

## STATE OF MICHIGAN DEPARTMENT OF EDUCATION LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D. STATE SUPERINTENDENT

January 15, 2025

Dear Michigan Legislators:

As we welcome the new year, we also enter a fresh legislative term, one that offers us renewed opportunity to drive meaningful change and make a lasting, positive impact on the lives of Michigan's students, educators, and school communities. Together, we can build on past successes, address ongoing challenges, and work to ensure that every student in Michigan has the support, resources, and opportunities to succeed.

In recent years, we have worked closely with many of you to accomplish several critical items from both the 2023 and 2024 Michigan Department of Education (MDE) legislative priorities letters. I greatly appreciate your work on behalf of Michigan children and the educators who teach and support our students.

Passed and signed into law last session, <u>PA 146</u> and <u>PA 147</u> on literacy/dyslexia will substantially strengthen pre-service and in-service literacy training for teachers, require screening for characteristics of dyslexia and intervention when these characteristics are found in students, and improve reading materials, assessments, coaching, and student literacy. Passage of <u>PA 10</u>, <u>PA 11</u>, and <u>PA 23</u> makes it easier for students who experience foster care to earn and maintain their credits toward graduation, even if students move from school to school. Passage of <u>PA 127</u> will provide a boost to teachers and districts by reducing, beginning in fiscal year 2026, the too high MPSERS retirement contribution rate and eliminating the 3% health care cost for certain public school employees.

Below please find additional legislative efforts to help us continue to make progress toward the eight goals of the <u>Michigan Top 10 Strategic Education Plan</u>, approved by the State Board of Education in August 2020, with input from educators, parents, education organizations, business groups, and philanthropic organizations.

**More in-person instructional time for students.** State law requires a minimum of 180 days of instruction, but students typically experience fewer. The law permits up to nine days for closures due to conditions not within the control of school officials. In 2019, the state school aid act was amended to permit seven days of educator professional development to count as "student instructional time," which can reduce actual student instructional time additionally to 164 days. Professional development is very important but shouldn't be a replacement for student instructional time. In addition, in 2023, despite lessons learned during the COVID-19 pandemic, the state school aid act statute was amended again to permit 15 instructional days to be virtual instruction, a potential further reduction of the total days of *in-person* instruction to 149.

## STATE BOARD OF EDUCATION

2025 Legislative Priorities for Education Page 2 January 15, 2025

Virtual and other forms of instruction as substitutes for in-person instruction may work fine in many circumstances for students in their last two years of high school, who should have a whole range of opportunities off campus—from internships, externships, apprenticeships, and jobs to dual enrollment, early middle college, and career and technical education opportunities. However, it is important for most of our young people to be in school in person more days, not fewer. To lose up to 31 of 180 days of in-person instruction represents a potential six-week loss, one-sixth of the school year on paper. Michigan students deserve better. While it's not all about time, it doesn't mean that it isn't at all about time; it most assuredly is in part about time. The research on education during the pandemic made clear that children who were educated to a greater degree in person did better than those that were educated remotely. We need to roll back these changes from 2019 and 2023 for students in grades pre-K-10 and create greater flexibility in the days and hours of the education of our 11th and 12th graders.

**Expansion of Career and Technical Education (CTE) opportunities.** Michigan has made significant progress in expanding CTE participation and completion. Last school year, CTE enrollment hit a high of 112,156 students, an increase of more than 9,000 students (9%) in the last three years and greater than the pre-pandemic level. Last school year, CTE completers--those students who finish a full series of courses in a given area--totaled 52,625 students, the highest level in history, with an increase of more than 8,000 students (19%) over the last three years. Students enrolled in state-approved CTE programs have significantly higher high school graduation rates and higher earnings in the labor market. They acquire skills that prepare them for successful career entry, advancement, and/or continuing education for high-wage, high-demand careers.

