



# MEMORANDUM



To: Members of the Michigan House of Representatives

RE: Re: HB 4369 (EAA Expansion Legislation)

Date: February 12, 2014



We remain opposed and urge a **no vote** on legislation expanding the Education Achievement Authority (EAA). After reviewing the latest revisions to House Bill 4369 (H-3), it appears that insufficient changes have been made to address the concerns that were raised in the Senate substitute to this legislation. Our concerns continue to include:



1. **Further erodes the retirement system.** By not including the EAA in MPSERS, proposed legislation will raise retirement costs for all districts and the school aid fund.
2. **Doesn't provide for alternative options.** Legislation should provide additional options and tools for buildings, including granting ISDs the same powers as the EAA. Children and parents would be better served by a solution closer to home and leaders more familiar with the problems at hand.
3. **Chartering authority.** The proposed substitute legislation provides the EAA through the SRD the same authority as other school districts under the Michigan Constitution. This will allow them to create charter schools and expand those charter schools anywhere in the state. (sec.1280c)
4. **Cherry picking.** The bill prioritizes placement of K-8 buildings into the EAA. Those buildings are the lowest cost buildings but receive the same foundation allowance as other grades, focusing on financial feasibility rather than academic need of a building. (sec. 1280c)
5. **No exit criteria.** The bill does not provide for an exit strategy out of the EAA and back to their local district, even for schools that are improving.
6. **Doesn't mandate Open Meetings and FOIA participation.** Gives discretion to the Department of Treasury on whether the EAA will participate in the Open Meetings Act and FOIA statute. (sec. 1225)
7. **Not a real cap.** The proposed cap pertains only to the SSRD and not the EAA and would allow buildings to pass through to the EAA negating the cap.
8. **EAA hasn't demonstrated competency.** NO academic data has been presented to warrant the expansion of the EAA.



Tri County Alliance  
ESA Legislative Group  
Monroe ISD  
Washtenaw ISD  
Jackson ISD  
Lenawee ISD Hillsdale  
ISD  
Genesee ISD  
Barry ISD  
Branch ISD  
Calhoun ISD  
Oakland Schools  
Wayne RESA

We understand that some school districts have been told that our concerns were addressed in the latest substitute. We wanted to clarify that matter with all lawmakers.

Thank you for your interest in this important issue.