



House Appropriations Subcommittee on School Aid and the Michigan Department of Education

Tuesday, March 18, 2025



Thank You

- To Chairman Kelly and the House Appropriations Subcommittee on School Aid and the Michigan Department of Education for the invitation and opportunity to speak today.
- To the subcommittee for undertaking this important work and for your commitment to collaborating and strengthening Michigan public education for students and educators.



AGENDA

Today's presentation is intended to help inform the subcommittee in a variety of ways:

1. Share progress made towards Michigan's Top 10 Strategic Education Plan.
2. Share where we need to continue to improve.
3. Share where the legislature can help in this improvement.



Eight Goals – Michigan's Top 10 Strategic Education Plan



1. Expand early childhood learning opportunities
2. Improve early literacy achievement
3. Improve the health, safety, and wellness of all learners
4. Expand secondary learning opportunities for all students
5. Increase the percentage of all students who graduate from high school
6. Increase the percentage of adults with a post-secondary credential
7. Increase the numbers of certified teachers in areas of shortage
8. Provide adequate and equitable school funding



Upstream and Downstream

- The two **resource upstream goals** addressing teacher shortage and adequate and equitable school funding (Goals 7 and 8) **help drive all other goals.**





Upstream and Downstream

- The **developmental upstream** goals addressing the expansion of early childhood education and the improvement of early literacy (Goals 1 and 2) and health, safety, and wellness (Goal 3) **help drive all other downstream goals**, which include secondary school program expansion, graduation rates, and postsecondary credential rates (Goals 4, 5, and 6).

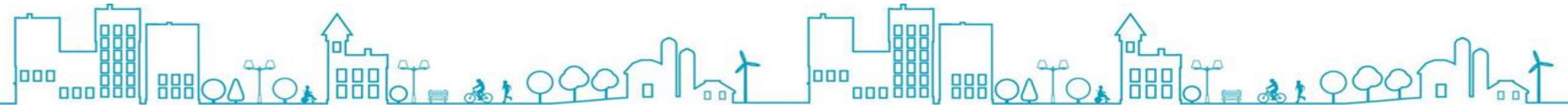
Making Progress

- No one metric defines public education.
- That's why we have multiple goals of the Top 10 Strategic Education Plan and multiple metrics for goals.
- In the last few years, Michigan has improved in several areas, some of which are at historic levels.



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Goal 5: Increase the percentage of all students who graduate from high school



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
4-Year Graduation Rate	78.6%	79.8%	79.7%	80.1%	80.6%	81.4%	82.1%	80.5%	81.0%	81.8%	82.8%

Michigan's 2024 four-year graduation rate improved to the **highest level in state history.**



Goal 5: Increase the percentage of all students who graduate from high school

Rigorous secondary school programs, particularly CTE, have contributed to the improved graduation rate:

- **CTE** is correlated with higher graduation rates.
- **Personal curriculum** has been an important and growing opportunity.
- Many districts have fully implemented **Early Warning Intervention and Monitoring Systems (EWIMS)**
- MDE high school graduation and middle school success **guidance** is available.



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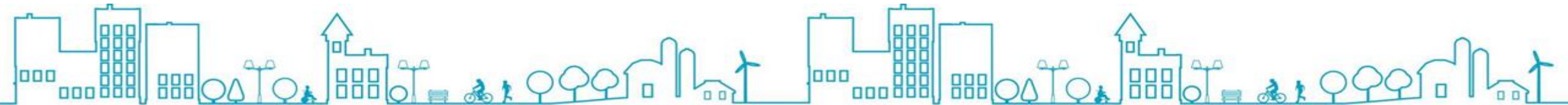


Goal 6: Increase the percentage of adults with a post-secondary credential

- At 51.8% (**highest level in state history**), the state is **making progress toward the governor's goal of achieving 60% of adults (ages 25 to 64) with a post-secondary credential by 2030.**
 - High school students can gain credits toward post-secondary degrees through Advanced Placement, Dual Enrollment, Early Middle College, and College Level Examination Programs.
 - Career and technical education programs have over 400 **post-secondary credentials** available.
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Number and percent of students enrolled in CTE programs based on overall student population




Student Group	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	3-year difference	Percent change
Total CTE Students	107,930	109,005	110,316	110,710	111,073	102,988	106,857	108,874	112,156	9,168	8.9%
Percent of all students	22%	23%	23%	23%	24%	22%	23%	24%	25%		

Data Source: Career and Technical Education Data System:
<https://www.cteis.com>

**Three-year increase of 8.9% in student CTE enrollment.
 Higher than pre-pandemic.**



Number of CTE completers based on students enrolled in CTE programs

Student Group	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	3-year difference	Percent change
CTE Completers	35,557	42,604	45,504	47,314	50,416	44,226	44,609	48,334	52,625	8,399	19.0% 

Data Source: Career and Technical Education Data System:
<https://www.cteis.com>

19% increase in CTE completers. Highest in state's history.



