Community Collaborative Coordinators
STATEWIDE TECHNICAL ASSISTANCE MEETING

THE GOVERNOR’S STATE OF THE STATE, THE STATE BUDGET AND OTHER LEGISLATIVE ISSUES

February 26, 2013
Michigan’s Children
www.michiganschildren.org
What the Governor Should Have Addressed

• Reducing Child Poverty: EITC
• Early Support: 0-3 Strategies
• Connections 0-8: Best of Both Systems
• Reform K-12: Equity Focus
• Connections to Higher Ed and Workforce: Extended Learning; 5th and 6th Year
The state budget, as the single most powerful expression of the state’s priorities, is a powerful tool for either improving equity or widening gaps.
Where We Started Budget Conversations for FY14

Data Realities

Budget Realities of the last Decade
Steps Forward in the FY2013 Budget

- Affordable Care Act → increased reimbursement rates for PCPs. MI took it a step further and also increased reimbursement rates for OB/GYNs
- $16.6 million to expand the Healthy Kids Dental to additional counties, which included Calhoun
- $2 million for lead abatement in homes
- $5 million increase for Great Start Readiness Program
Mixed Results in the FY2013 Budget

• $20.9 million to fund autism spectrum disorder treatment for Medicaid and MIChild eligible children through age 18

• Intended one time funding to address infant mortality, health disparities, and pregnancy prevention

• Small increase to the minimum per pupil foundation allowance for K-12
Steps Backward in the FY2013 Budget

- No changes made to FIP, FAP, or EITC
- Reduction to child care subsidy program
- No funding for before- or after-school funding
- No increases for opportunities for the 5th and 6th year of high school
Governor Snyder’s Proposed Fiscal Year 2014 Budget
MDE – Office of Great Start

• $196.8 million for the Office of Great Start (OGS), including $156.8 million for the Child Care and Development program. The OGS has responsibility for the following programs:
  – Great Start Readiness Preschool program.
  – Early Childhood Block Grant (formerly funding for Great Start Collaboratives and Great Parents/Great Start).
  – Preschool special education.
  – Early On.
  – Head Start Collaboration.
  – Child Development and Care (CDC) program.
  – 21st Century Community Learning Centers
Great Start Programs

• *Great Start Readiness Program (GSRP):* combine competitive and school-based program and provided a $65 million increase for a total of $174.3 million. Intent language for an additional $65 million increase in FY2015. The per slot allotment increased from $3,400 to $3,625. Other policy changes to GSRP include:
  - Serving most at-risk
  - Support transportation
  - 3 star requirement in GSQ
  - Sliding scale fee for families above 300%

• Early Childhood Block Grant: $10.9 million

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K-12 Funding

• *Foundation allowance*: maintains the basic foundation allowance at $8,019 per pupil, but includes $24 million for an equity payment of up to $7,000 from $6,966.

• *Best practices grants*: reduced to $25 million to districts that have met 7 out of 8 best practices criteria for a maximum payment of $16 per pupil (down from $52 per pupil in FY2013).

• *Performance-based funding*: maintained at $30 million

• *Student-centric learning grants*: $8 million

• *At-risk support*: maintains funding at $309.0 million

• *Virtual learning*: $10 million for new Digital Learning Innovation to expand blended and online learning to students

• *MPSERS support*
Intermediate School Districts

- **General operations:** maintained at $62.1 million.
- **Competitive grants:** As in FY2013, $2 million is earmarked to ISDs to be eligible for a 3.2 percent increase if they now meet five out of six performance criteria (previously had to meet four of the criteria): consolidate and competitively bid services, support technology integration, publish a dashboard of outcomes that includes budget information, develop information management system in coordination with other ISDs, and hold its own health insurance policy.
Health

- **Medicaid expansion**

- **Healthy Kids Dental Program:** $11.6 million ($3.9 million in state general funds) to expand the Healthy Kids Dental program.

- **Autism treatment:** $39.5 million

- **Health and Wellness Initiative:** $2.7 million cut to programs that promote healthy behaviors and wellness, and reduce infant mortality and obesity

- **Mental Health Innovations:** new investment of $5 million in general funds/general purpose dollars (GF/GP) to support three service initiatives

- **School-based health:** maintains funding for child and adolescent health centers at $3.6 million and school-based health services at $131.5 million
Welfare

- No changes to FIP, FAP, or EITC
- *Pathways to Potential*: $6.2 million in new investment – service delivery model that locates DHS staff in local public schools
- *Youth in transition*: reduces funding from $14.7 million to $14.5 million

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Missed Opportunities

• Maintains harmful changes to FIP, FAP, and EITC
• Maintains funding to maternal and child health
• No improvements to the child care subsidy program.
• No increases in 0-3 programming.
• No increases in before- or after-school funding
• No increases for extended learning programs and opportunities for the 5th and 6th year of high school.
Federal Budget

• The federal budget, like the state budget, indicates federal priorities
• Much of federal support is focused on reducing disparities and increasing equity
• *Federal funds support 41 percent of Michigan’s total state budget:*
  – DCH: 64%
  – DHS: 82%
  – MDE: 74%

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The Next “Fiscal Cliff”

- First “fiscal cliff” averted with the American Taxpayer Relief Act of 2012
- March 1: the sequester is triggered:
  - 2,300 children would lose Head Start and Early Head Start services
  - Up to 900 families would lose access to child care
  - 4,400 fewer children will receive vaccines
  - Lose $22 million in Title I funding
  - Lose $20.3 million in special ed funding
  - Lose $1.7 million for job search assistance, referral, and placement, meaning around 54,400 fewer people will get the help and skills they need to find employment.
- March 27: continuing resolution expires
Federal Advocacy Opportunities

• Communicate with district staff
• MyBudget: budget.senate.gov/democratic
• Recess last week of March
Other Opportunities

• Extraordinary Attention to Preschool
• Medicaid Expansion
• Pathways Initiative
• Attention to School Financing/Reform
  – Including Pressure to Improving Equity
• Capitalization on Safety Issue
  – School-to-Prison Pipeline Summit
  – Others