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Senate Bill 359 (as enrolled)
Sponsor: Senator Stephanie Chang
Senate Committee: Education
House Committee: Education

(enacted version)

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RATIONALE

In June 2016, Governor Rick Snyder signed Public Act 192 of 2016 into law. The Act created the Detroit Public Schools Community District (DPSCD) to replace the old Detroit Public Schools (DPS), which faced major financial issues. While DPS continues to exist for the purposes of collecting taxes and to pay down its debts, DPSCD oversees the day-to-day operations of Detroit schools. To this end, PA 192 amended the Revised School Code to establish the factors that could be used to determine teacher compensation. The Act requires DPSCD to use job performance and job accomplishments as the primary factor in determining teacher compensation and prohibits length of service or achievement of an advanced degree from being considered; however, this provision only affects teachers hired after September 1, 2019.¹

In effect, teachers hired after 2019 by DPSCD do not have the ability to collectively bargain and their compensation is based solely on student performance. Some people believe that basing the compensation of DPSCD teachers on student performance alone is unfair because other teachers in the State are evaluated based on multiple factors, such as their experience and education. Accordingly, it has been suggested that limitations on community district compensation evaluation be removed and the right for teachers hired by a community district to collectively bargain be reinstated.

CONTENT

The bill would amend the Revised School Code to delete requirements specifying the factors a community district may or may not consider when determining compensation for teachers and school administrators hired after September 1, 2019.

Generally, Part 16 (Boards of Education; Powers and Duties Generally) of the Code prescribes how teachers and school administrators are compensated. For teachers and school administrators hired after September 1, 2019, a community district must implement and maintain a method of compensation that primarily considers job performance and job accomplishments. A teacher or school administrator's job performance must be evaluated based on the applicable annual evaluation.

A community district may not use the length of service or achievement of an advanced degree as a factor in compensation levels or adjustments in compensation for teachers hired after September 1, 2019, except as follows:

¹ 2018 PA 601.

- For a teacher with a secondary level teaching certificate who has a subject area endorsement and who teaches in that subject area, an advanced degree achieved in that subject area may be considered as a factor in the teacher's base compensation.
- An advanced degree in elementary education may be considered as a factor for a teacher's base compensation if that teacher has an elementary level teaching certificate and teaches in an elementary grade.

The bill would delete these provisions.

MCL 380.1250

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

The bill would reform the State's unequal system of teacher compensation, which may be influenced by systemic race-based discrimination. Current practice allows teachers in every other school district but DPSCD to scale the pay ladder as they gain more experience and to derive tangible benefits from their advanced degrees, whereas DPSCD teachers are evaluated on different criterion. Singling Detroit teachers out creates an unequal system. According to testimony before the Senate Committee on Education, racism may play a role in this separation of teachers. Across the State, only 6% of public school teachers are black, and more than half of Michigan school districts have no African American teachers.² In DPSCD schools, however, 82% of students and 67% of teachers are black.³ In effect, current law places teachers of color, many of whom work in DPSCD, at a pay disadvantage. Students of color, many of whom attend DPSCD schools, are harmed because of this. Preventing Detroit teachers from being compensated for their experience and education punishes Detroit teachers and students specifically. DPSCD teachers should be able to bargain collectively like every other teacher in the State.

Supporting Argument

Allowing Detroit teachers to be compensated based on other factors in addition to job performance would counteract loss of motivation and morale. Detroit teachers already struggle, often teaching the students that need the most support, with fewer resources than that provided by other districts. According to testimony before the Senate Committee on Education, the fact that Detroit teachers cannot advance on the pay scale like other teachers has harmed morale and motivation, worsened retention, and ultimately hurt students. Granting DPSCD teachers access to a pay scale based on factors other than student performance would motivate teachers to continue their work in the classroom and seek out accomplishments, such as the achievement of an advanced degree. It also would show Detroit teachers that they are valued, boosting morale.

Supporting Argument

Job performance, measured by student test scores, should not be the *sole* determinant for teacher compensation for Detroit teachers. Student assessment scores may reflect social circumstances rather than educational attainment. Generally, black and Hispanic students score lower on the reading and especially the math scores of standardized tests, possibly because of exclusionary housing, economic, and education policy.⁴ Socioeconomic status also influences test scores, as students from wealthier families have the additional time and access

² Wisely, John, "Michigan schools face huge racial disparity--and it's hard to fix", Detroit Free Press, June 2019.

³ *Id.*

⁴ Smith, Ember, "SAT math scores mirror and maintain racial inequity", *Brookings Institution*, Dec. 2020.

to resources that could give them advantage on standardized tests.⁵ The Detroit Public Schools Community District serves a large, diverse, and generally poor student population and its teachers often must overcome systemic inequalities to help their students succeed. Additionally, according to testimony before the Senate Committee on Education, teachers often teach students *to test*. This skill takes experience to develop and should be not expected from new teachers, who are learning themselves. Overall, Detroit teachers work hard to help their students, often facing substantial difficulties. Their compensation should not be based solely on standardized test scores, which fail to consider student circumstances and the work teachers do that is not tested.

Opposing Argument

Allowing teacher compensation to be based on factors other than job performance could lower Detroit's educational standards. Teachers play a vital role in establishing student success for the future. Basing teacher compensation solely on student success motivates teachers to do their best work in the classroom. According to the 2022 National Assessment of Educational Progress results published by the Federal Department of Education, Detroit ranked at the bottom in mathematics and reading out of the 26 large cities measured, a trend echoed in 2019 and 2017. Detroit students need the best teachers. Basing teacher compensation on other factors, such as possession of an advanced degree, could reduce teacher motivation and further harm students.

Response: Many teachers enter the profession intending to help students. Detroit teachers are already motivated and hardworking, and for that they should be rewarded—like every other teacher in the State. Additionally, the bill would not prevent teacher performance from being considered in compensation decisions. It would merely allow additional factors to be considered to portray a teacher's contributions to DPSCD more accurately.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The bill would have an indeterminate, but likely minimal fiscal impact on schools, intermediate school districts, and public school academies. Schools would not be required to change current compensation plans unless they conflicted with a collective bargaining agreement. Schools may have to change administration compensation plans in the future, which could add minimal costs or could result in overall savings if fewer factors were required for determining employee compensation.

Fiscal Analyst: Cory Savino, PhD

⁵ Hess, Abigail Johnson, "Rich students get better SAT scores--here's why", *CNBC*, Oct. 2019.

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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.