

RETURN PROGRAMS TO DEPT. OF EDUCATION

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bills 6370-6376 as introduced
Sponsor: Rep. Judy Emmons

House Bills 6377 and 6378 as introduced
Sponsor: Rep. Leslie Mortimer

House Bills 6381 and 6382 as introduced
Sponsor: Rep. David Farhat

House Bills 6379 and 6380 as introduced
Sponsor: Rep. Tim Moore

House Bills 6383 and 6384 as introduced
Sponsor: Rep. Neal Nitz

Committee: Higher Education and Career Preparation

Complete to 9-6-06

A SUMMARY OF HOUSE BILLS 6370 - 6384 AS REPORTED FROM COMMITTEE

BRIEF SUMMARY: The bills would amend various acts, listed below, in order to transfer back to the Department of Education or Superintendent of Public Instruction certain powers, duties, and functions that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7, MCL 388.995. A more detailed description of each bill follows.

FISCAL IMPACT: It is likely that there would be administrative costs associated with transferring the various programs and functions from DLEG to DOE and the State Board of Education; however, those costs are indeterminate at this time.

BACKGROUND INFORMATION:

The proponents of the package of bills point out that the administrative functions being transferred are essentially education-related functions and logically belong in the Department of Education. They were transferred by executive order from the Department of Education to the then-Department of Career Development by then-Governor Engler in 1999. The Department of Career Development was abolished by executive order in 2003 by Governor Granholm, and the transferred programs were collapsed into the much larger Department of Labor and Economic Growth, where many of the responsibilities and functions lie outside of education.

Proponents also say that with the recent enactment of new graduation requirements, there needs to be an effective "crosswalk" between those requirements and the programs that fall under the headings of career technical education and adult education. The Education Alliance of Michigan says, "Bringing these programs back to MDE creates greater consonance in philosophies, policies, procedures, and reporting. It will help enhance

understanding and accountability . . . [and] benefit students that participate in CTE and Adult Education High School Completion Programs."

Critics of the package of bills make a number of points. They say the transfer of duties, if necessary, should be carried out by an executive order, which could provide more detailed and clearer delineations of staff and program responsibilities. They also point out that the current organizational scheme is working well and that regardless of where the various programs are housed, the two departments will need to cooperate. The duties of the affected employees would not change, and there appears little to be gained from the organizational upheaval involved in this proposal.

DLEG representatives say that DLEG and the Department of Education are already collaborating on integrating new high school curriculum requirements into career and technical programs. Further, they say that the programs' current location in DLEG allows for the linkage between workforce development and education in a manner that serves both the needs of students and of future employers. There simply is no existing problem that needs to be solved by reorganization.

DETAILED SUMMARY:

House Bill 6370 would amend the Executive Organization Act of 1965 (MCL 16.101 et al.) to specify that all of the following powers, duties, and functions that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7 would be transferred to the Department of Education by a type II transfer:

- (a) all of the administrative statutory powers, duties, functions, and responsibilities of the State Board of Education set forth in the following provisions of federal law regarding vocational education: the Carl D. Perkins Vocational and Applied Technology Education Act; the School to Work Opportunities Act of 1994; and the Job Training Partnership Act;
- (b) the King-Chavez-Parks Program authorized in Public Act 93 of 1999 and subsequent higher education appropriation acts;
- (c) certain authority of the abolished State Board of Control for Vocation Education that includes the authority to accept and disburse federal funds for specific federal grant programs; and
- (d) rules 395.231 to 395.376 of the Michigan Administrative code, regarding reimbursed programs of vocational-technical education.

House Bill 6371 would amend Public Act 287 of 1964 (MCL 388.1010), which provides for the appointment and functions of the Superintendent of Public Instruction under the State Constitution of 1963, to return to the Department of Education the administration of certain postsecondary and career education services and programs, including among others, the Schools for the Deaf and Blind at Flint, the Michigan Rehabilitation Institute for Veterans and Disabled Adults at Pine Lake, regulation of school bus transportation,

inspection of educational corporations, and the appointment, by the State Board of Education, of the members of the State Board for Public Community and Junior Colleges.

