

STATE OF MICHIGAN DEPARTMENT OF EDUCATION LANSING

GRETCHEN WHITMER
GOVERNOR

SUE CARNELL, Ph.D.
INTERIM STATE SUPERINTENDENT

Resolution to Support and Endorse the Invest in MI Kids Proposal

WHEREAS, the Michigan State Board of Education acknowledges that Michigan's public schools are the cornerstone of our communities and the foundation of our children's future; and,

WHEREAS, the Michigan State Board of Education believes strong public schools attract families, boost property values, and strengthen the workforce—benefiting everyone; and,

WHEREAS, Michigan's public schools are underfunded by \$4.5 billion, and more than 3/4 of all Michigan public school students attend schools in districts that are over \$2000 per pupil below adequacy¹; and,

WHEREAS, funding for Michigan's School Aid Fund has significantly decreased over the last two decades, and between 2015 and 2022, seven studies found Michigan does not provide enough money for the state's public schools²; and,

WHEREAS, in the 2021-2022 school year, Michigan offered the lowest starting teacher salary in the Great Lakes region³; and,

STATE BOARD OF EDUCATION

¹ What Will it Take to Achieve Funding Adequacy for All Michigan's Students, Education Law Center https://edlawcenter.org/assets/Michigan/2023 ELC MichiganReport Final.pdf

² - Augenblick, Palaich & Associates. "Michigan Education Finance Study." (2016).

Koenigsknecht, et al. "Special Education Funding Subcommittee Report, Submitted to Lt. Governor Brian Calley." (2017).

⁻ Michigan School Finance Collaborative, "Costing Out the Resources Needed to Meet Michigan's Standards and Requirements." (2018).

⁻ Arsen, David, Delpier Tanner, and Nagel, Jesse. "Michigan School Finance at the Crossroads: A Quarter Century of State Control." (2019).

Nagel, Jesse. "Special Education Finance in Michigan: Implications for Equity." PhD diss., Michigan State University, 2021. Hollenbeck, Kevin, Timothy J. Bartik, Randall W. Eberts, Brad J. Hershbein, and Michelle Miller-Adams. "The Road Toward K-12 Excellence in Michigan: How an Upgraded Financing System Can Better Support Enhanced Student Achievement." (2015).

⁻ Morgan, Ivy, Reetchel Presume, Mary Grech, and Ary Amerikaner. "Michigan's School Funding: Crisis and Opportunity." Education Trust-Midwest (2020).

³ Michigan Teacher Shortage Study: 2025 Report. Education Policy Innovation Collaborative. January 2025. https://epicedpolicy.org/wp-content/uploads/2025/01/Teacher-Shortage-Report Full-Report Dec2024.pdf

WHEREAS, the top 1% earners in Michigan pay a lower effective tax rate than everyday people pay (5.7% for the top 1% vs 7.1-9.7% for the bottom 80%)⁴; and,

WHEREAS, the lifetime earnings of Michigan's current K-12 students could increase by \$27 billion if their educational achievement matched the national average⁵; and,

WHEREAS, A 10 percent increase in per-pupil spending improved low-income students' graduation rates by seven percentage points, and their adult hourly wages by 13 percent⁶;

THEREFORE, BE IT RESOLVED that the Michigan State Board of Education hereby endorses the Invest in MI Kids proposed amendment to the Michigan Constitution to impose a 5% fair share surcharge on annual taxable income over \$1 million for joint filers and over \$500,000 for single filers, to raise funds for career and technical education, reducing class size and attracting and retaining educators in public schools across the State and is subject to an annual audit.

Resolution passed on October 14, 2025, by a vote of 5 - 2.

https://research.upjohn.org/cgi/viewcontent.cgi?article=1218&context=reports,

⁴ Michigan: Who Pays? 7th Edition. Institute on Taxation and Economic Policy. https://itep.org/whopays/michigan-who-pays-7th-edition/

⁵ UpJohn Institute

⁶ Does Money Matter in Education? Tanner Delpier, Jesse Nagel, Kelly Stec, Alounso Gilzene, David Arsen https://edge.sitecorecloud.io/michiqanstab57e-msustrateqi129d-prod9868-7e5e/media/Project/MSU/Education/Files/k12/does-money-matter-policy-brief.pdf