



FY24 Executive Budget Recommendation Summary

This document summarizes the Executive Recommendation for the State of Michigan's Fiscal Year 2024 budget which would begin on October 1, 2023. The FY24 budget recommendation was presented to the Legislature during a joint hearing of the Senate and House appropriations committees on February 8, 2023. The fiscal year 2024 Executive Budget Recommendation, including all state and federal revenue, totals \$79 billion. The state's total General Fund Budget is \$15 billion and the state's School Aid Fund budget is \$19 billion.

The proposed budget includes a total investment of \$492.6 million ongoing funding for our state's community colleges. Additionally, the Governor recommends a \$74.8 million supplemental for fiscal year 2023 to invest in infrastructure improvements and student wellness support resources.

The Legislature will now begin the process of reviewing and adjusting the budget before adopting it.

OPERATIONS + INSTITUTIONAL AID

Community College Operations Increase

The Executive Recommendation includes a 4.0% increase to community college operations grants (\$13.6M SAF) distributed through the existing funding formula. Projected net increases to community colleges range from 2.3% to 5.7%, which also includes any adjustments MI Indian Tuition Waiver (MITW) payments.

Infrastructure, Technology, Equipment, and Maintenance (ITEM)

The Executive Recommendation includes \$58.7M (SAF) allocated to community colleges by FYES in the FY23 supplemental to support improvements in existing facilities, buildings, and other physical and technological infrastructure. These funds will help address deferred maintenance needs across college campuses and extend the lifespan of these critically important public spaces.

MPSERS

The Executive Recommendation includes \$30.9M for MPSERS, bringing the total line to \$136M.

Renaissance Zone Tax Reimbursement

The Executive Recommendation includes \$2.2M for RenZone reimbursement. These reimbursements hold community college districts harmless from the impact of property tax exemptions in designated state Renaissance Zones.

STUDENT FINANCIAL AID

Reconnect Continuation (LEO)

The Reconnect program receives a \$10.2M increase over the current year funding in the executive recommendation to recognize current annual cost estimates for the program, bringing the total appropriation for Reconnect to \$65.2M.

Reconnect Expansion (LEO)

The Executive Recommendation includes a one-time \$140M appropriation of federal funding in a FY23 supplemental to expand the Reconnect program to individuals whose education was disrupted by the pandemic. This program will expand access to free community college to individuals over age 21, in a manner similar to the Reconnect program.

Michigan Achievement Scholarship

The Executive Recommendation includes a \$50M ongoing deposit to support the Michigan Achievement Scholarship. Boilerplate language states the intent that appropriations to the Fund increase by \$50M each year until the MAS is fully implemented.

The proposed budget also includes a \$50M one-time deposit to support the Michigan Achievement Scholarship. Intent language in boilerplate calls for a total deposit of \$300.0 million for FY 2023-24; this item would be in addition to that amount.

Additionally, boilerplate changes allow the Department of Treasury to use a portion of existing scholarship funding for outreach and communications in both the FY24 budget and FY23 supplemental.

STUDENT SUCCESS

Student Wraparound Services and Basic Needs Supports (LEO)

The Executive Recommendation proposes \$30M one-time GF dollars for competitive grants to public colleges and universities and tribal colleges for enhanced “wraparound” services and basic needs support for students, including childcare support, on-campus food pantries, housing and other emergency needs, mental health supports, or funding to resolve institutional barriers that are preventing re-enrollment.

College Success Fund (LEO)

The Executive Recommendation includes \$25M one-time GF to provide competitive grants to public colleges and universities and tribal colleges to adopt national best practices in strategies shown to improve retention and completion rates.

Student Wellness Fund

The Executive Recommendation deposits \$55M one-time SAF in a FY23 supplemental. Of this, \$16.2 million will assist community colleges with evaluating, identifying, and addressing student wellness needs on campus. Funding is allocated based on enrollment.

BOILERPLATE

Tuition Restraint

The budget recommendation includes boilerplate language that the college must not increase its tuition and fee rates for in-district students for the 2022-23 academic year by 4.5% or \$205, whichever is greater. “Fees” include those that are authorized by the Board that is paid by more than ½ of all in-district students at least once during their enrollment. Colleges that exceed this gap may not be awarded performance funding or be eligible to receive state funding for a capital outlay project for the next two years.

Repealed Sections: 209 (transparency reporting), 209a (campus safety information and resources), 210h (COVID-19 mandatory vaccination exemptions), 215 (Title IX report), 216 (Michigan Reconnect short-term training grants), 216a (community college academic catch-up), 216b (ADN to BSN completion grants), 224 (student academic status), 225 (tuition and mandatory fees report), 226 (associate degree report), 226a (financial aid resources), 226b (COVID-19 report), 226d (campus free speech report), 226g (campus advocacy policy), 227 (college course equivalency exams), 227a (accelerated degree pathways), 228 (communication with legislators), and 230(5) (tuition restraint).

New Sections: 217a (new reporting section that combines most elements from Sec. 209, 209a, and 215), and 217b (new reporting section combining most elements of Sec. 225 and a portion of 230)

Executive Budget Recommendation Links

- [Executive Budget Presentation](#)
- [Executive Budget Book](#)
- [FY24 Education Omnibus](#)
- [FY24 General Omnibus](#)
- [Education Brief](#)
- [Michigan Reconnect and College Assistance Brief \(Page 21\)](#)
- [Capital Outlay Project Request Review and Evaluations \(Page 38\)](#)

ADDITIONAL RESOURCES

Additional information about [legislative advocacy](#), [bills to watch](#), [legislative briefs](#), and the [latest news](#) are available on the MCCA website along with resources from the [Senate Fiscal Agency](#) and [House Fiscal Agency](#).

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