Statewide, 25% of students in grades 9-12 enroll in CTE. Fifteen ISDs do not have a vocational millage and access to CTE programming can be uneven in ISDs that have millages. Over the next five years, an additional, significant investment is needed to expand opportunities for thousands of students who, because of funding, geography, transportation, and cultural barriers, have not been able to access state-approved CTE programming. This investment would provide competitive grants to local and intermediate school districts to establish new high school, state-approved CTE programs, launch a CTE middle school pilot program, implement a statewide public awareness campaign, and ensure robust data collection and performance measures, all of which align to Goal 4 of the Michigan Top 10 Strategic Education Plan.

**Mental Health and School Safety Funding.** For most of my career, there was no dedicated funding in the state for children's mental health or school safety. Prior to FY19, there was no specific financial support for this work. Funding rose over a five-year period and, though less this year than last, there is still \$107.8 million in recurring Section 31n funding and \$25 million in recurring Section 31aa funding, along with \$126.5 million in Section 31aa funding that has been designated as non-recurring. Consistent, recurring funding ensures that important initiatives such as counseling programs, crisis intervention teams, and security upgrades can be sustained and developed over time, rather than facing potential cuts due to budget fluctuations. With reliable, recurring funding, schools can also proactively address

2025 Legislative Priorities for Education Page 3
January 15, 2025

mental health concerns and potential safety issues, to further our progress on Goal 3 of the Michigan Top 10 Strategic Education Plan, through measures such as mental health education, peer support programs, conflict resolution programs, and training of staff on how to identify and respond to student mental health needs.

**Staffing Ratios for Helping Professionals.** In good measure due to the increases in children's mental health funding noted above, as well as Section 31o funding and increases in Section 31a funding, schools statewide have added 1,700 helping professionals—school social workers, guidance counselors, nurses, and psychologists—over the last five years. While these additional helping professionals have been enormously valuable, our schools continue to need more of these staff members to support students and teachers in classrooms.

The 2018 School Finance Research Collaborative (SFRC) study identified improvement of staffing ratios for nurses, guidance counselors, and other pupil support positions to be necessary to improve public education in Michigan. Over time, Michigan must provide adequate funding for school nurses (National Association of School Nurses staffing ratio recommendation of 750 students per school nurse), school social workers (School Social Work Association staffing ratio recommendation of 400 students per school social worker), and school counselors (American School Counselor Association staffing ratio recommendation of 250 students per counselor). This funding should not be required to be taken solely from operational funding in per pupil support; rather, it needs to be separate, directed, and recurring for local districts to properly plan for, budget for, and hire for student and school needs.

Increasing the number of certified teachers in areas of shortage. Our efforts to address the teacher shortage are meant to restrengthen the education of our children. Over the last three fiscal years, Michigan has invested more than \$1.1 billion to address the teacher shortage through programs that include, but are not limited to, scholarships to future educators; stipends for student teachers; mentoring and induction programs for new teachers and administrators; teacher student loan repayments; Grow Your Own programs for support staff and students to become teachers; and a rural credentialing hub. Many of these programs were recommended by MDE.

We appreciate the support of the governor and the legislature for these impactful investments. Michigan is making progress in addressing its staffing shortages. Teacher preparation program enrollment in Michigan declined from 23,203 in 2011-12 to 9,512 in 2016-17, a 59% decrease, but has increased every year since, to 16,260 in 2022-23, a 71% increase from 2016. The number of people who have become initially certified in Michigan has also increased each year over the past five years, with 4,017 teaching certificates issued in 2018-19 and 4,518 issued in 2022-23. Additionally, the Michigan educator workforce is becoming more diverse. The number of teachers of color has increased over the last eight years by 2,272, or 34%.

Investments in addressing the teacher shortage, consistent with Goal 7 of the Michigan Top 10 Strategic Education Plan, must continue for the foreseeable future. Grow Your Own programs are of particular value as they cast a wider net than

2025 Legislative Priorities for Education Page 4
January 15, 2025

historic recruitment efforts and generate a larger and more diverse mix of candidates and ultimately teachers.

