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Article 14

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of lifelong education, advancement, and potential are appropriated for the fiscal year ending September 30, 2025, and are anticipated to be appropriated for the fiscal year ending September 30, 2026, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2025

For Fiscal
Year Ending
Sept. 30, 2026

1	DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	334.0	334.0
5	GROSS APPROPRIATION	\$ 576,985,400	\$ 516,985,400
6	Total interdepartmental grants and intradepartmental		
7	transfers	0	0
8	ADJUSTED GROSS APPROPRIATION	\$ 576,985,400	\$ 516,985,400
9	Total federal revenues	413,951,400	413,951,400
10	Total local revenues	0	0
11	Total private revenues	250,000	250,000
12	Total other state restricted revenues	1,862,300	1,862,300
13	State general fund/general purpose	\$ 160,921,700	\$ 100,921,700
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>100,921,700</i>	<i>100,921,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>60,000,000</i>	<i>0</i>
17	Sec. 14-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	30.0	30.0
20	Executive direction and operations-30.0 FTE positions	\$ 7,531,200	\$ 7,531,200
21	Property management	254,500	254,500
22	Unclassified salaries-6.0 FTE positions	<u>999,500</u>	<u>999,500</u>
23	GROSS APPROPRIATION	\$ 8,785,200	\$ 8,785,200
24	Appropriated from:		
25	Federal revenues:		
26	Other federal revenues	1,004,500	1,004,500
27	Special revenue funds:		
28	State general fund/general purpose	\$ 7,780,700	\$ 7,780,700
29	Sec. 14-103. INFORMATION TECHNOLOGY		
30	Information technology services and projects	\$ <u>998,800</u>	\$ <u>998,800</u>
31	GROSS APPROPRIATION	\$ 998,800	\$ 998,800
32	Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2025	For Fiscal Year Ending Sept. 30, 2026
1	Federal revenues:	
2	Other federal revenues	222,500 222,500
3	Special revenue funds:	
4	State general fund/general purpose	\$ 776,300 \$ 776,300
5	Sec. 14-104. OFFICE OF EARLY CHILDHOOD EDUCATION	
6	Full-time equated classified positions.....	251.0 251.0
7	Child development and care contracted services	\$ 22,900,000 \$ 22,900,000
8	Child development and care external support	11,028,100 11,028,100
9	Child development and care public assistance	410,927,400 410,927,400
10	Childcare licensing and regulation-179.0 FTE positions	30,326,600 30,326,600
11	Head start collaboration office-1.0 FTE position	425,100 425,100
12	Office of great start operations-71.0 FTE positions ..	14,564,600 14,564,600
13	Tri-share child care program	<u>3,400,000</u> <u>3,400,000</u>
14	GROSS APPROPRIATION	\$ 493,571,800 \$ 493,571,800
15	Appropriated from:	
16	Federal revenues:	
17	Other federal revenues	412,724,400 412,724,400
18	Special revenue funds:	
19	Private revenues	250,000 250,000
20	Other state restricted revenues	609,200 609,200
21	State general fund/general purpose	\$ 79,988,200 \$ 79,988,200
22	Sec. 14-105. OFFICE OF EDUCATION PARTNERSHIPS	
23	Full-time equated classified positions.....	8.0 8.0
24	Before and after school administration-2.0 FTE	
25	positions	\$ 366,500 \$ 366,500
26	Family and community engagement-6.0 FTE positions	<u>1,062,500</u> <u>1,062,500</u>
27	GROSS APPROPRIATION	\$ 1,429,000 \$ 1,429,000
28	Appropriated from:	
29	Special revenue funds:	
30	State general fund/general purpose	\$ 1,429,000 \$ 1,429,000
31	Sec. 14-106. OFFICE OF HIGHER EDUCATION	
32	Full-time equated classified positions.....	45.0 45.0

		For Fiscal Year Ending Sept. 30, 2025	For Fiscal Year Ending Sept. 30, 2026
1	Dual enrollment payments	\$ 3,000,000	\$ 3,000,000
2	Student financial assistance programs-45.0 FTE		
3	positions	<u>9,200,600</u>	<u>9,200,600</u>
4	GROSS APPROPRIATION	\$ 12,200,600	\$ 12,200,600
5	Appropriated from:		
6	Special revenue funds:		
7	Michigan merit award trust fund	1,253,100	1,253,100
8	State general fund/general purpose	\$ 10,947,500	\$ 10,947,500
9	Sec. 14-107. ONE-TIME APPROPRIATIONS		
10	Child development and care public assistance	\$ <u>60,000,000</u>	\$ <u>0</u>
11	GROSS APPROPRIATION	\$ 60,000,000	\$ 0
12	Appropriated from:		
13	Special revenue funds:		
14	State general fund/general purpose	\$ 60,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2025

GENERAL SECTIONS

Sec. 14-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2025 is \$162,784,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2025 is \$0.00.

