

**SUBSTITUTE FOR
HOUSE BILL NO. 4578**

A bill to make appropriations for the department of lifelong education, advancement, and potential for the fiscal year ending September 30, 2026; 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, 2026, from the following funds:

**DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT,
AND POTENTIAL**

APPROPRIATION SUMMARY



1	Full-time equated unclassified positions	6.0	
2	Full-time equated classified positions	275.0	
3	GROSS APPROPRIATION		\$ 640,469,100
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and		
6	intradepartmental transfers		0
7	ADJUSTED GROSS APPROPRIATION		\$ 640,469,100
8	Federal revenues:		
9	Total federal revenues		455,475,800
10	Special revenue funds:		
11	Total private revenues		250,000
12	Total other state restricted revenues		1,863,900
13	State general fund/general purpose		\$ 182,879,400
14	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
15	SUPPORT		
16	Full-time equated unclassified positions	6.0	
17	Full-time equated classified positions	15.0	
18	Unclassified salaries--FTEs	6.0	\$ 500,000
19	Executive direction and operations--FTEs	15.0	3,765,600
20	Property management		254,500
21	GROSS APPROPRIATION		\$ 4,520,100
22	Appropriated from:		
23	Federal revenues:		
24	Federal revenues		1,004,500
25	State general fund/general purpose		\$ 3,515,600
26	Sec. 103. INFORMATION TECHNOLOGY		
27	Information technology services and projects		\$ 848,900
28	GROSS APPROPRIATION		\$ 848,900



1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues		222,500
4	State general fund/general purpose	\$	626,400
5	Sec. 104. OFFICE OF EARLY CHILDHOOD EDUCATION		
6	Full-time equated classified positions	214.0	
7	Child care licensing and regulation--FTEs	144.0	\$ 24,803,500
8	Child development and care contracted services		22,900,000
9	Child development and care external support		11,028,100
10	Child development and care public assistance		543,312,000
11	Head start collaboration office--FTE	1.0	425,100
12	Office of great start operations--FTEs	69.0	17,322,400
13	Tri-share child care program		3,400,000
14	GROSS APPROPRIATION	\$	623,191,100
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues		454,248,800
18	Special revenue funds:		
19	Private foundations		250,000
20	Certification fees		64,600
21	Child care home and center licenses fund		501,700
22	State general fund/general purpose	\$	168,126,000
23	Sec. 105. OFFICE OF EDUCATION PARTNERSHIPS		
24	Full-time equated classified positions	15.0	
25	Before- and after-school administration--FTEs	2.0	\$ 366,500
26	Camp licensing unit--FTEs	7.0	700,300
27	Family and community engagement--FTEs	6.0	1,062,500
28	GROSS APPROPRIATION	\$	2,129,300

Appropriated from:

Special revenue funds:

Adult foster care facilities licenses fund	42,900
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State general fund/general purpose	\$ 2,086,400
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Sec. 106. OFFICE OF HIGHER EDUCATION

Full-time equated classified positions	31.0
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Dual enrollment payments	\$ 3,500,000
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Michigan Indian tuition waiver--FTE	1.0	157,000
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Student financial assistance programs--FTEs	30.0	6,122,700
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GROSS APPROPRIATION	\$ 9,779,700
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Appropriated from:

Special revenue funds:

Michigan merit award trust fund	1,254,700
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State general fund/general purpose	\$ 8,525,000
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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2025-2026

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, 2026, total state spending under part 1 from state sources is \$184,743,300.00 and total 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,



1 advancement, and potential.

2 (b) "DHHS" means the Michigan department of health and human
3 services.

4 (c) "Director" means the director of the department.

5 (d) "FTE" means full-time equated position in the classified
6 service of this state.

7 (e) "IDG" means interdepartmental grant.

8 (f) "Standard report recipients" means the senate and house
9 appropriations subcommittee on the department, the senate and house
10 fiscal agencies, the senate and house policy offices, and the state
11 budget office.

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

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

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

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

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



1 comparable quality.

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

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

17 (a) The dates of each travel occurrence.

18 (b) The total transportation and related costs of each travel
19 occurrence and the proportions funded with state general
20 fund/general purpose revenues, state restricted revenues, federal
21 revenues, local revenues, and private revenues, including specific
22 sources of state restricted, federal, local, and private revenues.