Number of students enrolled in Advanced Placement (AP) compared to the total population

Student Group	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2-year difference	Percent change
AP Students	80,691	79,546	78,086	74,699	69,731	71,979	78,275	8,544	12.3%

12.3% increase in student AP enrollment. Higher than pre-pandemic.

Number of students taking one or more AP exams and number of AP exams taken



Student Group	2018	2019	2020	2021	2022	2023	2024	2-year difference	Percent Change
Number of students taking one or more AP exams	59,284	58,572	55,644	51,064	52,247	56,885	63,053	10,806	20.7%
Number of AP exams taken	98,409	98,356	92,983	85,861	87,733	97,589	110,901	23,168	26.4%

Data Source: College Board

Highest numbers in state's history.



Performance: Number of AP exams with scores 3, 4, or 5 and number of students with scores of 3, 4, or 5




Student Group	2018	2019	2020	2021	2022	2023	2024	2-year difference	Percent Change
Number of students with scores 3, 4, or 5	38,062	37,789	38,242	30,840	34,114	37,298	44,711	10,597	31.0% 
Number of exams with scores 3, 4, or 5	62,922	63,057	61,591	51,074	56,394	63,725	77,381	20,987	37.2% 

Data Source: College Board

Highest numbers in state's history.



Additional Success Measures

Student Group	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	2-year difference	Percent change
Dual Enrollment	28,568	27,916	28,711	30,155	31,789	30,134	29,528	31,106	35,145	5,617	19.0% 
Early Middle College	8,312	10,241	12,182	13,065	14,333	15,308	15,013	15,076	15,905	892	5.9% 
International accalaureate	10,011	11,275	13,691	12,822	11,902	11,668	11,474	11,421	12,044	570	5.0% 

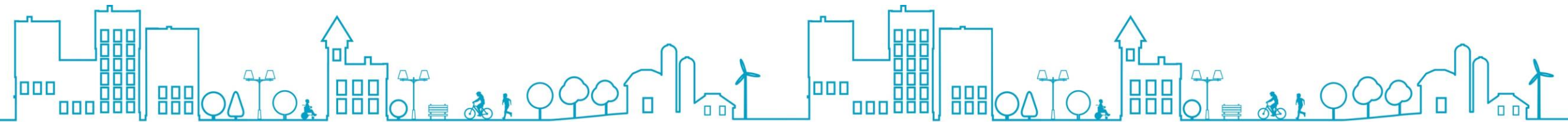
 **Highest in state history.**

 **Higher than pre-pandemic.**

Goal 4: Expand secondary learning opportunities for all students

FY26 Executive Budget Recommendations

- Sec. 61c: CTE Equipment Upgrades - \$20 million (**33% increase** over FY25)
- NEW Sec. 61v: CTE Pathways to Success - \$125 million (**over 5 years**).
- **Exec Rec is increased to recognize state's efforts and success in increasing the total number of students enrolling in CTE programs (higher than pre-pandemic) and CTE completers (highest in state's history).**



Goal 4: Expand secondary learning opportunities for all students

FY26 Executive Budget Recommendations

- Sec. 94: AP/IB/CLEP test funding – FY25 \$1.2 million annual funding.
- **FY26 Executive Budget Recommendation \$2.2 million (83% increase).**
- **Exec Rec is increased to recognize state's efforts and success in increasing the total number of students participating in AP, taking of and performance on the AP test, especially among economically disadvantaged students.**



