

FY 2025-26 LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL BUDGET

H.B. 4706 (P.A. 22 of 2025): INITIAL APPROPRIATIONS

Article 11



FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2024-25 YEAR-TO-DATE*	FY 2025-26 INITIAL APPROPRIATIONS	CHANGES FROM FY 2024-25 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	337.0	342.0	5.0	1.5
GROSS	682,261,300	662,243,200	(20,018,100)	(2.9)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	682,261,300	662,243,200	(20,018,100)	(2.9)
Less:				
Federal Funds	542,908,100	457,769,900	(85,138,200)	(15.7)
Local and Private.....	1,000,000	1,000,000	0	0.0
TOTAL STATE SPENDING.....	138,353,200	203,473,300	65,120,100	47.1
Less:				
Other State Restricted Funds.....	1,863,900	1,880,000	16,100	0.9
GENERAL FUND/GENERAL PURPOSE	136,489,300	201,593,300	65,104,000	47.7
PAYMENTS TO LOCALS	500,000	500,000	0	0.0

*As of October 7, 2025.

Major Boilerplate Changes from FY 2024-25 Year-to-Date:

- 1. Removals.** The Conference removed a section prohibiting the department from obtaining outside legal services (208), a section requiring reports be sent to standard report recipients (213), a section prescribing the use of state fiscal recovery funds (224), and a section prescribing transparency requirements (250).
- 2. New Sections.** The Conference added a section allowing the legislature to transfer funds by concurrent resolution in certain circumstances (217), a section requiring a quarterly report on work project accounts (218), a section estimating departmental legacy costs (224), a section requiring archivable report access (225), a section requiring the department to maximize in-person work (226), a section requiring a report on federal policy changes that impact the department (227), a section requiring the department use the E-Verify system for contractors/subcontractors (228), a section requiring the department develop and provide an annual strategic plan (230), a section requiring the department report on certain court settlements (231), a section requiring disclosure of third-party funds (232), a section prescribing transparency requirements for legislatively directed spending (233), a section adding a report broken out from Section 1007 (1003), a section allowing the department to receive and expend private revenues (1025) and six onetime sections outlined below.
- 3. Amendments. 220,** The Conference amended several sections, including: adding a “task force” to definitions (203), amending the travel report to require more specificity (207), requiring the department’s website be updated quarterly (211), updating the amount the department shall spend on mental health consultation to reflect the shared expenses with DHHS (1012), and adding updated tri-share program language to serve families at the Wisconsin border (1030).
- 4. One-Time Boilerplate.** The Conference added onetime sections to: begin prospective provider payments as per federal guidelines, add spending authority to address hunger on campus and re-engagement efforts, improve adult postsecondary enrollment, raise awareness among men of postsecondary opportunities, obtaining workforce training for community college employees, and offer civic engagement programs for youth. (Sec. 1101 - 1106).

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FY 2024-25 Year-to-Date Appropriation	\$682,261,300	\$136,489,300		
	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Baseline Adjustments</u>				
1. Child Care Funding Gap Fill. The Conference increased GF/GP to maintain current services otherwise not covered by a Federal funding shortfall, adjusted by the May Consensus Revenue Estimating Conference.	44,276,200	93,000,000	543,312,000	162,510,700
2. Private Funds Authorization. The Conference increased private authorization for the Office of Great Start to match available funding.	750,000	0	17,818,500	1,482,400
3. Staffing Interdepartmental Grant (IDG) for Attorney General. The Conference increased available GF/GP for Attorney General payments not previously included when MiLEAP was created.	569,500	569,500	1,004,600	1,004,600
4. IT Costs for Online Grants Portal. The Conference increased GF/GP for IT costs for the Michigan Student Scholarships & Grants Portal in the Office of Higher Education.	300,000	300,000	9,597,700	8,326,900
5. Preschool Development Federal Grant Adjustment. The Conference moved additional Federal funds authorization to the Office of Great Start from the School Aid budget.	300,000	0	N/A	N/A
6. Federal IDG Adjustment. The Conference adjusted the IDG with the Michigan Department of Health and Human Services for that department's defined calculations.	700	0	N/A	N/A
7. Executive & Reconnect Staffing. The Conference increased FTE authorization for administration, transitioning temporary staff to ongoing. This does not require an increase in current appropriations. Authorization increased from 30.0 FTEs to 38.0 FTEs in the Executive Direction and Operations line. Additionally, 5.0 FTEs were added for the Office of 60 by 30 in the Office of Higher Education. Previously it was unknown if the program would be ongoing or not and current FTEs were classified as temporary. The change was made to reflect current staffing levels.	0	0	7,852,200	7,093,300
8. Economic Adjustments. Includes \$802,600 Gross and \$234,500 GF/GP for total economic adjustments, including \$30,000 for unclassified salaries.	802,600	234,500	N/A	N/A
<u>New Programs/Program Increases - NONE</u>				