**Extending the Pupil Transportation Reimbursement Program.** In an FY23 supplemental, on the recommendation of SFRC and MDE, the legislature appropriated \$350 million for reimbursement of general education transportation for the first time in 30 years and allocated \$125 million for each of FY24 and FY25. I greatly appreciate this effort, a matter of significant fairness particularly for those rural districts that transport students long distances and spend more money per pupil on the road and less in the classroom as a result. Michigan school districts transport an average of 500,000 students annually, cover over 100 million miles, and spend an average of \$628 million to ensure students attend school. This funding must continue.

Codifying Michigan School Meals in School Code. Begun last year with funding from the legislature and the governor, Michigan School Meals (MSM) has been very successful in providing one breakfast and one lunch daily at no cost to all Michigan public school students. In school year 2023-24, the number of students eating breakfast daily increased by almost 100,000, from 379,000 students in 2022-23 to 477,000 students in 2023-24. The number of students eating lunch daily also increased, from 723,000 students eating daily in 2022-23 to 867,000 students in 2023-24. That's 26% more students eating breakfast and 20% more students eating lunch daily. MSM improves nutrition security, reduces stigma, and increases positive student outcomes. While this program is funded in the School Aid budget, it is imperative to ensure its longevity by codifying MSM in the Revised School Code, in accordance with Goal 3 of the Michigan Top 10 Strategic Education Plan.

Preserving the Michigan eLibrary (MeL and MeLCat). The \$4.5 million Michigan eLibrary is an anywhere, anytime library for all Michigan residents. It includes both a library of digital resources focusing on topics such as vocational and college test preparation, workforce skills development, small business development, and basic home and automotive repair, as well as educational content for students from preschool through college. It also includes an interlibrary loan system that allows for the sharing and delivery of physical books and materials throughout the state. The Michigan eLibrary enables equitable access to information resources for all residents of Michigan, including small and rural schools, colleges, libraries, and communities. Over 70% of the funding for the Michigan eLibrary comes from federal funds through the Institute of Museum and Library Services and the Library Services and Technology Act, which may be at risk in the upcoming federal budget. It is crucial to ensure that the Michigan eLibrary receives the funds that it requires to continue serving Michigan residents.

Charter School Financial Transparency. In collaboration with MDE, the State Board of Education has long called for increased transparency regarding the finances of public school academies, more commonly referred to as charter schools, and their education management organizations (EMOs). The board passed resolutions in May 2013, December 2022, April 2024, and December 2024 to urge and support legislation to improve financial transparency of public school academies so that citizens can understand how public dollars are spent by public school academies and

2025 Legislative Priorities for Education Page 5 January 15, 2025

their EMOs with the same level of detail as for traditional public school districts. We appreciate the legislature's consideration of our efforts in the last legislative session to provide greater transparency for charter schools and their EMOs and urge the legislature to pass this year the more detailed, more meaningful legislation approved in the Senate last year. All we are asking is that the level of financial transparency be the same for public school academies and their EMOs as for traditional public school districts.

**Mentoring, Induction, and Training.** Educators who begin a new position require support. Mentoring, induction, and training have a direct impact on educator quality, sense of efficacy, retention, and by extension educator shortages.

Five years ago, there was only one educator group—new teachers—who were required by statute to have mentoring, and this mentoring was unfunded by the state. Upon MDE's recommendation, funding has been appropriated for mentorship, induction, and/or training of the following educators:

- new teachers,
- new counselors,
- new school administrators, including superintendents, and
- new school board members.

Section 27h includes \$49 million in grant funds to be made available to districts over five years to support mentoring and induction practices. These funds may be used to support new teachers, new school counselors, and school administrators, including new superintendents. Section 602 of the MDE budget appropriates \$150,000 per year for school board member training reimbursement. However, only new teachers, new school counselors serving in a teaching role, and new school administrators who are not superintendents are required to receive mentoring and induction. Additionally, new school board member training is optional and not currently mandated. To ensure that individuals in all of these critical groups have support when they start a new role, we ask that the legislature mandate mentorship and induction for new counselors and new superintendents and require training for newly elected local school board members.