Sec. 14-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 14-203. As used in this article:

(a) "Department" means the Michigan department of lifelong education, advancement, and potential.

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

(b) "Director" means the director of the department.

(c) "FTE" means full-time equated.

1 Sec. 14-204. From the funds appropriated in part 1, the departments and agencies
2 shall use the internet to fulfill the reporting requirements of this part. This requirement
3 shall include transmission of reports via email to the recipients identified for each
4 reporting requirement, and it shall include placement of reports on an internet site.

5 Sec. 14-205. To the extent permissible under section 261 of the management and budget
6 act, 1984 PA 431, MCL 18.1261, all of the following apply:

7 (a) The funds appropriated in part 1 must not be used for the purchase of foreign
8 goods or services, or both, if competitively priced and of comparable quality American
9 goods or services, or both, are available.

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

12 (c) Preference must be given to goods or services, or both, that are manufactured or
13 provided by Michigan businesses owned and operated by veterans, if they are competitively
14 priced and of comparable quality.

15 Sec. 14-206. To the extent permissible under the management and budget act, 1984 PA
16 431, MCL 18.1101 to 18.1594, the director of each department and agency receiving
17 appropriations in part 1 shall take all reasonable steps to ensure that geographically
18 disadvantaged business enterprises, as defined in Executive Directive 2023-1, compete for
19 and perform contracts to provide services or supplies, or both. Each director shall
20 strongly encourage firms with which the department or agency contracts to subcontract with
21 certified geographically disadvantaged business enterprises for services, supplies, or
22 both.

23 Sec. 14-207. Consistent with section 217 of the management and budget act, 1984 PA
24 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
25 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
26 travel report shall be a listing of all travel by classified and unclassified employees
27 outside this state in the immediately preceding fiscal year that was funded in whole or in
28 part with funds appropriated in the department's or agency's budget. The department shall
29 submit the report to the house and senate appropriations committees and to the report
30 recipients required in section 213 of this part. The report shall include all of the
31 following information:

32 (a) The dates of each travel occurrence.

1 (b) The total transportation and related costs of each travel occurrence, including
2 the proportion funded with state general fund/general purpose revenues, the proportion
3 funded with state restricted revenues, the proportion funded with federal revenues, and the
4 proportion funded with other revenues.

5 Sec. 14-208. Funds appropriated in part 1 shall not be used by a principal executive
6 department, state agency, or authority to hire a person to provide legal services that are
7 the responsibility of the attorney general. This prohibition does not apply to legal
8 services for bonding activities and for those outside services that the attorney general
9 authorizes.

10 Sec. 14-209. Not later than December 15, the state budget office shall prepare and
11 transmit a report that provides for estimates of the total general fund/general purpose
12 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
13 projected year-end general fund/general purpose appropriation lapses by major departmental
14 program or program areas. The state budget office shall submit the report to the senate and
15 house appropriations committees and the senate and house fiscal agencies.

16 Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
18 funds are not available for expenditure until they have been transferred to another line
19 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
20 MCL 18.1393.

21 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
22 not to exceed \$500,000.00 for state restricted contingency funds. These funds are not
23 available for expenditure until they have been transferred to another line item in this
24 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

29 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
30 not to exceed \$2,000,000.00 for private contingency funds. These funds are not available
31 for expenditure until they have been transferred to another line item in this article under
32 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

1 Sec. 14-211. (1) Money appropriated in part 1 shall not be used to restrict or impede
2 a marginalized community's access to government resources, programs, or facilities.

3 (2) From the funds appropriated in part 1, local governments shall report any action
4 or policy that attempts to restrict or interfere with the duties of the local health
5 officer.

6 Sec. 14-213. Except as otherwise provided in this part, all reports required under
7 this part shall be submitted to the senate and house appropriations subcommittees on the
8 department budget, the senate and house fiscal agencies, the senate and house policy
9 offices, and the state budget office.

