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BILL ANALYSIS



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Senate Bill 941 (as enacted)
Sponsor: Senator Dave Hildenbrand
Senate Committee: Appropriations
House Committee: Appropriations

PUBLIC ACT 227 of 2018

Date Completed: 7-10-18

CONTENT

The bill would amend the State School Aid Act to enact a new Article V (Sections 297-297L), commonly referred to as the "Marshall Plan for Talent". The bill would appropriate \$100.0 million in fiscal year (FY) 2017-18 from the Talent Investment Fund for the purpose of improving the State's talent pool. Funds appropriated in FY 2017-18 would be a work project appropriation, and any unspent funds would be carried into FY 2018-19, with the work project estimated to be completed by the end of FY 2021-22.

Table 1 below shows the spending proposed in the bill. Under the bill, a total of \$100.0 million is proposed to be spent from the Talent Investment Fund (which Enacted Senate Bill 942 would create).

In addition, Senate Bill 941 would define terms used throughout Article V. Of note, "competency-based education" would be defined as "an approach to teaching and pupil learning where pupils are evaluated on individual competencies, and only when they master them, they move on to more advanced competencies". Also, "talent consortium" would be defined as a "consortium of entities that enter into a talent agreement...", and would require the inclusion of at least one district or intermediate school district (ISD) and employers or organizations representing employers.

The bill would require the Michigan Department of Education (MDE) to develop consolidated grant applications, including at least one application that would encompass grants allocated under Sections 297a (competency-based education), 297b (equipment grants), and 297d (career navigators). Further, the bill would require that at least 50% of the grants under those three sections be awarded by June 1, 2019; and that 50% of the grants be awarded to Tier 1 districts, 30% be awarded to Tier 2 districts, and 20% be awarded to Tier 3 districts. The bill would define Tier 1 districts as those with more than 3,800 pupils; Tier 2 as those with between 1,400 and 3,800 pupils; and Tier 3 as those with fewer than 1,400 pupils. A Tier 1 district could receive a grant up to \$500,000; a Tier 2 district could receive up to \$300,000; and a Tier 3 district could receive up to \$200,000. Districts could apply for grants individually or with other districts, or apply with their resident ISD, either alone or in combination with other districts.

MCL 388.1602 et al.

FISCAL IMPACT

The fiscal impact on local units of governments (i.e., school districts, intermediate districts, and community colleges) includes \$61.2 million identified as payments to districts and intermediate districts under Sections 297a, 297b, 297c(11), and 297d, and includes an

indeterminate amount for payments to community colleges under Section 297c(10), dependent on the amount awarded to community colleges out of \$2.4 million allocated for academic coaches. (The \$2.4 million allocated for academic coaches could be awarded to community colleges, universities, or private nonprofit colleges.)

The fiscal impact on the State would be additional departmental funding of \$8.3 million for administration, infrastructure, and support. The remaining funding under the bill would be awarded for students (\$20.0 million under Sec. 297c(2)), for innovative teachers (\$4.0 million under Sec. 297a(8)), and for a career navigation platform (\$4.0 million under Sec. 297d(3)).

Table 1

Marshall Plan for Talent Spending			
SB 941 Section Number	Purpose	Grantees (subsection as noted)	SB 941 Amount Proposed
297a(2)	To create and expand competency-based programs that result in competencies or credentials in high-demand fields.	Districts and ISDs in a talent consortium	\$29,935,000
297a(5)	To provide funds to DTMB to support critical cybersecurity training and infrastructure programs.	Training and Infrastructure	1,100,000
297a(6)	To provide funding to MDE for statewide supports for competency-based learning.	Statewide supports	450,000
297a(7)	To provide technical assistance to districts to help integrate the Michigan Merit curriculum into competency-based programs.	MDE for curriculum integration	1,000,000
297a(8)	To provide funding to teachers who are part of the Innovative Educator Corps.	Innovative Teachers	4,000,000
297b	To provide competitive grants to purchase equipment to increase skilled workers in emerging and high-demand fields.	Districts and ISDs in a talent consortium	18,500,000
297c	To provide scholarships for low-income students for a degree or credential in a high-demand field, to provide funding to postsecondary institutions for coaches and mentors, to provide incentive grants to districts, and for Treasury administration.	Students (2)	20,000,000
		Postsecondary (10)	2,440,000
		Districts (11)	2,300,000
		Treasury admin (13)	760,000
297d(2)	To provide funding to districts and ISDs that are members of a talent consortium, to hire career navigators.	Districts and ISDs in a talent consortium	10,500,000
297d(3)	To provide funding for the expansion of a web-based career preparation platform.	Talent and Economic Development	4,000,000
297e	To provide funding for an awareness campaign.	Talent Attraction (2)	2,765,000
		Going Pro (3)	750,000
297g	To provide funding to MDE for administration.	MDE	1,500,000
		Total	\$100,000,000

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.