



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

RICK SNYDER  
GOVERNOR

BRIAN J. WHISTON  
STATE SUPERINTENDENT

**MEMORANDUM**

**DATE:** December 6, 2017  
**TO:** State Board of Education  
**FROM:** Martin Ackley, Director, Office of Public and Governmental Affairs  
**SUBJECT:** State and Federal Legislative Update

**ACTION IN THE HOUSE OF REPRESENTATIVES**

**Introduced Legislation**

HB 5286 – **School Aid** (Greig) A bill to modify certain disclosure requirements for public schools was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5287 – **Public School Academies** (Elder) A bill to revise the requirements for management agreements with educational management organizations was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5288 – **Charter School Contracts** (Gay-Dagnogo) A bill to require certain provisions in charter school contracts was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5289 – **Authorizing Bodies** (Pagan) A bill to revise the requirements and duties of authorizing bodies was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5290 – **Public School Academies** (Moss) A bill to require notification to public school academies if they are currently being operated by an educational maintenance organization that is experiencing financial distress was introduced and referred to the House Education Reform Committee on November 30, 2017.

**STATE BOARD OF EDUCATION**

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HB 5291 – **Public School Academies** (Camilleri) A bill to revise the requirements for issuance of contract provisions concerning oversight and requirements for management contract was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5292 – **Public School Academies** (Sneller) A bill to provide for additional requirements for oversight of public school academies by authorizing bodies was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5293 – **Public School Academies** (Green, P.) A bill to restrict charter school real estate transactions with certain entities was introduced and referred to the House Education Reform Committee on November 30, 2017.

HB 5294 – **Public School Academies** (Wittenberg) A bill to require certain provisions in contracts with education management organizations was introduced and referred to the House Education Reform Committee on November 30, 2017.

### **Moved Legislation**

SB 544 – **Enhanced Michigan Education Savings Program** (Colbeck) A bill to create the Enhanced Michigan Education Savings Program Act was passed by the Senate on November 30, 2017 and referred to the House Education Reform Committee on December 5, 2017.

SB 545 – **Enhanced Michigan Education Savings Program** (Pavlov) A bill to create the Enhanced Michigan Education Savings Program website and designate eligible services was passed by the Senate on November 30, 2017 and referred to the House Education Reform Committee on December 5, 2017.

SB 546 – **Enhanced Michigan Education Savings Program** (Emmons) A bill to allow parents to open an enhanced Michigan education savings account passed by the Senate on November 30, 2017 and referred to the House Education Reform Committee on December 5, 2017.

SB 547 – **Enhanced Michigan Education Savings Program** (Colbeck) A bill to amend the Michigan Education Savings Program Act to designate the existing language as Part 1 of the Act was passed by the Senate on November 30, 2017 and referred to the House Education Reform Committee on December 5, 2017.

SB 548 – **Enhanced Michigan Education Savings Program** (Colbeck) A bill to require school districts, ISDs, and PSAs to provide a list of services in order to determine services eligible for payment from education savings account was passed by the Senate on November 30, 2017 and referred to the House Education Reform Committee on December 5, 2017.

**SCR 25 – Education Savings Accounts** (Colbeck) A concurrent resolution to memorialize the Congress of the United States to expand federal tax exemptions and contribution limits for state-sponsored education savings accounts and to allow the federal education funding to be deposited into student-specific education savings accounts was adopted by the Senate on December 5, 2017 and referred to the House Education Reform Committee on November 6, 2017.

### **Upcoming House Committees**

There are no education related House committees scheduled at this time.

### **ACTION IN THE SENATE**

#### **Introduced Legislation**

**SB 661 – School Vehicles** (Casperson) A bill to make general revisions to the Pupil Transportation Act pertaining to school vehicles was introduced and referred to the Senate Transportation Committee on November 28, 2017.

**SB 674 – Public School Disclosure Requirements** (Warren) A bill to amend the Revised School Code to add additional reporting requirements was introduced and referred to the Senate Education Committee on November 30, 2017.

**SB 675 – Management Agreements** (Young) A bill to amend the Revised School Code to add additional reporting requirements for management agreements between educational management organizations and public school academies was introduced and referred to the Senate Education Committee on November 30, 2017.

**SB 676 – Charter School Contracts** (Hopgood) A bill to amend the Revised School Code to add annual reporting requirements on recruitment by public school academies, urban high school academies and schools of excellence was introduced and referred to the Senate Education Committee on November 30, 2017.

**SB 677 – Public School Academies** (Bieda) A bill to amend the Revised School Code to include additional reporting requirements for public school academies as well as requirements and duties of authorizing bodies was introduced and referred to the Senate Education Committee on November 30, 2017.

**SB 678 – Public School Academy Notifications** (Bieda) A bill to amend the Revised School Code to require notifications to public school academies if they are being operated by an educational maintenance organization that is experiencing financial distress was introduced and referred to the Senate Education Committee on November 30, 2017.

