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What's Still at Play in the Fiscal Year 2016 Budget and How It Impacts Equity

The single best predictor of economic prosperity is a state's success in educating and preparing its workforce. Gaps in opportunity caused by Michigan's extreme economic hardships and exacerbated by structural barriers due to race or ethnicity, contribute to unacceptable disparities in outcomes. Inequities in birth outcomes and literacy development result in differences in socio-emotional development, intellectual functioning, and health that are evident as early as 9 months of age. These gaps then contribute to differences in educational success, high school graduation and college enrollment, leading to clear disparities in earnings and other outcomes over a lifetime.

The long-term disparities in education and life success have profound and unacceptable consequences for Michigan. Fortunately, these disparities can be mitigated with targeted, strategic, and equitable public policy and budget decision-making that focus on eliminating barriers to opportunity. Each year, lawmakers are given the opportunity to make state budget decisions that will ensure the future prosperity of the state. These priorities can be used as a tool for improving equity or can result in widening gaps. With the next workforce set to be its most diverse yet, Michigan needs to allocate its resources in ways that improve opportunity for ALL children who need to be safe at home, ready for school at kindergarten entry, and have opportunities and pathways that lead to college and career success.

After reviewing the Governor's budget recommendations for fiscal year 2016 (FY2016), the House and Senate have approved their budget recommendations. Now the Legislature focuses on points of difference to be decided in Conference Committees; and once the Legislature approves a FY2016 budget, the Governor has the power to veto any spending line item. Engagement with your elected officials is still critically important – particularly on equity-promoting strategies that still need to be negotiated. Here are a few key items still at play in the FY2016 budget and how the options being discussed would impact equitable outcomes for children, youth and families.

Summary: Budget Proposals and How They Impact Equity

↑ Improves Equitable Outcomes ↓ Reduces Equitable Outcomes ↔ Neutral or Unknown Equity Impact

Budget Item	Governor	House	Senate
<i>Improving School Readiness & 3rd Grade Reading</i>			
Early Childhood Block Grant	↑	↓	↑
Pilot parent education program	↔	↓	↔
Child Care Licensing	↑	↓	↑
Expanded Learning	↑	↓	↑
<i>Improving College and Career Readiness</i>			
Support for At-Risk Students	↑	↔	↑
Adult Education	↔	↓	↑
Career and Technical Education	↑	↑	↑

Improving School Readiness

Budget Item	Governor	House	Senate
<p>Support for Families with Young Children from Birth through Age Three</p> <p>The brain science research has been done and the evidence is clear. Basic language and literacy skills are formed in the first three years of life. What has also been evidenced in research is that access to high quality services for families with very young children can offset the disparities in cognitive development that emerge as young as nine months of age. The babies and toddlers who struggle the most can be hugely helped by one year of preschool, but it may not be quite enough to offset the challenges they faced early in life. Increasing investment across the birth to five spectrum, not just for four-year-olds, is the best way to ensure kindergarten readiness and appropriate literacy development for all children. A focus on increasing investment for evidence-based home visiting programs, high quality center based child care, evidence-based early intervention services through <i>Early On</i>, and other supports to new parents must go hand-in-hand with access to a high quality preschool program.</p> <p>The <u>Early Childhood Block Grant</u> provides funding to Intermediate School Districts (ISDs) to provide services to young children from birth through age eight, though many ISDs use this funding to support families with young children from birth through age three.</p>	<p style="text-align: center;">↑</p> <p>As part of the Governor’s 3rd grade reading plan, he recommended a \$5 million increase to the <u>Early Childhood Block Grant</u>, totaling \$15.9 million to ISDs. The new \$5 million investment is targeted for home visits for at-risk children and their families.</p> <p style="text-align: center;">↔</p> <p>The Governor also recommended \$1 million for new <u>Pilot Parent Education Programs</u> for parents of children ages 0 through three. These programs would provide structured interactive activities between children and their parents, as well as activities for children to promote positive peer interaction. While this program is a step in the right direction, research has already shown which parent education programs provide the best return on investment; so a pilot to determine what will work best is not needed.</p>	<p style="text-align: center;">↓</p> <p>The House maintained funding for the <u>Early Childhood Block Grant</u> at \$10.9 million and adds no new money for home visiting.</p> <p style="text-align: center;">↓</p> <p>The House did not include funding for the <u>Pilot Parent Education Programs</u>.</p>	<p style="text-align: center;">↑</p> <p>The Senate concurred with the Governor on the \$5 million increase to the <u>Early Childhood Block Grant</u> and added new language requiring ISDs to include an evaluation of the services provided with funding for home visits, including the degree to which school readiness was improved.</p> <p style="text-align: center;">↔</p> <p>The Senate concurred with the Governor on the <u>Pilot Parent Education Programs</u>.</p>

