

**FY 2022-23: DEPARTMENT OF EDUCATION**  
**Summary: As Passed by the Senate**  
**Senate Bill 833 (H-3)**



**Analysts: Emily Hatch and Jacqueline Mullen**

| IDG/IDT           | FY 2021-22 YTD<br>as of 2/9/22 | FY 2022-23<br>Executive | FY 2022-23<br>House  | FY 2022-23<br>Senate | FY 2022-23<br>Conference | Difference: Senate<br>From FY 2021-22 YTD |               |
|-------------------|--------------------------------|-------------------------|----------------------|----------------------|--------------------------|---|---------------|
|                   |                                |                         |                      |                      |                          | Amount                                    | %             |
|                   | \$0                            | \$0                     | \$0                  | \$0                  |                          | \$0                                       | --            |
| <b>Federal</b>    | 1,807,625,600                  | 302,950,800             | 302,950,800          | 302,950,800          |                          | (1,504,674,800)                           | (83.2)        |
| <b>Local</b>      | 5,870,300                      | 5,878,600               | 5,878,600            | 5,878,600            |                          | 8,300                                     | 0.1           |
| <b>Private</b>    | 2,238,500                      | 2,240,400               | 3,540,400            | 2,240,400            |                          | 1,900                                     | 0.1           |
| <b>Restricted</b> | 9,785,400                      | 9,919,700               | 9,919,700            | 9,919,700            |                          | 134,300                                   | 1.4           |
| <b>GF/GP</b>      | 102,508,100                    | 98,541,500              | 93,391,600           | 93,481,600           |                          | (9,026,500)                               | (8.8)         |
| <b>Gross</b>      | <b>\$1,928,027,900</b>         | <b>\$419,531,000</b>    | <b>\$415,681,100</b> | <b>\$414,471,100</b> |                          | <b>(\$1,513,556,800)</b>                  | <b>(78.5)</b> |
| <b>FTEs</b>       | 622.5                          | 632.5                   | 621.5                | 616.5                |                          | (6.0)                                     | (1.0)         |

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (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 2021-22 YTD Appropriations**

|   |              | FY 2021-22<br>Year-to-Date<br>(as of 2/9/22) | FY 2022-23<br>Senate<br>Change |
|---|--------------|--|--------------------------------|
| <b>1. One-Time Childcare Funding Removal</b>  | <b>Gross</b> | <b>\$1,495,863,500</b>                       | <b>(\$1,495,863,500)</b>       |
| <u>Executive</u> , <u>House</u> , and <u>Senate</u> reflect the one-time nature of \$1.5 billion federal in child care funding included in the FY 2021-22 budget.   | Federal      | 1,495,863,500                                | (1,495,863,500)                |
|   | GF/GP        | \$0  | \$0                            |
| <b>2. Removal – Teacher Talent Pipeline</b>   | <b>Gross</b> | <b>\$10,000,000</b>                          | <b>(\$10,000,000)</b>          |
| <u>Executive</u> , <u>House</u> , and <u>Senate</u> remove \$10.0 million federal COVID-19 Governor's Emergency Education Relief (GEER) II funds for a grant to an education-related nonprofit organization that supports a teacher talent pipeline through teacher recruitment, training, development and retention. This item was funded as one-time in FY 2021-22.   | Federal      | 10,000,000                                   | (10,000,000)                   |
|   | GF/GP        | \$0  | \$0                            |
| <b>3. Removal – PRIME Schools</b>   | FTE          | 1.0  | (1.0)                          |
| <u>Executive</u> , <u>House</u> , and <u>Senate</u> remove \$6.0 million GF/GP and authorization for 1.0 FTE position for the SME Education Foundation's Partnership Response in Manufacturing Education (PRIME) initiative. Of the \$6.0 million, at least \$5.8 million was allocated for PRIME and up to \$200,000 and 1.0 FTE for the Department of Education to administer the initiative. This item was funded as one-time in FY 2021-22. | <b>Gross</b> | <b>\$6,000,000</b>                           | <b>(\$6,000,000)</b>           |
|   | GF/GP        | \$6,000,000                                  | (\$6,000,000)                  |
| <b>4. Partnership District Support</b>  | FTE          | 13.0   | 0.0                            |
| <u>Senate</u> includes a decrease of \$791,100 GF/GP for Partnership District Support unit to work with other education stakeholders to assist districts struggling with poor academic performance.   | <b>Gross</b> | <b>\$3,535,600</b>                           | <b>(\$791,100)</b>             |
|   | Federal      | 114,500                                      | 0                              |
|   | GF/GP        | \$3,421,400                                  | (\$791,100)                    |
| <b>5. State Aid to Libraries</b>  | <b>Gross</b> | <b>\$15,067,700</b>                          | <b>\$500,000</b>               |
| <u>Senate</u> includes an increase of \$500,000 GF/GP to State Aid to Libraries.  | GF/GP        | \$15,067,700                                 | \$500,000                      |

