

To: Council About Parochiaid
From: Cara Marie Dobie
Date: June 3, 2016
Re: Legislative Update

As the weather finally begins to warm in Michigan, the State Legislature is focused on its annual ritual of formulating the state budget for next year. The process was over halfway completed by the beginning of May, and most observers expect the final document to be completed by early June. Aside from some critical needs regarding the city of Flint and the Detroit Public Schools system (which are primarily being addressed in separate legislation), this year's budget process has so far been relatively quiet. The House and Senate have also been spending time reviewing negative reports from the Auditor General's office regarding the Grand Rapids Veterans Home, and hearing testimony regarding problems with the computerized system for unemployment benefits.

\$72M Sets Aside To Cover Detroit Public Schools Debt

On May 31, a School Aid Fund (SAF) spending plan moved out of a joint House-Senate conference committee. Under the plan, a first payment of \$72 million would go to Detroit Public Schools (DPS) as part of a larger 10-year payment plan that legislators are working toward to eliminate \$515 million in DPS debt, while also including additional start-up dollars (between \$33 and \$200 million) for a new Detroit Community School District.

Governor Snyder's original SAF recommendation included the money, but both the House and Senate budget plans did not. *MIRS News* indicated both House Speaker Cotter and Senate Majority Leader Meekhof telling reporters that both sides are "close" to a final agreement, but one may not be reached this week.

According to *MIRS News*, besides the money, the second-largest sticking point in negotiations has been whether and how to include the Detroit Education Commission. Speaker Cotter has been opposed to the idea on the grounds it would put charters schools at a disadvantage. However, he has said that while he was not "going to stick a stake in the ground," he would not be opposed to regulatory structure.

In terms of our members, AFT Michigan and Michigan Education Association, along with allies in the Coalition for the Future of Detroit Schoolchildren are working to encourage representatives to support a solution that pays the state-accumulated debt, returns democracy to the public schools through an elected and empowered school board, provides coordination to the opening of new schools, ends the Educational Achievement Authority and protects the jobs of the dedicated school employees in Detroit.

The \$14.16 billion SAF budget for FY 2017 also includes a \$150 million increase in the state's per pupil grant to local districts. This is a \$60-\$120 increase per student. Governor Snyder originally proposed this increase and the House and Senate agreed.

The SAF conference committee also agreed, for the first time, to include money in the budget for private schools to cover the cost of various state mandates such as safety drills, vision screenings, attendance records and immunization statements. An amendment in the House would have included a \$1 million reimbursement and the Senate, a \$5 million reimbursement. The final dollar amount reached on Tuesday is \$2.5 million.

The conferees, named on March 23 & 24th are: Senators Geoff Hansen, Phil Pavlov and Hoon-Yung Hopgood and Representatives Tim Kelly, Phil Potvin and Sarah Roberts. Senator Hildenbrand replaced Senator Pavlov as a conferee on May 25. The final vote on SB 0796 was 4-0 with both Democrats abstaining.

Nine School Boards Show Support for Senate's 3rd Grade Reading Bill

Nine school boards adopted resolutions supporting the Senate-passed version of the bill, which is designed to have 3rd graders reading at grade level before moving them on to the 4th grade. The bill, HB 4822, sponsored by Rep. Amanda Price (R-Park Township) is sitting in a joint House-Senate conference committee since being referred there on March 25. The conferees named are: Representatives Kevin Cotter, Amanda Price and Adam Zemke and Senators Phil Pavlov, Geoff Hansen and David Knezek.

The Senate substitute of the bill would extend the number of good-cause exceptions, including three additions:

- If the parent requests his or her own good cause exemption for the student and the superintendent or district determines this exemption is in the best interest of the student.
- If the student was not continuously enrolled in his or her current school for two years prior and there's evidence the student was not provided with an appropriate reading improvement plan while at the previous school.
- If the principal and literacy coach agree that other evaluations besides reading demonstrate that the student is prepared for the fourth grade.

