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BILL



ANALYSIS

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Senate Bill 343 (Substitute S-2 as reported)
Sponsor: Senator John Proos
Committee: Education

Date Completed: 6-6-17

RATIONALE

Despite the improving economy in Michigan, the State has experienced a net migration loss since 2010. Between 2010 and 2011, Michigan had a net migration loss of 13,067 people; between 2013 and 2014, this number increased to 15,801.¹ "Since 2001, more than 700,000 more people have left Michigan than have moved in".² Reportedly, this net loss is largely due to the number of young people who move out of the State every year.³ Michigan also is experiencing a growing shortage of workers in skilled trades, including advanced manufacturing, construction, automotive, information technology, and health care. Some people believe that one way to keep young people in Michigan is to inform them of the job opportunities in manufacturing and skilled trades in the State. The Bureau of Labor Market Information and Strategic Initiatives produces an online pamphlet, currently titled Career Outlook, that lists information about in-demand jobs. Some people have suggested that schools should provide this information to students early in their academic careers to help them become more aware of vocational opportunities while they still have time to adjust their educational goals and learn the skills required for these positions.

CONTENT

The bill would amend the Revised School Code to require the board of a school district or board of directors of a public school academy to provide pupils with the most recent analysis of in-demand occupations in the region in which the school is located, provided by the Bureau of Labor Market Information and Strategic Initiatives.

Under the Code, the board of a school district or board of directors of a public school academy is required to provide the opportunity for each pupil to develop an educational development plan during 7th grade, and ensure that each pupil reviews his or her plan during 8th grade and revises it as appropriate before beginning high school. An educational development plan must be developed, reviewed, and revised by the pupil under the supervision of the pupil's school counselor or another designee qualified to act in a counseling role. A plan must be designed to assist pupils to identify career development goals as they relate to academic requirements.

The bill would require the board of a school district or board of directors of a public school academy, as part of the process of developing an educational development plan, to ensure that pupils were provided with the most recent analysis of in-demand occupations in the region in which the school district, intermediate school district, or public school academy is located, provided by the Bureau of Labor Market Information and Strategic Initiatives in the Department of Technology, Management, and Budget. The information regarding in-demand occupations could be provided to pupils electronically.

¹ Governing.com, "State Migration Rates, Net Totals: 2011-2016", <http://www.governing.com/gov-data/census/state-migration-rates-annual-net-migration-by-state.html>, retrieved 6-2-17.

² Roelofs, Ted, MLive.com, "Young Talent continues to flee Michigan", 1-19-2016.

³ n. 2

By September 1 each year, the Department would be required to publish on its website and send to school districts, intermediate school districts, and public school academies the most recent analysis of in-demand occupations.

The bill would take effect 90 days after it was enacted.

MCL 380.1278c

BACKGROUND

The Bureau of Labor Market Information and Strategic Initiatives within the Department of Technology, Management, and Budget provides the State of Michigan and its regions with demographic and labor market information. Currently, this information is published in Career Outlook pamphlets produced by the Bureau to provide outlook information for Michigan's 18 Economic Forecast Regions. The most recent pamphlets posted on the Bureau's website are the Career Outlook 2020 pamphlets for each region, published on September 1, 2014. The information in these pamphlets includes a list of the jobs with the highest number of annual openings through 2020 for each region, the number of openings forecasted for each job listed, and the wage range for each job listed. The pamphlets also differentiate between high-growth occupations that require a high school diploma, an associate's degree, or a bachelor's degree through 2020, along with the respective job growth and wage information for each listing.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

According to Kinexus, a nonprofit workforce development organization, the talent shortage in Michigan could be greatly reduced if students were given information about in-demand occupations at a time in their lives when they are making decisions about education and occupational training. The growing talent shortage in Michigan mirrors the talent shortage affecting the nation. The results of a study conducted by Deloitte and the Manufacturing Institute show that, over the next decade, it is likely that more than 3.0 million manufacturing jobs will need to be filled nationwide.⁴ According to Kinexus, 80% of manufacturers report a moderate or serious shortage of qualified applicants in skilled and highly skilled positions. In Michigan, Kinexus reports that all 600 of the employers it works with have problems filling manufacturing positions. The bill would ensure that students were informed about these job opportunities at an early age and could prepare to fill the positions. This would benefit not only the students as future employees but also the employers.

Opposing Argument

Students should not be making decisions about their education in seventh grade based on reports forecasting employment information six years in the future. Careers that are in demand when a student is in seventh grade will not necessarily be in demand when that student is graduating from high school and looking for employment. This discrepancy might cause a student to waste a great deal of time pursuing opportunities that do not exist when needed. Students should be encouraged to follow their passions. Emphasizing information about potentially in-demand occupations could encourage a student to make career-defining decisions before he or she was ready.

Legislative Analyst: Nathan Leaman

⁴ Deloitte Consulting LLP and the Manufacturing Institute, "The Skills Gap in U.S. Manufacturing: 2015 and Beyond", 2015

FISCAL IMPACT

The bill would have no fiscal impact on the State or local units of governments. Since analyses of in-demand occupations are produced regularly by the Department of Technology, Management, and Budget, no additional costs would be incurred from this bill. Also, since the bill would allow the information to be distributed electronically, provision of the information would result in no additional costs to the Department or local school districts, intermediate school districts, or public school academies (charter schools).

Fiscal Analyst: Cory Savino

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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.