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

28 Sec. 209. Not later than December 15, the state budget office
29 shall prepare and submit a report that provides estimates of the



1 total general fund/general purpose appropriation lapses at the
2 close of the previous fiscal year. The report must summarize the
3 projected year-end general fund/general purpose appropriation
4 lapses by major departmental program or program area. The state
5 budget office shall submit the report to the standard report
6 recipients and to the chairpersons of the senate and house
7 appropriations committees.

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

14 (2) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$500,000.00 for state
16 restricted contingency authorization. Amounts appropriated under
17 this subsection are not available for expenditure until they have
18 been transferred to another line item in part 1 under section
19 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

26 (4) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$2,000,000.00 for private
28 contingency authorization. Amounts appropriated under this
29 subsection are not available for expenditure until they have been



1 transferred to another line item in part 1 under section 393(2) of
2 the management and budget act, 1984 PA 431, MCL 18.1393.

3 Sec. 211. (1) The department shall cooperate with the
4 department of technology, management, and budget to maintain a
5 searchable website accessible by the public at no cost that
6 includes, but is not limited to, all of the following for the
7 department:

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

9 (b) Fiscal year-to-date expenditures by appropriation unit.

10 (c) Fiscal year-to-date payments to a selected vendor,
11 including the vendor name, payment date, payment amount, and
12 payment description.

13 (2) The department shall cooperate with the department of
14 technology, management, and budget to update the searchable website
15 on a quarterly basis.

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

24 Sec. 216. On a quarterly basis, the department shall report on
25 the number of full-time equated positions in pay status by civil
26 service classification, including a comparison by line item of the
27 number of full-time equated positions authorized from funds
28 appropriated in part 1 to the actual number of full-time equated
29 positions employed by the department at the end of the reporting



1 period. The report must be submitted to the senate and house
2 appropriations committees and to the standard report recipients.

3 Sec. 217. If the state administrative board, acting under
4 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
5 appropriated under part 1, the legislature may, by a concurrent
6 resolution adopted by a majority of the members elected to and
7 serving in each house, inter-transfer funds within part 1 for the
8 particular department, board, commission, officer, or institution.

9 Sec. 218. The department shall submit a quarterly report that
10 summarizes all work project accounts. The report must include all
11 of the following:

12 (a) A list of all work project accounts.

13 (b) The status of all work project accounts including amounts
14 expended, amounts encumbered, and available balances for each
15 account.

16 (c) The amount of funds that lapsed from any previously
17 designated work project accounts, the name and description of the
18 work project account, and the funds that received the lapsed
19 amounts.

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

26 Sec. 220. Not later than April 1, the department shall report
27 on each specific policy change made to implement a public act
28 affecting the department that took effect during the previous
29 calendar year. The report must include reference to the public act



1 that necessitates the policy change. The department shall submit
2 the report to the standard report recipients, to the senate and
3 house appropriations committees, and to the joint committee on
4 administrative rules.

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

8 Sec. 224. Total authorized appropriations from all sources
9 under part 1 for legacy costs for the fiscal year ending September
10 30, 2026 are estimated at \$5,536,600.00. From this amount, total
11 department appropriations for pension-related legacy costs are
12 estimated at \$4,993,700.00. Total department appropriations for
13 retiree health care legacy costs are estimated at \$542,900.00.

14 Sec. 225. (1) From the funds appropriated in part 1, the
15 department shall do the following:

16 (a) Report to the standard report recipients and to the senate
17 and house appropriations committees any amounts of severance pay
18 for a department director, deputy director, or other high-ranking
19 department official not later than 14 days after a severance
20 agreement with the director, deputy director, or official is
21 signed. The name of the director, deputy director, or official and
22 the amount of severance pay must be included in the report required
23 by this subdivision.

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

29 (2) As used in this section, "severance pay" means



1 compensation to which both of the following apply:

2 (a) The compensation is payable or paid upon the termination
3 of employment.

4 (b) The compensation is paid in addition to wages or benefits
5 earned during the course of employment or generally applicable
6 retirement benefits.

7 Sec. 226. (1) The department shall maximize the efficiency of
8 the state workforce. The department shall prioritize employees
9 working in person 5 days per week for each division within the
10 department. Employees with job responsibilities that require the
11 employees to serve in their capacities outside of the office must
12 report to the office before beginning fieldwork. Field service
13 employees include, but are not limited to, protective services
14 workers, parole and probation officers, conservation officers,
15 state troopers assigned to road patrol, inspectors, and
16 construction and trade workers.

17 (2) The department shall establish a policy and process for
18 verifying that all employees are working their jobs during normal
19 business hours.

