

FY 2018-19: EDUCATION OMNIBUS SUPPLEMENTAL
Summary: Enacted as PA 586 of 2018
Senate Bill 149 (H-1)



Analysts: Bethany Wicksall
Jacqueline Mullen
Samuel Christensen

	FY 2018-19 YTD as of 12/20/18	FY 2018-19 Executive	FY 2018-19 House	FY 2018-19 Senate	FY 2018-19 Enacted	Difference From FY 2018-19 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	1,724,743,500	0	1,745,943,500	1,745,943,500	1,745,943,500	21,200,000	1.2
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	12,980,725,300	0	13,010,725,300	13,010,725,300	13,010,725,300	30,000,000	0.2
GF/GP	60,000,000	0	87,920,000	87,920,000	87,920,000	27,920,000	46.5
Gross	\$14,765,468,800	\$0	\$14,844,588,800	\$14,844,588,800	\$14,844,588,800	\$79,120,000	0.5

Note: SB 149 originally passed the Senate as a vehicle for the FY 2017-18 School Aid budget. The table above does not reflect that version of the bill.

Major SCHOOL AID Budget Changes From FY 2018-19 YTD Appropriations

		FY 2018-19 Change
1. Youth Challenge Program (Sec. 24c)		
Revises to correct a drafting error in PA 265, the FY 2018-19 budget, that did not include \$17,000 SAF for departmental economics in Sec. 24c but did include it in the total appropriation in Section 11. This change does not increase total SAF appropriations.	Gross	\$0
	Restricted	0
	GF/GP	\$0
2. At-Risk Pupil Support (Sec. 31a)		
Adds \$18.0 million SAF for a total of \$517.0 million for payments to districts that received an allocation in FY 2018-19 that was lower than their allocation in FY 2017-18. Payments are equal to the difference between FY 2017-18 and FY 2018-19 and will be prorated if their sum exceeds \$18.0 million. (See Supplemental Boilerplate Items for Sec. 31a below.)	Gross	\$18,000,000
	Restricted	18,000,000
	GF/GP	\$0
3. Mental Health and Support Services (Sec. 31n)		
Adds \$30.0 million from the School Mental Health and Support Services Fund and \$1.3 million GF/GP for a total of \$31.3 million to provide licensed behavioral health providers in schools for general education pupils. Provides the following allocations:	Gross	\$31,300,000
	Restricted	30,000,000
	GF/GP	\$1,300,000
<ul style="list-style-type: none"> \$5.0 million distributed to the existing network of child and adolescent health centers to place a licensed Master's level behavioral health provider in schools that do not have services available currently. \$16.5 million to ISDs to provide mental health and support services to general education students, with \$294,500 provided to each ISD that submits an approved plan. \$8.0 million for a behavioral health team pilot program, to be divided equally among ISDs that have an approved application that includes a plan to create school-based behavioral health assessment teams utilizing a "train the trainer" model. \$1.3 million GF/GP to the Department of Health and Human Services to administer this section and to seek federal Medicaid match funding. \$500,000 to ISDs on an equal per-ISD basis to administer this section. 		
4. Great Start Readiness Program (Sec. 32d)		
Adds \$1.0 million GF/GP for a total of \$2.0 million to ISDs for programs to implement new curricula in 2019-2020. In addition to professional development, adds training materials as approved expenses. (See Supplemental Boilerplate Items for Sec. 32d below.)	Gross	\$1,000,000
	Restricted	0
	GF/GP	\$1,000,000
5. Early Literacy Initiatives (Sec. 35a)		
Adds \$1.0 million SAF and \$500,000 GF/GP for a total of \$31.4 million. Allocates \$1.0 million SAF to Gogebic-Ontonagon ISD to implement statewide literacy essentials teacher and principal training modules. Adds \$500,000 GF/GP to the Michigan Education Corps for a total of \$3 million.	Gross	\$1,500,000
	Restricted	1,000,000
	GF/GP	\$500,000
6. Dyslexia Center Collaboration Grant (Sec. 35b)		
Revises the fund source for the \$250,000 grant for the dyslexia center collaboration from SAF to GF/GP and revises the grantee from an eligible district to the Children's Choice Initiative.	Gross	\$0
	Restricted	(250,000)
	GF/GP	\$250,000

