

**DEPARTMENT OF EDUCATION
Summary of FY 2023-24 Enacted
Public Act 119 of 2023 (House Bill 4437, Article 3)**

Analyst: Noel Benson

	FY 2022-23 YTD as of 2/8/23	FY 2023-24 Enacted	Difference: Enacted From FY 2022-23 YTD	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	302,950,800	458,009,100	155,058,300	51.2
Local	5,878,600	5,856,000	(22,600)	(0.4)
Private	2,240,400	2,791,300	550,900	24.6
Restricted	9,919,700	50,072,000	40,152,300	404.8
GF/GP	99,591,500	130,652,500	31,061,000	31.2
Gross	\$420,581,000	\$647,380,900	\$226,799,900	53.9
FTEs	627.5	640.5	13.0	2.1

Notes:

(1) FY 2023-24 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

Provides \$166.9 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. Revised cost estimates are based on May 2023 Consensus Revenue Estimating Conference estimates.

	FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Enacted Change
Gross	\$211,480,000	\$166,920,000
Federal	172,444,100	166,920,000
GF/GP	\$39,035,900	\$0

2. One-Time Appropriations – Michigan School for the Deaf Dorm

Provides \$40.0 million School Aid Fund in one-time funding to construct a new dorm for the Michigan School for the Deaf.

Gross	\$0	\$40,000,000
Restricted	0	40,000,000
GF/GP	\$0	\$0

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

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

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

4. One-Time Appropriations – Family and Community Engagement

Provides \$1.2 million (\$1.0 million GF/GP ongoing; \$200,000 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.

FTE	0.0	6.0
Gross	\$0	\$1,234,400
GF/GP	\$0	\$1,234,400

EDUCATION (DEPARTMENT)

Major Budget Changes from FY 2022-23 YTD Appropriations		FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Enacted Change
5. One-Time Appropriations – E-rate Special Construction Matching Fund	Gross	\$0	\$4,800,000
Provides \$4.8 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.	GF/GP	\$0	\$4,800,000
6. One-Time Appropriations – Michigan Test for Teacher Certification Reimbursement	Gross	\$0	\$1,000,000
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.	GF/GP	\$0	\$1,000,000
7. One-Time Appropriations – School Infrastructure and Consolidation Administration	FTE	38.6	2.0
Provides \$750,000 GF/GP in one-time funding 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 will partner with EGLE, MDHHS, and the Department of Treasury to work in coordination on administering funding.	Gross	\$6,161,400	\$750,000
	Federal	3,289,700	0
	Restricted	284,400	0
	GF/GP	\$2,586,900	\$750,000
8. One-Time Appropriations – Michigan's Poet Laureate	Gross	\$100,000	\$0
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.	GF/GP	\$100,000	\$0
9. School Board Training Reimbursements	Gross	\$150,000	\$0
Retains \$150,000 GF/GP for school board member training reimbursements, and revises funding to be ongoing.	GF/GP	\$150,000	\$0
10. Math Education Administration	FTE	82.7	2.0
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.	Gross	\$17,139,300	\$303,700
	Federal	12,976,100	0
	Restricted	602,400	0
	GF/GP	\$3,560,800	\$303,700
11. Michigan School Nurse Administration	FTE	75.6	1.0
Provides \$160,000 GF/GP and authorizes 1.0 FTE position for school policy support at MDE and health-related supports at MDHHS.	Gross	\$14,333,400	\$160,000
	Federal	12,872,300	0
	Restricted	71,700	0
	GF/GP	\$1,389,400	\$160,000
12. Mental Health and SEL Support	FTE	75.6	2.0
Provides \$151,900 GF/GP and authorizes 2.0 FTE positions to provide additional support and guidance to schools for mental health programs.	Gross	\$14,333,400	\$151,900
	Federal	12,872,300	0
	Restricted	71,700	0
	GF/GP	\$1,389,400	\$151,900
13. One-Time Appropriations – Head Start Background Checks	Gross	\$322,900	\$100,000
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
	GF/GP	\$64,000	\$0
14. One-Time Appropriations – PRIME Schools	Gross	\$0	\$6,000,000
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.	GF/GP	\$0	\$6,000,000
15. One-Time Appropriations – Wonderschool	Gross	\$0	\$5,475,000
Provides \$5.5 million GF/GP in one-time funding for recruiting and coaching potential child care providers for the child development and care program.	Federal	0	0
	GF/GP	\$0	\$5,475,000

EDUCATION (DEPARTMENT)

<u>Major Budget Changes from FY 2022-23 YTD Appropriations</u>		FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 Enacted Change
16. One-Time Appropriations – Toolkit Development	Gross	\$0	\$150,000
Provides \$150,000 GF/GP in one-time funding to create a professional development toolkit to teach American history.	GF/GP	\$0	\$150,000
17. TEACH Scholarship Roll Up	Gross	\$5,000,000	\$0
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
	GF/GP	\$0	\$0
18. Child Care and Development Fund (CCDF) Interdepartmental Grant Adjustment	Gross	\$31,178,300	(\$89,300)
Reflects decreased costs of \$89,300 federal for interdepartmental grants to MDHHS and LARA.	Federal	31,178,300	(89,300)
	GF/GP	\$0	\$0
19. Child Care FMAP Adjustment	Gross	\$199,080,000	\$0
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
	GF/GP	\$39,035,900	(\$195,700)
20. Library Pilot Program	Gross	\$800,000	(\$800,000)
Eliminates ongoing funding for five grants for library pilot programs across the state.	GF/GP	\$800,000	(\$800,000)
21. Economic Adjustments	Gross	NA	(\$86,000)
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)
	Local	NA	(22,600)
	Private	NA	(1,000)
	Restricted	NA	74,000
	GF/GP	NA	\$31,700

