

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

S.B. 164 (S-2): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2024-25 YEAR-TO-DATE*	FY 2025-26 SENATE APPROPRIATIONS REC.	CHANGES FROM FY 2024-25 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	337.0	348.0	11.0	3.3
GROSS	643,994,200	756,217,000	112,222,800	17.4
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	643,994,200	756,217,000	112,222,800	17.4
Less:				
Federal Funds	505,391,000	506,428,200	1,037,200	0.2
Local and Private	250,000	1,000,000	750,000	300.0
TOTAL STATE SPENDING	138,353,200	248,788,800	110,435,600	79.8
Less:				
Other State Restricted Funds	1,863,900	1,880,000	16,100	0.9
GENERAL FUND/GENERAL PURPOSE	136,489,300	246,908,800	110,419,500	80.9
PAYMENTS TO LOCALS	500,000	8,500,000	8,000,000	1,600.0

*As of February 5, 2025.

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

- 1. Removals.** The Senate removed a section providing for dual enrollment payments for non-public school students. (Sec. 705)
- 2. New Sections.** The Senate added several new sections, including: a section prioritizing federal or private spending ahead of GF/GP spending when possible (Sec. 223), a section requiring a report for boilerplate the Executive deems unenforceable (Sec. 225), a section requiring a report on federal policy changes that impact the department (Sec. 226), a section directing the use of part 1 appropriations on reenrollment of stopouts (Sec. 703), to allow the department to receive and expend private revenues (Sec. 1025) and one adding a report broken out from Section 1007. (Sec. 1003)
- 3. Amendments.** The Senate amended several sections, including: adding a subsection requiring preference for union employers when contracting for goods or services (Sec. 205), a section prescribing transparency requirements (Sec. 224), a section directing the increase in GF/GP for child development and care be spent on provider payments (Sec. 1002), a section to no longer require existing tri-share hubs be guaranteed funding. (Sec. 1030)
- 4. One-Time Boilerplate.** The Senate added boilerplate for three one-time work projects. One at \$40 million to meet Federal requirements, one at \$16 million to provide higher education grants for student wrap-around supports, and one at \$3,990,000 to provide grants to head start providers seeking expansion into child care. (Secs. 1101, 1102, & 1104). The Senate also added a section to create a task force on dual enrollment (Sec. 1103).

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FY 2024-25 Year-to-Date Appropriation		\$643,994,200	\$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 Senate increased GF/GP to maintain current services otherwise not covered by a Federal funding shortfall.		63,000,000	63,000,000	562,035,800	132,326,200
2. Private Funds Authorization. The Senate 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 Senate 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 Senate 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 Senate 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 Senate 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 Senate 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. Federal Medical Assistance Percentages (FMAP) Adjustment. The Senate reduced the amount of GF/GP required to match the Federal Child Care Grant, as necessary.		0	(184,500)	562,035,800	132,326,200
9. 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

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>New Programs/Program Increases - NONE</u>				
10. Child Development and Care Program Improvements. The Senate added additional GF/GP to boost child care provider payments.	23,000,000	23,000,000	585,035,800	155,326,200
11. Reenrollment Recruitment. The Senate included a new line and boilerplate (Sec. 703) to allow the department to contract for the recruitment and reenrollment of college stopouts.	2,000,000	2,000,000	2,000,000	2,000,000
<u>Eliminations/Reductions</u>				
12. Dual Enrollment Payments. The Senate removed payments to non-public schools for dual enrollment. Non-public dual enrollment students would have to register through their public school district under this proposal. The change requires a budget implementation bill.	(3,500,000)	(3,500,000)	0	0
<u>One-Time Appropriations</u>				
13. Child Care Prepayment and Services Expansion. The Senate included one-time GF/GP to meet two federal requirements: to prepay care providers for services instead of paying two weeks after services provided, and to contract for services in underserved populations.	40,000,000	40,000,000	40,000,000	40,000,000
14. College Success Fund Wrap-around Grants. The Senate included GF/GP for wrap-around student service grants to universities. Wrap-around grants were previously appropriated in Public Act 119 of 2023 as a work project to expire in 2028. Of the \$11.5 million previously appropriated, most has already been obligated. The Senate's proposal would continue wrap-around supports to help meet the State's 60 by 30 goal.	16,000,000	16,000,000	16,000,000	16,000,000
15. Expansion Grants. The Senate included GF/GP and boilerplate (Sec. 1104) to allow the department to provide grants for head start providers seeking expansion of services into child care.	3,990,000	3,990,000	3,990,000	3,990,000
16. Dual Enrollment Task Force. The Senate included funding for expenses and boilerplate (Sec. 1103) for the creation of a task force for the purpose of making recommendations regarding dual enrollment.	10,000	10,000	10,000	10,000
17. Removal of FY 2024-25 One-Time Appropriations. The Senate 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
<u>Other</u> - NONE				
Total Changes	\$112,222,800	\$110,419,500		
FY 2025-26 SENATE APPROPRIATIONS REC.	\$756,217,000	\$246,908,800		

Date Completed: 5-6-25

Fiscal Analyst: Michael Siracuse

				Gov Changes to FY 2024-25			Senate Changes to FY 2024-25		
Item #	Budget Area/Line Items	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	300,000	300,000		
2	Preschool development federal grant adjustment	0.0	300,000	0	0.0	300,000	0		
3	Executive operations FTE adjustment	8.0	0	0	8.0	0	0		
4	Attorney general staffing costs	0.0	569,500	569,500	0.0	569,500	569,500		
5	Reconnect FTE reclassification - temporary to full time	5.0	0	0	5.0	0	0		
6	Private funds authorization increase	0.0	750,000	0	0.0	750,000	0		
7	Child care federal funding shortfall for current services	0.0	63,000,000	63,000,000	0.0	63,000,000	63,000,000		
8	Child care FMAP adjustment	0.0	0	(184,500)	0.0	0	(184,500)		
9	Federal IDG with DHHS adjustment	0.0	700	0	0.0	700	0		
10	Dual enrollment payment discontinuation - private school students	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	23,000,000	23,000,000		
13	Reenrollment recruitment (Re-Up)				0.0	2,000,000	2,000,000		
11	Unclassified salaries	0.0	30,000	30,000	0.0	30,000	30,000		
12	Economic adjustments	0.0	772,600	204,500	0.0	772,600	204,500		
Subtotal - Ongoing		13.0	62,222,800	60,419,500	13.0	87,222,800	85,419,500		
One-Time Changes									
1	College success fund wrap-around grants	0	15,000,000	15,000,000		16,000,000	16,000,000		
2	Child care prepayment and services for vulnerable populations	0	50,000,000	50,000,000		40,000,000	40,000,000		
3									
4	Dual enrollment task force	0.0	0	0	0.0	10,000	10,000		
5	Expansion grants (head start to childcare)	0.0	0	0	0.0	3,990,000	3,990,000		
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3	Remove FY25 one-time and supplemental appropriations	(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)	25,000,000	25,000,000		
TOTAL MiLEAP		11.0	92,222,800	90,419,500	11.0	112,222,800	110,419,500		