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To: Council About Parochiaid
From: Cara Marie Dobie
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Re: Legislative Update

Education Budget Bills

The Department of Education budget bill, SB 765, as passed by the Senate, **gives the department a gross appropriation of \$326,662,100**. In this version, **the department would see an increase from FY 2013-2014 of \$28,296,100**. The Senate did not include a **\$5 million appropriation (or \$900,000 in ongoing costs)** for the Educator Evaluation and Student Assessment Phase-In program that Governor Snyder created. Also of note from this budget is the removal of language that previously restricted funds from being used to implement the common core.

SB 765 was sent to the House on May 20 where conferees were named including: Representatives Bill Rogers, Matt Lori and Sam Singh. The H-1 substitute was adopted and passed on a roll call vote with 109 Yeas and 0 Nays. The bill was then returned to the Senate where the H-1 substitute was not concurred on with 37 Nays and 1 not voting.

Senate conferees for SB 765 were named on May 20 including: Senators Howard Walker, Roger Kahn and Hoon-Yung Hopgood. SB 765 was then re-received from the Senate with notice of nonconcurrence in House substitute H-1 and has now been referred to conference committee.

The School-Aid budget bill, SB 775, was passed by the Senate on May 8. **The budget bill totaled \$13.74 billion**, prior to changes made on the Senate floor, and includes language that encourages the state to find an alternative to the Smarter Balanced assessments. SB 775 then moved to House Appropriations where the H-1 substitute was adopted and passed a roll call vote with 108 Yeas and 0 Nays. The bill was returned to the Senate where the H-1 substitute was not concurred on with 0 Yeas and 37 Nays and 1 Excused.

The Senate conferees for SB 775 were named on May 20 including: Senators Howard Walker, Roger Kahn and Hoon-Yung Hopgood. The bill was re-received from the Senate with notice of nonoccurrence in the House H-1 substitute. House conferees were named including: Representatives Bill Rogers, Phil Potvin and Brandon Dillon. SB 775 has now been referred to conference committee.

The House passed HB 5314 (Rep. Bill Rogers), the state's K-12, community colleges, and higher education budgets on May 8 roll call vote with 97 Yeas and 12 Nays (nine Dems voting no). **Per-pupil spending will see an increase from \$56 to \$112, universities will see an increase in funding by about 5.6%, and Community Colleges will see an increase in state funding by about 10.6%.**

Three amendments of note include:

- No more than \$1.75 million in supplemental payments for school districts in post-secondary enrollment programs
- \$3 million to reimburse schools for using Department of Ed approved vendors for data analytical tools
- Placeholder installed for a grant program for school districts that work with post-secondary institutions that provide programs specifically for urban schools.

The Education Omnibus bill passed the Senate and the House did not concur on the S-1 substitute. The House conferees for HB 5314 were named on May 20 including: Representatives Bill Rogers, Joe Haveman and Terry Brown. The Senate conferees were named on June 4 including: Senators Roger Kahn, John Moolenaar and Hoon-Yung Hopgood.

House Passes Teacher Evaluation Bills

HB 5223, sponsored by Rep. Margaret O'Brien (R-Portage), and HB 5224, sponsored Rep. Adam Zemke (D-Ann Arbor) both passed the House on May 14. The bills would revise performance evaluations for teachers (5223) and revise the performance evaluation for school administrators (5224). HB 5223 passed 95-14 and HB 5224 passed 96-13.

The bills passed with few changes. One amendment that was adopted requires the Department of Education to provide a report to the Legislature in 2018 that outlines the impact of evaluations.

Both bills heard testimony in the Senate Committee on Education yesterday from the bill sponsors and from various education groups.

Revenue Estimating Conference Reports Lower Revenue for FY 2014, 2015

The revenue estimating conference took place on Thursday, May 15 at the capitol. Michigan economists reported that the state will have \$317 million less in FY 2014 and \$299.1 million less for FY 2015 than was estimated in January. According to the new state Budget Director, John Roberts, the drop in revenues can be attributed to some federal tax changes.

Specifically, the General Fund revenue will be \$253.2 million lower than expected in FY 2014, and the School Aid fund revenue will be 63.7 million lower. In FY 2015, the General Fund revenue is now projected to be \$220.5 million lower than expected in January, and the School Aid fund revenue will be down by \$78.5 million.