Goals

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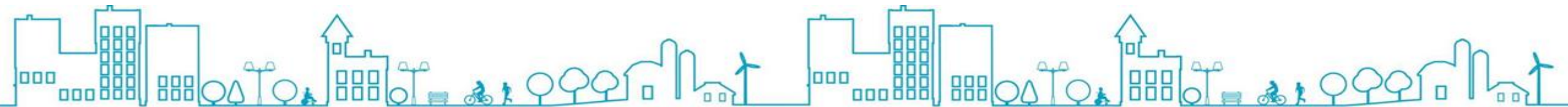
Goal 1: Expand early childhood learning opportunities

1. Since 2010, the number of GSRP eligible children served has doubled. Over the last three years, there has been nearly a 52% increase.
2. GSRP enrollment exceeded 47,000 students, **the highest in state's history.**
3. In the NIEER Annual Yearbook rating, Michigan remains **#1 in pre-school quality, its ranking for the last half decade, and #6 in funding.**



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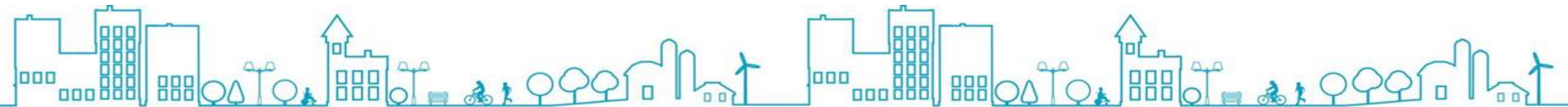
Goal 3: Improve the health, safety, and wellness of all learners

- Schools have added over **1,700 additional helping professionals** (school guidance counselors, school nurses, school social workers, and school psychologists) since 2018-19, during which time mental health and school safety services for children have increased substantially.



State School Aid Funding for Children's Mental Health and School Safety

Fiscal Year	Recurring	Non-Recurring
FY18	\$0	\$0
FY19	\$31.3m	\$0
FY20	\$31.3m	\$0
FY21	\$56.9m	\$0
FY22	\$53.9m	\$125.4m
FY23	\$78.9m	\$282.5m
FY24	\$107.8m	\$384m
FY25	\$132.8m	\$126.5m



Average daily student participation in school breakfast programs

15-16	16-17	17-18	18-19	19-20	20-21	21-22*	22-23**	23-24*^
384,535	383,949	380,551	383,884	398,464	363,181	443,043	379,110	474,431

Source: Michigan Department of Education (MDE) school breakfast claims for reimbursement

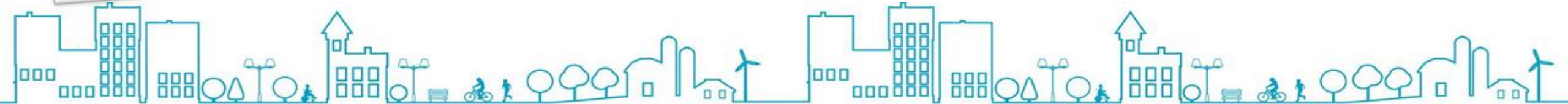
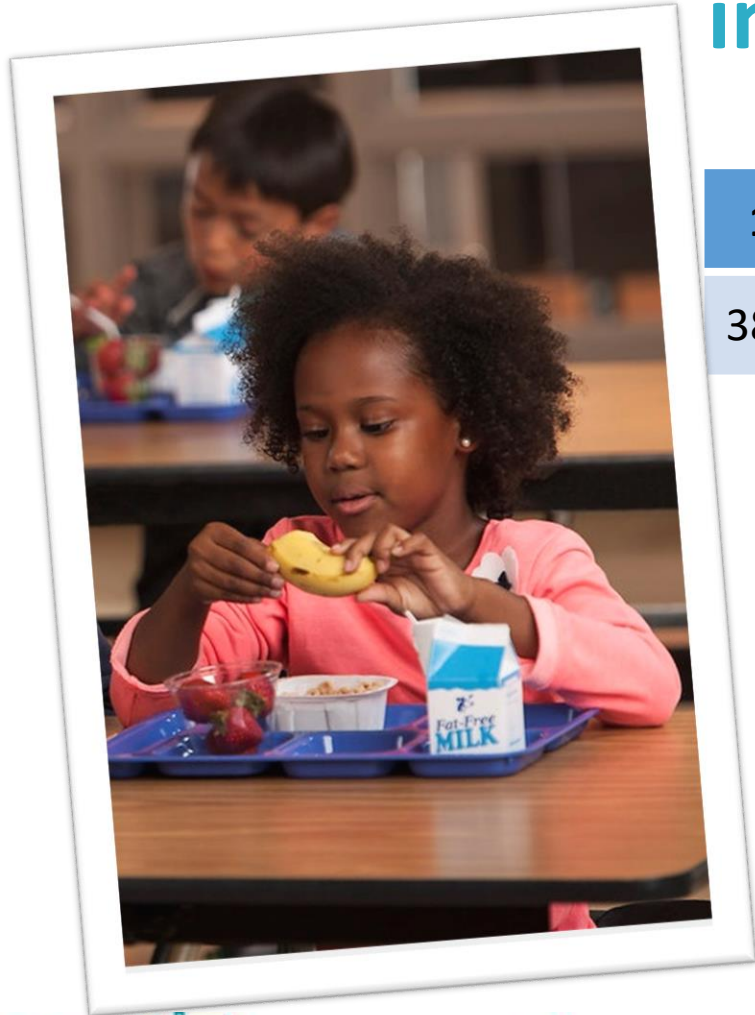
*Large increase due to all Michigan's students receiving free breakfast and lunch.

