

# ADVANCING EQUITY & OPPORTUNITY: PRIORITIZING PUBLIC EDUCATION IN MICHIGAN'S STATE BUDGET



## BRIEF ON THE FISCAL YEAR 2020 EXECUTIVE SCHOOL AID BUDGET RECOMMENDATION

By Lauren Hubbard

Over the past several years, state leaders and the general public have recognized the serious and growing crisis in Michigan public education.

During the last fourteen years, Michigan's education performance compared to states around the country has declined dramatically across almost all groups of students in key subject areas and grades on the national assessment. As students advance from high school to post-secondary education, many find themselves underprepared, requiring expensive additional coursework and remediation support.

In the Fiscal Year 2020 Executive Budget Recommendation, Governor Whitmer proposes a series of investments which prioritize access to opportunity for students who have historically been left behind and underserved in Michigan's public education system. This includes students of color, students from low-income families and students with disabilities.

This document is intended to highlight key pieces of Governor Whitmer's [budget recommendation](#) and how these priorities can advance equity and excellence in Michigan schools.

While funding alone will not fix Michigan's educational crisis, it is important for supporting improvement. Supporting educators through improvement-focused systems of support, and evidence-based practices and policies, all help advance improvement by supporting the hard work that classroom educators do each day to support their students.

### FAIR SCHOOL FUNDING

The Education Trust's [Funding Gaps 2018](#) report found that Michigan's lowest poverty districts receive 5 percent more per pupil in state and local funding, on average, than its highest poverty districts. This places Michigan 43<sup>rd</sup> out of 47 for funding gaps that negatively impact low-income students. Furthermore, Michigan is one of only sixteen states that provides less

funding to its high-poverty districts than its low-poverty districts.<sup>1</sup>

Schools and districts should be funded to appropriately meet the needs of their students, recognizing that some students need greater support to reach their full potential.

- Governor Whitmer's executive budget recommendation moves in the right direction by both increasing school funding overall and targeting resources for students with the greatest need. The governor's budget includes an increase of \$235 million to the foundation allowance, or the per-pupil base funding for schools and districts. This translates to a per pupil increase of \$120-\$180, depending on the current funding level of the district. Districts at the minimum foundation allowance would receive \$8,051 and districts at the maximum would receive \$8,529.
- Governor Whitmer's budget also includes a \$102 million increase for at-risk students, including students from low-income families. If adopted, approximately \$894 per pupil in additional funds would be provided to schools to meet the additional learning needs of students from low-income families and other vulnerable student groups.
- Similarly, the governor proposes an increase of \$2,571 per student for special education services. In 2018, Michigan was the only state to be designated as "[needs intervention](#)" in implementing the requirements of the Individuals with Disabilities Education Act (IDEA) by the U.S. Department of Education.

#### *Education Trust-Midwest Analysis:*

*These proposed funding increases, coupled with evidence-based implementation, are a step in the right direction toward creating a more equitable funding system for Michigan students.*

## IMPROVING EARLY LITERACY

Michigan currently ranks 35<sup>th</sup> in the nation in fourth grade reading on the [national assessment](#), down from 28<sup>th</sup> in 2003. Additionally, on the [2018 M-STEP](#) assessment, the statewide proficiency rate for third grade English language arts was a mere 44.4 percent.

In October 2016, Michigan passed a comprehensive third-grade reading law with the goal of improving early literacy rates in the state. Research shows that students who can read by third grade are more likely to graduate from high school<sup>ii</sup> and therefore more likely to earn higher wages and remain outside to the criminal justice system.<sup>iii</sup>

The law focuses on students in kindergarten through third grade by requiring districts to adopt reading assessment and intervention systems. It is also intended to support a literacy coaching professional development model for K-3 teachers. Most notably, beginning in the 2019-20 school year, third-grade students who do not meet state-determined reading proficiency requirements will not be promoted to the fourth grade.

Over the past four years Michigan state leaders have invested a total of \$120 million in early literacy strategies, but during that same time Michigan's third-grade reading levels on the M-STEP have declined. As the state continues to devote dollars to literacy initiatives, it's important that these dollars are spent on the most effective, research-based strategies.

- The Governor's budget recommendations propose more than \$55 million for early literacy efforts that are aimed at increasing student proficiency in reading by the end of third grade. Collecting and utilizing data on the effectiveness of these efforts will be critical for informing future investments and spending resources most effectively.
- This includes increased support for literacy coaches in Michigan by \$24.5 million, with the goal of tripling the number of literacy coaches deployed in Michigan schools.