20 Sec. 227. (1) Funds appropriated in part 1 that are used for
21 grants or grant programs are subject to the following conditions:

22 (a) Grant funds must be provided only to an entity that has
23 been established or is operating in this state or another state for
24 at least 36 months before approval or disbursement of grant funds.

25 (b) Grant funds must be provided only to an entity that has
26 had an office within this state or in the service area covered
27 under the grant for at least 12 months before approval or
28 disbursement of grant funds.

29 (c) Before awarding or disbursing grant funds, all grant



1 recipients must provide a spending plan that specifies the scope of
2 service, the program goals, the measurement for meeting program
3 goals, and how all grant funds will be used and must indicate if
4 any grant funds will be provided to a third party or subrecipient.

5 (d) Up to 20% of grant funds may be spent on administrative
6 costs and salaries. Up to 10% is authorized for contingencies.

7 (e) Each department or agency responsible for awarding or
8 disbursing grant funds must annually audit the entity's use of the
9 grant funds for each fiscal year in which the grant is active. Each
10 entity must submit information requested by the department to
11 confirm compliance.

12 (f) Each department and agency shall work with the office of
13 the auditor general to conduct an audit of the grant according to
14 generally accepted accounting practices and audit standards. The
15 office of the auditor general must be given access to all internal
16 and external records. All contracts or agreements between a
17 department or agency and a grant recipient or between a grant
18 recipient and a third party must include a clause granting the
19 office of the auditor general access to all internal and external
20 records.

21 (g) Grant recipients and their immediate family members are
22 prohibited from being employed by the executive branch or
23 legislative branch of this state. In addition, grant recipients are
24 prohibited from serving on any state board that has direct or
25 indirect responsibility for approving or auditing grant funds
26 awarded or disbursed by any department or agency.

27 (h) Full and complete audits of grant funds issued by the
28 department or an agency of this state, without redaction unless
29 required by law, must be posted to the department's website in a



1 conspicuous place for public review.

2 (2) On a quarterly basis, the department shall submit a report
3 to the standard report recipients on legislatively sponsored grant
4 funds that includes, but is not limited to, all of the following:

5 (a) The name of each grant recipient and the status of each
6 grant.

7 (b) The amount distributed to each grant recipient.

8 (c) The remaining amount to be distributed to each grant
9 recipient.

10 (d) Any changes to scope or costs of program.

11 (3) The report under subsection (2) must include the following
12 statements made by the department:

13 (a) A statement that confirms the department reviewed and
14 affirmed compliance by each grant recipient to program scope and
15 expenditure of grant funding.

16 (b) A statement that confirms the department reviewed
17 applicable program reports and requests for reimbursement.

18 Sec. 228. (1) The department shall require as a condition of
19 each contract or subcontract that the prequalified contractor or
20 prequalified subcontractor agree to use the E-Verify system to
21 verify that all persons hired during the contract term by the
22 contractor or subcontractor are legally present and authorized to
23 work in the United States.

24 (2) The department may verify this information directly or may
25 require contractors and subcontractors to verify the information
26 and submit a certification to the department. The department shall
27 submit a report to the standard report recipients not later than
28 March 1 that describes the processes it has developed and
29 implemented under this section.



1 (3) The department shall not contract with any foreign
2 entities that are known or suspected to be enemies of the United
3 States or known foreign adversaries.

4 (4) As used in this section, "E-Verify" means an internet-
5 based system operated by the Department of Homeland Security, U.S.
6 Citizenship and Immigration Services in partnership with the Social
7 Security Administration.

8 Sec. 229. Funds appropriated in part 1 from state or federal
9 sources are prohibited from being used to provide services, grants,
10 or programming to an individual who is not a citizen of the United
11 States, unless the individual is a qualified alien as that term is
12 defined in 8 USC 1641. This section does not prohibit the
13 department, political subdivision, state university, or other state
14 agency from expending funds for the purpose of detaining
15 individuals who are not citizens of the United States, including
16 any costs associated with housing such individuals in county jails
17 or state correctional facilities.

18 Sec. 230. (1) The department shall maintain, on a publicly
19 accessible website, a department scorecard that identifies, tracks,
20 and updates on a quarterly basis key metrics that are used to
21 monitor and improve the department's performance.

22 (2) The department shall notify the standard report recipients
23 when the quarterly updates to the department scorecard are
24 available on a publicly accessible website.