**Decrease associated with the end of the USDA waiver to continue universal meals last school year.

*^Michigan School Meals



Breakfast participation increased by 26% over the previous year!



Average daily student participation in school lunch programs

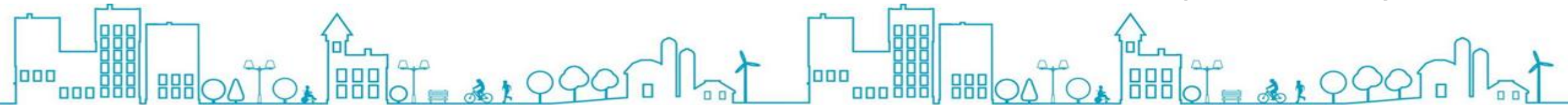


15-16	16-17	17-18	18-19	19-20	20-21	21-22*	22-23**	23-24*^
783,973	760,866	747,290	758,805	772,415	503,617	790,434	709,593	853,639

Source: Michigan Department of Education (MDE) school lunch claims for reimbursement,
*Summer Food Service Program model to serve nearly all meals
**Sponsors claimed meals as Seamless Summer Option or traditional claim School Nutrition Program.
*^ Michigan School Meals



Lunch participation increased by 20% over the previous year!



Goal 3: Improve the health, safety, and wellness of all learners

FY26 Executive Budget Recommendation

- Sec. 30d: Free Meals for All Students - \$200 million (**recurring**). Students and families would benefit if the program were **codified**.
- Sec. 31aa Mental Health Per Pupil Payments - \$150 million (**recurring**). Need to continue improving the capacity of our local and intermediate school district educators and helping professionals to build out a comprehensive mental health system to support the mental health needs of Michigan's children.



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Goal 7: Increase the numbers of certified teachers in areas of shortage

- **FY20 and earlier** - \$0 in the state school aid act to address teacher shortage
- **FY21** - \$5 million for early career retention bonuses
- **FY22** - Less than \$2 million for Grow Your Own programs
- **FY23** - \$575 million for a range of efforts to address the teacher shortage, many of these initially recommended by MDE.
- **FY24** - \$448 million for a range of efforts to address teacher shortage.
- **FY25** - \$140.2 million for a range of efforts to address teacher shortage.



FY23 State Budget To Address the Teacher Shortage

\$575 million included, but was not limited to:

- **\$305 million** for MI Future Educator Fellowships (sec. 27a, 27d, and 27e)
- **\$175 million** for Grow Your Own programs for support staff and students to become teachers (sec. 27b)*
- **\$50 million** for MI Future Educator Student Teacher Stipends (sec. 27c)
- **\$10 million** to ISDs to recruit and hire career and technical education (CTE) instructors (sec. 61i)*

*Non-Recurring



FY24 State Budget To Address the Teacher Shortage

- **\$448 million in FY24 includes, but is not limited to:**
 - **\$225 million** for Student Loan Repayment (sec. 27k)*
 - **\$63.8 million** for equal per pupil payments to districts to increase educator compensation (sec. 27l)*
 - **\$50 million** for MI Future Educator Student Teacher Stipends (sec. 27c)
 - **\$50 million** over five years for grants for mentoring and induction (sec. 27h)*
 - **\$25 million** for MI Future Educator Fellowships (sec. 27a)
 - **\$15 million** to pilot a rural educator credentialing hub (sec. 27i)*
 - **\$5 million** for awards to teachers who hold National Board Certification (sec. 27m)*

