Grand Valley School Business Officials

Chris Glass – West Michigan Talent Triangle
Michigan State Legislature – Term Limits

House: 37
Governor: 8
Senate: 26
2

Lame Duck Main Points

• Much of what happens in lame duck will depend on the outcome of the election. If Democrats win the Governor’s office or House, there is the potential of “Mighty Duck.”

• Other issues like auto insurance, minimum wage and paid-sick leave will take precedent given their importance and impact to the business community.

• Education is not likely to be at the top of the list of things to “get done.”
Lame Duck Lookout

• **Income/Sales Tax Bait and Switch (4 out of 10)** – For the greater part of two years, Governor Snyder has quietly wanted to change the income tax revenue distribution formula from “gross” to “net.” This would lead to an estimated $450 million loss to School Aid Fund. Additional revenue as a result of the Wayfair, Inc. Supreme Court decision will put more money in the School Aid Fund. Lawmakers may be tempted to divert revenues to solve their general fund shortfalls.

• **Accountability (2 out of 10)** – HB 5526 would rework the accountability system for schools. The legislation also strikes the controversial section of law known as 1280c. This section formed the School Reform Office and dictates what happens to “low performing” schools.
Lame Duck Lookout

• **Senate Bill 1054** (1 out of 10) -- Legislation would prohibit municipalities from doing private sales for any bond over $500,000. Would force districts to do public sales despite evidence its not the best option for many districts.

• **Senate Bill 1098** (8 out of 10) – The budget prohibited districts from collecting “tuition” and FTE for out-of-state students. This legislation would put a year delay in place.
Supplemental Budget Topics

• **School Mental Health Fund** – Legislature appropriated $30 million for mental health services in schools in FY 2019 budget. State is applying for a waiver to Medicaid plan allowing funds to draw down additional dollars from federal government. Supplemental budget will stipulate how districts can access $5 - $10 million of the funds.

• **Gifted and Talented Program (Hopeful)** – MDE through pupil accounting manual, now requiring a “teacher of record” for these programs. This despite the fact the students are typically taught by a college or university employee.

• **Dual Enrollment Cost Increase (Hopeful)** – MDE made an adjustment to its dual enrollment district cost calculator. Bottom line is it would require districts to pay a higher cost for pupils to dual enroll.
Other Bills

• **House Bill 6441** -- Legislation would require a district to enroll a special education student regardless if they met the residency requirement if their sibling attended the school. Under the bill, transportation would not be required.

• **Fiscal Note for New Requirements** – HB 4769 would require associated cost for mandates to be included in legislative analysis.

• **House Bill 6378** – Potential vehicle bill to return to 20.96% for UAAL liability assessment as opposed to Payroll + Purchased Services.
Questions?