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Eliminations/Reductions</u>				
9. Dual Enrollment Payments. The Conference moved payments to non-public schools for dual enrollment from the ongoing section to the onetime section.	(3,500,000)	(3,500,000)	0	0
10. FTE Reductions. The Conference agreed to reduce authorized FTEs and spending. Cuts include reducing Child Care Licensing by 5.0 FTEs and \$250,000 Gross and GF/GP, and reducing Executive Direction by 1.0 FTEs and \$500,000 Gross and \$750,000 GF/GP.	(750,000)	(1,000,000)	N/A	N/A
<u>One-Time Appropriations</u>				
11. Child Care Prospective Payments. The Conference agreed to devote GF/GP to prospective payments to comply with Federal requirements, with additional investment likely required in FY 2026-27.	3,500,000	3,500,000	3,500,000	3,500,000
12. Non-Public Dual Enrollment. The Conference agreed to move spending for non-public dual enrollment from ongoing to the onetime section.	3,500,000	3,500,000	3,500,000	3,500,000
13. College Success Fund. The Conference included GF/GP for wrap-around student service grants to universities. The funds are to be split between hunger-free campus activities and re-enrollment efforts.	1,000,000	1,000,000	1,000,000	1,000,000
14. Michigan Center for Adult College Success. The Conference included onetime GF/GP for the Center.	1,000,000	1,000,000	1,000,000	1,000,000
15. Michigan Center for Civic Education. The Conference included onetime GF/GP for a nonprofit that offerings civic engagement programming for youth.	1,000,000	1,000,000	1,000,000	1,000,000
16. Men in Higher Education Programming. The Conference authorized departmental spending to reengage men in postsecondary education opportunities.	260,000	260,000	260,000	260,000
17. Community Colleges Work Force Initiative. The Conference authorized departmental spending to help community college employees get work force training.	240,000	240,000	240,000	240,000
18. Removal of FY 2024-25 One-Time Appropriations. The Conference removed prior year one-time appropriations. The removal also nets negative 2.0 FTEs.	(35,000,000)	(35,000,000)	0	0

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
Other				
19. FY 2024-25 Supplemental Technical Backout. Supplemental appropriations for FY 2024-25 are backed out. Increase in federal spending as per the May CREC.	(38,267,100)	0	N/A	N/A
Total Changes.....	(\$20,018,100)	\$65,104,000		
FY 2025-26 INITIAL APPROPRIATIONS	\$662,243,200	\$201,593,300		