Major SCHOOL AID Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Change
7. Federal Grant Programs (Sec. 39a)		Gross \$21,200,000
Adds \$21.2 million Federal for two new federal grant programs including the charter school subgrant program (\$14.0 million) and the promotion and expansion of high-quality preschool services (\$7.2 million).	Federal	21,200,000
	GF/GP	\$0
8. Pipeline 2 Promise (Sec. 61f)		Gross \$200,000
Provides \$200,000 SAF to Mott Community College to support an innovative retention and completion program that creates a pipeline from kindergarten to college. Funds may be used for salaries and benefits, supply and programming costs, and gap scholarships.	Restricted	200,000
	GF/GP	\$0
9. High-Demand Future Jobs (Sec. 61g)		Gross \$50,000
Provides \$50,000 SAF to St. Clair Regional Education Service Agency (RESA) for the expansion of programs for high-demand future jobs in energy technology and cyber security. The ISD must provide a 100% match of funding received.	Restricted	50,000
	GF/GP	\$0
10. Virtual Reality Training Initiative (Sec. 61h)		Gross \$1,200,000
Provides \$1,200,000 SAF to Shiawassee ISD for a virtual reality program that provides students with training opportunities in targeted areas, including skilled trades, nursing, law enforcement, and life skills for the developmentally challenged.	Restricted	1,200,000
	GF/GP	\$0
11. School Bus Driver Safety Program (Sec. 74a)		Gross \$810,000
Provides \$810,000 SAF to West Shore Educational Service District (ESD) to implement a statewide school bus driver safety program that uses a model known as Alert, Lockdown, Inform, Counter, Evacuate (ALICE) designed for school buses.	Restricted	810,000
	GF/GP	\$0
12. FIRST Robotics (Sec. 99h)		Gross \$1,500,000
Adds \$1.5 million SAF for a total of \$4.5 million SAF for competitive grants to districts and ISDs to provide students with opportunities to participate in competitive robotics programs.	Restricted	1,500,000
	GF/GP	\$0
13. Imagine Learning (Sec. 99u)		Gross \$1,000,000
Provides \$1.0 million for a pilot program to provide explicit, targeted literary instruction within an individualized learning path that continually adjusts to a student's needs.	Restricted	0
	GF/GP	\$1,000,000
14. Michigan Fitness Foundation (Sec. 99w)		Gross \$500,000
Provides \$500,000 GF/GP to the Michigan Fitness Foundation to work with the Michigan Department of Education to invest in a physical education curriculum.	Restricted	0
	GF/GP	\$500,000
15. Teach for America Summer Institute (Sec. 99x)		Gross \$300,000
Provides \$300,000 GF/GP for Teach for America to host a summer training institute in Detroit, recruit teachers into a master teacher fellowship, and retain a committed alumni community.	Restricted	0
	GF/GP	\$300,000
16. STEM and Entrepreneurship Pilot Program (Sec. 99y)		Gross \$60,000
Provides \$60,000 SAF to Detroit Public Schools Community District to provide students in grades 4 to 8 with a STEM and entrepreneurship pilot program.	Restricted	60,000
	GF/GP	\$0
17. Digital Assessment Preparation (Sec. 104f)		Gross \$500,000
Adds \$500,000 GF/GP for a district to implement an assessment digital literacy preparation pilot project. Requires the receiving district to have experience serving local education agencies in ten other states and requires program to be implemented in at least 100 districts. Excludes previous recipient in 2017-18 under former section 104e from receiving this funding.	Restricted	0
	GF/GP	\$500,000

FY 2018-19 SCHOOL AID Boilerplate Items

Sec. 6(4)(mm) Tuition Students – REVISED

Postpones by one school year until 2019-2020 a prohibition on districts receiving a foundation allowance for out-of-state pupils that pay tuition.

Sec. 17c. Grant Process Timeline – REVISED

Revises to clarify that federal funds appropriated under the School Aid Act do not have to meet the requirements of this section.

Sec. 18. Application of Money Received Under Act and Financial Reporting – REVISED

Revises to clarify that ISDs certify rather than perform transportation report audits and special education cost report audits.

FY 2018-19 SCHOOL AID Boilerplate Items

Sec. 23a. Dropout Recovery Program – REVISED

Revises to allow a dropout recovery program to provide not only an advocate but also a teacher of record either employed directly or contracted through an education management organization until February 1, 2020.

Sec. 31a. At-Risk Pupil Support – REVISED

Revises to correct drafting error in the formula that will be used in 2019-2020 to measure progress to ensure that each metric is measured against only the at-risk population in the grade levels for which that metric applies rather than all at-risk pupils.

Sec. 31j. Local Produce in School Meals – REVISED

Revises to change the time period that local produce in school meals is to be purchased from the 2018-2019 school year to the 2018-19 state fiscal year.

Sec. 32d. Great Start Readiness Program (GSRP) – REVISED

Revises a report on the number of children participating in GSRP by revising the following: revises to provide information on program eligibility rather than income eligibility, since children can qualify based on risk factors other than income; revises to include the number of children that were determined eligible for GSRP but are not participating and are on a waitlist; and revises information on the total number of children participating in the program to include various demographic groups and eligibility factors necessary to analyze equitable and priority access to services for the purposes of completing the GSRP longitudinal study. Additionally, revises from allowing only community-based providers to permitting any GSRP provider to claim reimbursement for parent- or guardian-accompanied transportation.

Sec. 101. Eligibility to Receive State Aid – REVISED

Revises, for FY 2018-19 only, to allow for an exemption to the department's deadline for a district applying for a waiver for a blended model of delivery, if the district meets the other requirements for a waiver under this section.

FY 2018-19 HIGHER EDUCATION Boilerplate Items

Sec. 265. Performance Funding Criteria: Tuition Restraint – REVISED

Deletes language that defines fees to include the cost of a university-affiliated health insurance policy for a university that compels resident undergraduate students to have health insurance coverage.

FY 2017-18 MARSHALL PLAN Boilerplate Items

Sec. 297c(2) and (3). Scholarships and Stipends – REVISED

Current law provides \$20.0 million to fund scholarships and stipends for 3 cohorts over the course of 4 years, which are to assist low-income individuals with the cost of obtaining a qualifying degree or credential in a high-demand field. Currently, income qualification is based on requirements for the Healthy Michigan plan.

Revises as follows:

- Removes the requirement to disburse scholarships and stipends through 3 cohorts.
- Revises eligibility for a scholarship grant by changing the income qualification to at or below 133% of the federal poverty level and to being enrolled in a qualifying program at an eligible postsecondary instruction rather than being enrolled full-time.

Sec. 297c(11). Student Stipends and District Bonus Payments – REVISED

Provides \$2.3 million for awards of \$500 (half to student and half to district) for the completion of an in-demand workforce certificate in a high-demand field in calendar year 2019 or 2020.

Revises to move the administration of this subsection from Treasury to MDE.

Sec. 297h. Definitions – REVISED

Revises to allow for a national organization or company to submit a letter of support rather than sign a talent agreement.

Sec. 297i. Grant Applications – REVISED

Revises to exempt competitive grants to convert an entire school or district to a competency-based learning model from the consolidated grant application in Sec. 297i.