

FY 2023-24: EDUCATION (DEPARTMENT)
Summary: As Passed by the Senate
Senate Bill 186 (S-1)



Analyst: Noel Benson

IDG/IDT	FY 2022-23 YTD as of 2/8/23	FY 2023-24 Executive	FY 2023-24 House	FY 2023-24 Senate	FY 2023-24 Conference	Difference: Senate From FY 2022-23 YTD	
						Amount	%
	\$0	\$0	\$0	\$0	\$	\$0	--
Federal	302,950,800	364,589,100	370,064,100	393,509,100		90,558,300	29.9
Local	5,878,600	5,856,000	5,856,000	5,856,000		(22,600)	(0.4)
Private	2,240,400	2,791,300	2,791,300	2,791,300		550,900	24.6
Restricted	9,919,700	10,072,000	10,072,000	10,072,000		152,300	1.5
GF/GP	99,591,500	123,299,600	126,999,600	118,277,500		18,686,000	18.8
Gross	\$420,581,000	\$506,608,000	\$515,783,000	\$530,505,900	\$	\$109,924,900	26.1
FTEs	627.5	640.5	640.5	634.5		7.0	1.1

Notes: (1) FY 2022-23 year-to-date figures include mid-year budget adjustments through February 8, 2023. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations and libraries, providing technical assistance to school districts and libraries, and providing early education and child day care support for low-income and other qualifying families.

Major Budget Changes from FY 2022-23 YTD Appropriations

1. Child Development and Care

Executive provides \$73.5 million federal to maintain child care investments set to expire in FY 2023-24, including maintaining eligibility at 200% of the federal poverty level and making payments based on enrollment rather than attendance.

House concurs with Executive.

Senate provides \$100.9 million federal to maintain child care investments set to expire in FY 2023-24.

	FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Senate Change
Gross	\$211,480,000	\$100,920,000
Federal	172,444,100	100,920,000
GF/GP	\$39,035,900	\$0

2. Child Development and Care Public Assistance – TANF Financing Swap

Executive provides \$12.0 million GF/GP as a replacement for a corresponding amount of TANF funds for state match and MOE purposes.

House and Senate concur with Executive.

Gross	\$199,080,000	\$0
Federal	160,044,100	(12,000,000)
GF/GP	\$39,035,900	\$12,000,000

3. One-Time Appropriations – Family and Community Engagement

Executive provides \$5.5 million (\$5.0 million GF/GP ongoing; \$482,700 GF/GP one-time) and authorizes 6.0 FTE positions to develop trainings, coaching, resource development, translation services, and related activities, and to hire a coordinator and coach at 10 literacy hubs across the state to create a family and community engagement division.

House provides \$3.0 million GF/GP one-time and authorizes 6.0 FTE positions to develop trainings, coaching, resource development, and related activities for MiFamily Engagement Centers.

Senate does not include.