<p>Child Care Licensing</p> <p>Access to high quality child care will better prepare young children – particularly those more likely to struggle in kindergarten – for school; and will ensure that school-aged children can access high quality after-school programs that promote educational outcomes.</p> <p>Unfortunately, the minimum health and safety requirements of all state licensed child care programs are compromised due to Michigan’s high child care inspector caseloads. Average caseloads for Michigan’s child care licensing staff is 1:153, more than three times the federally recommended ratio of 1:50.</p>	<p style="text-align: center;">↑</p> <p>The Governor recommended an additional \$5.7 million of unspent federal funds to be appropriated for the hiring of 35 additional licensing consultants to ensure all child care facilities comply with licensing standards, so that children are in safe learning environments. This will reduce average caseloads from 150 to 98.</p>	<p style="text-align: center;">↓</p> <p>The House does not include funding to hire additional licensing consultants.</p>	<p style="text-align: center;">↑</p> <p>The Senate concurred with the Governor.</p>
<p>Expanded Learning</p> <p>Research has shown that there is a 6,000 hour learning gap between challenged students and their peers by the time they enter the 6th grade, and this gap continues to increase into middle and high school. Access to before- and after-school programs including summer learning opportunities have shown to improve performance in reading and math, increase student participation and engagement in their learning, and promote students’ development in other areas needed for success in school and life – all while reducing the achievement gap, demonstrating the greatest benefit for students who face the most extraordinary educational challenges.</p> <p>The \$38 million in federal 21st Century Community Learning Centers (CCLC) funding Michigan receives funds fewer than half of the best programs applying in Michigan. A state investment to fund additional 21st CCLC programs is required.</p>	<p style="text-align: center;">↑</p> <p>As part of the Governor’s 3rd grade reading plan, he recommended \$10 million for districts that provide additional instructional time before or after school or through a balanced calendar for k-3rd graders who have been identified as needing additional supports and intervention. Though this is a step in the right direction, the evidence suggests that simply extending a school day or the school year adds significant costs without much gain in academics or engagement, and it does not include funding to support expanded learning programs for older students.</p>	<p style="text-align: center;">↓</p> <p>The House did not include any new funding for expanded learning.</p>	<p style="text-align: center;">↑</p> <p>The Senate recommended \$20 million for districts that provide additional instructional time, and like the Governor, did not target those resources to 21st CCLC programming.</p>

Improving College & Career Readiness

Budget Item	Governor	House	Senate
<p>Support for Students At-Risk of School Failure</p> <p>At-Risk funding supports students at-risk of school failure by providing flexible funding to provide needed support services that can ultimately reduce the academic achievement gap. This funding is used to support a variety of supports during or outside regular school hours such as tutoring services, early childhood programming, reading support, school-based health services, etc. Unfortunately, At-Risk funding has never received the level of appropriation that was intended or identified as needed to support Michigan’s most challenged students.</p>	<p style="text-align: center;">↑</p> <p>The Governor’s budget included a \$100 million increase for At-Risk programs for a total of \$409 million, and he continued to prioritize improvements in 3rd grade reading and college and career readiness and tying future funding to improvements in those two specific areas. However, the Governor eliminated victims of child abuse or neglect, pregnant or parenting teens, and family history of school failure, incarceration or substance abuse as targeted populations for At-Risk services.</p>	<p style="text-align: center;">↔</p> <p>The House maintained flat funding for At-Risk programs and removed all references to at-risk pupils and all definitions of categories for service eligibility, as well as all requirements for use of the funds while requiring districts to implement a multi-tiered system of supports model of instruction and intervention in order to qualify for funding.</p>	<p style="text-align: center;">↑</p> <p>The Senate concurred with the Governor’s increase for At-Risk funding but required that half of the increase be dedicated solely to programs that improve 3rd grade reading proficiency. Like the Governor, the Senate also eliminated targeted populations for At-Risk services.</p>
<p>Adult Education</p> <p>Adult education is an important equity strategy that can target 42,000 Michiganders ages 18-34 who have less than a ninth grade education. They and many other adults need basic skill building before working towards a high school credential, post-secondary success and family supporting employment. Programs also support young people needing alternative paths to a credential. Additionally, while research confirms the impact of parental education on children’s education success, little focus has been placed on the role of family and adult literacy within the third grade reading context.</p>	<p style="text-align: center;">↔</p> <p>The Governor maintained flat funding for adult education at \$22 million and maintained FY2015 administrative changes. He expanded eligibility to include adults over 20 years-old who test below a 9th grade level in reading or math. Additional requirements are made of ISDs to prioritize certain programs including those that tie to job skills needed in their regions and apprenticeship options. While these are steps in the right direction for adult education, \$22 million will not cover all adults who need services.</p>	<p style="text-align: center;">↓</p> <p>The House eliminated all funding for adult education.</p>	<p style="text-align: center;">↑</p> <p>The Senate added an additional \$7 million to adult education for a total of \$29 million. The Senate also added some shifts in funding requirements including requiring that \$500,000 be used for a pilot program connecting adult education students directly with employers, with case management involved for students.</p>

<p>Career and Technical Education</p> <p>Some young people need different paths for engagement and success beyond a traditional classroom. Funding for career and technical education programs in many communities, which can provide that path, has not kept up with inflation and shifting workforce pressures. Programs that utilize community, workforce and post-secondary partnerships can more successfully serve our most challenged young people, families and communities.</p> <p>Early and middle college programs, which allow students to achieve a high school credential while also earning an associate's degree or college credits, or a pathway to career such as a technical certificate or apprenticeship.</p>	<p style="text-align: center;">↑</p> <p>The Governor maintained funding of \$26.6 million for traditional career and technical education programs, but adds a new \$17.8 million appropriation for career and technical education focused early and middle college programs. This new appropriation provides an alternative pathway for students to success, and preparation for life after school.</p>	<p style="text-align: center;">↑</p> <p>The House included a \$15 million increase but directed it entirely to traditional CTE, rather than the middle college approach.</p>	<p style="text-align: center;">↑</p> <p>The Senate included a \$13.4 million increase but directed it entirely to traditional CTE, rather than the middle college approach.</p>
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For more information on the fiscal year 2016 budget and what it means for children and families, visit www.michiganschildren.org.