

March 30, 2015

### A Quick Glance at the FY2016 Budget Recommendations

The last full week of March, the House and Senate appropriations subcommittees released their budget bills for Fiscal Year 2016, which begins on October 1, 2015 and ends September 30, 2016. As anticipated, the Senate K-12 Education Subcommittee included a significant focus on third grade reading and adult education while the House School Aid Subcommittee eliminated several categorical programs to provide a more significant increase to the foundation allowance. Here is a quick overview on the key budget items that Michigan's Children is focusing on that will impact education outcomes in Michigan.

Great Start Readiness Program: The Governor, House and Senate Subcommittees provide continuation funding for GSRP that includes the \$130 million expansion from the last legislative session. The Senate Subcommittee also added new language allowing a program to expand its GSRP programming to three-year-olds if they would otherwise have to return funding due to insufficient class size – language intended to assist rural communities but would allow challenged three-year-olds to have access to two-years of a high quality preschool experience.

Early On: Support for [Early On early intervention](#) was not included in either budget proposals. *Early On* provides individualized intervention services to babies and toddlers with developmental delays or disabilities and their families. Longitudinal studies have found that infants and toddlers who receive appropriate early intervention services are 40% less likely to need special education services in preschool and at kindergarten entry.

3<sup>rd</sup> Grade Reading Initiatives: The House Subcommittee did not include a \$25 million appropriation for the Governor's third grade reading recommendations. The Senate Subcommittee included the Governor's third grade reading initiative but doubled the funding appropriated for schools to provide additional instruction time for kindergarten-3<sup>rd</sup> graders to \$20 million. Michigan's Children is supportive of [expanded learning opportunities](#) but rather than providing an allocation per pupil to all eligible schools, we would rather see it targeted to the most challenged learners who are being served.

Other proposals in the Governor and Senate Subcommittee's third grade reading recommendations that we support include additional funding to support evidence-based parent coaching and support through home visits, field testing of kindergarten through 2<sup>nd</sup> grade assessments, and using unspent federal funds to increase access to high quality child care for low-income working families.

Child Care Licensing Consultants: One item that the Governor included in his budget recommendations was to use unspent federal funds to hire an additional 35 licensing consultants to ensure that licensed child care programs are meeting minimum health and safety requirements. This important investment would reduce the current caseload for licensing consultants from 1:150 to 1:98, though the federal recommendation is 1:50. The Senate Subcommittee included this recommendation, but the House Subcommittee did not – opting to return those unspent funds to the federal government instead.

At-Risk Funding: At-Risk funding provides support to schools who serve students that have a variety of factors that place them at-risk of not achieving academic success including factors like low-income, victims of abuse/neglect, teen parents, homeless students, etc. Like the Governor, the Senate Subcommittee includes a 33 percent or \$100 million increase to At-Risk funding with goals to ensure students are reading by third grade and college and career ready at graduation, but differs from the Governor's recommendation by requiring half of the new funds to be directed towards efforts to improve third grade literacy. The Senate Subcommittee also earmarks \$2 million for one-time funding of child and adolescent health services. The House Subcommittee does not add new funding for At-Risk but rather than the current criteria to be eligible that identifies at-risk students, requires districts to implement a multi-tiered system of support which takes the focus of the funding away from students who face multiple factors in their lives that make learning more challenging.

Career/Tech Education: While the Governor recommended continuation funding for traditional career and technical education at \$26.6 million, the House Subcommittee increased the appropriation to \$42.6 million while the Senate Subcommittee increased the appropriation to \$40 million. Additionally, the Governor recommended a new \$17.8 million investment targeted to early/middle college programs that provide career and technical education, an appropriation that the Senate Subcommittee includes but the House Subcommittee does not. These programs allow students to achieve a high school credential while also earning an associate's degree or college credits, or a pathway to a career such as a technical certification or apprenticeship. Michigan's Children is supportive of these expansions as long as it is used as a strategy to engage young people at-risk of dropping out of high school or re-engage those who are looking for paths back to a high school credential and college or a career rather than focusing solely on gifted and talented students.

Adult Education: While the Governor provided continuation funding for adult education, the Senate Subcommittee increased funding by \$7 million for a total of \$29 million while the House Subcommittee eliminated adult education funding. With the current focus on improving third grade literacy and knowing that students' education success is intricately connected to their parents' education, ensuring that parents have access to [adult education programs](#) that can put them on a path towards a high school credential is critical, particularly for parents with less than a ninth grade education.

The House and Senate took no action prior to leaving on spring break to reverse the [Governor's Executive Order](#) to merge Departments of Community Health (DCH) and Human Services (DHS) into the Department of Health and Human Services as part of the Governor's "River of Opportunity." Both chambers have continued to move the DCH and DHS budgets individually, and these budget bills will need to be merged for the new department. An item of interest for abuse/neglect prevention programs is that the House Subcommittee reduced funding for several critical programs that aim to support particularly challenged families to prevent child maltreatment, a recommendation not included in the Senate Subcommittee.

Of course, all of these budget decisions are contingent on the [May 5<sup>th</sup> ballot proposal](#) outcomes. Proposal 1 will be Michigan's opportunity to increase revenue to provide more and better services for children and families while also fixing our roads. If voters fail to pass Proposal 1, the Legislature will have to revisit their budget bills to identify funding to fix our roads – funding that is currently targeted to programs serving children, youth and families.

Now that legislators are back home for a two-week break, be sure to meet with them in their districts and talk to them about things that you like and things that you are concerned about in the state budget proposals. Invite them to visit your programs to see the great work you are doing and have them meet with your staff and board members as well as the families, children, and youth that you work with day-to-day. Help your elected officials understand the important services that you provide that are supported with public resource to help them better understand the impact of their budget decisions.

Stay tuned to Michigan's Children for more details on the different budget proposals that will be available soon. In the meantime, [learn](#) what the state budget means for children, youth and families; and find out how you can [get involved](#) in budget advocacy. And, [sign-up](#) for our Early Childhood Action Network and the Graduate Michigan Action Network for more budget details as it relates to young children and older youth.