



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

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April 2, 2014

MEMORANDUM

TO: State Board of Education

FROM: Martin Ackley, Director, Office of Public and Governmental Affairs

SUBJECT: State and Federal Legislative Update

MICHIGAN HOUSE OF REPRESENTATIVES

On March 20, the full House reported an H-4 to House Bill 4369 (Lyons) to amend the Revised School Code regarding the state school reform/redesign district. The state reform/redesign district in current law (380.1280c) is maintained with the following changes:

- Entrance into reform district: a school has to be in bottom 5% for 2 consecutive years to be eligible for reform district.
- Exit from reform district: school must show "satisfactory progress" and remain off the bottom 5% list for 4 consecutive years.
- Moratorium: no school may be transferred into district before Jan. 1, 2015 or placed until July 1, 2015.
- Cap on reform district: graduated cap of 50 schools in the reform district (27 through June 30, 2016, 39 through June 30, 2017, or 50 at any one time thereafter).
- Options: Allows any public school (PSA, LEA, ISD, EAA) that is authorized to provide public education services to use the restart model.
- K-8 priority: State School Reform/Redesign Officer shall place the highest priority on addressing unsatisfactory results at public schools with pupils in grade K to 8.
- Testing: State School Reform/Redesign Officer shall rely upon standardized tests results recognized by department and not upon other testing data used by public school.
- Cash flow borrowing: allows this for public entities supporting reform district schools as law allows for all public schools.

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- FOIA: any entity exercising the functions of the reform district must be a public body and subject to FOIA.
- ISD option: within 6 months of appearing on the Bottom 5% list, a school can request the ISD to assume responsibility. The ISD has 60 days to decide whether to accept and to within 365 days to give a plan of when it will assume responsibility. The ISD will retain authority of SRRO and can receive funds. ISD has a minimum of 3 years to improve school during which time it or the district can request the State Superintendent to move the school into the reform district OR if results are not shown, they will be placed in reform district.
- Audit: once every three years, the Auditor General must conduct a post audit of financial transactions and a performance audit of the reform district.
- Center programs: language states that center programs are exempt from placement in reform district.

The House Education committee held two hearings in March and took up the following legislation:

- Senate Bills 120, 121, 423 (Colbeck) which encourage the use of American heritage documents and requires school districts to celebrate "Patriot Week." Reported to full House on March 19.
- House Bill 5196 (Lori) which provides specific physical education requirements including at least 30 minutes, 2 days a week, for students in grade K-5 and at least 45 minutes every day for at least one semester for grades 6-8. Testimony only.

The following education-related House bills also were introduced in March:

- HB 5392 (Heise) allows a school district to use the unexpended balance of bonds, not to exceed 15 percent of the amount of the bond issue, for school construction, buses, equipment, technology or site acquisition/development.
- HB 5431 (Hobbs) requires internet safety instruction to be part of a school district's curriculum for grades 3 to 12.
- HB 5437 (Kosowski) allows sinking funds to be used for purchase of school buses.

MICHIGAN SENATE

The Senate held a hearing in March and heard testimony on Senate Bill 817 (Pappageorge). The bill would delay until the 2015-2016 school year the implementation of the educator and administrator evaluation legislation of 2011.

The following education-related bills were introduced in March:

- SB 839 (Ananich) increases the number of governing bodies authorized to establish promise zones.

State School Aid Supplemental

The State School Aid supplemental (House Bill 4295) was passed by both chambers and is on its way to the Governor. Some highlights of the bill include:

- \$51.7 million in spending authority for the Race to the Top - Early Learning Grant
- \$5 million for reimbursement to those districts who absorbed the dissolved school districts buildings
- Sec. 22g Consolidation grant – the addition of language allowing the consolidation of districts and services
- \$2 million for a new Sec. 25F Strict Discipline Academies categorical
- \$2 million for a new Sec. 31B Year Round School grant to at-risk districts
- \$250,000 for AP test fee assistance for low-income students; students will have to contribute at least \$5 per test
- Sec. 101 change to alleviate the day requirement for the 2013-2014 school year for schools who scheduled more than 174 calendar days. There is also protection for those schools who scheduled additional days at the end of the school year that they meet a 60% attendance requirement rather than the existing 75%.

FEDERAL UPDATE

IDEA Funding Increase?

Two letters have been circulated in the House and Senate respectively calling for an increase in funding for special education, specifically a complete funding of IDEA.

The letter from the House signed by Representatives Jared Huffman (D-CA), Chris Van Hollen (D-MD), David McKinley (R-WV), Chris Gibson (R-NY), Tim Walz (D-MN), and Dave Reichert (R-WA) call for a funding level sufficient to “honor our commitment to students with disabilities and support funding in fiscal year 2015 for IDEA to put us on the path to full federal funding within ten years.”

The letter from the Senate signed by Senators Jeanne Shaheen (D-NH) and Richard Blumenthal (D-CT) asks appropriators to “provide the highest possible funding for IDEA.”

<http://www.edweek.org/ew/articles/2014/04/02/27speced.h33.html>

If you have any questions or concerns regarding these or other legislative issues, please contact me at (517) 241-4395.