10 Sec. 14-216. On a quarterly basis, the department shall report to the senate and
11 house appropriations committees and the report recipients required in section 213 of this
12 part a comparison by line item of the number of FTEs authorized from funds appropriated in
13 part 1 to the actual number of FTEs employed by the department at the end of the reporting
14 period.

15
16 **OFFICE OF EDUCATION PARTNERSHIPS**

17 Sec. 14-401. From the funds appropriated in part 1 for family and community
18 engagement, the department shall at a minimum do all of the following:

19 (a) Establish or partner with family engagement centers across the state to increase
20 parent and guardian involvement in their child's education.

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

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

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

27
28 **OFFICE OF HIGHER EDUCATION**

29 Sec. 14-705. The funds appropriated in part 1 for dual enrollment payments for an
30 eligible student enrolled in a state-approved nonpublic school shall be distributed as
31 provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
32 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to

1 388.1913, in a form and manner as determined by the department.

2

3 **OFFICE OF EARLY CHILDHOOD EDUCATION**

4 Sec. 14-1002. (1) From the funds appropriated in part 1, the department shall ensure
5 that the final child development and care provider reimbursement rates are published on the
6 department and Great Start to Quality webpages.

7 (2) In addition to the funds appropriated in part 1, upon receiving approval from the
8 state budget director, the department may receive and expend federal child care development
9 block grant funds at risk of being lapsed back to the federal government. The department
10 may do this only if all of the following criteria are met:

11 (a) The funds are at risk of being lapsed by the end of the current fiscal year.

12 (b) The department plans to expend the funds through a 1-time rate increase to
13 providers.

14 (c) The department makes this request to the state budget director not less than 30
15 days before the expenditure of the funds.

16 (3) If the average cases over a 3-month period in the child development and care
17 program result in the projected current fiscal year caseloads to fall below the caseload
18 agreement from the May consensus revenue estimating conference, the department may increase
19 the hourly reimbursement rate to child care providers if the following conditions are met:

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

23 (b) The department plans to expend the funds through a rate increase to providers for
24 the remainder of the fiscal year.

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

27 (4) Upon receiving approval from the state budget director under subsection (2) or
28 (3), the department must notify the senate and house fiscal agencies of the amount being
29 appropriated, the estimated rate increase to providers, and if the rate increase to
30 providers is 1-time or ongoing in nature.

31 (5) The department may withdraw the intent to expend the funds under subsections (2)
32 or (3) by notifying the state budget director in writing.

1 Sec. 14-1004. (1) From the funds appropriated in part 1 for child development and
2 care public assistance, the provider reimbursement rates for child care centers, group home
3 providers, registered family homes, and licensed exempt providers are increased by 10% from
4 the provider rates established in the child development and care handbook for FY 2024,
5 rounded to the nearest \$0.05.

6 (2) Rate increases funded under subsections (1) are effective the first full biweekly
7 pay period of fiscal year 2024-2025.

8 (3) The department shall ensure that the final child development and care provider
9 reimbursement rates are published on the department and Great Start to Quality webpages.

10 Sec. 14-1005. (1) From the funds appropriated in part 1 for child development and
11 care public assistance, the provider reimbursement rates for child care centers, group home
12 providers, registered family homes, and licensed exempt providers for foster care children
13 who are receiving benefits through their foster parents, are increased by 30% from the
14 provider rates established in section 1004 of this article, rounded to the nearest \$0.05.

15 (2) Rate increases funded under subsections (1) are effective the first full biweekly
16 pay period of fiscal year 2024-2025.

17 (3) The department shall ensure that the final child development and care provider
18 reimbursement rates are published on the department and Great Start to Quality webpages.

19 Sec. 14-1007. (1) From the funds appropriated in part 1 for child development and
20 care - external support, child development and care contracted services, and childcare
21 licensing and regulation, the department shall create an annual report that includes, but
22 is not limited to, the following:

23 (a) The affordability of child care in this state, including, but not limited to, the
24 number of children eligible for and participating in the child development and care
25 program, the number of children eligible for and participating in the child development and
26 care program for the last 5 years, and key takeaways from the most recent market rate
27 survey.

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

31 (c) The health and safety of child care, including, but not limited to, the top 10
32 most common rule violations, the number of licenses revoked and summarily suspended, and

1 the number of license violations for incomplete health and safety training and safe sleep
2 training.