The schools that passed resolutions are: Oakland Schools, Wayne RESA, Livonia Public Schools, South Lyon Community Schools, West Bloomfield School District, Birmingham Public Schools, Riverview Community School District, Clarkston Community Schools and Walled Lake Consolidated Schools.

Zero Tolerance Reform Package

On May 12, a package of bills was introduced by Representatives Andy Schor (D-Lansing), Al Pscholka (R-Stevensville), Adam Zemke (D-Ann Arbor) and Lisa Lyons (R-Alto) which aims to reverse "zero tolerance" while encouraging schools to take a more subtle approach to discipline.

Several years ago, "zero tolerance" policies were put in place across the country in an attempt to curb school violence. However, new research shows these policies have not directly affected the reduced crime rates seen in schools and may actually contribute to the school-to-prison pipeline.

Rep. Schor's bill, HB 5618, prohibits suspension or expulsion in cases of absenteeism or truancy. His bill, along with HB 5619 and HB 5620, requires consideration of several factors regarding the offending student and the specific situations before suspension or expulsion. The bills also encourage peer-to-peer conflict resolution and in the case of in-school bullying, restorative justice practices.

On May 25, three additional bills were introduced and added to the package including: HB 5693, sponsored by Rep. Martin Howrylak (R-Troy), HB 5694, sponsored by Rep. Dave LaGrand (D-Grand Rapids) and HB 5695, sponsored by Rep. Peter Lucido (R-Shelby Township). These bills make certain technical adjustments to HBs 5618-5621, while also incorporating the new reforms in the Revised School Code.

Last Wednesday, the House Education Committee voted unanimously to report the seven-bill package; all bills advanced to a third reading yesterday. Research from the National Council of State Legislatures shows over the last 25 years zero tolerance policies have 'disproportionately affected minority and disabled students.' This package aims to curtail "zero tolerance" legislation passed in the 90s during the peak of in-school violence.

Revenue Estimates Make Budget More Difficult

As of May 4, both the Michigan House and Michigan Senate have passed their own versions of the 2016-2017 budget. They each made various changes to Governor Snyder's initial budget recommendation, but the main targets for funding stayed relatively stable. Both chambers were close in overall spending, with spending on state operations at approximately \$38 billion, with approximately \$8 billion of that coming from the General Fund.

However, even with some outstanding differences between the House and Senate versions of the budget, the task of the Legislature and the Governor to complete the 2016-2017 budget will be getting much more difficult. On May 17, the House and Senate Fiscal Agencies, along with the Department of Treasury, issued their Revenue Estimating Report. The consensus projection shows that the state is expected to bring in significantly less money than was earlier predicted.

The consensus estimate projects a \$109 million reduction in the General Fund for the current budget year, and a \$75 million reduction in FY 2016-17. The conference also estimated a drop in School Aid revenues over previous projections amounting to \$64 million in the current budget year, and \$83 million in FY 2016-17. It should be noted that these projections are not indications that the state is bringing in less money, only that it is not bringing in as much as was previously expected.

State Legislature Considers Applying FOIA to Itself and Governor

When the Freedom of Information Act was initially passed in Michigan in 1976, it included a number of exemptions. Two of those exemptions – the Michigan Legislature and the Governor's office – have been receiving a great deal of attention lately.

The House Oversight and Ethics Committee has held a number of hearings in the past month on a package of bills that would expand FOIA to include legislators and the Governor's office. House Bills

5469-5478 would create a new section in the Freedom of Information Act that would be dubbed the Legislative Open Records Act. It would apply to state legislators and mirror for the most part requirements in FOIA. However, the Legislature would have a different appeals process than other public bodies for denial of requests for information, and personal communications between legislators and their constituents would be exempt (unless the constituent was a registered lobbyist).

Governor Snyder Announces Members of 21st Century Education Commission

On May 26, Governor Snyder announced the appointments to the new 21st Century Education Commission. The commission is created by Executive Order 2016-6, which will make recommendations for a revamped education system with the goal of positioning Michigan as a national leader in developing talent to address today's economy demands.