Date Completed: 10-7-25

Fiscal Analyst: Michael Siracuse

One-Tir Item #	Budget Area/Line Items	Gov Changes to FY 2024-25			House Changes to FY 2024-25			Senate Changes to FY 2024-25			Conference Changes to FY 2024-25			NOTES
		FTE	GROSS	GF/GP	FTE	GROSS	GF/GP	FTE	GROSS	GF/GP	FTE	GROSS	GF/GP	
DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL														
Ongoing Changes														
1	IT costs for the online scholarships/grants portal	0.0	300,000	300,000	0.0	0	0	0.0	300,000	300,000		300,000	300,000	
2	Preschool development federal grant adjustment	0.0	300,000	0	0.0	0	0	0.0	300,000	0		300,000	0	
3	Executive operations FTE adjustment	8.0	0	0	0.0	0	0	8.0	0	0	8.0	0	0	
4	Attorney general staffing costs	0.0	569,500	569,500	0.0	0	0	0.0	569,500	569,500		569,500	569,500	
5	Reconnect FTE reclassification - temporary to full time	5.0	0	0	0.0	0	0	5.0	0	0	5.0	0	0	
6	Private funds authorization increase	0.0	750,000	0	0.0	0	0	0.0	750,000	0		750,000	0	
7	Child care federal funding shortfall for current services	0.0	63,000,000	63,000,000	0.0	44,276,200	93,000,000	0.0	63,000,000	63,000,000		44,276,200	93,000,000	
8	Child care FMAP adjustment	0.0	0	(184,500)	0.0	0	0	0.0	0	(184,500)		0	0	
9	Federal IDG with DHHHS adjustment	0.0	700	0	0.0	0	0	0.0	700	0		700	0	
10	Dual enrollment payment discontinuation - private school stude	0.0	(3,500,000)	(3,500,000)	0.0	0	0	0.0	(3,500,000)	(3,500,000)		(3,500,000)	(3,500,000)	
11	Child dev. & care program improvements	0.0	0	0	0.0	0	0	0.0	23,000,000	23,000,000				
12	Reenrollment recruitment (Re-Up)	0.0	0	0	0.0	0	0	0.0	2,000,000	2,000,000				
13	Department adjustment - IT	0.0	0	0	0.0	(149,900)	(149,900)	0.0	0	0				
14	Department adjustment - child care licensing and regulation	0.0	0	0	(28.0)	(4,822,800)	(3,631,400)	0.0	0	0		(5.0)	(250,000)	(250,000)
15	Executive direction and operations cut	0.0	0	0	(15.0)	(3,765,600)	(3,765,600)	0.0	0	0		(1.0)	(500,000)	(750,000)
16	Student financial assistance program cut	0.0	0	0	(15.0)	(3,061,400)	(3,061,400)	0.0	0	0				replace \$250k with federal
17	Supplemental backout											0.0	(38,267,100)	0
18	Office of great start operations cut	0.0	0	0	(2.0)	(502,100)	(502,100)	0.0	0	0				PA 22 backout for FY 2024-25
19	Unclassified salaries	0.0	30,000	30,000	0.0	(499,500)	(499,500)	0.0	30,000	30,000		0.0	30,000	30,000
20	Economic adjustments	0.0	772,600	204,500	0.0	0	0	0.0	772,600	204,500		0.0	772,600	204,500
	Subtotal - Ongoing	13.0	62,222,800	60,419,500	(60.0)	31,474,900	81,390,100	13.0	87,222,800	85,419,500		7.0	4,481,900	89,604,000
One-Time Changes														
1	1 College success fund wrap-around grants	0	15,000,000	15,000,000	0.0	0	0		16,000,000	16,000,000			0	0
1	2 Child care prepayment and services for vulnerable populations	0	50,000,000	50,000,000	0.0	0	0		40,000,000	40,000,000			0	0
1	3 Dual enrollment task force	0.0	0	0	0.0	0	0	0.0	10,000	10,000			0	0
1	4 Expansion grants (head start to childcare)	0.0	0	0	0.0	0	0	0.0	3,990,000	3,990,000			0	0
1	5 non public dual enrollment												3,500,000	3,500,000
1	6 MI center for adult college success												1,000,000	1,000,000
1	7 child care prospective payments												3,500,000	3,500,000
1	8 MI center for civic education												1,000,000	1,000,000
1	9 Men in higher education program												260,000	260,000
1	10 community colleges work force initiative												240,000	240,000
1	11 college success fund												1,000,000	1,000,000
1	12 Remove FY25 one-time and supplemental appropriations	(2.0)	(35,000,000)	(35,000,000)	(2.0)	(35,000,000)	(35,000,000)	(2.0)	(35,000,000)	(35,000,000)		(2.0)	(35,000,000)	(35,000,000)
	Subtotal - One-Time	(2.0)	30,000,000	30,000,000	(2.0)	(35,000,000)	(35,000,000)	(2.0)	25,000,000	25,000,000		(2.0)	(24,500,000)	(24,500,000)
	TOTAL MILEAP	11.0	92,222,800	90,419,500	(62.0)	(3,525,100)	46,390,100	11.0	112,222,800	110,419,500		5.0	(20,018,100)	65,104,000