



## Executive Budget Recommendation Summary FY 2026-2027

On February 11, 2026, Governor Whitmer’s budget director presented the Executive Budget Recommendation for FY 27. The Governor’s proposed budget includes \$525.4 million for Michigan’s 28 community colleges, including \$476.1 million ongoing and \$49.2 million one-time, all funded through the state school aid fund. Below is a summary of budget items that would impact community colleges.

### **COMMUNITY COLLEGES OVERVIEW**

The Governor’s proposed budget includes \$525.4 million for Michigan’s 28 community colleges, including \$476.1 million ongoing and \$49.2 million one-time, all funded through the state school aid fund.

#### ***Operations and One-time Payments***

- Maintains \$362.2 million of ongoing operations funding
- Maintains \$11 million of one-time payments
- Operations payments, both ongoing and one-time, are distributed proportionally to the colleges’ base operations amounts.

#### ***Tuition Restraint***

- Maintains the FY27 tuition restraint levels established in the previous budget. To receive the one-time payment, community colleges must limit tuition and fee increases to **4%, or \$199 per student**, whichever is greater. Looking ahead to the next budget cycle, the recommended budget sets the FY28 tuition restraint to 5% or \$255, whichever is greater.

#### ***Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS)***

- Invests \$33.3 million in ITEMS funding to assist colleges with critical deferred maintenance and safety costs across campuses.
- A minimum \$1 million allocation to each community college, with remaining funds distributed based on enrollment levels.

Together with the operations payments, one-time support payments, and ITEMS funding, total funding represents a **9% increase** from fiscal year 2026 operations levels.

### ***Michigan Maritime Manufacturing Initiative (M3)***

- Invests \$5 million for the M3 Initiative which is a state and federal partnership with Macomb Community College, focused on building a skilled workforce for the future of defense manufacturing.

### ***North American Indian Tuition Waiver***

- Fully fund the Indian Tuition Waiver with \$1.4 million for community colleges, lowering the cost of college for over 600 eligible Native American students at community colleges.

### ***Michigan Public School Employees Retirement System (MPERS) Payments***

- Provides \$110.3 million in funding. This includes the continuation of the MPERS stabilization payments, which cover the state's share of the unfunded actuarial accrued liability (UAAL) payments exceeding the statutory payroll rate cap of 15.21%.

### ***Renaissance Zone Tax Reimbursements***

- The Governor's proposed budget continues to provide \$2.2 million for Renaissance Zone tax reimbursements.

## **DEPARTMENT OF EDUCATION: CAREER AND COLLEGE READINESS**

- \$44.3 million for vocational education cost reimbursements, \$9.2 million to partially equalize local revenue generated from vocational education millages, \$8.9 million for early/middle college programs, and \$900,000 to support precollege engineering programs.
- **\$20 million to reimburse eligible districts for dual enrollment costs.** This investment will incentivize districts with high concentrations of poverty to encourage more students to pursue college credit while still in high school.
- Maintains \$3 million for the Michigan College Access Network, which works to improve college access for low-income and first-generation students.
- \$10 million to encourage high school seniors to complete their Free Application for Federal Student Aid (FAFSA).

## **STUDENT FINANCIAL AID AND SUCCESS**

The Governor's recommended budget targets support to the three largest state scholarship pathways that serve our highest need learners through \$283.5 million of increased funding for the Michigan Achievement Scholarship, Michigan Reconnect expansion, and the Tuition Incentive Program (TIP).

### ***Michigan Achievement Scholarship***

- Includes a \$232 million increase to the Michigan Achievement Scholarship. The total Michigan Achievement Scholarship appropriation is \$532 million, of which

\$100 million is ongoing general fund and \$300 million is ongoing school aid fund, along with an additional \$132 million from the Postsecondary Scholarship Fund.

### ***Codifying the Michigan Achievement Scholarship***

- The budget recommendation moves to codify the Michigan Achievement Scholarship, by creating the Michigan Achievement Scholarship Act and the Michigan Achievement Skills Scholarship Act along with the budget.

### ***Michigan Reconnect Expansion to Age 21+***

- The Governor’s recommendation includes \$67 million ongoing in school aid funds for Michigan Reconnect, an increase of \$25 million.
- The Governor renews her call to expand Michigan Reconnect to ages 21+.
- The expansion to ages 21-24 would broaden access to associate degrees and workforce credentials to over 35,000 students at Michigan’s community colleges.

### ***TIP***

- Includes a total of \$148.8 million in ongoing support for TIP, an increase of \$26.5 million.

## **EXECUTIVE BUDGET RESOURCES**

 [Executive Budget Capital Outlay Scoring and Recommendation](#)

 [Executive Budget Community Colleges Funding Detail](#)

 [Executive Budget Universities and Financial Aid Funding Detail](#)

 [Executive Budget Recommendation, Education Briefing Papers](#)

 [Executive Budget Language, FY 2026-2027 Community College Budget](#)

 [Executive Budget Language, FY 2026-2027 University and Financial Aid Budget](#)

 [Executive Budget Language, FY 2026-2027 Education Omnibus](#)

 [Executive Budget Language, FY 2026-2027 General Omnibus](#)

 [Executive Budget Briefing Book](#)

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