**K-3 Class Size Reduction in High-Poverty Schools.** Class size reduction is critical for early learners enrolled in grades K-3 who attend high-poverty schools. Research shows a positive association between smaller class sizes and improved academic outcomes in early grades. To effectively teach literacy and numeracy to early learners in these grades, class size reduction would complement strong Tier 1 wholegroup instruction with small-group and 1:1 learning opportunities for students attending high-poverty Michigan schools. Michigan had a small class-size grant years ago, which was helpful to students and teachers in some of the highest poverty elementary schools in the state. This grant should be reinstated to strengthen early education in some of our poorest schools in the state.

**Disrupted Education.** Students experiencing foster care, students experiencing homelessness, and students involved in the juvenile justice system traditionally have been at greater risk of not experiencing academic success and not graduating in

2025 Legislative Priorities for Education Page 6
January 15, 2025

Michigan due to barriers created by systems and life circumstances. These groups of children experience disrupted education. Passed by the legislature and signed into law by the governor, PA 10, PA 11, and PA 23 of 2024 will require data tracking for students experiencing foster care, review and oversight of any educational program in a child-caring institution for youth experiencing foster care, and the pursuit of Michigan Merit Curriculum graduation requirements and the ability to receive educational records to the same extent as students who are not in foster care.

These new laws lay an important foundation for addressing the 40% graduation rate of students experiencing foster care, less than half the state average for all students. While much has been accomplished, critical areas not yet addressed via state law include 1) extending protections for students experiencing homelessness and students involved in the juvenile justice system, 2) ensuring the correct education decision-maker is assigned to all students with disrupted education that need one, and 3) a requirement of processes for accrual and transfer of high school credits, awarding of diplomas, and personal curriculum options as a means to high school completion for all students with disrupted education. We ask that the legislature provide statutory requirements specific to these areas as stated above. To do so would support PA 10, PA 11, and PA 23 of 2024 and at the same time remove additional barriers to success for students experiencing foster care, students experiencing homelessness, and students involved in the juvenile justice system.

**Mandatory LETRS (Language Essentials for Teachers of Reading and Spelling) Training.** Reading is critical to success in school and in pursuit of one's dreams. MDE appreciates the funding for LETRS training for the past four fiscal years, a total of \$34 million, which will improve staff literacy professional development and student reading levels over time. Through this support, 3,200 educators have completed the training, and another 6,800 are working towards completion. Michigan educators who have completed the training and those who have begun it have shared that this professional learning has elevated their teaching and student learning.

LETRS, grounded in science of reading research and structured literacy, should be mandatory for all educators who teach reading and spelling. The training directly aligns with requirements for professional development outlined in the newly passed PA 146 of 2024. LETRS provides professional development for educators in the five main components of literacy (phonics, phonemic awareness, comprehension, fluency, and vocabulary). In addition, LETRS is accredited by the International Dyslexia Association as being research- and evidence-based training that is effective in improving literacy outcomes for children who display characteristics of dyslexia. LETRS should be mandatory for educators that teach early literacy because it has proven to improve literacy outcomes for students. North Carolina and Mississippi, states that have statutory requirements for LETRS training, demonstrate the potential for the type of literacy improvement that Michigan needs, as demonstrated in Goal 2 of the Michigan Top 10 Strategic Education Plan.

**Mandatory Enrollment of Resident Students Through Age 20.** To better serve all students, the legislature must ensure that K-12 resident school districts enroll *all* resident students who are less than 20 years old on September 1 of the school year, have not yet obtained their high school diploma, and desire to do so. While the state

2025 Legislative Priorities for Education Page 7
January 15, 2025

provides school aid funding for these students, a change made in recent years, some districts refuse enrollment and leave eligible students without access to education. By addressing this issue, the legislature would safeguard access to education for all eligible Michiganders striving to complete their high school education.

