



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING



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PUBLIC INSTRUCTION

MEMORANDUM

TO: State Board of Education

FROM: Tom Watkins  
*Tom Watkins*

DATE: December 10, 2004

SUBJECT: Update on Education Legislation

December is the final month of the 2003-04 Legislative Session. At least one key legislative issue was resolved, with a few minor legislative matters addressed as the legislative session ended. In addition, the House of Representatives finalized its leadership positions for the next two years. State Representative Craig DeRoche (R-Novi) was selected Speaker-elect for the 2005-06 Legislative Session. State Representative Chris Ward (R-Brighton) was elected Majority Floor Leader, the second most powerful majority caucus position. House Democrats continued with their leadership team of State Representative Diane Byrum (D-Onondage) as Minority Leader and State Representative Mary Waters (D-Detroit) as minority Floor Leader.

The following are the major legislative actions during December:

**The High School Michigan Merit Examination (MME) Legislative Package.** Immediately after the election, the Senate took up Senate Bills 1153-1157, sometimes referred to as the "ACT Bills." These bills were reported by the Senate Education Committee on November 6, 2004 and passed the full Senate a week later. The Senate Education Committee added a number of changes to this legislation designed to address the concerns of the State Board of Education and the Cherry Commission. Specific issues addressed by the Senate included: 1) rewriting the bills so they were not sole-source legislation for the ACT; 2) provided enough flexibility to ensure students meet Michigan's rigorous curriculum standards; and 3) a requirement that the federal government must approve any proposed changes to the existing high school MEAP – for use in determining Adequate Yearly Progress (AYP).

Last week, the House Education Committee took up the Senate bills. The committee did not actually report the bills to the House floor. Instead, a decision was made to procedurally "discharge" the bills from committee, which occurred on December 7. The House passed the bills on December 8 and the Senate concurred in the House amendments on December 9. The House version of the legislative package reflects many changes negotiated by Dr. Jeremy Hughes, Dr. Ed Roeber and Bob Morris.

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The following are some of the key elements of the legislation as it passed:

The bills replace the MEAP at the high school level only. All other MEAP testing continues – in fact, under NCLB our MEAP testing will be expanding.

2. The bills require that the state use a curriculum-based high school achievement test that is accepted as an entrance test by higher education institutions in Michigan.
3. The bills also acknowledge that the U.S. Department of Education (USDOE) must approve any final testing methods. Additionally, our Department is directed to conduct an alignment study to ensure that any new test meets current MEAP standards. Finally, MDE may develop any component to the assessment test that is necessary to obtain USDOE approval for the new test.
4. The Department will ensure the assessment is designed to meet course level content expectations.
5. Finally, the Department shall ensure that a concise document for pupils and school administrators be developed that provides a report on the assessment test results.

**ISD “Dual Employment” Resolution.** In something of a surprise, the legislature dealt with a looming budget issue, sometimes referred to as “Dual Employment,” related to ISDs and special education. Three ISDs have begun using a legally appropriate, although never intended, part of the School Aid Act to receive additional state funds through a “Dual” or shared employment arrangement with local school districts. Under the arrangement, the special education staff that had been employed by local school districts would be paid for by an ISD, but would legally work for both the ISD and the local school district. The advantage is that ISDs can receive state reimbursement for hiring these employees, while local school districts are not eligible for such reimbursement.

Just this year alone, this new approach would cost the School Aid Fund \$20 million (to be paid in the next fiscal year). If more ISDs followed, the potential cost to the School Aid Fund could be \$200 million per year. Staff has been discussing this problem with Legislative staff for months. During the final days of session, a legislative opportunity arose and Senator Ron Jelinek (R- Three Oaks) and Representative John Moolenaar (R-Midland) developed an amendment to stop all such activities immediately. Almost all of the ISD community embraced this language and the amendment was overwhelmingly adopted.

As always, if you have any questions regarding these or other legislative matters, please do not hesitate to contact me or our Legislative Director, Bob Morris.