



SCHOOL EQUITY CAUCUS

Making a difference for the public school children of Michigan

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INFORMATION ALERT: GOVERNOR'S FY 2026 BUDGET PROPOSAL

Dear Members,

The Governor's new budget proposal was presented in Lansing just moments ago. At first glance, it is a step in the right direction, with funding increases in many of the areas we have advocated for, including base foundation, special ed, at-risk, transportation, and CTE.

The new theme for this year's budget is Getting SMART on Education, which seeks to increase transparency and incentivize the use of best practices across the state, particularly in lower performing districts. Here are the highlights:

K-12 Education

- ***\$516 million to support school operations through a 4.1% increase in base per-pupil funding— equating to an additional \$392 per student, for a total of \$10,000 per pupil.***
- \$94 million to provide a 4.1% increase in funding to support academically at-risk students, English language learners, career and technical education students, and students in rural school districts.

- \$202.4 million to continue expanded support for special education students – a 10% increase in the state allocation from adjusted current law levels.
- \$258 million to support the mental and emotional wellbeing of 1.4 million students through continuation of mental health and safety grants to districts.
- \$250 million to implement the Governor’s Students, Metrics and Results with Transparency plan to drive improvements in student outcomes. The SMART Plan would keep parents informed about the standing of their child’s school—increasing engagement with parents.
- \$23 million to provide additional literacy coaches and more instructional time to implement literacy improvements through the science of reading and meet new dyslexia requirements.
- \$75 million to continue historic investments to improve the educator talent pipeline by providing a tuition-free route to becoming a teacher through the MI Future Educator Fellowship and Student Teacher Stipends.
- \$50 million for Grow-Your-Own programs to provide resources to school districts to help staff get the education and training they need to become certified teachers.
- \$676.1 million to continue providing universal pre-K through the Great Start Readiness Program to an estimated 57,100 children, including:
 - \$392 increase to the per child allocation, for a total of \$10,577 per student.
 - \$28 million in continued support for GSRP student transportation.
 - \$25 million to fund startup grants to attract new providers and classrooms.
 - \$61 million to continue expanding access to 3-year-olds through the Strong Beginnings program. This additional funding is projected to grow the program to nearly 4,000 children by 2029.
 - \$4.7 million increase for Early On services, bringing total funding to \$28.4 million.
- \$200 million to continue providing free school meals to all 1.4 million public school students, saving families \$850 per year.

- \$1 million to ensure test fees remain capped at \$5 for low-income students taking high school courses for college credit, covering 34,350 exams.
- \$3 million to provide financial literacy education services to Michiganders.
- \$125 million to expand CTE programs in underserved districts and fund the “Future Ready” pilot program in middle schools.
- \$40.4 million to provide academic remediation, specialized tutoring, and enrollment into career and technical training or college, with the goal of assisting individuals with disabilities on a pathway to in demand jobs.
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- \$50 million deposit into the rainy day fund for schools, bringing the balance to a total of \$550 million set aside to shield school funding from future economic uncertainty.

Higher Education & Workforce Development

- \$84.4 million to fund a 4% ongoing increase for university and community college operations to enhance higher education learning and support Michigan's goal of 60% of working adults earning a degree or skills certificate by 2030. Since Governor Whitmer took office, Michigan's education attainment has risen from 45% to 51.8%.
- \$50 million investment in the Postsecondary Scholarship Fund to continue fully phasing in costs of the Michigan Achievement Scholarship, providing a tuition free pathway for full time community college students, and two out of three full-time students at public or private 4-year universities up to \$27,500 toward a 4-year degree. More than 56,000 scholarships were awarded in the 2024 fall semester and 100,000 students are expected to benefit once the program is fully implemented.
- \$15 million for the College Success Fund, which supports public and private universities and community colleges to improve student support and completion efforts.

For complete Budget details, see the link below:

<https://www.michigan.gov/budget/-/media/Project/Websites/budget/Fiscal/Executive-Budget/FY26-Exec-Rec/Current-Executive-Budget/FY26-Budget-Book.pdf?rev=c2edf0642805431584504d5e834e7039&hash=6856EB0864CB8F39B033AC26317E962A>

For a copy of the presentation shared with the Senate this morning, please see the link below:

<https://www.michigan.gov/budget/-/media/Project/Websites/budget/Fiscal/Executive-Budget/FY26-Exec-Rec/Current-Executive-Budget/FY26-Executive-Budget-Recommendation-Presentation.pdf?rev=e1a940f361744be2ae0e39e270ff04c6&hash=33D3780EC8BB1E0BB51909408BC10529>

Stay tuned for additional Information Alerts as the Senate and House begin to share their budget proposals.

Best regards,

A handwritten signature in black ink, appearing to read 'B. Keim', with a stylized flourish at the end.

Brian Keim
Executive Director

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