

LegislativeUpdate

Michigan Association of Superintendents & Administrators | June 15, 2018



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Summary

The Legislature met for a final time this week before adjourning for the summer. We saw movement Tuesday on a number of issues we have been monitoring and you will find more details below.

The legislature approved a budget totaling \$56.78 billion for fiscal year 2018-19

and added an additional \$300 million for road construction spending on a mostly party-line vote. \$25 million in school safety grants was added in the Michigan State Police budget and \$30 million for the School Mental Health and Support Services Fund in the Education Omnibus for mental health and support services. Senate Appropriations Committee Chair Sen. Dave Hildenbrand (R-Lowell) said that more details will need to be decided through a larger policy discussion on how the School Mental Health grants will work.

The legislature is scheduled to meet on July 25th and August 15th, with session resuming September 5th. This will likely be the last scheduled legislative update for the summer, but we will be sending issue specific updates as necessary.

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

Budget Recap

On Tuesday both the House and Senate approved the final version of the budget. The FY 18-19 Education Omnibus Appropriation Bill totals \$16.84 billion for the school aid, higher education and community college budgets. School Aid Fund spending for FY 18-19 will see a 1.2 percent increase to \$14.77 billion. The total General Fund contribution was reduced by 72.1 percent to a total of \$60 million as a result of several programs being shifted to school aid funds.

The State's 15 public universities would see a 2 percent increase and community colleges an increase of 1 percent. For community colleges, a total of \$408.2 million was approved, all from the School Aid Fund. Total higher education spending in the budget is \$1.63 billion, \$500.2 million of which is from the School Aid Fund. This is a significant increase from \$234.5 million in the current fiscal year.

Please find further details of the budget below.

Partnership Districts 22p

This was a new section created for districts in partnership agreements with MDE. A district receiving funds is required to craft academic goals that put pupils on track to meet or exceed grade-level proficiency while also allowing the state superintendent to waive burdensome administrative rules for a partnership district under an agreement. Additionally, MDE would have to submit a report to the legislature and to the extent possible, districts receiving funds under this section must participate. New language requires that in the event a partnership district does not meet specified criteria 18 months after signing an agreement or again after 36 months, the State may require a number of things. This could include significant changes made to instruction and non-academic programming, replacement of at least 25 percent of faculty and replacement of the principal unless he or she has been in place less than 3 years and subject to board approval.

Isolated Districts-Sec. 22d

Funding was increased to \$6 million and changes the requirement to qualify for funds from less than 7.3 pupils per square mile to 7.7 or fewer pupils per square mile.

Shared Time Payments-Sec. 23f

This section was not included in the final version of the budget, however, changes under Sec. 6 and Sec. 166b are significant to shared time programs. If optional programming is available to shared-time pupils, it must be available to a majority of the district's students in the same grade level or age group. A district's shared-time membership is capped at 10 percent growth if their shared-time population exceeds 5 percent of the traditional population. For districts with less than 5

percent, the cap would be set at 5 percent of traditional membership or at 10 percent growth in shared-time population.

At-Risk-Sec 31a

Funding is maintained at \$499 million but the most recent version of the budget includes slight changes to program requirements. The professional development allowance was increased to 5 percent rather than the current 3 percent. Schoolwide reforms must be guided by district's comprehensive needs assessment and must feature parent and community supports, activities, and services, which may include Pathways to Potential or Communities in Schools programs. Penalties are delayed by a year (a much-needed reprieve MASA has been working on all year). Although we had been pursuing the executive recommendation on this subject, the one year delay is also a win. The measurement of success formula also changed to include student growth in English language arts and mathematics rather than straight up proficiency. This combines current law, with some of the recommendations in the executive budget. Maintains building level intervention threshold at 40 percent (current law) and end of 8th grade must be proficient in math, by FY 19-20.

School Safety

\$25 million School Safety Grant money in the Michigan State Police budget for this year. Section 31M in the School Aid budget creates the School Mental Health and Support Services Fund in a separate account within the state school aid fund. Money in this fund cannot be expended without a specific appropriation. For FY 17-18, \$30 million school aid dollars will be deposited into this account.

Early Literacy Sec. 35 & 35a

Repeals section 35 and transfers \$1 million to the MDE budget for the administrative funding of early literacy. Funding for early literacy remains the same. The MI Educator Corps funding and a new \$500,000 summer reading program

pilot is included.

ISD Special Education Millage Equalization-Sec. 56

Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education millage levied was increased by \$2.25 million.