*Non-Recurring



FY25 State Budget To Address the Teacher Shortage

Goal 7: Increase the numbers of certified teachers in areas of shortage

\$140.2 million includes, but is not limited to:

- **\$50 million** for MI Future Educator Student Teacher Stipends (Sec. 27c)
 - \$9,600 stipend to support candidates participating in student teaching.
- **\$25 million** for MI Future Educator Fellowships (Sec. 27a)
 - \$10,000 scholarship for candidates enrolled in teacher preparation programs.
 - Sec. 27d creates a Treasury educator fellowship public provider reserve fund to hold unspent funds and assets.

Teacher Preparation Enrollment



Year	Enrollees	Completers	Total
2011-12	18,483	4,720	23,203
2012-13	14,372	4,450	18,822
2013-14	11,287	3,951	15,238
2014-15	11,099	3,650	14,749
2015-16	7,868	3,120	10,988
2016-17	6,859	2,653	9,512
2017-18	7,183	2,511	9,694
2018-19	7,764	2,404	10,168
2019-20	9,760	2,258	12,018
2020-21	10,536	2,635	13,171
2021-22	12,048	2,781	14,829
2022-23	13,502*	2,758*	16,260*

-59%

71%



Data Source: U.S. Department of Education Title II Report

Goal 7: Increase the numbers of certified teachers in areas of shortage

FY26 Executive Budget Recommendation

- Sec. 27a: MI Future Educator Fellowships (scholarships) - \$25 million
- Sec. 27b: Grow Your Own programming - \$50 million
- Sec. 27c: MI Future Educator Student Teacher Stipends - \$50 million



Goal 7: Increase the numbers of certified teachers in areas of shortage

Sec. 27a: MI Future Educator Fellowships (scholarships)

Academic Year	# Awarded
23-24	2,607
24-25	2,603

Sec. 27c: MI Future Educator Student Teacher Stipends

Academic Year	# Awarded
23-24	2,658
24-25	2,553

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Goal 8: Provide adequate and equitable school funding

While the **FY23 and FY24 budgets were the strongest education budgets in the state's history** post-Proposal A (i.e., in the last 30 years) and while the last three fiscal years have been the best consecutively post-Proposal A, **public schools continue to be underfunded by billions of dollars**, according to the School Finance Research Collaborative.

The **Governor's FY26 budget recommendations** are a strong start to the budget process. Many of these investments were outlined in the **department's 2025 legislative priorities** letter sent to the legislature in January.



FY25 School Aid Budget

Goal 8 – provide adequate and equitable school funding.

Sec. 31a: One-Year Increase: \$82.9 million (8.7%) for economically disadvantaged students


Sec. 31a: Three-Year Increase: \$522.5 million (101.8%) from \$512.5 million in FY22 to \$1.03 billion in FY25, a doubling of at-risk funding in 3 years, with an opportunity index added in FY24.



FY25 School Aid Budget

Goal 8 - provide adequate and equitable school funding.

Sec. 41: One-Year Increase: \$10.4 million (26.2%) for English learners

 **Sec. 41: Three-Year Increase: \$24.9 million (99.2%) from \$25.2 million in FY22 to \$50.2 million in FY25, just shy of a doubling of funding for English learners in three years.**



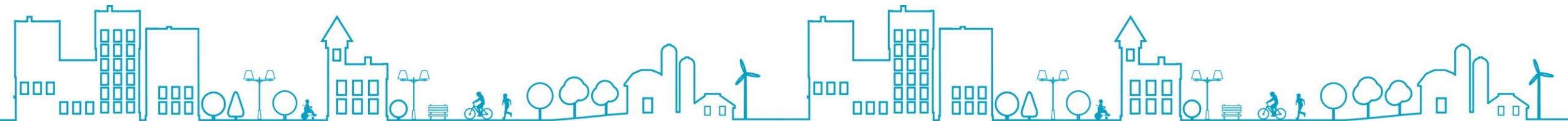
FY25 School Aid Budget

Goal 8 – provide adequate and equitable school funding.

