A bill to make appropriations for the department of lifelong education, advancement, and potential for the fiscal year ending September 30, 2025; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of lifelong education, advancement, and potential for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

APPROPRIATION SUMMARY
<table>
<thead>
<tr>
<th>Section</th>
<th>Departmental Administration and Support</th>
<th>Information Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full-time equated unclassified positions 6.0</td>
<td>Information technology services and projects 998,800</td>
</tr>
<tr>
<td></td>
<td>Full-time equated exempted positions 317.0</td>
<td>GROSS APPROPRIATION $ 998,800</td>
</tr>
</tbody>
</table>
|         | GROSS APPROPRIATION $ 547,615,500 | Appropriated from:
|         | ADJUSTED GROSS APPROPRIATION $ 547,615,500 | Federal revenues:
|         | Federal revenues: Total federal revenues 420,954,100 | Total federal revenues 1,004,500 |
|         | Total private revenues 250,000 | State general fund/general purpose $ 7,780,700 |
|         | Total other state restricted revenues 1,862,300 | Sec. 103. INFORMATION TECHNOLOGY |
|         | State general fund/general purpose $ 124,549,100 | Information technology services and projects 998,800 |
|         | Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT | GROSS APPROPRIATION $ 998,800 |
|         | Full-time equated exempted positions 317.0 | Appropriated from:
|         | Unclassified salaries--FTEs 6.0 $ 999,500 | Federal revenues:
|         | Executive direction and operations--FTEs 30.0 $ 7,531,200 | Total federal revenues 222,500 |
|         | Property management 254,500 | State general fund/general purpose $ 776,300 |
### Sec. 104. OFFICE OF EARLY CHILDHOOD EDUCATION

<table>
<thead>
<tr>
<th>Position</th>
<th>Full-time equated classified positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child development and care contracted services</td>
<td>18,900,000</td>
</tr>
<tr>
<td>Child development and care external support</td>
<td>11,028,100</td>
</tr>
<tr>
<td>Child development and care public assistance</td>
<td>440,440,400</td>
</tr>
<tr>
<td>Childcare licensing and regulation--FTEs</td>
<td>149.0</td>
</tr>
<tr>
<td>Head start collaboration office--FTE</td>
<td>425,100</td>
</tr>
<tr>
<td>Office of great start operations--FTEs</td>
<td>14,388,200</td>
</tr>
<tr>
<td>Tri-share child care program</td>
<td>3,400,000</td>
</tr>
</tbody>
</table>

| Total                                                    | $ 514,068,300                         |

**Appropriated from:**

- **Federal revenues:**
  - Federal funds: 331,927,100
  - Social security act, temporary assistance for needy families: 87,800,000

| Total federal revenues                                   | 419,727,100                          |

- **Special revenue funds:**
  - Private foundations: 250,000
  - Adult foster care facilities licenses fund: 42,900
  - Certification fees: 64,600
  - Child care home and center licenses fund: 501,700

| State general fund/general purpose                       | $ 93,482,000                          |

### Sec. 105. OFFICE OF EDUCATION PARTNERSHIPS

<table>
<thead>
<tr>
<th>Position</th>
<th>Full-time equated classified positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before and after school administration--FTEs</td>
<td>0.0</td>
</tr>
<tr>
<td>Family and community engagement--FTEs</td>
<td>6.0</td>
</tr>
<tr>
<td>Parental engagement</td>
<td>500,000</td>
</tr>
</tbody>
</table>

| Total                                                    | $ 1,562,600                            |
### APPROPRIATIONS

#### Sec. 106. OFFICE OF HIGHER EDUCATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time equated classified positions</td>
<td>46.0</td>
</tr>
<tr>
<td>Dual enrollment payments</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Student financial assistance programs--FTEs</td>
<td>46.0</td>
</tr>
<tr>
<td><strong>GROSS APPROPRIATION</strong></td>
<td></td>
</tr>
</tbody>
</table>

Appropriated from:

- **State general fund/general purpose** $1,562,600

#### Sec. 107. ONE-TIME APPROPRIATIONS

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time equated classified positions</td>
<td>15.0</td>
</tr>
<tr>
<td>Adult education outreach project</td>
<td>100</td>
</tr>
<tr>
<td>After school programming extension</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Childcare facility inspection work project--FTEs</td>
<td>15.0</td>
</tr>
<tr>
<td>Childcare program stabilization grants</td>
<td>100</td>
</tr>
<tr>
<td>Childcare startup grants</td>
<td>100</td>
</tr>
<tr>
<td>College awaits pilot</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Family childcare networks support</td>
<td>1,659,500</td>
</tr>
<tr>
<td>Healthcare grants</td>
<td>500,000</td>
</tr>
<tr>
<td>Post-secondary enrollment</td>
<td>100</td>
</tr>
<tr>
<td>Youth mentorship</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>GROSS APPROPRIATION</strong></td>
<td></td>
</tr>
</tbody>
</table>

Appropriated from:

- **State general fund/general purpose** $10,947,500

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**PART 2**
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is $126,411,400.00 and state spending under part 1 from state sources to be paid to local units of government is $0.00.

Sec. 202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:
(a) "Department" means the department of lifelong education, advancement, and potential.
(b) "DHHS" means the Michigan department of health and human services.
(c) "Director" means the director of the department.
(d) "FTE" means full-time equated.
(e) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the
following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each
travel occurrence and the proportions funded with state general
fund/general purpose revenues, state restricted revenues, federal
revenues, and other revenues.

Sec. 208. (1) The department shall not use funds appropriated
in part 1 to hire a person to provide legal services that are the
responsibility of the attorney general. This section does not apply
to legal services for bonding activities or to outside legal
services that the attorney general authorizes.

(2) A principal executive department, state agency, or
authority shall make timely reimbursement to the department of the
attorney general for legal services provided by the department of
the attorney general to the department, state agency, or authority.
If the department, state agency, or authority fails to make timely
reimbursement, the department of the attorney general may increase
the amount billed to include a penalty for the late reimbursement.
As used in this subsection, "timely reimbursement" means
reimbursement not later than 60 days after the department, state
agency, or authority receives a bill for the legal services from
the department of attorney general.

Sec. 209. Not later than December 15, the state budget office
shall prepare and submit a report that provides estimates of the
total general fund/general purpose appropriation lapses at the
close of the previous fiscal year. The report must summarize the
projected year-end general fund/general purpose appropriation
lapses by major departmental program or program areas. The state
budget office shall submit the report to the standard report
recipients and to the chairpersons of the senate and house
appropriations committees.

Sec. 210. (1) In addition to the funds appropriated in part 1,
there is appropriated an amount not to exceed $10,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $350,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.
(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. (1) Except as otherwise provided in this part, all reports required under this part shall be submitted to the standard report recipients.

(2) The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
take all reasonable steps to ensure geographically-disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined in Executive Directive No. 2019-08.

Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 217. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, if possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this part or part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, inter-transfer funds within this part or part 1 for the particular department, board, commission, officer, or institution.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department
shall follow federal and state guidelines for short-term and long-
term retention of records. The department may electronically retain
copies of reports unless otherwise required by federal and state
guidelines.

Sec. 220. Not later than April 1, the department shall report
on each specific policy change made to implement a public act
affecting the department that took effect during the previous
calendar year. The department shall submit the report to the
standard report recipients, to the senate and house appropriations
committees, and to the joint committee on administrative rules.

Sec. 221. (1) From the funds appropriated in part 1, the
department shall do the following:

(a) Report any amounts of severance pay for a department
director, deputy director, or other high-ranking department
official not later than 14 days after a severance agreement with
the director or official is signed. The name of the director or
official and the amount of severance pay must be included in the
report required by this subdivision.

(b) Not later than February 1, report on the total amount of
severance pay remitted to former department employees during the
previous fiscal year and the total number of former department
employees that were remitted severance pay during the previous
fiscal year.

(2) Reports required by this section must be submitted to the
standard report recipients and to the senate and house
appropriations committees.