Career & Technical Education-Sec. 61a

The current appropriation is maintained at \$36.6 million and \$1 million is included for CTE counselors. This section would shift funding for counselors to the Talent Development Fund, for the purposes of the Marshall Plan.

CTE Equipment Grants-Sec. 61c

The Governor's budget recommendation utilized this section for funding of various elements of the Marshall Plan for Talent. This section is maintained at \$5 million. Funding would be distributed to CEPDs located in an ISD that do not levy a vocational education millage.

Payments for CTE Pupils- Sec. 61d

Provides districts an additional \$25 per participating pupil in CTE programs and an additional \$25 for pupils in high-demand career fields. \$5 million is provided in funding and this is a new section.

ISD Operations Support-Sec. 81

Increases each ISDs allocation by 2 percent for a total increase of \$1.3 million.

FIRST Robotics- Sec. 99h

This section funds grants to districts for FIRST robotics. Funding was increased to \$3 million and ISDs are now eligible for funding. This section was expanded to allow for other competitions and an additional \$300,000 was added for nonpublic school grantees.

MPERS Offset- Sec. 147a

Increases state support of higher employer normal costs resulting from the 2nd year of phasing in a reduced assumed rate of return from 8.0 percent to 7.5 percent by \$39.2 million. Current law and funding are both maintained for a total of \$100 million.

Nonpublic Mandate Reimbursement- Sec. 152b

MASA is opposed to this line item. Similar to the budget last year, we are supportive of the Governor's recommendation to repeal this section. The final version of the budget reduces funding to \$250,000 but allows funding allocated under this section since FY 17-18 to be expended in future years.

Pre-Labor Day Start Waivers Sec. 160

The final version maintains current law.

Legal Action Against the State Sec. 164g.

Current law is maintained. A penalty is established if an ISD uses state funding to pay for an expense relating to any legal action initiated by the district or ISD against the state.

Collective Bargaining Agreement Penalty- Sec. 164h

Current law is maintained but also clarified so that in requiring compliance with the compensation method in MCL 380.1250, this shall not be construed to affect the operation of either MCL 423.215(3)(o), which prohibits collective bargaining on compensation methods among other things, the operation of MCL 380.1231, which provides for a school board to approve teacher contracts with specified wages, or the requirement to confer in good faith with respect to wages under MCL 423.215(1).

Items on their way to the Governor

Marshall Plan

The vehicles bills for the Gov.'s Marshall Plan, [SB 941](#) and [942](#) passed on Tuesday. As a reminder, the House made changes to these bills including revising the grant funding structure by implementing distribution tiers, consolidating the grant application and requiring at least 50 percent of the grants be awarded by June 1, 2019. The \$100 million will come out of the Michigan Higher Education Student Loan Authority. SB 941 was amended further to include clarifying language for talent consortium and those grant applicants must include a committee to adopt the principles of a competency-based instructional model. It also was changed to list computer science as an in-demand field

SB 941 had an H2 substitute adopted on the House Floor. The bill was amended to now require districts that receive grants to hire additional staff as Career Navigators under Sec. 297d, commit to retaining these positions for at least 2 years beyond the end of the 3 year grant period. The previous version of the bill that was sent to the floor from the House Appropriations committee had required staff hired under this position to commit to remaining in the position for two years beyond the grand period.

Teacher Certification Bills

[HB 4069](#) sponsored by Rep. Jim Tedder (R-Clarkston) allows for individuals that have at least 60 hours of college credit to serve as a substitute teacher and also would allow for retirees to become substitutes. The 60 credits do not have to be completed in a designated subject area.

The bill had been amended on Tuesday, the final version was revised to require substitutes to be at least 22 years of age to substitute.

[SB 889](#) sponsored by Sen. Marty Knollenberg (R-Troy) eliminates basic skills examination as a requirement for teacher certification. The bill removes the provision that requires non certified, non endorsed teachers to pass a basic skills examination in order to teach for more than a year. The bill was reported without amendment.

CTE Package

Both [SB 684](#) and [685](#) were reported. SB 684 is sponsored by Sen. Ken Horn (R-Frankenmuth) and requires schools to provide the opportunity for every student to develop an educational development plan in 7th grade. EDPs must include information on various careers with current and projected wages, opportunities to explore careers, identify career pathways, and an opportunity to develop a talent portfolio. SB 685 sponsored by Sen. Peter MacGregor (R-Rockford) requires every school to adopt and implement a three- to five-year school improvement plan and continuing school improvement process in order to be accredited. Plans must include student academic goals, strategies to achieve student goals, evaluation processes, alternative measures of assessment, and effective use of technology.

