



THE EARLY CHILDHOOD INVESTMENT CORPORATION

CAPITOL

CORNER

STATE UPDATE

Friday, December 11, 2009

Matt Gillard

mgillard@ecic4kids.org

With Christmas approaching and an extended break for the Legislature on the horizon, activity really picked up in Lansing this week. Highlights of the week include:

- Both the House and Senate moved all of their respective “Race to the Top” legislative reform measures into a Conference Committee that will be charged with negotiating the differences between the bills.
- The Governor rescinded the \$127 per pupil pro-rata cut that she had imposed upon local school districts in October, citing a higher than anticipated carry forward remaining in the School Aid Fund at the close of the 2009 fiscal year.
- After years of debate and growing public outcry, the Legislature finally reached a compromise agreement on a smoking ban in public places with limited exemptions for casino floors, cigar bars, and smoke shops.

The “Race to the Top” legislation continues to work its way through the legislative process despite growing concern from some educational interest groups. The reform measures being required by the Obama Administration in order to apply for the \$3.5 billion are significant and wide-ranging. All of the bills have now been referred to a Conference Committee that will meet throughout the weekend and into early next week in order to iron out the differences between the measures. The legislative leaders and the Governor are firmly committed to enacting the reforms required for State School Superintendent Mike Flanagan to be able to apply for these funds, so final passage of the reforms is expected next week.



powered by the
Early Childhood
Investment Corporation
and Michigan's Great Start Collaboratives

517.371.9000 phone

517.371.9080 fax

221 N. Pine - Lansing, MI 48933

www.ecic4kids.org

On Thursday, the Governor held a press conference to tell reporters she had directed the State Treasurer to pause the \$127 per pupil pro-rata cut to local school districts that she had said was necessary in October. Non-homestead commercial property tax collections had come in higher than anticipated and school districts had returned nearly \$50 million in unspent categorical funding to the state at the close of the 2009 fiscal year. This is certainly welcome news to local school districts throughout the state, who are currently wrestling with difficult decisions about cuts in the middle of the school year and are still facing a \$165 per pupil reduction. Legislative Republicans responded to the Governor's change of direction with "I told you so", as they had argued all along that the pro-ration cut was unnecessary and the Governor should have waited until the upcoming January revenue estimating conference to determine if any action was needed.

Finally, in a surprising display of compromise and ability, the Legislature actually resolved a long-standing issue of contention. The "smoking ban" will take effect on May 1, 2010 and will apply to all places of employment with the exception of casino floors, cigar bars, and smoke shops. This long-awaited bill is certainly an early Christmas present for public health advocates who have been pushing this issue for years.