| <b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>   |              | <b>FY 2021-22<br/>Year-to-Date<br/>(as of 2/9/22)</b> | <b>FY 2022-23<br/>Senate<br/>Change</b> |
|--|--------------|---|---|
| <b>6. Michigan Public School Employee Retirement System (MPERS) Library Costs</b>  | <b>Gross</b> | <b>\$15,067,700</b>                                   | <b>\$31,000</b>                         |
| Senate provides \$31,000 GF/GP for support to eligible libraries for increased MPERS costs (House includes this item as part of the School Aid budget for FY 2022-23).   | GF/GP        | \$15,067,700  | \$31,000                                |
| <b>7. Michigan School for the Deaf</b>   | <b>Gross</b> | <b>\$13,627,000</b>                                   | <b>\$0</b>                              |
| Executive provides \$3.0 million GF/GP to expand coordination, staff support, and training for the Michigan School for the Deaf.   | Federal      | 7,550,600   | 0                                       |
| House and Senate do not include.   | Local        | 5,870,300   | 0                                       |
|  | Restricted   | 206,100   | 0                                       |
|  | GF/GP        | \$0   | \$0                                     |
|  | FTE          | 0.0   | 1.0                                     |
| <b>8. Before and After School Programs</b>   | <b>Gross</b> | <b>\$5,000,000</b>                                    | <b>(\$3,910,000)</b>                    |
| Executive provides \$1.1 million GF/GP for administration of, and support for, before and after school programs. The majority of funding for before and after school programs is shifted to the School Aid budget for FY 2022-23.  | GF/GP        | \$5,000,000   | (\$3,910,000)                           |
| House concurs with the Executive in shifting funding for before and after school programs to the School Aid budget for FY 2022-23, but does not provide an appropriation for the administration of, and support for, before and after school programs.   |              |   |   |
| Senate concurs with the Executive to provide \$1.1 million GF/GP for before and after school programs and also authorizes 1.0 FTE position. Does not include before and after school programs in the School Aid budget for FY 2022-23.   |              |   |   |
| <b>9. Camp Tuhsmeheeta</b>   | <b>Gross</b> | <b>\$501,000</b>                                      | <b>\$0</b>                              |
| House provides \$1.3 million private for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired.  | Private      | 501,000   | 0                                       |
| Senate does not include.   | GF/GP        | \$0   | \$0                                     |
| <b>10. ASL Literacy Resources</b>  | <b>Gross</b> | <b>NA</b>   | <b>\$0</b>                              |
| House provides \$1.0 million GF/GP, to be expended as provided in HB 5777, for the development of literacy resources, tools, and assessments for the parents and teachers of children who are deaf or hard of hearing.   | GF/GP        | NA  | \$0                                     |
| Senate does not include.   |              |   |   |
| <b>11. Educator Recruitment, Attraction and Administration</b>   | FTE          | 48.0  | 0.0                                     |
| Executive provides \$800,000 GF/GP and authorizes 4.0 FTE positions to fund staff to oversee the administration of educator recruitment and retention programs included in the School Aid budget.  | <b>Gross</b> | <b>\$9,458,700</b>                                    | <b>\$0</b>                              |
| House and Senate do not include.   | Federal      | 3,164,600   | 0                                       |
|  | Restricted   | 4,275,500   | 0                                       |
|  | GF/GP        | \$2,018,600   | \$0                                     |
| <b>12. Early Childhood Development Administration</b>  | FTE          | 65.0  | 0.0                                     |
| Executive provides \$700,000 GF/GP and authorizes 6.0 FTE positions to support the expansion of the Great Start Readiness Program (GSRP), administration of great start collaboratives and the home visitation program under 32p of the School Aid Act, increased child care staff, and the administration of early childhood programming. | <b>Gross</b> | <b>\$13,468,700</b>                                   | <b>\$0</b>                              |
| House and Senate do not include.   | Federal      | 11,308,600  | 0                                       |
|  | Private      | 250,000   | 0                                       |
|  | Restricted   | 64,600  | 0                                       |
|  | GF/GP        | \$1,845,500   | \$0                                     |
| <b>13. Mental Health Administration</b>  | FTE          | 74.6  | 0.0                                     |
| Executive provides \$200,000 and authorizes 1.0 FTE position to hire MDE staff and support and assist schools receiving mental health funding.   | <b>Gross</b> | <b>\$13,724,200</b>                                   | <b>\$0</b>                              |
| House and Senate do not include.   | Federal      | 12,621,800  | 0                                       |
|  | Restricted   | 71,700  | 0                                       |
|  | GF/GP        | \$1,030,700   | \$0                                     |

