

FY 2022-23: DEPARTMENT OF EDUCATION

Summary: As Reported by House Appropriations Committee House Bill 5781 (H-1)



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	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: House From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0			\$0	--
Federal	1,807,625,600	302,950,800	302,950,800			(1,504,674,800)	(83.2)
Local	5,870,300	5,878,600	5,878,600			8,300	0.1
Private	2,238,500	2,240,400	3,540,400			1,301,900	58.2
Restricted	9,785,400	9,919,700	9,919,700			134,300	1.4
GF/GP	102,508,100	98,541,500	93,391,600			(9,116,500)	(8.9)
Gross	\$1,928,027,900	\$419,531,000	\$415,681,100			(\$1,512,346,800)	(78.4)
FTEs	622.5	632.5	621.5			(1.0)	(0.2)

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

1. One-Time Childcare Funding Removal

Executive and House reflect the one-time nature of \$1.5 billion federal in child care funding included in the FY 2021-22 budget.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
Gross	\$1,495,863,500	(\$1,495,863,500)
Federal	1,495,863,500	(1,495,863,500)
GF/GP	\$0	\$0

2. Removal – Teacher Talent Pipeline

Executive and House 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.

Gross	\$10,000,000	(\$10,000,000)
Federal	10,000,000	(10,000,000)
GF/GP	\$0	\$0

3. Removal – PRIME Schools

Executive and House 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.

FTE	1.0	(1.0)
Gross	\$6,000,000	(\$6,000,000)
GF/GP	\$6,000,000	(\$6,000,000)

4. Michigan School for the Deaf

Executive provides \$3.0 million GF/GP to expand coordination, staff support, and training for the Michigan School for the Deaf.

House does not include.

Gross	\$13,627,000	\$0
Federal	7,550,600	0
Local	5,870,300	0
Restricted	206,100	0
GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change	
5. Before and After School Programs		Gross	\$3,910,000	(\$3,910,000)
<u>Executive</u> 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	\$3,910,000	(\$3,910,000)
<u>House</u> 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.				
6. Camp Tuhsmeheeta		Gross	\$501,000	\$1,300,000
<u>House</u> 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	1,300,000
		GF/GP	\$0	\$0
7. ASL Literacy Resources		Gross	NA	\$1,000,000
<u>House</u> 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	\$1,000,000
8. Educator Recruitment, Attraction and Administration		FTE	48.0	0.0
<u>Executive</u> 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.		Gross	\$9,458,700	\$0
<u>House</u> does not include.		Federal	3,164,600	0
		Restricted	4,275,500	0
		GF/GP	\$2,018,600	\$0
9. Early Childhood Development Administration		FTE	65.0	0.0
<u>Executive</u> 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.		Gross	\$13,468,700	\$0
<u>House</u> does not include.		Federal	11,308,600	0
		Private	250,000	0
		Restricted	64,600	0
		GF/GP	\$1,845,500	\$0
10. Mental Health Administration		FTE	74.6	0.0
<u>Executive</u> provides \$200,000 and authorizes 1.0 FTE position to hire MDE staff and support and assist schools receiving mental health funding.		Gross	\$13,724,200	\$0
<u>House</u> does not include.		Federal	12,621,800	0
		Restricted	71,700	0
		GF/GP	\$1,030,700	\$0
11. One-Time Appropriation – School Board Training Reimbursement		Gross	\$260,000	(\$260,000)
<u>Executive</u> retains \$260,000 GF/GP for school board member training reimbursement.		GF/GP	\$260,000	(\$260,000)
<u>House</u> removes \$260,000 GF/GP for school board member training reimbursement.				
12. One-Time Appropriation – Michigan's Poet Laureate		Gross	\$100,000	(\$100,000)
<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> removes \$100,000 GF/GP to support a Michigan Poet Laureate.				
13. One-Time Appropriation – Data Systems Development		Gross	\$0	\$100
<u>House</u> provides \$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

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
14. Roll Up – TEACH Scholarship		Gross	\$5,000,000
<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
<u>House</u> does not include the roll up, leaving the federal TEACH scholarship as its own line.		GF/GP	\$0
			\$0
15. Economic Adjustments		Gross	NA
<u>Executive</u> and <u>House</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
		Local	1,308,200
		Private	8,300
		Restricted	1,900
		GF/GP	134,300
			\$619,200

Major Boilerplate Changes from FY 2021-22

Executive DELETED but House 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)
- Effectiveness Survey (Sec. 235)
- Rural Transportation Report (Sec. 236)
- CDC T.E.A.C.H. Early Childhood Michigan Scholarship Program (Sec. 1004)
- CDC Funding Changes (Sec. 1010)

Sec. 210. Contingency Funds – RETAINED

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.

Sec. 219. In-Person Work Requirement – NEW

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

Sec. 410. ASL Literacy Resources – NEW

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

Sec. 702. Early Literacy Implementation – RETAINED

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.

Major Boilerplate Changes from FY 2021-22

Sec. 1001. Before and After School Programs – DELETED

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.

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 maintains current law.

Sec. 1012. Child Mental Health – DELETED

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.

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 and House 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 and House 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 and House 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 and House 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 and House delete this section.

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 and House 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 and House delete this section.

Major Boilerplate Changes from FY 2021-22

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 and House 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 and House 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 and House 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 and House 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 and House delete this section.

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

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

Sec. 1100. School Board Training – DELETED

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.

Sec. 1101. Data Systems Development – NEW

House requires 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 deletes 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).

Gross	\$0
Private	0
GF/GP	\$0