

LegislativeUpdate

Michigan Association of Superintendents and Administrators | June 7, 2018



Conference Committee Reports Budget

Today the Conference Committee on the School Aid Budget met to vote out the bill. While much of it wasn't new information, there were some surprises. The foundation allowance was fully funded at the governor's recommended \$120-240 per pupil distributed through the 2x formula. In addition to the budget, this week the House and Senate approved the voter initiative to repeal Michigan's prevailing wage law. We've received questions about that issue and are working with lawyers to understand exactly when that repeal will impact school construction bids. Expect an update in tomorrow's update or early next week.

The budgets still need final approval, and that is expected to happen some time on Tuesday before summer recess. For a line item summary, [click here](#) and for an estimate of your foundation allowance, [click here](#).

As always, please feel free to contact [MASA](#).

Shared Time 22a and 22b

- The Conference report concurs with the House's recommendation to maintain current law.

Partnership Districts 22p

- The Conference report concurred with the Senate in requiring a district receiving funds to craft academic goals that put pupils on track to meet or exceed grad level proficiency and allows state superintendent to waive burdensome administrative rules for a partnership district while under 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. The Conference report introduces new language that requires the school reconstitution requirements to include significant changes made to instruction and non-academic programming, replacement of at least 25% faculty and staff replacement, and replacement of the principal unless he or she has been in place less than 3 years and subject to board approval.

At-Risk (Sec 31a)

- The Conference report maintains funding of \$499 million but reviews program requirements.
- Includes MTSS and increases professional development allowance to 5% rather than the current 3%.
- 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 to 40% (current law)
- End of 8th grade must be proficient in math, by FY 19-20

School Safety

- \$25 School Safety Grant money in the Michigan State Police budget is gone.
- Section 31M creates the school mental health and support services fund in a separate account within the state school aid fund. Money in this fund can not be expended without a specific appropriation. For FY 17-18, \$30 million school aid dollars will be deposited into this account.
- Funding for the Panic Button App for schools is not included in the conference report.

Removed:

Transportation Payments

- Section 22o has been removed, it was previously included in the Senate version as \$100 placeholder for payments to districts that provide general education transportation in an amount equal to \$25 per rider.

Sections put back in:

Payments for CTE Pupils- Sec. 61d

- Provides districts an additional \$25 per pupil that participates in CTE programs and an additional \$25 for pupils in high-demand career fields. Funded at \$5 million.

Collective Bargaining Agreement Penalty- Sec. 164h

- Clarifies 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)

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% to 7.5% by \$39.2 million. (Sec. 147a(2))

ISD Operations Support-Sec. 81

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