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|--|--------------|---|---|
| <b>14. School Board Training Reimbursement</b>   | <b>Gross</b> | <b>\$260,000</b>                                      | <b>\$0</b>                              |
| <u>Executive</u> and <u>Senate</u> retain \$260,000 GF/GP for school board member training reimbursement.  | GF/GP        | \$260,000   | \$0                                     |
| <u>House</u> removes \$260,000 GF/GP for school board member training reimbursement.   |              |   |   |
| <b>15. One-Time Appropriation – Michigan's Poet Laureate</b>   | <b>Gross</b> | <b>\$100,000</b>                                      | <b>(\$100,000)</b>                      |
| <u>Executive</u> retains \$100,000 GF/GP to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.   | GF/GP        | \$100,000   | (\$100,000)                             |
| <u>House</u> and <u>Senate</u> remove \$100,000 GF/GP to support a Michigan Poet Laureate.   |              |   |   |
| <b>16. One-Time Appropriation – Data Systems Development</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$100</b>                            |
| <u>House</u> and <u>Senate</u> provide \$100 GF/GP placeholder for the department, with oversight from DTMB, to upgrade Michigan's IT infrastructure and ensure state agencies have the talent and IT infrastructure to provide meaningful data for policy, education, and workforce leaders.  | GF/GP        | \$0   | \$100                                   |
| <b>17. Roll Up – TEACH Scholarship</b>   | <b>Gross</b> | <b>\$5,000,000</b>                                    | <b>\$0</b>                              |
| <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> do not include the roll up, leaving the federal TEACH scholarship as its own line.  | GF/GP        | \$0   | \$0                                     |
| <b>18. Economic Adjustments</b>  | <b>Gross</b> | <b>NA</b>   | <b>\$2,071,900</b>                      |
| <u>Executive</u> , <u>House</u> , and <u>Senate</u> reflect increased costs of \$2.1 million Gross (\$619,200 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. | Federal      | NA  | 1,308,200                               |
|  | Local        | NA  | 8,300                                   |
|  | Private      | NA  | 1,900                                   |
|  | Restricted   | NA  | 134,300                                 |
|  | GF/GP        | NA  | \$619,200                               |

**Major Boilerplate Changes from FY 2021-22**

**Executive DELETED but House and Senate RETAINED the following boilerplate sections:**

- FTE Vacancies and Remote Work Report (Sec. 216)
- State Administrative Board Transfer (Sec. 218)
- Report on Policy Changes Made to Implement Public Acts Affecting Department (Sec. 221)
- Communication with the Legislature (Sec. 222)
- Records Retention (Sec. 223)
- Expending Available Work Project Authorization (Sec. 224)
- Severance Pay Reporting (Sec. 225)
- Vaccine Passport (Sec. 227)
- Federal Accountability Plans (Sec. 229)
- Nonpublic School Mandates (Sec. 230)
- CDC T.E.A.C.H. Early Childhood Michigan Scholarship Program (Sec. 1004)
- CDC Funding Changes (Sec. 1010)

**Sec. 208. Hire of Outside Legal Counsel – REVISED**

Prohibits a principal executive department, state agency, or authority from hiring a person to provide legal services that are the responsibility of the attorney general.

Executive and House maintain current law.

Senate revises to allow MDE to seek reimbursement from the Attorney General for services from a different provider.

## **Major Boilerplate Changes from FY 2021-22**

### **Sec. 210. Contingency Funds – DELETED**

Appropriates \$5.0 million federal, \$400,000 state restricted, \$250,000 local, and \$1.5 million private in contingency funds, which must be transferred appropriately by the legislature prior to expenditure.

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 maintains current law.