Major Boilerplate Changes from FY 2022-23

GENERAL SECTIONS

Sec. 211. Access to State and Local Government Services – NEW

Requires that appropriated funds shall not be used to restrict a marginalized community's access to government resources, programs, or facilities. Also requires local governments to report any action or policy that interferes with the duties of the local health officer.

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.

Sec. 216. Reporting on Remote Work – REVISED

Removes requirement to report on the 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.

Sec. 219. State Administrative Board Transfer – RETAINED (UNENFORCEABLE)

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. *(Governor's signing letter states this section is unenforceable.)*

Sec. 222. Communication with the Legislature – RETAINED (UNENFORCEABLE)

Prohibits MDE from taking disciplinary action against an employee for communicating truthfully and factually with a legislator or his/her staff. *(Governor's signing letter states this section is unenforceable.)*

Sec. 224. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)

Prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. *(Governor's signing letter states this section is unenforceable.)*

EDUCATION (DEPARTMENT)

Major Boilerplate Changes from FY 2022-23

Sec. 225. Severance Pay Reporting – REVISED

Removes requirement to 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.

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.

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.

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.

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.

Sec. 240. Department Transparency – NEW

Requires MDE to develop a standard application process; establish a process to review, complete, and execute a grant agreement with a grant recipient; verify that a grant recipient will utilize funds for a public purpose; review and verify all necessary information to ensure the grant recipient is able to execute the grant agreement; and establish a timeline to review all elements. Requires either the department or a legislator to sponsor grants. Requires grant recipients to respond to all information requests from the department. This section only applies to the Michigan School for the Deaf dorm, PRIME Schools, and Wonderschool.

EDUCATOR EXCELLENCE

Sec. 502. Teacher License Renewals – REVISED

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.

SCHOOL SUPPORT SERVICES

Sec. 602. School Board Member Training – REVISED

Adds implicit bias training as an approved program and moves from Sec. 1100 to reflect the revision of funding to be an ongoing appropriation.

MICHIGAN OFFICE OF GREAT START

Sec. 1002. CDC Rate Publication – REVISED

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. Adds 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.

Sec. 1007. Child Development and Care Report – REVISED

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.

Major Boilerplate Changes from FY 2022-23

Sec. 1009. CDC Eligibility Entrance Threshold – REVISED

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.

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.

Sec. 1011. CDC Program Payment Structure – REVISED

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

Sec. 1012. Early Childhood Mental Health – REVISED

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.

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.

Sec. 1014. Family and Community Engagement – NEW

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.

ONE-TIME APPROPRIATIONS

Sec. 1102. Toolkit Development – NEW

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. 1103. School Infrastructure and Consolidation Administration – NEW

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 \$371,700 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.

Sec. 1104. MTTC Reimbursement – NEW

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

Sec. 1105. PRIME Schools – NEW

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 – NEW

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.

Sec. 1107. School for the Deaf Dorm – NEW

Requires funds appropriated in part 1 for the Michigan School for the Deaf dorm to be used for planning and constructing a new dorm for the school to serve students. Provides for a work project appropriation through September 30, 2028.

EDUCATION (DEPARTMENT)

FY 2022-23 Supplemental Appropriation Items
Public Act 119 of 2023 (House Bill 4437, Article 16)

		Appropriation Change
1. Teacher of the Year	Gross	\$51,900
Increases private funding authorization by \$51,900 to reflect an increase in charitable giving of private funds to the program.	Private	51,900
	GF/GP	\$0
2. Camp Tuhsmeheeta	Gross	\$500,000
Includes \$500,000 of private revenue to be used for maintenance and enhancements at Camp Tuhsmeheeta for students who are blind or visually impaired.	Private	500,000
	GF/GP	\$0
3. Child Care and Development Block Grant	Gross	\$4,618,100
Includes an additional \$4.6 million GF/GP to be used as matching funds for an additional \$14.8 million of federal child care and development block grant funds awarded to the state.	GF/GP	\$4,618,100
4. Child Care and Development Public Assistance	Gross	\$15,491,500
Authorizes \$15.5 million in additional federal funds to support a caseload adjustment based on the May 2023 Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.	Federal	15,491,500
	GF/GP	\$0
5. School Support Services	Gross	\$78,300
Includes \$78,300 in state restricted Commodity Distribution Fee revenue to support programs that mitigate the impact of food spoilage.	Restricted	78,300
	GF/GP	\$0
6. ARP – Farm to School	Gross	\$1,130,000
Includes \$1.1 million in federal ARP funds to improve access to local foods in eligible schools. Funding will be used for activities including training, supporting operations, purchasing equipment, developing school gardens, and implementing farm to school programs.	Federal	1,130,000
	GF/GP	\$0