Additionally, the following bills in the House CTE package were also reported.

[HB 5139](#) sponsored by Rep Daire Redon (R-Lake City) would require the Michigan Department of Education (MDE) to work with the Department of Talent and Economic Development (TED) to create a K-12 model program that establishes career learning and learning themes and targets for each grade level.

[HB 5141](#) sponsored by Rep. Bronna Kahle (R-Clinton) and HB 5142-Rep. Robert Kosowski (D-Westland) would allow school districts, ISDs, and charter schools to engage a full-time or part-time non-certified, non-endorsed teacher to teaching in an industrial technology or CTE program under certain conditions.

[HB 5145](#) sponsored by Rep. Judy Alexander (R-Hanover) would require MDE to promulgate rules to allow an individual to use time invested with local employers

and technology centers toward the renewal of a teaching certificate, a professional teaching certificate, administrator certificate, or an advanced professional education certificate.

There are questions to the dates of implementation for several bills as they vary. MASA is monitoring these issues and will continue to update you with the most up-to-date information regarding implementation.

Personal Property Tax

[HB 5086](#) sponsored Rep. David Maturen (R-Vicksburg) by modifies the distribution of local community stabilization act share revenues. The bill was amended and contains new reporting requirements. School districts would be allowed to be reimbursed for revenue lost from debt millages that were approved before January 1, 2015. Under current law, that cutoff would be 2013. There is a two-year sunset on the change for school debt loss in order to have Treasury calculate the increased cost of this to the state. Additionally, districts have until August 15th to report their estimated losses; this bill changes that date to August 1st. Other reporting dates throughout the bill were also moved up by two weeks or more.

Sunscreen in Schools

[HB 5379](#) sponsored by Rep. Kevin Hertel (D- Saint Clair Shores) allows for possession of sunscreen in schools. The bill was amended on February 22, 2018, to change sunscreen to “U.S. Food and Drug Administration (FDA)-approved over-the-counter topical substances” as allowed at school by nonpublic and public school students.

MMC Flexibility

[SB 175](#) sponsored by Sen. Jim Stamas (R-Midland) allows high school pupils to count 1 full or partial credit of MDE approved career technical education program or visual/performing arts curriculum. During the House Workforce and Talent

Development committee, the bill was amended to remove the reporting requirement. On the House floor the bill was amended again to reintroduce reporting requirements, so that beginning September 1, 2018, and yearly thereafter, a school district or PSA would have to report both of the following to MDE: The number of students who partially or fully fulfilled one foreign language credit by completing an MDE-approved CTE program or curriculum in the previous school year. The number of students who partially or fully fulfilled one foreign language credit by completing visual or performing arts instruction in the previous school year.

STEM Diploma Endorsement

The pair of bills related to STEM is on their way to the Governor. [SB 343](#) is sponsored by Sen. John Proos (R-St. Joseph) and requires schools to provide a student with the most recent "career outlook" pamphlet for the economic forecast region in which the school is located from information provided by the Department of Technology, Management and Budget.

[SB 344](#) is also sponsored by Sen. John Proos (R- St. Joseph) and provides a stem endorsement for pupils who successfully complete a number of credit requirements. The House Workforce and Talent Development committee adopted an H-2 substitute, which revised the requirement that one of the courses for the STEM endorsement be precalculus or calculus. Initially, the bill required that the course cover the content standards for one of those courses, but MDE does not have content standards for those courses.

MDE Updates

MEMO #087-18

Side by Side Comparison of 2007 Social Studies Standards and the Proposed Revisions

The Michigan Department of Education (MDE) is in the process of updating the Michigan Social Studies Standards from the current 2007 Standards. A document containing the proposed updated Michigan Social Studies Standards side-by-side with the original 2007 Standards is available for review. Please use the online survey to share feedback on the updated Social Studies Standards.

http://www.michigan.gov/documents/mde/Social_Study_Standards_Proposed_Revisions_625394_7.pdf

MDE Quick Poll: From 1 to 10, with 10 being the highest score, how do you rate the MDE's new Parent Dashboard?

Quick Polls are informal surveys of what people think about education topics in Michigan. As these are unscientific surveys to reflect a general impression on issues, they are not intended to directly influence public policy. Please click the link below to participate.

<https://www.surveymonkey.com/r/LV2QL2P>