FTE	0.0	0.0
Gross	\$0	\$0
GF/GP	\$0	\$0

		FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Senate Change
Major Budget Changes from FY 2022-23 YTD Appropriations			
4. One-Time Appropriations – E-rate Special Construction Matching Fund	Gross	\$0	\$4,950,000
	GF/GP	\$0	\$4,950,000
<u>Executive</u> provides \$5.0 million GF/GP in one-time funding to reimburse up to 10% of out-of-pocket costs for local schools and libraries approved for funding through the federal E-rate program to expand access to broadband internet.			
<u>House</u> concurs with Executive.			
<u>Senate</u> provides \$ million GF/GP in one-time funding.			
5. One-Time Appropriations – Michigan Test for Teacher Certification Reimbursement	Gross	\$0	\$0
	GF/GP	\$0	\$0
<u>Executive</u> does not include.			
<u>House</u> provides \$1.0 million GF/GP in one time funding to reimburse the costs of subject area tests for first-time test takers seeking certification.			
<u>Senate</u> does not include.			
6. One-Time Appropriations – School Infrastructure and Consolidation Administration	FTE	38.6	0.0
	Gross	\$6,161,400	\$0
	Federal	3,289,700	0
	Restricted	284,400	0
	GF/GP	\$2,586,900	\$0
<u>Executive</u> provides \$756,500 GF/GP and authorizes 2.0 FTE positions to administer funding for school consolidation, infrastructure, and the MI Healthy Climate Plan that are appropriated in School Aid. MDE would partner with EGLE, MDHHS, and the Department of Treasury to work in coordination on administering funding.			
<u>House</u> concurs with Executive, but revises funding to be one-time.			
<u>Senate</u> does not include.			
7. One-Time Appropriations – Michigan's Poet Laureate	Gross	\$100,000	\$0
	GF/GP	\$100,000	\$0
<u>Executive</u> retains \$100,000 GF/GP, considered one-time funding, to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.			
<u>House</u> concurs with Executive.			
<u>Senate</u> retains \$100,000 GF/GP and revises funding to be ongoing.			
8. School Board Training Reimbursements	Gross	\$150,000	\$0
	GF/GP	\$150,000	\$0
<u>Executive</u> retains \$150,000 GF/GP, considered one-time funding, for school board member training reimbursements.			
<u>House</u> and <u>Senate</u> concur with Executive, but revise funding to be ongoing.			
9. Math Education Administration	FTE	82.7	0.0
	Gross	\$17,139,300	\$0
	Federal	12,976,100	0
	Restricted	602,400	0
	GF/GP	\$3,560,800	\$0
<u>Executive</u> provides \$303,700 GF/GP and authorizes 2.0 FTE positions to provide statewide guidance and supports for new math education programs that are appropriated in School Aid.			
<u>House</u> concurs with Executive.			
<u>Senate</u> does not include.			
10. Michigan School Nurse Administration	FTE	75.6	0.0
	Gross	\$14,333,400	\$0
	Federal	12,872,300	0
	Restricted	71,700	0
	GF/GP	\$1,389,400	\$0
<u>Executive</u> provides \$160,000 GF/GP and authorizes 1.0 FTE position for school policy support at MDE and health-related supports at MDHHS.			
<u>House</u> concurs with Executive.			
<u>Senate</u> does not include.			
11. Mental Health and SEL Support	FTE	75.6	0.0
	Gross	\$14,333,400	\$0
	Federal	12,872,300	0
	Restricted	71,700	0
	GF/GP	\$1,389,400	\$0
<u>Executive</u> provides \$151,900 GF/GP and authorizes 2.0 FTE positions to provide additional support and guidance to schools for mental health programs.			
<u>House</u> concurs with Executive.			
<u>Senate</u> does not include.			

		FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Senate Change
Major Budget Changes from FY 2022-23 YTD Appropriations			
12. One-Time Appropriations – Head Start Background Checks	Gross	\$322,900	\$100,000
<u>Executive</u> provides \$100,000 federal in one-time funding to offset costs for Head Start staff who are now required to submit to background checks.	Federal	258,900	100,000
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$64,000	\$0
13. One-Time Appropriations – PRIME Schools	Gross	\$0	\$0
<u>Executive</u> does not include.	GF/GP	\$0	\$0
<u>House</u> provides \$6.0 million GF/GP in one-time funding for the SME Education Foundation's partnership response initiative to provide high schools with engineering and manufacturing programs.			
<u>Senate</u> does not include.			
14. One-Time Appropriations – Wonderschool	Gross	\$0	\$0
<u>Executive</u> does not include.	Federal	0	0
<u>House</u> provides \$5.5 million federal in one-time funding for recruiting and coaching potential child care providers for the child development and care program.	GF/GP	\$0	\$0
<u>Senate</u> does not include.			
15. One-Time Appropriations – Education System Study	Gross	\$0	\$1,000,000
<u>Executive</u> and <u>House</u> do not include.	GF/GP	\$0	\$1,000,000
<u>Senate</u> provides \$1.0 million GF/GP in one-time funding to conduct an education systems study.			
16. One-Time Appropriations – Toolkit Development	Gross	\$0	\$150,000
<u>Executive</u> and <u>House</u> do not include.	GF/GP	\$0	\$150,000
<u>Senate</u> provides \$150,000 GF/GP in one-time funding to create a professional development toolkit to teach American history.			
17. TEACH Scholarship Roll Up	Gross	\$5,000,000	\$0
<u>Executive</u> includes a net \$0 change to roll the \$5.0 million federal TEACH Scholarship into the Child Development and Care contracted services line item.	Federal	5,000,000	0
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$0	\$0
18. Child Care and Development Fund (CCDF) Interdepartmental Grant Adjustment	Gross	\$31,178,300	(\$89,300)
<u>Executive</u> reflects decreased costs of \$89,300 federal for interdepartmental grants to MDHHS and LARA.	Federal	31,178,300	(89,300)
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$0	\$0
19. Child Care FMAP Adjustment	Gross	\$199,080,000	\$0
<u>Executive</u> reflects decreased costs of \$195,700 GF/GP for matching child care federal grants due to the decreasing FMAP rate for FY 2024.	Federal	160,044,100	195,700
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$39,035,900	(\$195,700)
20. Library Pilot Program	Gross	\$800,000	\$0
<u>Executive</u> maintains current law.	GF/GP	\$800,000	\$0
<u>House</u> eliminates ongoing funding for five grants for library pilot programs across the state.			
<u>Senate</u> concurs with Executive.			
21. Economic Adjustments	Gross	NA	(\$86,000)
<u>Executive</u> reflects decreased costs of \$86,700 Gross (increase of \$31,700 GF/GP) for negotiated salary and wage increases (2.0% on October 1, 2023), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	(168,100)
<u>House</u> and <u>Senate</u> concur with Executive.	Local	NA	(22,600)
	Private	NA	(1,000)
	Restricted	NA	74,000
	GF/GP	NA	\$31,700

Major Boilerplate Changes from FY 2022-23

Executive DELETED but Senate RETAINED the following boilerplate sections

- Searchable Website (Sec. 212)
- Restricted Funds Report (Sec. 213)
- Maintain Department Scorecard (Sec. 214)
- Communication with the Legislature (Sec. 222)
- Records Retention (Sec. 223)
- Expending Available Work Project Authorization (Sec. 224)

GENERAL SECTIONS

Sec. 205. Reporting Requirements – DELETED

Requires MDE to submit reports to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Executive and Senate delete this section. House retains this section.

Sec. 210. Contingency Funds – REVISED

Executive revises the amount of contingency funds, which must be transferred by the legislature prior to expenditure, as follows: revises federal from \$5.0 million to \$10.0 million; revises state restricted from \$400,000 to \$700,000; maintains local at \$250,000; and revises private from \$1.5 million to \$3.0 million.

House concurs with Executive but revises to Sec. 212.

Senate concurs with Executive.

Sec. 211. Access to State and Local Government Services – NOT INCLUDED

Executive requires that appropriated funds shall not be used to restrict or interfere with actions related to diversity, equity, and inclusion; to restrict a marginalized community's access to government resources, programs, or facilities; or to diminish or restrict an individual's ability to exercise the right to reproductive freedom. Also requires local governments to report any action or policy that interferes with the duties of the local health officer.

House concurs with Executive.

Senate does not include.

Sec. 215. Reporting Legacy Costs – DELETED

Identifies total appropriations in part 1 for legacy costs for FY 2022-23. Includes a pension-related cost estimate of \$8,126,500 and a retiree health care cost estimate of \$5,258,600.

Executive, House, and Senate delete this section.

Sec. 216. Reporting on Remote Work – REVISED

Executive removes requirement to report on the number of FTEs in pay status by type of staff and civil service classification, number of employees engaged in remote work in 2023, number of employees authorized to work remotely and the actual number working remotely, estimated net cost savings achieved by remote work, and reduced use of office space associated with remote work.

House concurs with Executive, but revises report recipients to include the House and Senate appropriations committees and all recipients required in Sec. 205.

Senate concurs with Executive.

Sec. 219. State Administrative Board Transfer – DELETED

Permits the legislature to intertransfer funds within this act for MDE if the state administrative board transfers funds from an amount appropriated under this act.

