to apply the 6 percent sales tax to outside vendors like Amazon, and eBay, among others.

HB 4540, sponsored by Rep. Lynn Afendoulis (R-Grand Rapids) would require marketplace facilitators to collect and remit sales taxes. The bill defines marketplace facilitators as an individual that contracts with marketplace sellers to facilitate the sale of the seller's products through a physical or electronic marketplace, whether or not the facilitator charges a fee. Additionally, to be defined as a marketplace facilitator, entities must communicate about the offer and acceptance, as well as the collection of payment (indirectly or directly).

A person that rents out rooms or other facilities for temporary facilities or those who provide internet advertising services, including listing products for sale, would not qualify as a marketplace facilitator. HB 4540 also outlines a waiver appeal process and tax liabilities for these entities.

HB 4541, sponsored by Rep. Joe Tate (D-Detroit), would amend the Use Tax Act to make changes regarding the use tax that are substantially the same as those proposed by HB 4540 regarding the sales tax. HB 4540-41 would take effect 90 days after enactment and **would not be retroactive**.

HB 4542, sponsored by Rep. Michael Webber (R-Rochester Hills), and HB 4543, sponsored by Rep. Tenisha Yancey (D-Detroit), would amend the General Sales Tax Act and the Use Tax Act, respectively, to require out-of-state retailers to remit sales and use tax. Under the bills, out-of-state retailers would be responsible for this if the seller's total cumulative gross receipts in Michigan exceeded \$100,000 during the immediately preceding 12 months. Additionally, the seller must have sold tangible property in Michigan in 200 or more separate transactions during the immediately preceding 12 months.

House Bills 4542 and 4543 **would apply** to transactions occurring on or after October 1, 2018. The 12 months before October 1, 2018, would be included as

part of the immediately preceding 12-month period in the criteria described in the bills.

Several retailers spoke in favor of the package. The Department of Treasury is in favor of the bills but would like to see some technical changes made to the bill. A vote was not taken on these bills, Chairwoman Lynn Afendoulis (R-Grand Rapids) indicated that she wants to ensure that the package is thoroughly reviewed before she calls a vote.

In short, MASA supports this legislation because it would bring more sales tax revenue into the School Aid Fund, and that's a good thing.

Other Action This Week

HB 4223, the bill in the House that would add dental screenings to the list of requirements for children entering kindergarten and first grade, moved this week. The House Families, Children and Seniors Committee reported the bill to the Ways and Means Committee on Wednesday. There was an amendment to the bill that would delay the effective date until the 2020-2021 school year. As introduced, the changes would have been in effect for next school year.

The House proposed changes to the Michigan Merit Curriculum (MMC) had a second committee hearing in Ways and Means on Thursday. HB 4269, HB 4271 and HB 4282 would provide for 21st Century skills in the MMC, as well as revise the math and health credit requirements. Testimony only was taken on the package. Our position remains supportive of flexibility, but we are working through some changes and amendments with committee members.

MDE Updates

Memo #078-19

Change in Student Growth Requirements for Educator Evaluation for the 2018-

2019 School Year

Public Act 005 and Public Act 006 of 2019 were signed into law by Governor Whitmer on April 30, 2019, amending the requirements within MCL 380.1249b and MCL 380.1249 for the percent of student growth to determine educator evaluation summative ratings for the 2018-2019 school year. This memo is intended to communicate changes in guidance from the Michigan Department of Education (MDE) to appropriately address the changes represented within this legislation. [Read the full memo.](#)

MEMO #079-19

Professional Practices Update

In keeping with Goal 3 of the Top 10 in 10 to develop an effective education workforce, the Michigan Department of Education, Office of Educator Excellence is providing a Professional Practices update and training workshop. [Read the full memo.](#)

MEMO #080-19

Adoption of New K-12 Computer Science Standards – Free Curriculum Materials and Professional Learning Supports

On May 14, 2019, the State Board of Education (SBE) adopted the new Michigan K-12 Computer Science Standards. These new content standards that have never before been in place will play a critical role in ensuring Michigan becomes a Top 10 in 10 education state through supporting high-quality instruction. [Read the full memo.](#)

