



Capitol Services, Inc.
110 W. Michigan Ave., Ste 700. Lansing, MI 48933
517.372.0860 Fax 517.372.0723
www.CapitolServices.org

To: Council About Parochiaid
From: Cara Spagnuolo
Date: December 6, 2010
Re: Legislative Update

Election Overview

As everyone knows, Republican candidate Rick Snyder was overwhelmingly victorious in the race for governor. In his victory speech he stressed the need for a bi-partisan agenda in Michigan. Republican candidate for Secretary of State, Ruth Johnson, and Republican candidate for Attorney General, Bill Schuette, both won their seats. Republicans captured the State House by picking up 20 seats to give them a 63-47 majority. Nine Democratic incumbents were defeated, and Republicans also won all but two of the open seats that were considered "in play."

This historic tidal wave for Republicans also helped them set the largest margin of Senate control in 64 years (26-12) and the biggest gain of seats in a single election in 28 years. Republicans now hold a super-majority in the State Senate. Continuing a span of control of the Senate that is nearing three decades, Republicans now control that chamber 26-12. Although no incumbent Democratic Senator lost his or her seat, most incumbents' seats (29 of the 38 seats) were open due to term limits. The Supreme Court now has a majority of Republican nominated justices. Two key seats were won by GOP candidates- incumbent Justice Robert Young Jr. and Judge Mary Beth Kelly. As a pair, they beat out incumbent Justice Alton Thomas Davis, appointed by Granholm in August.

Leadership Races Complete and Committees Begin to Form

The House and Senate legislative caucuses have all chosen their leaders. Representative James Bolger (Marshall) was unanimously voted in by House Republican members as the Speaker of the House, with Representative Jim Stamas (Midland) as majority floor leader and Representative John Walsh (Livonia) as Speaker Pro-Tempor. The Minority caucus voted Representative Rick Hammel of Mount Morris Twp. to lead the Democratic members in the House, with Kate Segal (Battle Creek) as the Minority Floor Leader.

In the Senate, Senator Randy Richardville (Frenchtown Twp) has been chosen by incoming Republican senators as Majority Leader and Senator-Elect Arlan Meekhof (West Olive) as Majority Floor Leader. The Senate Minority caucus has chosen Senator Gretchen Whitmer (East Lansing) as Minority Leader and Senator Tupac Hunter (Detroit) as Minority Floor Leader

Regarding committee formation, it appears that Senator Roger Kahn (R-Saginaw) will chair the Senate Appropriations Committee and Senator-elect Phil Pavlov (R-St. Clair Twp.) will chair the Senate Education Committee.

House Passes School Jobs Bill—Again

Michigan had been awarded \$316 million from the Federal Education Jobs Fund to save 4700 education employee jobs. The funding may be used for any position providing educational and related service for early childhood, elementary and secondary schools in 2010-11 and 2011-2012 school years, with funds spent by September 30, 2012. Although portions of a bill that passed previously did meet federal standards, others did not. Thus, the Governor line-item vetoed the \$246 million in the bill that would have fully restored the foundation allowance—having been told by the feds that the state could not use these funds “simply to restore prior cuts to education.”

Shortly after the election, Representative Terry Brown (D-Pigeon) introduced and quickly passed through the House a bill designed to meet federal scrutiny for the remainder of the federal funding. This legislation, HB 5887, distributes the \$246 million under what is called a 2x distribution formula. When added to existing school aid appropriations, the current per pupil increases of \$23-46 per pupil would increase to a total of \$111 to \$222 per pupil. The bill also increases the original per pupil reduction from \$154 to \$162 per pupil to fund nearly half of the *Adair v. State of Michigan* costs and then appropriates \$25.6 million to reimburse districts and ISDs for the costs of collecting, maintaining, and reporting state mandated data, as required under this court case.

On Wednesday, a new version of HB 5887 was approved by the Senate in the Legislature’s initial attempt to appropriate \$316 million in federal funds meant to preserve public school employee jobs. In the new version of the bill, \$246 million goes through the funding formula with \$222 per pupil to the lowest-funded districts and \$111 per pupil to the highest-funded district. \$10 million of expected unspent money from the School Aid Fund in 2009-10 will bring all districts to at least \$154 per pupil. Another \$20 million of expected unspent money from the School Aid Fund will help restore a cut sustained by intermediate school districts as well as award an additional \$6 per pupil. Very early Friday morning the House concurred in the Senate version, which now has been ordered enrolled.

Tenure Reform Passes Senate, Dies in House

If the Senate had its way, school districts would be able to quantify student achievement in evaluations when deciding whether or not to strip tenure from public school teachers. Senator Wayne Kuipers (R-Holland) proposed this bill because he believes the tenure system is now designed to protect incompetent instructors. Under the bill, at least 45 percent of teacher’s evaluations would be based on student growth in academic achievement.

For the remaining 55 percent of the evaluation, the school board would have to develop a local standard of professional effectiveness. This could include: effectiveness in implementing teaching methods, student attendance, effectiveness in classroom management, willingness to grow professionally and ability to relate to parents, students and staff. An appeals process to the superintendent or chief administrator would also be required if tenure were denied.

The House did not take up the legislation on tenure for school district teachers. Early beliefs were that the House Democrats would caucus on the tenure bill in the early afternoon but it never happened. It seems that a whip was taking place on the bill in the early evening and was essentially the last heard of the bill.

Bills Introduced of Interest to CAP

HB 4609, introduced by Rep. Kim Meltzer (R-Clinton Township), would require expenditure reporting requirements for school districts and public school academies including:

- amount of the school district's or PSA's total budget
- number of full time equated pupils served by the school district or PSA
- number of employees
- names and positions of the board or board of directors
- each member of the school board of directors or school administrator of the school district of PSA who have travel expenses during the school fiscal year totaling more than \$3,000 paid for with school district or PSA funds

This bill has been referred to the House Committee on Education.

SB 564, introduced by Sen. Gerald Van Woerkom (R-Norton Shores), would allow charter school enrollment priority to the following pupils: a sibling of a pupil enrolled in the PSA or a pupil who transfers to the PSA from another PSA pursuant to an agreement between the PSAs that provides for this enrollment priority. This bill has been referred to the Senate Committee on Education.

SJR A, introduced by Sen. Mike Bishop (R-Rochester) would provide for limitation of legislative session and repeal of term limits for legislators first serving in 2011 or later.

HJR W, introduced by Rep. Tim Moore (R-Farwell) proposes an amendment to the Constitution to provide for a part-time legislature, revise the session calendar, reduce legislative salaries, and limit extraordinary sessions.