25 Sec. 231. (1) Unless specifically authorized elsewhere in this
26 part or part 1, funds appropriated in part 1 must not be used to
27 pay for a state obligation that exceeds \$200,000.00 for a court-
28 approved judgment, settlement, award, or claim.

29 (2) If a state obligation for a court-approved judgment,



1 settlement, award, or claim results in a change from current
2 statute, the department shall notify the legislature.

3 (3) This section does not apply to compensation and other
4 relief to individuals wrongfully imprisoned as required under the
5 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751
6 to 691.1757.

7 Sec. 232. Not later than November 15, the department shall
8 disclose on a publicly accessible website private and other third-
9 party funds received by the department in the previous fiscal year.
10 The report must include the amount and source of funding received,
11 the purpose for which funding was expended, and the amount of any
12 remaining funds. The report must be submitted to the standard
13 report recipients and to the chairpersons of the senate and house
14 appropriations committees.

15 Sec. 233. State funds must not be used for diversity, equity,
16 and inclusion, or DEI initiatives or programs or as outlined in
17 Exec. Order No. 14151, 90 Fed. Reg. 8339 (Jan. 29, 2025) "Ending
18 Radical and Wasteful Government DEI Programs and Preferencing",
19 Exec. Order No. 14168, "Defending Women from Gender Ideology
20 Extremism and Restoring Biological Truth to the Federal
21 Government", or Exec. Order No. 14173, 90 Fed. Reg. 8633 (Jan. 31,
22 2025) "Ending Illegal Discrimination and Restoring Merit-Based
23 Opportunity".
24

25 **DEPARTMENT-SPECIFIC GENERAL SECTIONS**

26 Sec. 301. (1) Money appropriated in part 1 must not be used to
27 purchase business cards or letterhead that lists pronouns or to
28 purchase or operate technology, including email systems, that is
29 used to list pronouns. The department is subject to a civil fine of



1 \$100.00 for each violation of this section.

2 (2) Any taxpayer of this state has standing to bring an action
3 in the court of claims to enforce this section and, if the taxpayer
4 prevails, is entitled to receive from the department his or her
5 costs incurred in bringing the action.

6
7 **OFFICE OF EDUCATION PARTNERSHIPS**

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

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

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

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

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

20
21 **OFFICE OF HIGHER EDUCATION**

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

25 (a) Review and evaluate all state financial aid programs. The
26 department shall prioritize improving postsecondary educational
27 outcomes, including student completion rates, and improving
28 affordability of postsecondary programs in this state.

29 (b) Serve as the coordinating office for all agencies of the



1 executive branch of government that are responsible for financial
2 aid programs administered by this state.

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

8 (d) Collaborate with the center for educational performance
9 and information and individual colleges and universities to ensure
10 streamlined and coordinated collection of data analyzing the
11 following:

12 (i) Postsecondary education costs, including a comparison to
13 national and regional averages.

14 (ii) Student enrollment.

15 (iii) Degree completion.

16 (e) Provide access to higher education institutional data
17 inventory on an accessible, public facing dashboard to assist
18 students, prospective students, and their families in making
19 decisions on postsecondary education.

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

24 (g) Track and provide resources to increase completion of the
25 free application for federal student aid.

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

28 (a) Collect data necessary to complete all statutory reporting
29 requirements. The department shall notify the chairs of the house



1 and senate appropriations committees within 10 days if an entity
2 receiving funds from part 1 fails to comply with data collection
3 requirements.

4 (b) Maintain a link on the department's website to find data
5 submitted by postsecondary institutions through higher education
6 institutional data inventory.

7 (c) Maintain a link on the department's website to the center
8 for educational performance and information's MI School Data page
9 on postsecondary enrollment and completion tracking.

10 (3) As used in this section, "center for educational
11 performance and information" means the center for educational
12 performance and information created in section 94a of the state
13 school aid act of 1979, 1979 PA 94, MCL 388.1694a.

14 Sec. 705. The funds appropriated in part 1 for dual enrollment
15 payments for an eligible student enrolled in a state-approved
16 nonpublic school shall be distributed as provided under the
17 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
18 388.524, and the career and technical preparation act, 2000 PA 258,
19 MCL 388.1901 to 388.1913, in a form and manner as determined by the
20 department.

