State Budget Update

The Kalamazoo Community Foundation’s Public Policy Agenda includes priorities that require funding and policy change. As we often hear, the State’s budget is the clearest representation of its priorities. While no budget is perfect, there are many highlights for 2023-2024 in line with our Policy Agenda and our values.

To impact the 2023-24 Budget for the State of Michigan, KZCF staff and partners had direct meetings with elected officials including Appropriations leadership, participated in advocacy days coordinated by coalitions, represented Kalamazoo in statewide coalitions, supported grassroots advocacy communications to lawmakers, and attended a statewide policy conference.

KZCF Agenda Priority: Equitable School Funding

Public schools should be financially supported by tax dollars at a rate that enables districts to meet the educational and developmental needs of each child at their neighborhood school.

Along with $458 increase in the foundation allowance (from $9,150 to $9,608 per-pupil allotment to districts) districts will receive significantly more funding to meet the educational needs of students with special needs, English language learners and students living in concentrated poverty.

- The newly created Opportunity Index will provide an additional 11.5-15.3% per student in districts with high concentrations of poverty, an increase of over $200 million.
- For the first time, provided a full foundation allowance for students with disabilities plus an additional 28.6% for the cost of special education services.
- A 50% increase in funding for English language learners of 13.3 million.
- $150 million for effective, evidence-based, high dosage tutoring
- $25 million to provide free school lunch and for all prek-12 students.
- A milestone investment of $50 million will increase access to before, afterschool and summer learning opportunities.
- For the first time, funding of $125 million for transportation, so districts do not have to take the cost of getting to and from school out of the foundation allowance.

KZCF Agenda Priority: Early Learning

All children should have access to high quality and affordable early education and care in the location and times needed to support their family’s needs.

Michigan is taking great strides to expand access to childcare and PreK both in planning and in funding. The Michigan Economic Development Corporation provided grants to community-based organizations to develop regional plans to address the systemic and economic needs of childcare in communities. Kalamazoo is in region 8. While these plans are in development the legislature increased access to state-funded preschool and allotted federal funds for traditional early learning and care programs.

- 543 million to expand the Great Start Readiness Program, increasing the number of families that qualify by raising the household income from 300 FPL to 400 FPL ($120k for a family of 4)
- Allows GSRP programs to expand from 4 to 5 days a week with an additional increase in funding,
- $30 million in one-time federal funds for provider training, recruitment and retention
• With many COVID-era relief programs set to expire that expanded resources for traditional early learning and care programs, $167 million of remaining federal funds were used to extend these programs for the FY 23-24 year.

**KZCF Agenda Priority: Housing**

*Every person in Kalamazoo needs access to safe, secure, and stable housing.*

Earlier this year, the legislature invested $150 million in the Michigan Housing and Community Development Fund (MHCDF) to build and refurbish affordable housing and revitalize downtown areas across the state. Additionally, the Michigan State Housing Development Authority is convening groups (Kalamazoo is in region J) to implement the first Statewide Housing Plan unveiled in 2022. While these planning groups are currently working statewide to address Michigan’s long-term housing needs, the legislature included the following in line with KZCF’s housing priorities:

• An additional $50 million (MHCDF) to expand access to affordable housing and revitalize downtown areas.
• $2.5 million for an Eviction Right to Counsel program in Detroit, providing access to an attorney for tenants facing eviction.

**KZCF Agenda Priority: Justice**

*The Criminal Justice system should reflect a commitment to equal treatment, accountability, fairness, and transparency ensuring that all individuals feel safe and secure in their communities.*

The 2022 KZCF sponsored Closing the Gate report prepared by the Michigan Center for Youth Justice called for substantive change to the juvenile justice system to create an anti-racist juvenile Justice system in Kalamazoo County and better meet the needs of youth, community-based program providers and the legal system. Many of the recommendations aligned with those of the 2022 statewide Juvenile Justice Task Force. Substantial appropriations to enact those recommendations were needed and included in the FY 23-24 budget.

• $31.5 million to increase youth-related reimbursements to Counties from 50% to 75% to expand the use of quality community-based care for youth – incentivizing diversion programs over incarceration.
• $34.2 million to enact various recommendations from the Task Force on Juvenile Justice Reform, including creating a Juvenile Justice Services Division within the State Court Administrative Office and expanding the scope of the Office of the Children’s Advocate.
• $10 million to create a new foster care respite care program to provide temporary, occasional relief to foster parents.

Additional funding for priority issues included:

• $6.8 million to establish the Office of Community Violence Intervention Services to partner with community-based organizations already working to reduce violent incidents.
• $25 million to support crime victims, especially critical for survivors of domestic violence
• $2.9 million to implement gun violence prevention policies aligned with the passage of historic gun-safety laws.
• $316k to expand ALPACT statewide and create an office serving the Upper Peninsula
KZCF Agenda Priority: Civil Rights

The civic health of Kalamazoo is critical to our success and all citizens in the community should be enabled and empowered to participate in public discourse and decision making.

The passage of Proposal 2 in 2022 which dramatically increased access to voting opportunities requires a significant shift for county and other municipal clerks. The legislature included:

- $30 million for grants to counties to coordinate implementation of early voting by local governments.
- $20 million for the costs of the 2024 presidential primary and related costs that have increased because of the passage of Proposal 2.

KZCF supported expansions of the Elliot-Larsen Civil Rights Act to include sexual orientation, gender identity or expression, and racial characteristics including hair. The FY23/24 budget includes additional funding of $2 million to the Department of Civil Rights to support additional litigation, community outreach and training.

Additional Areas of Interest

Higher Education

- $50 million to provide future educators with a stipend during their student teaching which would now be paid to the student directly with no restrictions on use.
- $10 million to assist students in filling out their FASFA applications.
- $225 million to create a student loan repayment program for School district and ISD/RESA staff.
- $70 million to temporarily lower the eligibility age for Reconnect from 25 to 21, making a tuition-free associate degree or skills training available to 350,000 more Michiganders.
- $50 million additional investment for the ongoing costs of the Michigan Achievement Scholarship, lowering costs by thousands for students, bringing the FY24 investment to $300 million.

Health Access

- $49.5 million to implement recommendations from the Racial Disparities Task Force, including neighborhood health grants, mobile health units, sickle cell support and more.
- Eliminated the 5-year wait for Medicaid eligibility for lawfully residing immigrants.
- $161,000 to initiate a Diversity, Equity, and Inclusion summit focusing on health equity and strategies for reducing health disparities with a focus on maternal and infant health.
- $140 million to increase wages for direct care workers and other staff assisting those with disabilities and seniors who require home-based and nursing home services and support.
- $156.8 million to increase reimbursement rates for Medicaid services to improve enrollee access to necessary health care.