Sec. 51e: One-Year Increase: \$8.4 million (1.7%) for students with disabilities



Three-Year Increase: \$409.4 million (453.9%) from \$90.2 million in FY22 (Sec. 51f) to \$499.6 million in FY25 (Sec. 51e).



Special Education Revenues and Expenses - Statewide 2022-23

Revenue

Federal Sources	\$ 555,211,160
State Sources	\$1,586,018,868
Local Sources	<u>\$1,248,649,467</u>
Total Funds Available for Special Education:	\$3,389,879,496

Expenditures

Total Special Education Expenditures:	\$3,991,358,183
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Unfunded Special Education Costs:	(\$ 601,478,687)
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Goal 8: Provide adequate and equitable school funding

FY26 Executive Budget Recommendations

- Sec. 22I: General Education Transportation Reimbursement - \$125 million. MDE advocated for this funding, a matter of equity--fairness--for rural remote districts that spend more money on the road per pupil and less in the classroom per pupil given their spread-out populations.




Goal 8: Provide adequate and equitable school funding

- The department recognizes and appreciates the legislature's recent efforts to allocate funding for school consolidation and infrastructure improvements, as well as to address urgent infrastructure needs.
- While many communities successfully manage these challenges, others lack the necessary tax base to do so. No child should receive a diminished education simply due to the financial limitations of the community in which they are raised.



Making progress...but more necessary

Improvements on state test scores:

- In spring 2024, the percentage of students who scored as proficient or advanced proficient increased on 13 of 20 tests, was the same on one test, and decreased on six tests.
 - Math - Michigan's students improving at all grades tested on the M-STEP—grades 3-7—for the second year in a row.
 - These results continue the progress from spring 2023, when Michigan students improved on 15 of 20 assessments.
 - Over the last two years, Michigan students have improved in math, science, and social studies.
- 

Making progress... but more necessary

- Proficiency rates on the 2024 English Language Arts tests improved in grades 5, 7, and 8, remained the same in grade 6, and decreased in grades 3, 4, and 11.
- 3rd grade M-STEP - 40% of Michigan students at proficient or above.
- The test results show more work is needed to improve students' reading and writing skills.

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Goal 2: Improve early literacy achievement

Ongoing **efforts to improve literacy** have included the following:

Literacy/Dyslexia legislation passed into law with bipartisan support!

- Requires districts, by 2027-28, to select from approved screeners of dyslexia and benchmark assessments and approved high-quality early literacy instructional materials.
 - Requires intervention for students whose screeners reveal characteristics of dyslexia.
 - Strengthens pre-service and in-service training and literacy coaching.
-

Goal 2: Improve early literacy achievement

Ongoing **efforts to improve literacy** have included the following:

LETRS (Language Essentials for Teachers of Reading and Spelling)/LETRS Early Childhood Training of Educators.

- MDE appreciates the funding for LETRS training for the past four fiscal years.
- **3,652** educators have **completed** LETRS training.
- **6,480** educators are **actively participating** in LETRS training.
- Training directly aligns with the requirements for professional development outlined in Public Act 146 of 2024.
- Provides professional development for educators in the five main components of literacy (phonics, phonemic awareness, comprehension, fluency, and vocabulary).
- Accredited by the International Dyslexia Association.

Legislative Recommendations

- Research-Based Practice: Mandatory LETRS training.
- Research-Based Practice: High quality early literacy materials. FY25 budget included a one-time \$87 million in Section 35m for high-quality, early literacy materials for districts. We recommend a doubling of this amount for FY26, so that local school districts are incentivized to begin work on the new literacy/dyslexia law a year early.



Legislative Recommendations

- Research-Based Practice: Low class sizes in high poverty K-3 classrooms.
- Research-Based Practice: More in-person student instructional time. Fewer exceptions to the statutorily required 180 days of in-person instruction and by extension more time for our students to learn by rolling back legislative changes from 2019 and 2023.





- State law requires **180 days** of instruction.
- **9 days** for conditions not within control of school officials.
- 2019: **7 PD days** permitted as student instructional days.
- 2023: **15 virtual days** permitted as in-person student instructional days.
- **149 days** of in-person instruction.

Thank you for your leadership and partnership as we work together to improve schools for all Michigan students, educators, and support staff!