House Bill 6372 would amend Public Act 148 of 1943 (MCL 395.101 et al.), which provides for the regulation and licensing of proprietary schools, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6373 would amend Public Act 40 of 1963 (MCL 395.121 et al.), which authorizes private trade, business, and correspondence schools and institutes, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6374 would amend Public Act 251 of 1972 (MCL 390.502 et al.), which provides for the reciprocal exchange of educational services between Michigan and other states, including reduced or waived tuition, to specify that reciprocal agreements would be administered by the Department of Education, rather than by the Department of Labor and Economic Growth as is presently the case. However, the bill also specifies that if this legislation were enacted into law, it would not affect the validity of a reciprocal agreement entered into by the Department of Labor and Economic Growth on behalf of the state.

House Bill 6375 would amend Public Act 327 of 1931 (MCL 450.171 et al.), which provides for the organization and regulation of higher education general corporations, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6375 also would expand the definition of Class Z educational corporations (those instituted and maintained by ecclesiastical or religious orders or corporations) to include, among other things, all of the following:

- (i) a school, academy, or college founded under former 1899 PA 135 and known as an Ursuline Academy;
- (ii) a school, academy, or college founded under former 1915 PA 121 and known as an ecclesiastical seminary;
- (iii) a school, academy, or college founded under former 1901 PA 28 and known as an evangelical Lutheran deaf mute institution;
- (iv) a school, academy, or college founded under former 1967 PA 135 known as an industrial and charitable school;
- (v) a school, academy, or college organized under Paragraph c, subdivision 1, chapter 2, part 4, of former 1921 PA 84; and

(vi) a school, college, institution, or educational program of like character and purpose to an educational corporation, school, academy, or college described in this subdivision and formed under any law of this state for educational purposes.

[Note: This expanded definition is identical to the definition for a Class Z educational corporation that is contained in House Bill 6014, a bill concerning Bible colleges. That bill has passed the House, was recently reported by the Senate Education Committee, and is currently awaiting action on the Senate calendar.]

House Bill 6376 would amend the Community College Act of 1966 (MCL 389.105 et al) to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6377 would amend the State School Aid Act (MCL 388.1707) to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7. Currently under the act, there is allocated an amount not to exceed \$21 million for Fiscal Year 2006 for adult education programs authorized under Section 107 of the State School Aid Act.

House Bill 6378 would amend Public Act 18 of 1946 (MCL 388.531), which authorizes counties to provide a program of adult education, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6379 would amend the Revised School Code (MCL 380.3) to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6380 would amend the Higher Education Loan Authority Act (MCL 390.1152) to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6381 would amend Public Act 102 of 1986 (MCL 390.1283), which establishes a grant program for certain part-time independent students, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were

transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6382 would amend Public Act 273 of 1986 (MCL 390.1403), which establishes the Michigan Educational Opportunity Grant program to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6383 would amend Public Act 303 of 1986 (MCL 390.1323), which establishes the Michigan Work-Study Program for graduate students and those attending professional schools, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

House Bill 6384 would amend Public Act 288 of 1986 (MCL 390.1373), which establishes the Michigan Work-Study Program for those attending qualified postsecondary schools, to transfer back to the Superintendent of Public Instruction the powers, duties, and functions concerning the administration of postsecondary and career education services and programs that were transferred to the former Department of Career Development by Executive Reorganization Order No. 1999-7.

POSITIONS:

The Education Alliance of Michigan provided testimony in support of putting career technical education and adult education back in the Department of Education. (9-5-06)
(This organization includes, among others, the Michigan Association of School Administrators, the Michigan Association of Intermediate School Administrators, the Michigan Association of School Boards, the Michigan Association of Secondary School Principals, Michigan Business Leaders for Education Excellence, the Middle Cities Education Association, the Michigan Education Association, the American Federation of Teachers and School Related Personnel-Michigan, the Michigan Parent Teacher Student Association, and the Michigan Association of Public School Academies.)

The Department of Labor and Economic Growth testified in opposition to the bills. (9-5-06)

Legislative Analysts: Chris Couch
J. Hunault

Fiscal Analysts: Mary Ann Cleary
Bethany Wicksall

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.