(3) As used in this section, "severance pay" means
compensation that is both payable or paid on the termination of
employment and in addition to either wages or benefits earned
during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

(2) General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 223. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.
(c) Verify, to the extent possible, that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2025, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:
(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, a provision for an initial disbursement of 50% to the grant recipient on execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after an initial 50% disbursement under subdivision (d), additional funds will be disbursed only after verification that the initial payment has been fully expended in accordance with the project purpose. The department shall disburse the remaining funds after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting by the grant recipient to the department that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are
declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(9) The department shall post a report in a publicly accessible location on its website not later than September 30, 2025. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection
(1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(10) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(11) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

OFFICE OF EDUCATION PARTNERSHIPS

Sec. 401. From the funds appropriated in part 1 for family and community engagement, the department shall, at a minimum, do all of the following:

(a) Establish or partner with family engagement centers across this state to increase parent and guardian involvement in their child's education.

(b) Ensure translation and interpretation services are available and implemented pursuant to department guidance.

(c) Partner with intermediate school districts to assist in getting information and resources to their constituent districts.

(d) Develop an early literacy engagement plan to help parents or guardians become involved in their child's education.

Sec. 402. From the funds appropriated in part 1 for parental engagement, the department shall allocate grants to nonprofit,
parent-led organizations that work to increase coordination, training, and support among parents, primary caregivers, and school educators. Grants must be used to support organizations with an established partnership with a school district or to support the establishment of new partnerships.

OFFICE OF HIGHER EDUCATION

Sec. 701. (1) From the funds appropriated in part 1, in addition to other statutorily required duties, the department shall do all of the following:

(a) Review and evaluate all state financial aid programs and prioritize improving postsecondary educational outcomes, including student completion rates, and improving affordability of postsecondary programs in this state.

(b) Serve as the coordinating office for all agencies of the executive branch of government that are responsible for financial aid programs administered by this state.

(c) Survey stakeholders, including public, tribal, and private not-for-profit colleges and universities, state departments and agencies, and statewide postsecondary education associations on student financial aid policy to improve this state's administration of programs.

(d) Help inform prospective students and families, and analyze the costs of postsecondary education in this state broken down by individual colleges and universities, including comparison against other states.

(e) Provide analysis of data collected by the Center for Education Performance and Information, higher education information data inventory, and individual colleges and universities to assist
students, prospective students, and their families in making
decisions on postsecondary education.

(f) Provide recommendations that would improve the delivery of
student financial aid and increase postsecondary attainment in this
state.

(g) Support the administration of the Michigan transfer
network to do both of the following:

(i) Ensure participating institutions provide timely and
accurate information.

(ii) Promote the equitable transferability of associate degrees
to bachelor's degree institutions in the same study or program and
advance solutions to improve transferability between postsecondary
institutions in this state.

(h) Coordinate with other state agencies and school districts
to increase utilization and awareness of postsecondary
opportunities, including, but not limited to, early and middle
college, dual enrollment, and private skills training scholarships.

(i) Promote, track, and provide resources to increase
completion of the free application for federal student aid.

(2) From the funds appropriated in part 1, the department
shall meet, at a minimum, the following transparency requirements:

(a) Collect data necessary to complete all statutory reporting
requirements, and notify the chairs of the house and senate
appropriations committees within 10 days if an entity receiving
funds from part 1 fails to comply with data collection
requirements.

(b) Submit all required reports to the house and senate
appropriations chairs and the legislative fiscal agencies.

(c) Compile, post, and maintain all required reports on an
(d) Maintain a link on the department's website to find data submitted by postsecondary institutions through the Higher Education Information Database for Institutions.

(e) Compile the authorizer reports required in section 275k of the state school aid act of 1979, 1979 PA 94, MCL 388.1875k, and post on the department's website.

(f) Develop and maintain an easily accessible dashboard on the department's website to include, at a minimum, all of the following:

(i) Aggregated student enrollment, utilization, and completion rates for all public, private, and not-for-profit colleges and universities receiving funds from part 1.

(ii) Aggregated participation in the state financial aid programs, and, at a minimum, the department shall ensure data is disaggregated by postsecondary institution and enrollment by ethnicity, region, and socioeconomic status.