However, while these new numbers still mean an overall decrease to the two funds for the current fiscal year, there will be an overall increase of 4.1% for FY 2015.

Bills of Interest to CAP

SJR R For-Profit Public Schools-Sen. Rebekah Warren (D-Ann Arbor) would prohibit operation of public school on for-profit basis in state constitution. Introduced on 4/10/13 and referred to the Committee on Education.

HB 4032 Cyber Schools-Rep. Doug Geiss (D-Taylor) requires cyber schools post materials on website and submit to Department of Education. Introduced on 1/22/13 and referred to the Committee on Education.

HB 4369 Education Achievement Authority-Rep. Lisa Lyons (R-Alto) establishes the Education Achievement Authority as part of public education system and provides for its powers and duties. Concurred in Senate Substitute/Amendment on 3/20/14; 56-54, Substitute H-3 adopted and amended.

HB 4625 School Districts-Rep. Pete Lund (R-Shelby Township) modifies criteria for establishment of compensation levels or adjustments. Reported in the House on 5/22/13; Substitute H-1 adopted.

HB 4725 Education-Rep. John Olumba (I-Detroit) allows public school academies to operate residential boarding schools for at-risk youth. Reported in House on 06/04/14 by Education.

HB 4797 Financially Insolvent Schools-Rep. David Rutledge (D-Ypsilanti) provides for criteria and procedures for providing education to residents of a financially insolvent school district. Introduced on 5/30/13 and referred to the Committee on Education.

HB 4798 Financially Insolvent Schools-Rep. Bill Rogers (R-Brighton) considers pupils residing in district that is not financially able to provide education to residents of educating district for school aid purposes. Introduced on 5/30/13 and referred to the Committee on Education.

HB 4813 Education-Rep. Bill Rogers (R-Brighton) revises criteria and procedures for dissolution of a school district. Signed by the Governor on 07/2/13.

HB 4986 Education-Rep. Tom Hooker (R-Byron Center) provides for certain protections regarding student rights to religious expression in public schools. Introduced on 9/17/13 and referred to the Committee on Education.

HB 5112 Grades for Public Schools-Rep. Lisa Lyons (R-Alto) establishes system for calculating and publishing letter grades for public schools. Reported in House (12/4/13; with substitute H-7; By Education).

SB 66 Michigan Merit Curriculum-Sen. John Proos (R-St. Joseph) Revise the Michigan Merit Curriculum. Reported in House on 06/04/14 by Education.

SB 83 Conversion Schools-Sen. Dave Robertson (R-Grand Blanc) provides for conversion schools for public school academies. Introduced on 1/29/13 and referred to the Committee on Education.

SB 120 American Heritage Instruction-Sen. Patrick Colbeck (R-Canton Township) allow and prohibit censorship of certain American heritage instruction in curriculums. Reported in House on 03/19/14 by Education and referred to second reading.

SB 121 Freedom Week-Sen. Patrick Colbeck (R-Canton Township) require observation of celebrate freedom week in all public school curriculum. Reported in House on 03/19/14 by Education and referred to second reading.

SB 423 School Instruction-Sen. Patrick Colbeck (R-Canton Township) requires instruction in certain United States historical information. Reported in House with recommendation with Substitute H-1 on 03/19/14 by Education and referred to second reading.

SB 644 Strict Discipline Academies-Sen. Dave Hildenbrand (R-Lowell) allow strict discipline academies to enroll individuals placed in certain facilities operated by a private agency. Reported in House on 06/04/14 by Education.

SB 681 Lease Agreements-Sen. Hoon-Yung Hopgood (D-Taylor) prohibits lease agreements between public school academies and certain entities. Introduced on 11/13/13 and referred to the Committee on Education.

SB 682 Public School Academies-Sen. Hoon-Yung Hopgood (D-Taylor) provides for general amendments to public school academies to achieve greater accountability. Introduced on 11/13/13 and referred to the Committee on Education.

SB 716 Religion in Education-Sen. Mark Jansen (R-Gaines Township) require school district policy and practices regarding student rights to religious liberty in public schools and state public universities. Introduced on 12/10/13 and referred to the Committee on Education.

SB 817 Teacher Evaluations-Sen. John Pappageorge (R-Troy) Modify implementation dates for performance evaluation requirements for teachers and school administrators. Committee hearing in House on 06/04/14.