**Safety Protocols and Teacher Certification.** To better support student safety, MDE must have the authority to take action against educator credentials of staff who have significant criminal convictions, but which are not currently crimes for which MDE may suspend an educator certification. State law has not been updated to account for the changing landscape in technology and offender behavior, which could put student safety at risk. This is especially concerning with the prevalence of predatory online grooming behaviors.

**Trained Staff as Substitute Teachers.** Educator workforce shortages continue to affect the ability of Michigan school districts to appropriately staff schools to maximize student learning. As mentioned previously, we are grateful for the resources that the governor and legislature have provided to address the teacher shortage. However, to provide local districts with an additional option for addressing their workforce shortages, state law should be expanded to allow people to qualify for substitute teaching if they hold specialized credentials and are prepared to work with Michigan learners. While maintaining the option for 60 college credits as a requirement for substitute teaching, the law should be amended to also allow people to substitute teach without this college credit if the individual holds a Child Development Associate (CDA) credential or Michigan Youth Development Associate (MI-YDA) credential and is either over age 21 or enrolled in a teacher preparation program. People who hold these credentials are prepared to work with learners through specialized coursework, the development of portfolios, and participation in practical field experiences.

**Enrolling Every Child.** Michigan enrolls students in traditional public school districts and public school academies (PSAs) and, in recent years, our understanding of private and parochial school student enrollments has grown, depending on the interaction of private and parochial schools with particular state-funded programs. For the safety of ALL students, it is important to enroll students in the following four categories:

- public schools (including charter schools)
- private schools
- parochial schools
- home schools

Having a record of all children enrolled in these four categories would provide an understanding of the children not currently enrolled in any learning environment. The issue of "missing children" is a <u>national problem</u> with potential negative consequences for too many children.

Parents should be able to choose the best educational system for their children. However, there is a history in Michigan and across the nation of some children not receiving any education at all, in particularly egregious cases in abusive or neglected 2025 Legislative Priorities for Education Page 8
January 15, 2025

environments. Knowing where all children are enrolled in an educational setting is an issue of child welfare. We ask the legislature to join the <u>vast majority of states</u> in our country by passing legislation requiring notice to local districts regarding a family's intent to homeschool a child.

**MPSERS and MDE.** MDE has 1% of the state government workforce but is responsible for distribution and oversight of more than 20% of the state's revenue. MDE team members are experts in their fields. Expertise of this level requires years of experience and education. Often, teachers and administrators in school districts are interested in serving as staff members at MDE but choose not to move into state service due to the incompatible educator and state employee retirement systems. Those who do come to MDE from local districts often do so after retirement and thus only serve in the department for a few years. The legislature needs to permit teachers and administrators who are interested in serving in state government the option to stay in the MPSERS pension system if they choose to work in state government.

**ACT Work Keys.** Since 2007, a Work Skill Readiness assessment has been required as part of the Michigan Merit Exam (MME). This requirement has been met by administering the ACT WorkKeys examination. This exam requires a morning of testing and costs the state almost \$5 million each year. Since 2007, interest in and use of the ACT WorkKeys and the resulting National Career Readiness Certificate has waned. Many educators, parents, and students do not see the need to continue to require all 11<sup>th</sup> grade students to take this exam. The ACT WorkKeys is not used for any portion of the Michigan accountability system, and removal of this requirement would not affect state or federal accountability requirements. We urge the legislature to remove this requirement from statute to reduce spending and testing time and free up a school day for Michigan's 11<sup>th</sup> graders.