### *Education Trust-Midwest Analysis:*

*Educators deserve a pipeline of professional development and learning throughout their career to foster continuous improvement. Literacy coaching has proven effective in many states – such as Alabama and Tennessee – and research shows that 82% of teachers find feedback from a coach or mentor somewhat or extremely helpful for improving instructional practice.<sup>iv</sup>*

*As our [2018 State of Michigan Education](#) report examined, investing in evidence-based models, including literacy coaches is good policy, but must also be followed up with best-practice implementation. As Michigan implements a literacy coaching model, it will be critical for the state to follow best practices by selecting and supporting highly effective educators – who have a demonstrated track record of improving student achievement – in these coaching roles.*

*It is vital that dollars are being allocated toward evidence-based programs in Michigan to ensure all students, regardless of background, can read by third grade. State leaders should collect, analyze and report data on the effectiveness of current programs, including student outcomes to inform future investments in early literacy.*

## EXPANDING POSTSECONDARY ACCESS

Currently, two-thirds of jobs require some form of postsecondary training<sup>v</sup> and individuals who attend college have higher earning potential and lower unemployment rates in the long run.<sup>vi</sup>

In Governor Whitmer's first State of the State address, she proposed a statewide goal of 60 percent of Michigan adults holding a postsecondary credential by 2030. In pursuit of this goal, Governor Whitmer proposed:

- Michigan Reconnect Grant Program – based on a similar program in Tennessee – where high school graduates 25 and older could take tuition-free courses leading to the completion of an in-demand technical certificate or associate degree. Funding would also be allocated to

provide academic and career counseling to participating adults. The Governor's proposed budget includes \$110 million to fund the first two years of this program.

- Additionally, Governor Whitmer announced the MI Opportunity initiative during her 2019 State of the State address. This initiative would provide two years of free tuition at Michigan's public community colleges to graduating high school students. For high school graduates pursuing a bachelor's degree who are in good academic standing and have financial need, this initiative would provide a two-year stipend toward tuition costs at a Michigan public or not-for-profit college or university. The Governor's budget proposes that the MI Opportunity initiative will take effect in Fiscal Year 2021.

#### ***Education Trust-Midwest Analysis:***

*In order for Michigan's students to fulfill their true potential and be the leaders of tomorrow, more must enroll and complete postsecondary education. Being prepared academically and accepted to college is only part of increasing access, as Michigan students must also be able to afford to stay in school and graduate. Governor Whitmer's proposed programs work towards increasing affordability and therefore promoting greater access to Michigan's community colleges, trade schools and 4-year colleges and universities.*

- i. Ivy Morgan and Ary Amerikaner, "Funding Gaps 2018," (Washington, D.C.: The Education Trust, February 27, 2018). <https://edtrust.org/resource/funding-gaps-2018/>
- ii. Donald J. Hernandez, "Double Jeopardy: How Third-Grade Reading Skills and Poverty Influence High School Graduation," (Baltimore, MD: Annie E. Casey Foundation, 2011). <http://www.aecf.org/resources/double-jeopardy/>
- iii. Jason Breslow, "By the Numbers: Dropping Out of High School." (Boston, MA: Frontline, 2012). <https://www.pbs.org/wgbh/frontline/article/by-the-numbers-dropping-out-of-high-school/>
- iv. Andrea Prado Tuma, Laura S. Hamilton and Tiffany Tsai, "How Do Teachers Perceive Feedback and Evaluation Systems?," (Santa Monica, CA: RAND Corporation, 2018). [https://www.rand.org/pubs/research\\_briefs/RB10023.html](https://www.rand.org/pubs/research_briefs/RB10023.html)
- v. Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, "Recovery: Job Growth and Education Requirements Through 2020," (Washington, D.C.: Georgetown University Center on Education and the Workforce, June 2013). <https://cew.georgetown.edu/cew-reports/recovery-job-growth-and-education-requirements-through-2020/>
- vi. Philip Trostel, "It's Not Just the Money: The Benefits of College Education to Individuals and to Society," (Washington, D.C.: Lumina Foundation, 2015). <https://www.luminafoundation.org/files/resources/its-not-just-the-money.pdf>