

**To:** Council About Parochiaid  
**From:** Noah Smith, Cara Marie Dobie and Courtney VanCamp  
**Date:** September 25, 2020  
**Re:** Legislative Report

## **SB 927: The K-12 Budget**

In a nearly-unprecedented, nearly-unanimous vote on September 23<sup>rd</sup>, the Michigan Legislature concurred-in a budget deal between Governor Whitmer and GOP Appropriations leaders. This includes SB 927, the K-12 “School Aid” budget. She is expected to sign this into law. Find a detailed analysis [here](#), and for those in more dire need of late-night insomnia reading, find the actual bill itself [here](#).

First, some general details on the overall agreement and some key provisions, then a bit about the state of 31n:

**Per-pupil foundation:** maintains the target (formerly known as basic) foundation at \$8,529 and the minimum foundation at \$8,111, essentially level-funded and uncut.

**Additional per-pupil:** restores the \$175 per-pupil cut as part of the agreement that balanced the 2019-2020 budget, and adds a one-time appropriation of approximately \$65 per pupil. This will be distributed based on a 50/50 blend of the 2019-2020 and the 2020-2021 membership counts, given the difficulty in attendance-taking when schools went virtual in March and some went virtual (or hybrid) again in late August.

**Coronavirus Relief Fund:** requires districts that receive relief fund money must, to the greatest extent possible, continue to pay its employees and contractors during any disruptions or closures due to COVID-19.

**Reporting requirements:** extends the deadline for districts and ISDs to report annual data to the Center for Educational Performance and Information to Dec. 1 for this year only.

**New Section 25i, the Attendance Recovery Program.** \$2 million for an attendance recovery program for all districts that opt in to serve eligible students. Eligible students include: those who didn’t participate in this Spring’s “remote continuous education;” needs intervention based on absence or continuous disengagement; is in danger of failing 1 or more classes; is eligible for the homelessness assistance act; family requires social or financial support; is attending school irregularly or not processing their coursework. There are a number of criteria that a recovery program must meet, connoting that there are organizations that run such programs. Details available upon request.

**Virtual learning support grants:** \$2 million for ISDs to assist with virtual instruction costs. The funds must be used to support districts that started the school year with virtual or hybrid instruction. The money can be used for assisting students with IEPs to address the increased numbers of chronically absent students and/or to offer childcare solutions for elementary-aged students.

**School lunch debt:** \$1 million for payments to districts to forgive all outstanding student meal debt. The funds may be prorated if necessary.

**Great Start Readiness Program:** for this fiscal year only, waives household income eligibility thresholds but maintains that children from the lowest household incomes be prioritized first.

**Third grade reading:** increases funding by \$3 million with \$2.5 million for literacy coaches and \$500,000 for literacy training for principals. It also reestablishes funding for the Michigan Education Corps and eliminates the grants for summer school reading programs.

**Special education funding:** increases funding for special education programs by \$70.3 million to reflect consensus cost estimates.

**Extended COVID-19 learning plans:** This section will allow school boards to reaffirm or modify the plans monthly; expand the staff that can do the two-way interaction with students and removes the requirement that it be initiated by the teacher; revise the deadline for ISDs to approve district plans from Oct. 1 to Oct. 9, 2020; change the date to post the plan on a district website to Oct. 12, 2020; and require districts to report by Jan. 15, 2021 on the amount and type of professional development, how it was delivered for teachers, and what training was provided to parents and teachers.

**New teacher retention stipend:** This new section provides \$5 million for first-year teachers who complete this school year as a full-time teacher in their district. Teachers in districts where at least 70% of students are economically disadvantaged would receive \$1,000; all other teachers would receive \$500. Districts would be required to provide an additional \$500 match per teacher.

### **31n**

The good news is that 31n received a \$5.6 million increase. It also includes language that allows for carry-forward from one fiscal year to the next to give districts the flexibility in spending the funds (in essence so they don't have to rush to spend it).

The \$5.6 million increase is split two ways: \$2.8 million to the "child and adolescent health centers" already allowed under 31n; and \$2.8 million extra to school districts. The extra caveat to the additional \$2.8 million to districts is that they can spend it on "expanding, hiring, or contracting staff and experts to provide services directly." The downside to the new language: in the absence of direct services, an ISD has the option to otherwise "coordinate with outside mental health agencies."

Thus: ISDs can make a good case to hire more direct, school-based staff with their entire allotment of 31n funds (not just the expanded money; the expanded money is really just increasing the total amount!). This language would ostensibly provide those ISDs with "flexibility" in how they seek qualified professionals *without* sacrificing the "Masters-level" qualification; they can use anything from contracted telehealth services to local CMHs if need be.

Other than that, 31n was left intact.