Adequate and equitable school funding. The fiscal year 2023 and 2024 budgets were the best in the post-Proposal A (post-1994) era, and the last three budgets have been the best three consecutively during the post-Proposal A era. During this period, the per-pupil foundation allowance increased 15%, from \$8,700 in FY22 to \$10,008 in FY25 (the FY25 number for traditional public school districts includes the average revenue associated with the Michigan Public School Employees Retirement System contribution rate reduction). Section 31a funding for economically disadvantaged students increased 101.8% from \$512.5 million in FY22 to \$1.03 billion in FY25. Section 41 funding for English learners rose from \$25.2 million in FY22 to \$50.2 million in FY25, or 99.2%. Foundational funding for students with disabilities grew from \$90.2 million (Sec. 51f) in FY22 to \$499.6 million in FY25 (Sec. 51e), or 453.9%. GSRP pre-school funding increased from \$418.5 million in FY22 to \$655.3 million in FY25, or 56.6%, and funding for rural/isolated districts increased from \$8.4 million in FY22 to \$12.3 million in FY25, or 46.2%. As previously mentioned, in FY24 and FY25, the state began funding of \$125 million annually for the reimbursement of general education transportation expenses.

In spite of these noteworthy and much appreciated increases, which have helped districts begin to address staff shortages and improve education and support for children, districts remain underfunded by billions of dollars and understaffed relative

2025 Legislative Priorities for Education Page 9
January 15, 2025

to School Finance Resource Collaborative (SFRC) recommendations, which include classroom educators and librarians, as well as helping professionals, support staff, and administrators.

Take a single critical example of this underfunding: funding for students with disabilities. Special education expenditures in the state exceeded special education revenue by \$601 million in the last year for which data are available (FY23), and this underfunding is simply the difference between actual special education expenditures and actual special education revenue, not the difference between actual special education revenue and what expenditures would be under the SFRC recommendations. The SFRC study recommended 70% more than base funding for students with mild disabilities, 115% more than base funding for students with moderate disabilities, and full cost reimbursement for students with severe disabilities. The FY25 state school aid act funded a study to determine the extent of underfunding of the needs of students with disabilities in the state. Assuming that this study adopts weights similar or identical to SFRC weights for the funding of students with disabilities, the department anticipates that the underfunding will exceed the aforementioned gap between special education revenue and special education expenditures.

Like the issue of time mentioned at the beginning of this letter, while it's not all about money, it doesn't mean that it isn't at all about money; it is in part about money. A 2019 Michigan State University Education Policy Report found that, from 1995 to 2015, Michigan was dead last in the nation among states in inflationadjusted, total revenue growth and third to last in inflation-adjusted, per pupil revenue growth. We continue to experience the adverse impacts of this underfunding, in our teacher shortage and other areas, and to seek to improve our school funding to support students and staff.

To properly staff Michigan schools across the 100,000 miles of this great state, from the Upper Peninsula to the Indiana border, from one great lake to two others, Michigan must fund inflation-adjusted SFRC recommendations, including those for base funding and for economically disadvantaged students, students with disabilities, English learners, pre-school students, students in rural/isolated districts, and students in career and technical education. In addition, there is a pending study commissioned by the state legislature with the School Finance Research Foundation on school district infrastructure costs. Michigan is one of the few states that has historically not provided funding for these expenses. This study, due to be released in the coming months, will certainly indicate substantial costs associated with Michigan's aging school buildings.

To address SFRC recommendations and fully meet the needs of Michigan's children, consistent with Goal 8 of the Michigan Top 10 Strategic Education Plan, it will be necessary to consider and ultimately pass a voter referendum to improve funding and profoundly improve student educational outcomes.

The State Board of Education and I look forward to continued work with the governor and her staff, state legislators, legislative staff, and the State Budget Office, as well as our statewide education organization partners, local educators, and other

2025 Legislative Priorities for Education Page 10 January 15, 2025

interested parties on these and other priorities for the benefit of Michigan's children. Together, we can improve Michigan public schools to better educate and support Michigan's students.

Thanks for your consideration of this letter. If you have questions, please feel free to reach out to MDE's legislative liaison, Olivia Ponte, at <a href="mailto:ponteo1@michigan.gov">ponteo1@michigan.gov</a>.

Sincerely,

Michael F. Rice, Ph.D. State Superintendent

cc: State Board of Education

Governor Gretchen Whitmer Lt. Governor Garlin Gilchrist II Jen Flood, State Budget Director

Kyle Guerrant, Deputy State Budget Director