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TO: MSBO – ISD Committee

FROM: Jerry Johnson, Assistant Superintendent for Legislation and Education Policy

RE: Legislative Update

DATE: December 15, 2022

LAME DUCK SUMMARY - ENROLLED BILLS

- HB 4188 Retirement The bill would provide annuity options for employees and retirees in the defined benefit retirement plans provided through the Michigan Public School Employees Retirement System. Analysis is available here.
- **HB 4263 Retirement Calculations –** The bill modifies the calculation of unfunded actuarial accrued liability contributions. Analysis is available here.
- HB 5777 School Curriculum The bill requires that the department develop resources for use by a parent or legal guardian of a child who is deaf or hard of hearing. Analysis is available here.
- HB 6039 Career And Technical Preparation Act The bill modifies the Career and Technical Preparation Act to allow certain eligible students to participate in intercollegiate athletics.
- **HB 6040 Postsecondary Enrollment Options Act –** The bill modifies the Postsecondary Enrollment Options Act to allow certain eligible students to participate in intercollegiate athletics. Analysis is available here.
- HB 6042 School Safety Response Plan The bill includes requirements for critical incident mapping data in school safety response plans. This would require school boards to cooperate with local law enforcement to submit detailed and accurate building and site plans to the appropriate local law enforcement agency along with its school safety procedures. Analysis is available here.

WHAT IS NEXT?

As legislative action concludes for the 101st Legislature, there remain a few items left from the lame duck period that will require quick action in the new legislative session that begins after the first of the year. One example is the budget. There will need to be transfers or a supplemental spending bill in order to wrap up the last pieces of the 2021-22 budget. Attached to this task is a recent lawsuit filed by the Independent Citizens Redistricting Commission to compel the legislature to appropriate about \$4 million that is needed to conclude the commission's activity.

Beyond the immediate tasks carried over from lame duck, there is a great deal of speculation about what priorities will be first on the new legislative agenda. One priority that is important to Governor Whitmer is the expansion of the Earned Income Tax Credit. Another is to remove state income taxes on pension income. Other tax policy changes in the new year could include gas tax relief and stabilizing road funding with a reconfiguration the sales tax. There could also be efforts to add a new sales tax on services and increasing child tax credits.

Some have suggested that Democrats need to take immediate and bold action on some of the most important issues for their constituencies. Examples include repealing right to work, reinstating prevailing wage, amending Elliott-Larsen to include LGBTQ protections, reenactment of Polluter Pay laws, and passing tax cuts for working families. Another observer suggested it would be a surprise if the Democrats don't pass legislation to send relief checks (of \$500 or a similar amount) to Michigan households.

Many of the aforementioned tax policies have revenue (and costs) associated with them. Without a limitation to the transfer of school aid revenue to pay for general fund costs, any reduction in state revenue could result in less funding for k-12 education. Since 2010, Michigan has shifted a total of \$6.8 billion from the School Aid Fund to pay for higher education. This equates to approximately \$4,900 per pupil. Thus, any discussion about changing the status quo of Michigan's revenue structure, must keep the School Aid Fund stable.

FUTURE PROUD MICHIGAN EDUCATOR GROW YOUR OWN GRANT

The Michigan Department of Education recently shared additional information about the grant opportunities for Future Proud Michigan Educator **Grow Your Own (GYO) Programs**. These GYO grants are intended to support partnerships between PK-12 schools and educator preparation providers for pathways to invest in school staff to earn initial teacher certification, or for certified teachers to earn additional endorsements via advanced degrees.

GYO grant applications are anticipated to open in GEMS/MARS on December 22, 2022 and remain open until January 31, 2023. Interested applicants are encouraged to use the application template to prepare their applications in advance. More information is available here, or contact MDE-PME@Michigan.gov.

UPCOMING DATES

- December 28 House and Senate in Session for Sine Die
 - o This is the official end of the 101st Legislature
- January 11, 2023 New Legislative Session Begins
- TBD January CREC
- TBD Executive Budget Recommendations