Senate deletes this section.

### **Sec. 219. In-Person Work Requirement – NOT INCLUDED**

House prohibits state departments, agencies, boards, and commissions from allowing employees to work remotely, unless they were doing so before February 28, 2020.

Senate does not include.

### **Sec. 235. Effectiveness Survey – DELETED**

Requires MDE to administer a survey that allows teachers, paraprofessionals, and administrators to provide feedback on their interactions with the department. Requires the survey to focus on transactions that occur through the Michigan Online Educator Certification System and professional development offered by the department; include information on the survey recipient's viewpoint of MDE and rating of their interactions and the recipient's insight on MDE's effectiveness in achieving goals within Michigan's Top 10 Strategic Education Plan. Requires MDE to prepare a report of the survey results and submit it to the House and Senate appropriations committees by June 1, 2022.

Executive deletes this section

House maintains current law

Senate concurs with Executive.

### **Sec. 236. Rural Transportation Report – DELETED**

Requires MDE, in collaboration with SBO, to prepare a report on rural transportation funding, including a description of the unique and extenuating circumstances rural school districts face in providing all students within their district with equitable transportation services, the main factors driving transportation costs for rural school districts, the transportation costs of all districts, and a breakdown of the per-pupil transportation cost for all districts.

Executive deletes this section

House maintains current law

Senate concurs with Executive.

### **Sec. 602. School Board Training – RETAINED**

Requires funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members.

Senate includes this language in Sec. 602 – retained language from FY 2021-22, but moved to ongoing boilerplate sections. For Executive and House action on school board training boilerplate, see Sec. 1100.

### **Sec. 410. ASL Literacy Resources – NOT INCLUDED**

House requires funds from ASL Literacy Resources to be used to comply with all requirements in House Bill No. 5777.

Senate does not include.

### **Sec. 702. Early Literacy Implementation – REVISED**

Appropriates \$1.0 million for implementation costs associated with early childhood literacy funded under Sec. 35a of the School Aid budget.

Executive revises language from "not to exceed" to "not less than" \$1.0 million.

House maintains current law.

Senate concurs with Executive.

### **Sec. 803. MPERS Costs to Libraries – NEW**

Senate appropriates \$31,000 for equal payments to participating district libraries to offset a portion of the MPERS costs.

## **Major Boilerplate Changes from FY 2021-22**

### **Sec. 1001. Before and After School Programs – REVISED**

Requires MDE to develop a competitive grant program to distribute funding for before and after school programs to eligible entities; defines eligible entities; requires department to established amounts for each entity; requires funds to be used only for the provision of before and after school programming.

Executive revises language to appropriate \$500,000 for administrative costs associated with the implementation of before and after school programs as funded under Sec. 32n of the School Aid budget.

House deletes this section.

Senate revises to appropriate \$750,000 for MDE, in collaboration with indigenous educators, tribal community members, and colleges and universities to design, implement, and evaluate professional learning related to Indian residential boarding schools. Also, revises language to appropriate \$150,000 and 1.0 FTE position for administrative support to the legislative liaison in the office of public and governmental affairs.

### **Sec. 1009. CDC Increase to Eligibility Entrance Threshold – RETAINED**

Sets entrance income threshold for the CDC program at 185% of the federal poverty guidelines. Includes the following conditions for the entrance income threshold: 1) if the average number of paid children in the CDC program is more than 40,000 for 3 consecutive months, then MDE is required to create a waiting list and begin the administrative process to decrease the income entrance eligibility threshold to not less than 160% of the federal poverty guidelines for the following month; and 2) if the average number of paid children in the CDC program is less than 32,000 by March 31, 2022, then MDE may increase the income entrance eligibility threshold up to 200% of the federal poverty guidelines.

Executive revises so that the only requirement under this section is that the CDC eligibility entrance threshold be set to not more than 200% (currently 185%) of the federal poverty guidelines. Removes specifications regarding number of children, waiting lists, and future decreases in the eligibility entrance threshold.

House and Senate maintain current law.

### **Sec. 1012. Child Mental Health – RETAINED**

Requires funding from ARP - Child Care Entitlement and Child Care Award to be used for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Executive and House delete this section.

Senate maintains current law.

### **Sec. 1013. Child Care Enhancement Report – NEW**

Senate requires MDE to create a status report on the child care enhancements appropriated in FY 2021-22.

