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Legislative Update

KAROUB
ASSOCIATES
karoub.com | 517.482.5000

Education a Focus of State of the State Address



Governor Whitmer delivered her seventh State of the State address before a joint session of the House and Senate on February 26. She spent a portion of her time celebrating advancements made during her tenure yet acknowledged "hard truths" around literacy and math proficiency. "We spend more and we get less … Let's face our literacy crisis with fierce urgency," by passing a SMART education budget for 2026, she said.

The Governor also called for lawmakers to pass legislation restricting students' use of cell phones at school. The same day as this call to action, **HB 4141** was introduced in the House and referred to the chamber's Education and Workforce Committee. If passed, the bill would require school boards to implement a policy that prohibits:

- Kindergarten-5th grade students from having cell phones on school grounds
- 6th-8th grade students from using cell phones during the school day
- 9th-12th graders from using cell phones during instructional time

The address also focused on:

Roads

- Reaching a compromise for a long-term solution, through "fair sources of revenue" that include tax increases and funding cuts in other areas

Workforce

- Simplifying the state's permitting and licensing systems, to speed up construction, increase jobs, and lower costs
- Increasing the number of male high school graduates enrolling in higher education and skills training programs
- Protecting Selfridge Air National Guard Base

Health

- Taxing vapes similar to cigarettes
- Reducing medical debt

Housing

- Investing $2 billion to build, buy, or fix nearly 11,000 homes, with the goal of increasing the supply of affordable housing and creating construction jobs

Read the address in its entirety

Watch a recording of the address on YouTube

Data Shows AP Course Participation, High School Graduation Rates on the Rise

Two key reports were recently released showing the status of Advanced Placement (AP) course participation and graduation rates in Michigan that are cause for celebration.

According to Michigan Department of Education data, AP participation increased by 12.3% over the past two years; participation increased 28% for black students, 26% for Latino students, and 35% for economically disadvantaged students. During the same time period, the percentage of students scoring 3, 4, or 5 on AP exams increased by 31%.

Meanwhile, the Michigan Center for Educational Performance and Information released data showing the statewide high school graduation rate reached a record high 82.83% in the 2023-2024 school year, and the four-year dropout rate fell to 7.68% - down 0.45% from the 2022-2023 school year.

FY 2026 State Budget Work Underway

Deviating from tradition, Governor Whitmer released her Executive Budget recommendation for the next fiscal year (October 1 – September 30) ahead of delivering her State of the State address. Her 2026 budget proposal, issued on February 5, totals $83.5 billion, including a general fund total of $15.3 billion and a school aid budget totaling $21.2 billion.

Work is now underway in the Appropriations Subcommittees in both chambers to develop their budget proposals, with input from constituents and lobbyists, including Karoub Associates. Throughout the fiscal year 2026 state budget process, our lobby firm, Karoub Associates, will be engaged in key appropriations discussions and advocating for interests impacting the education community. Karoub Associates will continue to report on updates.



On-demand Webinar Details New Earned Sick Time Act

Following the Legislature's passage of and the Governor's signature on legislation that amended the state's earned sick time law effective February 21, Karoub Associates hosted a webinar detailing what employees must do to comply or face penalties. If you missed the webinar or want to rewatch it, **click here** to access the recording.



Reintroduced Bill Calls for CPR Training

House Bill 4107 was introduced this week to "strongly encourage" the incorporation of hands-on CPR training in health education curriculum for 7th-12th grade students who are physically able to participate. This is the reintroduction of legislation that moved through the previous Legislature but did not pass. The bill has been referred to the House Government Operations Committee.
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Schools Would Benefit from Tax Changes

Two bills introduced in the House call for revenue from a new digital advertising tax and a Corporate Income Tax increase to be distributed, at least in part, to the School Aid Fund.

House Bill 4142 would establish the Digital Advertising Services Act and allow for the collection of taxes on online/digital (e.g., web) advertising.

House Bill 4144 would increase the Corporate Income Tax from the current 6% to 8.5%, effective January 1, 2025.

The bills were referred to the House Transportation and Infrastructure Committee.

Resolution Proposes Gubernatorial Appointment of SPI

House Joint Resolution E was introduced this week, which would amend the state constitution by requiring the Governor to appoint the superintendent of public instruction (SPI). The appointment would then need consent of the Senate. Currently, the State Board of Education appoints the SPI. The resolution was referred to the House Education and Workforce Committee.

Republicans Introduce House Education Package

House Republicans unveiled a legislative package this week, indicating their education priorities for this session. Karoub Associates will be analyzing the bills and providing more information as movement through the legislative process continues.

HB 4147
Allows for use of funding for consolidation of administrative and service functions.

HB 4148
Requires State Board of Education members to be selected from districts.

HB 4149
Requires school districts, ISDs, and charter schools to post specific information online for transparency.

HB 4150
Removes fees for evaluation of teacher applications.

HB 4151
Modifies endorsement requirements.

HB 4152
Creates certain requirements for approval of teacher prep institutions.

HB 4153
Provides district-level certifications.

HB 4155
Requires Michigan Department of Education to provide recommendations for curriculum companies and assessment companies.

HB 4156
Modifies merit curriculum.

HB 4157
Creates pilot programs for a state-administered assessment system.

HB 4158
Modifies references to M-STEP to include a state-administered assessment system.

HB 4159
Modifies core academic curriculum requirements.