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BILL ANALYSIS

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Senate Bill 684 (Substitute S-1 as reported)
Senate Bill 685 (Substitute S-2 as reported)
Sponsor: Senator Ken Horn (S.B. 684)
Senator Peter MacGregor (S.B. 685)
Committee: Economic Development and International Investment

Date Completed: 5-2-18

RATIONALE

Many people are concerned about the number of job openings in the State and the lack of skilled workers to fill them. To help address this, as well as assist individuals looking for jobs, the Talent Investment Agency, in the Department of Talent and Economic Development, operates a "labor exchange system" called Pure Michigan Talent Connect. According to its website, Pure Michigan Talent Connect "is an online marketplace connecting Michigan's job seekers and employers, and serves as a central hub linking all public and private stakeholders who support Michigan's workforce". There are currently more than 100,000 open positions on the Pure Michigan Talent Connect website, and some have estimated that the professional trades will add 15,000 new jobs each year through 2024.¹ As the large baby boomer generation retires, Michigan's workforce is undergoing not only a loss of workers, but also a loss of skills, training, and work experience. Many job seekers looking to move into positions left open by the retirees, however, do not possess the skills necessary for the available jobs. To address the talent shortage, some have suggested that Michigan must increase student awareness of rewarding and lucrative career opportunities, such as through work-based learning experiences, and encourage students at a younger age to develop skills that can carry them into the workforce and give them a competitive advantage when choosing a career.

CONTENT

Senate Bills 684 (S-1) and 685 (S-2) would amend the Revised School Code to modify the requirements of an educational development plan and a school improvement plan, respectively, to include additional information on careers, learning activities, and other opportunities.

Senate Bill 685 (S-2) is tie-barred to Senate Bill 684. Each bill would take effect 180 days after it was enacted.

Senate Bill 684 (S-1)

The Code requires the board of a school district or board of directors of a public school academy to provide the opportunity for each pupil to develop an educational development plan during grade 7, and to ensure that each pupil reviews his or her educational development plan during grade 8 and revises it as appropriate before he or she begins high school.

The bill also would require the board of a school district or board of directors of a public school academy to ensure that each pupil reviewed and revised his or her educational development plan as appropriate during each year of high school.

¹ Department of Talent and Economic Development website. "Michigan Talent Investment Agency Awards Over \$1.8 Million in Going PRO Apprenticeship Readiness Grants Statewide", retrieved 4-2-18.

The Code specifies that 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 under the Code selected by the school principal. A plan must be based on high school readiness scores and a career pathways program or similar career exploration program. A plan also must be designed to assist pupils to identify career development goals as they relate to academic requirements. During the process of developing and reviewing his or her educational development plan, the pupil must be advised that many of the curricular requirements under the Code may be fulfilled through career and technical education.

In addition, during the process of developing and reviewing an educational development plan, the bill would require an educational development plan to provide pupils with at least all of the following:

- Information on various types of careers and current and projected job openings in Michigan and those jobs' actual and projected wages.
- An opportunity to explore careers specific to a pupil's interests and identify career pathways and goals for achieving success in those careers, including the level and type of educational preparation necessary to accomplish those goals.
- An opportunity to develop a talent portfolio.

A talent portfolio would have to be developed and revised throughout the implementation of a pupil's educational development plan, and would have to include a record of the pupil's experiences, proficiencies, certifications, or accomplishments that demonstrated talents or marketable skills. The Department of Education, in conjunction with the Department of Talent and Economic Development, would have to develop and make available to the public schools model information materials that districts or public school academies could use to comply with these requirements.

Senate Bill 685 (S-2)

Under the Code, if the board of a school district wants all of the schools of the district to be accredited, the board must adopt and implement and, by September 1 each year, make available to the Department of Education a copy of a three- to five-year school improvement plan and continuing school improvement process for each school within the district. School improvement plans must include a mission statement, goals based on student academic objectives for all students, curriculum alignment corresponding with those goals, evaluation processes, staff development, development and use of community resources and volunteers, the role of adult and community education, libraries and community colleges in the learning community, and building-level decision-making.

School improvement plans also must include at least all of the following:

- Goals centered on student academic learning.
- Strategies to accomplish the goals.
- Evaluation of the plan.
- Development of alternative measures of assessment that will provide authentic assessment of pupils' achievements, skills, and competencies.
- Methods for effective use of technology as a way of improving learning and delivery of services and for integration of evolving technology in the curriculum.

In addition, the plans also must include ways to make available in as many fields as practicable opportunities for structured on-the-job learning, such as apprenticeships and internships, combined with classroom instruction. The bill would refer to apprenticeships and internships involving active, direct, and hands-on learning, and classroom instruction that enhanced a pupil's employability, including instruction relating to problem solving, personal management, organizational and negotiation skills, and teamwork.

The bill also would require school improvement plans to include the following:

- Programs that would provide pupils in grades 6 to 12 with work-based learning activities that would ensure that those pupils made connections with workers or experts in a variety of fields.
- Programs or instruction that ensured that every pupil in grade 12 knew how to develop and use a resume, letter of reference, school record, and talent portfolio.

