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Michigan Association of Superintendents & Administrators

MASA Legislative Update

Brought to you by: 

July 3, 2025

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Summary

The Legislature **failed to pass the School Aid budget before the July 1 deadline** – breaking a law they enacted themselves and creating significant uncertainty for school districts across the state. In response, MASA and a coalition of educational organizations issued a [joint statement](#), underscoring the consequences of this missed deadline and **urging legislative leaders to come together to deliver a timely, high-quality budget that supports Michigan’s public schools.**

On the federal side, the Senate **narrowly passed a reconciliation bill known as the “One Big Beautiful Bill Act”** by a 50-50 vote, with Vice President JD Vance casting the decisive tiebreaking vote. The bill returned to the House, where it is expected to pass before the July 4th self-imposed deadline and be sent to President Trump for his signature.

As always, please [contact MASA](#) with any questions or concerns.

Passes

The Legislature **failed to pass the state's School Aid Fund budget by the July 1 statutory deadline**. Despite ongoing negotiations and reports that leadership has been working toward a deal, a final agreement appears to still be out of reach.

On Tuesday evening, the Senate adjourned, with Senate Majority Leader Winnie Brinks telling reporters she was confident the budget would not be finalized in time. Later that night, the House introduced a third version of the School Aid Fund budget – widely viewed as a political move to signal progress. According to media reports, House leadership was relying on Democratic support to advance the measure. Ultimately, the House did not take up the bill and adjourned.

MASA, along with our coalition partners, issued a [joint statement](#) urging the Legislature to come together and finalize the School Aid Fund budget – without tying it to unrelated issues, such as a roads deal.

At this time, the House is not expected to reconvene until July 15, and the Senate has not announced a return date. While negotiations may continue behind the scenes, **the timeline for resolution remains unclear**.

We will continue to keep you informed and advocate strongly for a timely, responsible budget. In the meantime, we encourage you to contact your legislators and share your concerns directly.

Federal Reconciliation Bill Expected To Be Sent To President Trump

On Tuesday, Vice President JD Vance cast the tie-breaking vote in the Senate to secure passage of the reconciliation package, which split 50-50 with all Democrats opposing, along with 3 Republican dissenters. The bill is **expected to be voted on and approved** by the House of Representatives before the July 4th deadline, and **President Trump is expected to sign the legislation**.

As previously reported, the Senate made **several significant changes to the bill**, including provisions that impact schools:

back into the final bill.

- **Medicaid:** The bill now includes **new caps and limits on provider taxes**, which experts believe will have a negative impact on hospitals and other Medicaid providers. Notably, the estimated cost to Michigan could reach \$2 billion and potentially result in 200,000 residents losing coverage.
- **Federal Voucher Program:** The program was initially removed but later **reinstated with several key changes**:
 - The cap on donation amounts eligible for a tax credit was eliminated, and the tax credit was made permanent.
 - A provision preventing federal control over religious or private schools was removed.
 - The program was revised to be **opt-in**, meaning states can voluntarily establish a voucher nonprofit system without any federal mandate to do so.

Call to Action: Federal Education Dollars Still on Hold

With the July 1 deadline now passed, the **U.S. Department of Education has yet to release FY25 allocations for several key programs** – including Title I, Part C; Title II, Part A; Title III; and Title IV, Part B – totaling nearly \$4.8 billion. This delay is causing significant disruptions to district planning and budgeting nationwide.

We strongly encourage members to contact their congressional offices to help **apply pressure on the U.S. Department of Education to release these funds**. AASA has also issued a [statement](#) calling on the Department to take immediate action.

Please send the short message below to the education staffers in your congressional members' offices ([emails attached](#)), and feel free to personalize it as needed.

I serve as the Superintendent of [District Name], and I am increasingly

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This delay has significantly disrupted my district's ability to plan for the upcoming school year and finalize our budget. With the July 1 deadline – when we typically receive this funding – now behind us, I am very concerned that we may not have the resources we have planned for and rely on to support our students and staff.

Can you please contact the U.S. Department of Education to request an update on when we can expect these allocations to be released? Any information you can provide would be greatly appreciated.



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