(iii) In coordination with the Center for Educational Performance and Information and the state demographer, data on the number of individuals in this state eligible for, but not enrolled in, state financial aid programs.

(iv) Free application for federal student aid completion rates and historical completion rate trends, and data on completion rate trends must visually demonstrate when completion rates are at the highest and when completion rates are at the lowest.

(3) Not later than March 1, the department shall provide a report to the house and senate appropriations committee chairs and the legislative fiscal agencies on the activities of the department that includes, but is not limited to, all of the following:
(a) For all fund sources, total expenditures by the department compared to appropriated funding levels, including staffing levels, broken down by department administration, early childhood, K-12 partnerships, and the office of higher education.

(b) In coordination with other state agencies, up-to-date expenditure data on state financial aid programs compared against appropriated funding for each applicable program, and to the extent possible, the department shall identify enrollment or expenditure trends that may cause a shortfall in state financial aid program funding.

(c) A list of contracts or agreements with external entities utilized to perform the functions of the department.

(d) Identification of department goals and progress toward meeting those goals. The department shall provide specific data used to monitor and track progress.

(e) Any recommendations to improve the implementation, coordination, or data collection of programs administered by the department.

(4) To the extent other reporting deadlines are aligned, the department may consolidate other statutorily required reports into the report described under subsection (3).

Sec. 702. From the funds appropriated in part 1, the office of higher education shall include the position of student loan ombudsman. Any state employee previously serving as student loan ombudsman in the student loan repayment division in the department of treasury shall serve as student loan ombudsman in the department's office of higher education.

Sec. 705. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved
nonpublic school shall be distributed as provided under the
postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
388.524, and the career and technical preparation act, 2000 PA 258,
MCL 388.1901 to 388.1913, in a form and manner as determined by the
department.

OFFICE OF EARLY CHILDHOOD EDUCATION

Sec. 1002. (1) From the funds appropriated in part 1, the
department shall ensure that the final child development and care
provider reimbursement rates are published on the department and
Great Start to Quality webpages.

(2) In addition to the funds appropriated in part 1, upon
receiving approval from the state budget director, the department
may receive and expend federal child care development block grant
funds at risk of being lapsed back to the federal government. The
department may do this only if all of the following criteria are
met:

(a) The funds are at risk of being lapsed by the end of the
current fiscal year.

(b) The department plans to expend the funds through a 1-time
rate increase to providers.

(c) The department makes this request to the state budget
director not less than 30 days before the expenditure of the funds.

(3) If the average cases over a 3-month period in the child
development and care program result in the projected fiscal year
2024-2025 caseloads falling below the caseload agreement from the
May 2024 consensus revenue estimating conference, the department
may increase the hourly reimbursement rate to child care providers
if the following conditions are met:
(a) The level of expenditures for the remainder of the year is estimated to be significantly below the level estimated from the May 2024 consensus revenue estimating conference.

(b) The department plans to expend the funds through an ongoing rate increase to providers for the remainder of the fiscal year.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds that includes the rate increase.

(4) Upon receiving approval from the state budget director under subsection (2) or (3), the department must notify the senate and house fiscal agencies of the amount being appropriated, the estimated rate increase to providers, and if the rate increase to providers is 1-time or ongoing in nature.

(5) The department may withdraw the intent to expend the funds under subsections (2) or (3) by notifying the state budget director in writing.

Sec. 1004. (1) From the funds appropriated in part 1 for child development and care public assistance, the provider reimbursement rates for child care centers, group home providers, registered family homes, and licensed exempt providers are increased by 20% from the provider rates established in the child development and care handbook for fiscal year 2023-2024, rounded to the nearest $0.05.

(2) Provider reimbursement rate increases funded under subsection (1) are effective the first full biweekly pay period of the fiscal year.

(3) The department shall ensure that the final child development and care provider reimbursement rates are published on
the department and Great Start to Quality webpages.