In addition, a school improvement plan would have to include a requirement that each school operated by the school district provide to pupils a variety of age-appropriate career informational resources in grades K to 12 and an opportunity to do each of the following:

- During grade levels that the board of the school district considered appropriate, complete one or more experiences in a field of a pupil's interests or aptitude and participate in a follow-up process that provided the pupil with sufficient reflection of those experiences.
- During grades K to 12, discuss career interests, options, and preparations with a school counselor or, as considered appropriate by the board of the school district, another knowledgeable adult.

MCL 380.1278b (S.B. 684)
380.1277 (S.B. 685)

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

Michigan is leading the nation in manufacturing job growth by creating more than 170,000 jobs since June 2009. This has helped drive Michigan's unemployment rate down to the national average and even below it. However, continued successes breed new challenges. The number one barrier to growth for manufacturers now is finding workers with the appropriate skill sets to run modern manufacturing operations. The growing shortage of workers in skilled trades affects advanced manufacturing, construction, the automotive industry, information technology, and the health care industry. Students in the K-12 system lack an awareness of the many career opportunities and pathways available today, largely because there are not enough career tech programs in the high schools. People have come to realize that a four-year college degree is not the ideal path for every student and the State needs to improve access to options that help students make career choices. The bills would do that by moving the educational system away from a heavy emphasis on college readiness and toward a focus on career readiness. Schools should incorporate information related to employment early in students' academic careers to improve their awareness of vocational opportunities, while the students still have time to adjust their educational goals and learn the skills required for the positions that interest them and need workers.

Informing young people in Michigan of the job opportunities in skilled trades and other high-demand fields is the best way to address the talent shortage. Michigan businesses need a world-class workforce to compete in the global economy. To achieve this, Michigan needs policies and programs that develop a strong and diverse talent base and needs to provide learning opportunities with employer engagement to prepare students to succeed. The bills would give students an opportunity to explore careers specific to their interests and to identify pathways and goals for achieving success in those fields. Students would have information on various types of careers and current and projected job openings in the State, along with projected wages. The bills also would require the development of a record of a student's experiences, proficiencies, certifications, or accomplishments demonstrating talents or marketable skills. These measures would give students the resources needed to explore careers and understand the training required to land jobs in the 21st-century economy.

Response: 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 or considering postsecondary education. 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 lead a student to make career-defining decisions before he or she was ready.

Supporting Argument

The Michigan Career Pathways Alliance is a group of Michigan employers, educators, and businesses brought together by the Department of Talent and Economic Development to help close the talent gap in the State. The provisions of the bills reflect a number of recommendations made by the Alliance to help improve student access to career pathways and build a stronger talent base in Michigan. The Alliance also recommends providing support to school districts with the hiring of "career development facilitators" who would support school counselors, with the focus on helping students explore career options through work-based learning experiences, and provide guidance on setting a path to a career, whether that path is middle or high school apprenticeship, community college, or a four-year university. The goal of the recommendations is to provide equitable opportunities for all students to participate in career and technical education and professional trade programs statewide.

Response: The recommendations made by the Michigan Career Pathways Alliance to support the districts include funding to hire more counselors. The bills would necessitate hiring by school districts but provide no funding. Although many districts have software to assist with counseling, not all do. This software is expensive and schools would need help paying for it and for the instructional time and training required to implement the proposed programs. When executed well, opportunities and programs such as work-based learning, career perusal, and talent portfolios can be very powerful. However, the bills would mandate these programs without funding the educational infrastructure that is needed to provide them.

Opposing Argument

Managing true workplace-experience learning where students leave the school building to go out into the field comes with a number of requirements and places an administrative burden on schools. If a school wants to count those pupils in membership for school aid purposes, the school must meet the requirements set forth in the Michigan Department of Education Pupil Accounting Manual. Among other things, the school must have a written training plan and a written training agreement in place. A certified teacher must monitor the placement, and worksite visits must be made every nine weeks, or more frequently for a special education pupil. The school must ensure that a pupil is provided with safety instruction and verify that each pupil is covered by employer's insurance. If a school fails to do any of these things, it could lose funding for the hours that a student is out of the building.

In addition, though the bills would require work-based learning opportunities to be incorporated in students' school improvement plans in the sixth grade, the pupil accounting rules do not apply until the ninth grade. The rules also would not cover the requirements in the bills to ensure that students made connections with workers and experts in a variety of fields, and to facilitate mandatory reflection on the experience. Furthermore, the legislation does not account for the ancillary costs such as transportation expenses or the problems of trying to place numerous students when robust well-resourced programs are already struggling to find placements for the students they have.

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bills would have a minor fiscal impact on the State, and could add an indeterminate cost to local units of governments. Under the bills, the Department of Education would have to ensure that school accreditation requirements met the specified changes. This could add minor costs to the Department in order to update the accreditation standards. In addition, the Departments of

Education and Talent and Economic Development could see increased costs associated with the requirement to make available to districts model talent portfolio information.

Local school districts and public school academies would have to ensure that school improvement plans met the changes in the bills. Meeting these new requirements could lead to additional local costs to ensure that students were getting career opportunity information and activities as required by the bills. Due to the varying differences in career opportunity exposure and curriculum provided throughout the State, it is not possible to accurately estimate additional statewide costs that school districts would face.

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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.