**SB 679 – Contract Requirements** (Hertel, C.) A bill to amend the Revised School Code to include requirements for issuance of contracts to public school academies and amend requirements for management contracts was introduced and referred to the Senate Education Committee on November 30, 2017.

SB 680 – **Public School Academy Oversight** (Hopgood) A bill to amend the Revised School Code to add requirements for oversight of public school academies by authorizing boards was introduced and referred to the Senate Education Committee on November 30, 2017.

SB 681 – **Charter School Real Estate Transactions** (Young) A bill to amend the Revised School Code to add requirements and restrictions on charter school real estate transactions was introduced and referred to the Senate Education Committee on November 30, 2017.

SB 682 – **Public School Academy Contracts** (Hopgood) A bill to amend the Revised School Code to set restrictions on what types of groups educational management was introduced and referred to the Senate Education Committee on November 30, 2017.

SB 684 – **Educational Development Plans** (Horn) A bill to amend the Revised School Code to modify requirements for crafting and approving educational development plans was introduced and referred to the Senate Economic Development and International Investment Committee on November 30, 2017.

SB 685 – **School Improvement Plans** (MacGregor) A bill to amend the Revised School Code to revise requirements for school improvement plans was introduced and referred to the Senate Economic Development and International Investment Committee on November 30, 2017.

### **Moved Legislation**

HB 4665 – **Strict Discipline Academies** (VerHeulen) A bill to modify the enrollment eligibility in strict discipline academies was referred to the Senate floor on November 29, 2017.

HB 4735 – **Postsecondary Dual Enrollment** (Miller) A bill to expand the definition of eligible institution for postsecondary dual enrollment was referred to the Senate floor on November 29, 2017.

HB 5071 – **Financial Aid** (Albert) A bill to require colleges and universities to provide annual disclosures of certain information concerning federal student loans taken out by each student was referred to the Senate Education Committee on December 5, 2017.

HB 5092 – **Public School Employees** (Lilly) A bill to clarify the funding of required contribution amounts by employers of public school employees was referred to the Senate Education Committee on November 28, 2017.

HB 5126 – **Restraint and Seclusion** (Garcia) A bill to exclude law enforcement officers from the restraint and seclusion definition of school personnel was referred to the Senate Education Committee on November 28, 2017.

SB 549 – **Enhanced Michigan Education Savings Program** (Green) A bill to provide for individual income tax deductions for contributions made to enhanced Michigan education savings accounts was placed on 3<sup>rd</sup> reading in the Senate on November 30, 2017.

SB 693 – **Library Board Retirement System** (Robertson) A bill to include retirement funds for library boards to be included under the Protecting Local Government Retirement and Benefits Act was reported by the Senate Michigan Competitiveness Committee and referred to the Senate on December 6, 2017.

### **Upcoming Senate Committees**

The Senate Economic Development and International Investment Committee will meet on December 7, 2017 for testimony on SB 684 to modify the requirements of educational development plans and SB 685 to modify the requirements of school improvement plans.

## **FEDERAL**

### **Fiscal Year 2018 Budget**

The federal government currently is being funded through a Continuing Resolution (CR), effective October 1, 2017, through December 8, 2018. If Congress does not act to fund the government by Friday, December 8, 2017, either through a new CR or omnibus funding legislation, there is a possibility of a government shutdown.

### **Higher Education Act Reauthorization**

On December 1, 2017, the House Education and the Workforce Committee introduced a bill to reauthorize the Higher Education Act called the Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act (H.R. 4508). This bill amends existing law (last reauthorized in 2008), conforming with Chairwoman Virginia Foxx's (R-NC) priorities of transforming federal education assistance to one grant, one loan, and one work-study program. For example, this legislation eliminates Title II – teacher preparation – as it currently exists.

### **USDA Publishes Rule on Child Nutrition Program**

The USDA Food and Nutrition Service published an Interim Final Rule on November 30, 2017, to grant greater flexibility in milk, whole grains, and sodium requirements in school meals. This interim rule goes into effect on July 1, 2018. In the meantime, comments may be submitted through the Federal Register until January 29, 2018.

### **Federal Tax Code**

On December 2, 2017, the U.S. Senate voted on legislation to amend the federal tax code. The Senate bill limits the federal deduction for state and local taxes to \$10,000, expands 529 college savings accounts to allow for up to \$10,000 per year in deductions for K-12 private school and homeschooling expenses, and doubles federal deductions for educators' personal classroom expenses to \$500. Both the House and Senate proposals would repeal the current exemption of interest from "advance refund bonds" that states and communities use to refinance debt, which could increase the costs of financing school construction and renovation.

The House voted on December 4, 2017, to go to Conference Committee with the Senate. The Senate also is expected to vote this week to formally meet with the House conferees to negotiate a compromise bill. Leadership from both chambers have expressed their goal of sending a bill to the President to sign by the end of this month.

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