21 22 **OFFICE OF EARLY CHILDHOOD EDUCATION**

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

27 (2) If the average cases over a 3-month period in the child
28 development and care program result in the current projected fiscal
29 year caseloads falling below the caseload agreement from the May



1 consensus revenue estimating conference, the department may
2 increase the hourly reimbursement rate to child care providers if
3 the following conditions are met:

4 (a) The level of expenditures for the remainder of the year is
5 estimated to be significantly below the level estimated from the
6 May consensus revenue estimating conference.

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

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

13 (3) The department must notify the senate and house fiscal
14 agencies of the amount being appropriated, the estimated rate
15 increase to providers, and if the rate increase to providers is 1-
16 time or ongoing in nature.

17 (4) The department may withdraw the intent to expend the funds
18 under subsection (2) by notifying the chairpersons of the senate
19 and house appropriations committees in writing.

20 Sec. 1003. (1) From the funds appropriated in part 1 for child
21 development and care contracted services, the department shall
22 create a report on all funding appropriated to contracts for the
23 early childhood comprehensive systems planning by this state during
24 the previous fiscal year. The report required under this section is
25 due by April 1 and must contain at least all of the following
26 information:

27 (a) Total funding appropriated to contracts for the early
28 childhood comprehensive systems planning by this state during the
29 previous fiscal year.



1 (b) The amount of funding for each grant awarded.

2 (c) The grant recipients.

3 (d) The activities funded by each grant.

4 (e) An analysis of each grant recipient's success in
5 addressing the development of a comprehensive system of early
6 childhood services and supports.

7 (2) All department contracts for early childhood comprehensive
8 systems planning must be bid out through a statewide request-for-
9 proposal process.

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

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

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

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



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

8 (e) Information on the child care licensing process,
9 including, but not limited to, all of the following:

10 (i) The number of initial applications, initial applications
11 denied, license renewals, and licenses allowed to expire,
12 aggregated by license type.

13 (ii) The average amount of time to approve or deny completed
14 applications and a description of the most common reasons
15 applications are denied.

16 (iii) A description of the types of complaints received, a
17 description of the process used to resolve complaints, the average
18 amount of time to complete investigations, and the percentage of
19 investigations completed on time.

20 (iv) The number of complaints received, investigated,
21 determined to be unsubstantiated, and that result in disciplinary
22 action or rule violations.

23 (v) The number of administrative hearing adjudications.

24 (f) The quality of child care, including, but not limited to,
25 the number of licensed providers participating in the Great Start
26 to Quality program and the workforce registry, the number of new
27 participants and how participation has changed over the last 5
28 years, and the number of children participating in the child
29 development and care program enrolled in an enhancing quality level



1 or higher program.

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

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

15 (2) The department must post the joint report on the
16 department website and send the joint report to the state budget
17 director, the house and senate subcommittees that oversee the
18 department budget, and the house and senate fiscal agencies by
19 April 1 of the current fiscal year reflecting data for the previous
20 fiscal year.

21 Sec. 1008. From the funds appropriated in part 1 for office of
22 early childhood education, the department shall ensure efficient
23 service provision to coordinate services provided to families for
24 home visits, reduce duplication of state services and spending,
25 increase efficiencies including the home visits funded under
26 section 32p of the state school aid act of 1979, 1979 PA 94, MCL
27 388.1632p, and work with the DHHS as necessary.

28 Sec. 1009. From the funds appropriated in part 1 for child
29 development and care public assistance, the income entrance



1 eligibility threshold for the child development and care program is
2 set to not more than 200% of the federal poverty guidelines.

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

9 Sec. 1012. From the funds appropriated in part 1 for child
10 development and care contracted services, \$1,500,000.00 must be for
11 the department to work in collaboration with DHHS to continue the
12 network of infant and early childhood mental health consultation,
13 which provides mental health consultation to child care providers.

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

18 (2) Except as otherwise provided in this subsection, funding
19 appropriated in part 1 must be used to fund existing child care
20 facilitator hubs. The department may fund new child care
21 facilitator hubs provided sufficient funding exists to support all
22 existing child care facilitator hubs, including child care
23 facilitator hubs currently funded with private dollars. Any new
24 child care facilitator hubs added must increase the number of
25 participating counties or serve statewide employers.

26 (3) The department must create benchmarks for regional
27 facilitator hubs receiving appropriated funding.

28 (4) Any child care facilitator receiving funds under this
29 section must be a nonprofit, limited liability company, C-



1 corporation, S-corporation, or a sole proprietor.

2 (5) Child care facilitator hubs may use funds to enroll in the
3 tri-share child care program families living in Wisconsin but who
4 have 1 or more family members who are employed in Michigan.