Sec. 1007. (1) From the funds appropriated in part 1 for child
development and care – external support, child development and care
contracted services, and childcare licensing and regulation, the
department shall create a joint report that includes, but is not
limited to, the following:

(a) The affordability of child care in this state, including,
but not limited to, the number of children eligible for and
participating in the child development and care program, the number
of children eligible for and participating in the child development
and care program for the last 5 years, and key takeaways from the
most recent market rate survey.

(b) The availability of child care in this state by county,
including, but not limited to, the number of licensed child care
providers, the change in the number of licensed child care
providers and slots over time, and the estimated demand for care.

(c) The health and safety of child care, including, but not
limited to, the 10 most common rule violations, the number of
licenses revoked and summarily suspended, and the number of license
violations for incomplete health and safety training and safe sleep
training.

(d) Any actions taken to strengthen health and safety of care,
including, but not limited to, the number of licensing consultants,
their average caseload, the number of on-site visits they complete
by provider type and region, the types of activities that are
intended to improve health and safety in licensed care, and the
number of times those activities are performed by licensing
consultants.

(e) The quality of child care, including, but not limited to,
the number of licensed providers participating in the Great Start to Quality program and the workforce registry, the number of new participants and how participation has changed over the last 5 years, and the number of children participating in the child development and care program enrolled in an enhancing quality level or higher program.

(f) Any actions taken to improve child care quality, including, but not limited to, the number of quality consultants, the average caseload, the number of on-site visits completed by region, the types of activities that are intended to improve quality and the number of times those activities are performed, and the number of providers that have improved the provider's quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each region.

(g) The child care workforce, including, but not limited to, the number of child care professionals, average wages by role, the number of individuals participating in the TEACH scholarship and earning a credential, and the level of demand for staff.

(h) Total funding appropriated to contracts for the early childhood comprehensive systems planning by the state during the previous fiscal year that includes, but is not limited to, the following:

(i) The amount of funding for each grant awarded.

(ii) The grant recipients.

(iii) The activities funded by each grant.

(iv) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.
(2) The department must post the joint report on the
department website and send the joint report to the state budget
director, the house and senate subcommittees that oversee the
department budget, and the house and senate fiscal agencies by
April 1 of the current fiscal year reflecting data for the previous
fiscal year.

Sec. 1008. From the funds appropriated in part 1 for office of
early childhood education, the department shall ensure efficient
service provision to coordinate services provided to families for
home visits, reduce duplication of state services and spending,
increase efficiencies including the home visits funded under
section 32p of the state school aid act of 1979, 1979 PA 94, MCL
388.1632p, and work with the DHHS as necessary.

Sec. 1009. From the funds appropriated in part 1 for child
development and care public assistance, the income entrance
eligibility threshold for the child development and care program is
set to not more than 200% of the federal poverty guidelines.

Sec. 1011. From the funds appropriated in part 1 for child
development and care public assistance, for eligible children in
the child development and care program, the department shall
implement payments to providers based on enrollment rather than
based on attendance. This shall be done in a manner determined by
the department.

Sec. 1012. From the funds appropriated in part 1,
$3,000,000.00 shall be 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.

Sec. 1030. The funds appropriated in part 1 for the tri-share
child care program must be awarded for the continuation of the
child care facilitator pilot project originally initiated and
funded in section 1047(31) of article 5 of 2020 PA 166.

ONE-TIME APPROPRIATIONS

Sec. 1101. (1) From the funds appropriated in part 1 for the
adult education outreach project, the department shall create, and
distribute grants through, an adult learners pilot program (PAL).
The department may provide grants to no more than 4 nonprofit
organizations that serve multiple counties. Each nonprofit
organization must assist adult learners by offering an accelerated
high school accreditation program for the achievement of a high
school diploma and provide on-site child care. Preference must be
given to nonprofit organizations that assist with career
certifications and wrap-around supports. Nonprofit organization
grantees may create public-private partnerships to achieve the
above requirements.

(2) Any unexpended funds appropriated in part 1 for the adult
education outreach project are designated as a work project
appropriation, and any unencumbered or unallotted funds shall not
lapse at the end of the fiscal year and shall be available for
expenditures to sustain the project until the expiration date of
this work project as stated in subsection (d). The following are in
compliance with section 451a(1) of the management and budget act,
1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to deliver adult education
programming across multiple regions of this state for the duration
of the work project.