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

8 (e) The quality of child care, including, but not limited to, the number of licensed
9 providers participating in the great start to quality program and the workforce registry,
10 the number of new participants and how participation has changed over the last 5 years, and
11 the number of children participating in the child development and care program enrolled in
12 an enhancing quality level or higher program.

13 (f) Any actions taken to improve child care quality, including, but not limited to,
14 the number of quality consultants, their average caseload, the number of on-site visits
15 they complete by region, the types of activities that are intended to improve quality and
16 the number of times those activities are performed, and the number of providers that have
17 improved their quality rating since the start of the current fiscal year compared to the
18 same time period in the preceding fiscal year, reported as the number of providers in each
19 region.

20 (g) The child care workforce, including, but not limited to, the number of child care
21 professionals, average wages by role, number of individuals participating in the TEACH
22 scholarship and earning a credential, and the level of demand for staff.

23 (h) Total funding appropriated to contracts for the early childhood comprehensive
24 systems planning by the state during the previous fiscal year that includes, but is not
25 limited to, the following:

26 (i) The amount of funding for each grant awarded.

27 (ii) The grant recipients.

28 (iii) The activities funded by each grant.

29 (iv) An analysis of each grant recipient's success in addressing the development of a
30 comprehensive system of early childhood services and supports.

31 (2) The report shall be posted to the department website and sent to the state budget
32 director, the house and senate subcommittees that oversee the department budget, and the

1 house and senate fiscal agencies by April 1 of the current fiscal year reflecting data for
2 the previous fiscal year.

3 Sec. 14-1008. From the amount appropriated in part 1 for office of early childhood
4 education, the department shall ensure efficient service provisions to coordinate services
5 provided to families for home visits, reduce duplication of state services and spending,
6 and increase efficiencies including the home visits funded under section 32p of the state
7 school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

8 Sec. 14-1009. From the funds appropriated in part 1 for child development and care
9 public assistance, the income entrance eligibility threshold for the child development and
10 care program is set to not more than 200% of the federal poverty guidelines.

11 Sec. 14-1011. From the funds appropriated in part 1 for child development and care
12 public assistance, for eligible children in the child development and care program, the
13 department shall implement payments to providers based on enrollment rather than based on
14 attendance. This shall be done in a manner determined by the department.

15 Sec. 14-1012. From the funds appropriated in part 1, \$3,000,000.00 shall be for the
16 department to work in collaboration with DHHS to continue the network of infant and early
17 childhood mental health consultation, which provides mental health consultation to child
18 care providers.

19 Sec. 14-1030. (1) The funds appropriated in part 1 for the Tri-share child care
20 program shall be awarded for the continuation of the project originally initiated and
21 funded in section 1047(31) of article 5 of 2020 PA 166.

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

27 (3) Any child care facilitator receiving funds under this section must be a
28 nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

29 (4) Not more than \$200,000.00 may be used for administration of the program.

30

31 **ONE-TIME APPROPRIATIONS**

32 Sec. 14-1101. (1) From the funds appropriated in part 1 for the child development and

1 care public assistance, the department shall implement a pilot program to provide employees
2 working in licensed child care programs benefits under the state child development and care
3 program.

4 (2) Eligible employees must apply in a form and manner determined by the department.
5 The department shall develop criteria and eligibility requirements for the program, that
6 shall include, but are not limited to the following:

7 (a) Children in care at a home based provider where the owner of the home based
8 provider is the parent or guardian of the child are not eligible for benefits under this
9 program.

10 (b) The amount of hours in biweekly benefits for this program must be equal to or
11 less than the amount of time the child care worker works in the same biweekly period. There
12 is one exception, if their child is in care at a child care provider they do not work at,
13 they can receive up to an additional 10 hours biweekly to cover commute time. The limit of
14 biweekly benefits is the same as the child development and care program, 90 hours biweekly.

15 (3) The unexpended funds appropriated in part 1 for Child development and care public
16 assistance, are designated as a work project appropriation, and any unencumbered or
17 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
18 expenditure under this section until the projects have been completed. The following is in
19 compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL
20 18.1451a:

21 (a) The purpose of the project is to provide child development and care benefits to
22 employees in licensed child care programs.

23 (b) The project shall be accomplished by the department.

24 (c) The estimated cost of this project is \$60,000,000.00.

25 (d) The tentative completion date for this work project is September 30, 2027.