

MASBs legislative priorities for the 2013-14 legislative session.

## Short term priorities

### **Support greater legislative focus on early childhood programs and universal access to preschool with corresponding new revenue to support.**

Reaching children at a younger age increases a child's achievement levels and reduces future remedial costs for school districts. Michigan currently does not fund slots for every 4-year-old to participate in a preschool program nor does it completely fund slots for neediest children in the state. Funding should increase to give universal access to all 4-year-olds and full day funding for those students most in need of positive intervention.

### **Support the expansion of sinking funds uses.**

Sinking funds can be a much less costly alternative to bonding when purchasing buses and technology. Under current law using sinking funds for these purposes would be illegal.

### **Explore impact of moving the 18 mil non-homestead tax to a statewide collection.**

The state requires and expects every district to levy 18 mills on all non-homestead property as part of their per-pupil foundation grant. Districts regularly bring the question of renewal of the 18 mills to voters, sometimes annually, at substantial cost to the district and voters, even though they almost always pass. The 18 mills would likely have been part of the statewide levy under Proposal A, but the state was at its tax cap at the time. It's time to examine the impact of moving the 18 mill collection to the state, saving taxpayers money on election costs and possibly generating more revenue for schools at the beginning of the school year.

### **Support legislation that allows for more flexibility in the Michigan Merit Curriculum.**

Many Michigan districts are facing difficulty scheduling students in classes to meet the Michigan Merit Curriculum and to meet individual student needs for classes, such as career technical programs. Districts have also encountered difficulty related to foreign language, both in finding teachers and in a lack of clarity between elementary and high school foreign language credits. Legislation is needed to clarify current department policies and to add additional flexibility for those students that are exploring options beyond the Michigan Merit Curriculum.

## **Support a guaranteed replacement of PPT revenue.**

The August 2014 primary will also have a vote to authorize moving some of the use tax collections to a new metropolitan authority to guarantee at least partial revenue replacement for local governments and schools because of the 2012 changes to the personal property tax (PPT) in Michigan. Whether it's this authority or a future revenue stream, lost revenue from PPT reductions must be replaced for the School Aid Fund, ISDs and local districts.

## **Support moving to a new system of funding distribution that recognizes the different costs of educating a child.**

We have reached a time in education where education can be delivered in person or via electronic means. We also know that education is provided for early childhood programs, elementary, middle and high school students. Each of these variations comes with a different expenditure side, yet we provide revenue at a fixed amount. We must examine the costs of delivering education and adjust our school funding system accordingly.

## **Support incentives for consolidation and consolidation of services.**

MASB fully understands that certain economies of scale exist with the consolidation of certain school district functions or of the districts themselves. However, to help districts overcome political, legal and personnel issues that are associated with any type of consolidation, it's our belief that the state should offer some level of incentive rather than punish schools for something that is in many cases out of their control.

## **Long term priorities**

### **Support further cost containment in the retirement system and ensure any changes address stranded costs and include a cap in costs for local districts.**

With 85-90 percent of a school district's costs attributable to personnel, and with no way to raise money locally, we must find ways to operate in the most cost-effective way while maintaining an environment that is attractive for recent college graduates.

### **Focus legislative efforts on items that further local control, including opposition to unfunded mandates.**

Local governments, including school boards, were put into place to have a level of government that was easily accessible to local voters to more easily hold them accountable for the provision of local services. That has eroded over the last decade; however the legislature could take steps to move back in that direction. The legislature created a statutory committee on unfunded mandates which made recommendations in 2012. The new legislature should revisit those recommendations and take action to adopt new standards to prevent future lawsuits against the state and to create an environment of trust between local units of government and the state legislature.

**Create a structural funding system in Michigan that moves our students forward and limits expenditures from the School Aid Fund to only fund the PreK-12 system.**

Voters in 1994 very clearly believed the changes in tax structure that were a part of Proposal A were meant to reduce the local burden of property taxes while creating a state funding system for our local schools. Legislators have since decided that funding higher education and community colleges from those funds was also acceptable. It's time to look at how we fund our schools and the costs associated with operating quality school programs, and ensure a funding system for PreK-12 that will last for the next two decades and prevent future legislative attempts at diverting the funds to others places not approved by the voters.

**Support ending term limits or extending the length of time a legislator can serve.**

Term limits have had a detrimental impact on how our government functions and they must be looked at and changed.

**Support legislation to create a separate funding stream for technology needs.**

Technology demands for school districts are increasing at a rate that can't be supported simply through expending funds from their per pupil grant. Online testing requirements for all students in 2014, more demands for standardized business and student software to facilitate collaboration and consolidation between districts has created the need for the state to look at a separate funding stream for technology needs in education or more of a state role in funding these new demands.

**Support a continual closing of the per-pupil funding gap for schools.**

Our state must continue one of the tenants of Proposal A by continuing to close the funding gap between school districts in Michigan. Equal opportunities must exist for all of the children in Michigan, not just a few.

**Support state and federal assistance for school infrastructure**

Michigan has a multi-billion dollar school construction need with a state school bond system that is near the bottom in the country in actual monetary assistance to school districts. Coupled with property values that vary so much across the state we have an infrastructure system that will not meet the needs of future students in this state.