(b) The project will be accomplished by utilizing state
employees or contracts with service providers, or both.

(c) The estimated cost of the project is $100.00.

(d) The completion date of the project is September 30, 2028.

Sec. 1102. (1) From the funds appropriated in part 1 for after
school programming extension, the department shall allocate
$1,000,000.00 to a nonprofit located in a city with a population
between 61,000 and 62,000 that lowers barriers to postsecondary
education for disadvantaged youth, that has a partnership with a
public university, and that works with local program affiliates in
different regions of this state.

(2) Any unexpended funds appropriated in part 1 for after
school programming extension are designated as a work project
appropriation, and any unencumbered or unallotted funds shall not
lapse at the end of the fiscal year and shall be available for
expenditures to sustain a program that lowers postsecondary access
barriers for disadvantaged youth until the expiration date of this
work project as stated in subsection (d). The following are in
compliance with section 451a(1) of the management and budget act,
1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to lower barriers to
postsecondary education for disadvantaged youth for the duration of
the work project.

(b) The project will be accomplished by utilizing state
employees or contracts with service providers, or both.

(c) The estimated cost of the project is $1,000,000.00.

(d) The completion date of the project is September 30, 2029.

Sec. 1103. (1) From the funds appropriated in part 1 for
childcare facility inspection work project, the department may
expend up to $4,840,100.00 and hire an additional 15.0 FTEs for the
duration of the work project.

(2) Any unexpended funds appropriated in part 1 for the childcare facility inspection work project are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures to sustain a program that performs childcare facility inspections until the expiration date of this work project as stated in subsection (d). The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to supplement ongoing childcare facility inspections for the duration of the work project.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of the project is $4,840,100.00.

(d) The completion date of the project is September 30, 2026.

Sec. 1104. From the funds appropriated in part 1 for childcare program stabilization grants, the department shall provide noncompetitive grants to child care providers and support to new and expanding child care providers statewide.

Sec. 1105. From the funds appropriated in part 1 for childcare startup grants, the department shall allocate $100.00 to a company to work with the department to expand and support child care capacity by recruiting and coaching prospective providers through the startup process.

Sec. 1106. (1) From the funds appropriated in part 1 for the college awaits pilot, the department shall allocate $1,500,000.00 in grants to universities for outreach activities to K-12 students with the goal of increasing postsecondary enrollment and
completion. The department shall develop guidelines and approve university plans for the use of the funds. Grants allocated must include specific outreach activities that will allow K-12 students to experience university campuses, raise awareness of postsecondary programs and career opportunities, and provide financial aid resources to promote the accessibility of postsecondary education. The department shall prioritize grants to plans that target underrepresented populations enrolled in postsecondary programs.

(2) By September 1, the department shall provide a report to the chairs of the house and senate appropriations committees and the senate and house fiscal agencies on the status of the funds allocated and the metrics used to track the effectiveness of the funds expended.

Sec. 1107. From the funds appropriated in part 1 for family childcare networks support, the department shall provide supports, including language support, to home-based providers with an emphasis on sustaining the provider marketplace.

Sec. 1108. From the funds appropriated in part 1 for healthcare grants, the department shall allocate $500,000.00 to a nonprofit organization focused on postsecondary access and success for youth with experience in foster care and homelessness, and that oversees a statewide initiative to build a formal network of supports to increase postsecondary outcomes for at-risk youth.

Sec. 1109. From the funds appropriated in part 1 for postsecondary enrollment, the department shall allocate $100.00 to a company for the purpose of re-engaging adult learners to increase the number of adults completing postsecondary degrees or credentials in this state.

Sec. 1110. From the funds appropriated in part 1 for youth
mentorship, the department shall allocate $500,000.00 to a youth
mentorship nonprofit organization that works with a public school
system in a city with a population between 107,000 and 108,000
located in a county with a population between 284,000 and 285,000
for the purpose of providing mentorship and helping students in
grades 6 through 12 develop strategies for success in the students'
lives, schools, and communities.