### **Sec. 1020. CDC Provider Reimbursement Rate Increase – DELETED**

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to increase the provider reimbursement rates for child care providers by 30% from the established provider rates.

Executive, House, and Senate delete this section.

### **Sec. 1021. Child Care Provider Payment Based on Enrollment Rather than Attendance – DELETED**

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to make payments to child care providers based on enrollment rather than based on attendance.

Executive, House, and Senate delete this section.

### **Sec. 1022. Child Care Stabilization Grants – DELETED**

Requires funding from ARP – Child Care Stabilization Fund and CRRSA – Child Care Stimulus to create the child care stabilization grant program to provide subgrants to eligible providers in the state.

Executive, House, and Senate delete this section.

### **Sec. 1023. Support for New and Expanding Child Care Providers – DELETED**

Requires funding from ARP – Child Care Stabilization Fund and ARP - Child Care Stimulus to be used for technical or financial support to new or expanding child care providers.

Executive, House, and Senate delete this section.

### **Sec. 1024. Temporary Bonus Payment for Child Care Providers – DELETED**

Requires funding from ARP - Child Care Stimulus and CRRSA - Child Care Stimulus to provide temporary bonus reimbursement payments to child care providers in addition to the ongoing reimbursement rate increase.

Executive, House, and Senate delete this section.

## **Major Boilerplate Changes from FY 2021-22**

### **Sec. 1025. Copay Waivers – DELETED**

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to pay on a family's behalf the child development and care program's required family contribution. Executive, House, and Senate delete this section.

### **Sec. 1026. Bonus Pay for Child Care Workers – DELETED**

Requires funding from ARP - Child Care Stimulus and CRRSA – Child Care Stimulus to be used for child care worker bonus pay. Executive, House, and Senate delete this section.

### **Sec. 1027. Contracts for Infant and Toddler Slots – DELETED**

Requires funding from ARP – Child Care Stimulus and CRRSA – Child Care Stimulus to be used by the department to contract with child care providers for infant and toddler slots to increase the supply of these services for Michigan families. Executive, House, and Senate delete this section.

### **Sec. 1028. Department Administrative Funding – DELETED**

Requires funding from CRRSA – Child Care Stimulus and ARP – Child Care Stimulus to be used by the department for implementation costs. Executive, House, and Senate delete this section.

### **Sec. 1030. Work Project: ARP – Child Care Stabilization – DELETED**

Designates unexpended funding from ARP - Child Care Stabilization as a work project. Executive, House, and Senate delete this section.

### **Sec. 1031. Work Project: CRRSA – Child Care Stimulus – DELETED**

Designates unexpended funding from CRRSA – Child Care Stimulus as a work project. Executive, House, and Senate delete this section.

### **Sec. 1032. Work Project: ARP – Child Care Stimulus – DELETED**

Designates unexpended funding from ARP – Child Care Stimulus as a work project. Executive, House, and Senate delete this section.

### **Sec. 1033. Work Project: Child Care Award – DELETED**

Designates unexpended funding from Child Care Award as a work project. Executive, House, and Senate delete this section.

### **Sec. 1034. Work Project: ARP – Child Care Entitlement – DELETED**

Designates unexpended funding from ARP – Child Care Entitlement as a work project. Executive, House, and Senate delete this section.

### **Sec. 1100. School Board Training – RETAINED**

Requires funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members. Executive and House delete this section. For Senate action on school board training boilerplate, see Sec. 602 – retained language, but moved to ongoing boilerplate sections.

### **Sec. 1101. Data Systems Development – NEW**

House and Senate require the department, with oversight from DTMB, to upgrade Michigan's IT infrastructure and ensure state agencies have the talent and IT infrastructure to provide meaningful data for policy, education, and workforce leaders.

### **Sec. 1102. Michigan's Poet Laureate – DELETED**

Requires funds for Michigan's poet laureate to be used for support of the Michigan poet laureate program to promote poetry, the spoken word, and literary arts across this state. Executive maintains current law. House and Senate delete this section.

**Supplemental Recommendations for FY 2021-22 Appropriations**

**FY 2021-22  
Recommendation**

***1. Camp Tuhsmeheeta***

Executive provides \$1.3 million private for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired.

House does not include for FY 2021-22 (see major budget changes Item #6 for FY 2022-23).

Senate does not include.

| <b>Gross</b> | <b>\$0</b> |
|--------------|------------|
| Private      | 0          |
| GF/GP        | \$0        |