The commission is made up of 25 members from the education, business, government, and nonprofit communities, including: 16 gubernatorial appointees, four legislative appointees, the State Board of Education President (or designee) and four state department directors or their representatives. Members will serve terms expiring at the pleasure of Governor Snyder. Note that these appointments are not subject to the advice and consent of the Senate.

The Governor's appointees are:

- **Alloyd Blackmon**, of Stevensville, a Whirlpool executive on loan working with Michigan's Great Southwest Strategic Leadership Council.
- **Dave Campbell**, of Kalamazoo, superintendent of the Kalamazoo Regional Educational Service Agency and a former superintendent of the Livingston ESA and Olivet Community Schools.
- **JoAnn Chavez**, of Ann Arbor, vice president and chief tax officer for DTE Energy and chair of the Michigan Hispanic Chamber of Commerce. She also serves on the DTE Energy Foundation Board and the Inforum Center for Leadership Board.
- **Roger Curtis**, of Onsted, president of the Michigan International Speedway and former vice president of sales and marketing at California Speedway. Curtis also serves as a school board member of Onsted Community Schools.
- **Randy Davis, of Marshall**, superintendent of Marshall Public Schools, where he has served since 2009. He is a former superintendent of Athens Area Schools, consultant for the Wayne County Department of Community Justice, and director of research for Starr Commonwealth.
- **Thomas Haas**, of Allendale, president of Grand Valley State University. He has served as a tenured faculty member, department chair, dean, vice president and president. He will serve as chair.
- **Conway Jeffries**, of Novi, president of Schoolcraft College since July 2001.
- **Brandy Johnson**, of East Lansing, executive director of the Michigan College Access Network.
- **Ann Kalass**, of Northville, president and CEO of Starfish Family Services.

- **Doug Luciani**, of Traverse City, chief executive officer at TraverseCONNECT, the parent company of the Traverse City Area Chamber of Commerce and the multi-county economic development corporation, Venture North, as well as multiple collaborations.

- **Matt Oney**, of Gladstone, physics and chemistry teacher at Escanaba Area High School, was a 2014 Woodrow Wilson teaching fellow and TeachStrong ambassador, where he gave policy input in Washington DC.

-**Doug Ross**, of West Bloomfield, president of the American Promise Schools and a former state senator, Michigan Commerce director, and U.S. assistant secretary of labor.

- **Cindy Schumaker**, of Mt. Pleasant, executive director of the Engler Center for Charter Schools at Central Michigan University.

- **Kevin Stotts**, of Grand Rapids, president of Talent 2025.

- **Teresa Weatherall Neal**, of Grand Rapids, superintendent of Grand Rapids Public Schools.

- **Eileen Weiser**, of Ann Arbor, currently serving her second term on the State Board of Education (1999-2006, 2011- 2018).

Legislative appointees are:

- **Steven Cook**, of Lansing, President of the Michigan Education Association. Cook serves as House Minority Leader Tim Greimel's (D-Auburn Hills) appointee.

- **Nate Walker**, of Detroit, K-12 Policy Analyst for AFT Michigan. Walker serves as Senate Minority Leader Jim Ananich's (D-Flint) appointee.

- **Scott Hughes**, of Byron Center, Majority Counsel for the Michigan Senate. Hughes serves as Senate Majority Leader Arlan Meekhof's (R-West Olive) appointee.

- **Peter Ruddell**, of East Lansing, partner at RWC Advocacy. Ruddell serves as Speaker of the House Kevin Cotter's (R-Mt. Pleasant) appointee.

State department representatives include:

- President of the State Board of Education **John C. Austin**

- State Superintendent **Brian J. Whiston**

- State Treasurer **Nick A. Khouri**

- Director of the Department of Technology, Management and Budget **David Behen**

- Director of the Talent Investment Agency **Stephanie Comai**