Executive, House, and Senate delete this section.

Sec. 221. Report on Policy Changes Made to Implement Public Acts Affecting Department – DELETED

Requires MDE to report by April 1 on each specific policy change made to implement a public act affecting MDE that took effect during the prior calendar year.

Executive and Senate delete this section. House retains this section.

Sec. 225. Severance Pay Reporting – DELETED

Requires MDE to report on any amount of severance pay for high-ranking department officials within 14 days of the severance agreement signing, maintain a website that posts severance pay in excess of six weeks of wages, and reports the total amount of severance pay for FY 2021-22.

Executive and Senate delete this section. House retains this section.

Major Boilerplate Changes from FY 2022-23

Sec. 227. Vaccine Requirement – DELETED

Prohibits various state government entities from requiring proof of COVID-19 vaccination as condition of accessing state services or facilities, producing COVID-19 vaccine passports, developing, or making existing databases public, accessing individuals COVID-19 vaccine status, and requiring proof of receiving COVID-19 vaccine as condition of employment; prohibits state entities from subjecting an individual to negative consequences because of COVID-19 vaccine status; allows an individual to provide proof of COVID-19 vaccine status with consent; exempts certain individuals from federally mandated vaccine policies.

Executive, House, and Senate delete this section.

Sec. 229. Federal Accountability Plans – DELETED

Requires MDE to notify the House and Senate appropriations committees, house and senate fiscal agencies, and the State Budget Director before seeking a federal waiver form or amending the federal waiver form.

Executive, House, and Senate delete this section.

Sec. 230. Nonpublic School Mandates – DELETED

Requires MDE to compile a report that identifies any new, or lack thereof, mandates required of nonpublic schools by April 1, 2023.

Executive, House, and Senate delete this section.

Sec. 231. Prioritization of In-Person Work – DELETED

States that it is the intent of the legislature that MDE prioritize in-person work and requires each department, agency, board, or commission that receives funding to post its in-person, remote work, or hybrid policy on its website.

Executive, House, and Senate delete this section.

Sec. 235. Department Effectiveness Survey – DELETED

Requires MDE to administer, and report the results of, a survey that allows teachers, paraprofessionals, and administrators to provide feedback on their interactions with the department.

Executive, House, and Senate delete this section.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Sec. 310. School Infrastructure and Consolidation Administration – NOT INCLUDED

Executive requires not less than \$378,300 and not fewer than 2.0 FTE positions to administer funding for school consolidation, infrastructure, and the MI Healthy Climate Plan. Appropriates an additional \$378,200 of the funds appropriated in part 1 for central support operations for MDE to partner with the Departments of Environment, Great Lakes, and Energy; Health and Human services; and Treasury to administer funding for school consolidation, infrastructure, and the MI Healthy Climate Plan.

House concurs with Executive, but moves to Sec. 1103 under One-Time Appropriations.

Senate does not include.

EDUCATOR EXCELLENCE

Sec. 502. Teacher License Renewals – REVISED

Executive revises language from “former teachers whose teaching licenses have expired” to “the recruitment and retention of educators” to allow for more teacher license renewals to be covered by appropriated funds.

House and Senate concur with Executive.

MICHIGAN OFFICE OF GREAT START

Sec. 1002. CDC Rate Publication – REVISED

Executive revises to allow MDE to receive and expend federal child care development block grant funds if the funds are at risk of being lapsed by the end of the current fiscal year, the department plans to expend the funds through a one-time rate increase to providers, and the department makes this request to the state budget director not less than 30 days prior to the expenditure of the funds. The department may withdraw the intent to expend funds by sending a letter notifying the budget director.

House concurs with Executive.

Senate concurs with Executive, but revises to add that MDE must notify the senate and house fiscal agencies of the amount being appropriated and the estimated one-time rate increase to providers.

Sec. 1004. CDC T.E.A.C.H. Scholarship Program – DELETED

Requires MDE to use \$5.0 million federal CCDF for T.E.A.C.H. Early Childhood Scholarship Program for credit-based educational opportunities for child care providers, with preference given to providers trying to increase their Great Start to Quality star rating.

Executive, House, and Senate delete this section.

Major Boilerplate Changes from FY 2022-23

Sec. 1007. Child Development and Care Report – REVISED

Executive revises report to become a joint annual report from MDE, LARA, and MDHHS. Requires the joint report to include information on the affordability and availability of child care in Michigan, the health and safety of child care, actions taken to strengthen health and safety of care, the quality of child care, actions taken to improve child care quality, and the child care workforce. Removes all previously required information in the report.

House and Senate concur with Executive.

Sec. 1009. CDC Eligibility Entrance Threshold – REVISED

Executive revises to give MDE the ability to control caseload costs by removing specifications regarding number of children, waiting lists, and future decreases in the eligibility entrance threshold.

House and Senate concur with Executive.

Sec. 1010. CDC Funding Changes – DELETED

Requires MDE to provide notification within 10 days of changes to the CDC program including changes to the federal matching award amount, the block grant, and federal mandates that require appropriations adjustments.

Executive, House, and Senate delete this section.

Sec. 1011. CDC Program Payment Structure – REVISED

Executive revises to remove reference to biweekly block reimbursement rate and changes the payment structure to be based on enrollment rather than attendance.

House and Senate concur with Executive.

Sec. 1012. Early Childhood Mental Health – REVISED

Executive revises appropriation from \$1.5 million to \$3.0 million for MDE to work in collaboration with DHHS on the network of infant and early childhood mental health consultation.

House and Senate concur with Executive.

Sec. 1013. Federal Stimulus Reporting – DELETED

Requires MDE to create a status report on the various child care enhancements appropriated in FY 2021-22, including the amount expended on each program, number of providers that received a child care stabilization grant, number of child care employees that received a salary enhancement, the number of providers who received assistance and the type of assistance, the number of infant and toddler slots that have been contracted, and the number of additional cases and number of children enrolled in child development and care above 160% of the federal poverty guidelines and the total cost for these cases per month. Requires that this report shall be completed and transmitted not later than November 1, 2022.

Executive, House, and Senate delete this section.

Sec. 1014. Family and Community Engagement – NOT INCLUDED

Executive requires MDE to partner with family engagement centers across the state to increase parent and guardian involvement in their child's education, ensure translation and interpretation services are available, partner with ISDs to assist in getting information and resources to constituent districts, and develop an early literacy engagement plan.

House concurs with Executive but moves to Sec. 1102 under One-Time Appropriations.

Senate does not include.

ONE-TIME APPROPRIATIONS

Sec. 1100. School Board Member Training – REVISED

Executive adds implicit bias training as an approved program.

House and Senate concur with Executive, but move to Sec. 602 to reflect the revision of funding to ongoing appropriations.

Sec. 1100. Educational System Study – NEW

Executive and House do not include.

Senate requires MDE to contract with a research organization that will study, analyze, and report suggested improvements regarding the efficacy and efficiency of educational governance in Michigan.

Sec. 1101. Toolkit Development – NEW

Executive and House do not include.

Senate requires funds appropriated in part 1 for toolkit development to be used to develop a toolkit to provide professional development regarding the teaching of the full and complex American history across subject areas including the history of communities of color and other marginalized communities.

Sec. 1104. MTTC Reimbursement – NOT INCLUDED

Executive and Senate do not include.

House requires MDE to reimburse first-time test takers of the Michigan Test for Teacher Certification and develop an application process for reimbursement.

Major Boilerplate Changes from FY 2022-23

Sec. 1105. PRIME Schools – NOT INCLUDED

Executive and Senate do not include.

House requires funds appropriated in part 1 for PRIME schools to support the SME Education Foundation's partnership response initiative to provide high schools with engineering and manufacturing programs.

Sec. 1106. Wonderschool – NOT INCLUDED

Executive and Senate do not include.

House requires funds appropriated in part 1 for Wonderschool to be used to recruit and coach potential providers for the child development and care program through initial business planning and a two-year mentorship program.