



Presented by Isabel Montemayor-Vazquez, E.D. on July 14th, 2023. The following is a brief review of the 2024 FY Budget submitted by the legislature and signed by the Governor earlier this month. While this brief does not highlight all the changes and appropriations in the budget in every department, I do highlight some of the investments that are tied to HLCOM's strategic and legislative priorities. This is not an all-encompassing overview and the full state's budget can be referenced on-line for a more thorough breakdown of specific investments here:

<http://www.legislature.mi.gov/documents/2023-2024/billconcurrent/House/htm/2023-HCB-4437.htm>

This budget lowers costs, grows the economy, and protects public safety to build a brighter future for Michigan. Throughout the FY 2024 Budget, which goes into effect on October 1st, there are various places where our community and other minoritized communities will benefit from the increased investments. For example, this year, the Governor signed legislation cutting taxes by nearly \$1 billion for seniors and working families by rolling back the retirement tax, saving 500,000 households an average of \$1,000 a year, and quintupling the Working Families Tax Credit. This tax credit delivers \$3,150 tax refunds to 700,000 working families, essentially lifting 26,000 families out of poverty. I have structured this brief to focus on *Education; Workforce and Economic Development; Health and Human Services; Housing, Community investment and Law Enforcement.*

Education: This year HLCOM outlined, in January, a special focus on education at all levels as part of their strategic plan. The budget outlines some very specific areas where our community will benefit from the state's overall investments in K-12 education and beyond. For example, the state has raised the per-student investment to \$9,150 per student, an all-time high to help schools buy new textbooks, supplies, equipment etc. \$214 will be dedicated to each student in every public district for mental health and school safety funding. We also see dedicated funds toward special education, at-risk students, and career and technical education. To improve student experience, the state will invest a quarter of a billion dollars in school infrastructure to build or renovate essential spaces in the student learning environment. The budget significantly expands teacher recruitment and education programs lowering the cost of becoming a teacher and paying out \$10,000 in tuition assistance to 2,500 future teachers. Such an investment would inevitably increase opportunities for Latinx teacher representation across the state and increase access to employment opportunities for those wishing to contribute to the field of education. Finally, this budget also delivers over \$160 million in free breakfast and lunch to all students, saving families over \$850 a year, helping our children have the nutrition necessary to engage and academically perform, while also removing the stigma for students who previously qualified for free meals.

As additional steps in considering Michigan's education more holistically, the Governor established earlier this week a new department, The Department of Lifelong Education, advancement, and potential. This department will focus on preschool and post-secondary opportunities and ensure students are equipped for on-demand jobs, in the long-term, that will bolster the economy. Through the Great Start Readiness Programs over \$72.6 million will be dedicated to funding over 5,500 students for free Pre-K. \$230 million will be dedicated to expanding GSRP to five days a week, opening new classrooms, and serving as a strong step

toward free pre-school for all, something that would give Latinx students the edge that they need to be successful when they begin Kindergarten. This budget also funds the Michigan Achievement Scholarship to lower the cost of community, private, or public college by thousands for 80% of students. Amplifying the importance of post-secondary education, the budget dedicates funding for colleges and universities in the form of over \$11 million to wraparound services and basic needs supports to public colleges, universities, and tribal colleges to address students' needs and barriers to graduation and completion. These funds would surely help first generation and Latinx students access much needed services for retention as they move through their college career and successfully complete their studies.

Workforce & Economic Development: In the areas of workforce and economic development, the budget dedicates additional resources for vocational, career, and technical education, High-Speed internet expansion and training and support for immigrants, all of which our commission supports and promotes as part of the Department of Labor and Economic Opportunity-OGM. Specifically aligned with one of our legislative priorities, this budget allows for temporarily lowering the age for Michigan Reconnect from 25 to 21 with over \$70 million in funding to do so. Lowering the age of reconnect expands eligibility to 350,000 more individuals to access tuition-free associate degrees or skills training. Also connected to our legislative priorities, the budget appropriates \$5 million to a nonprofit organization in a city with a population greater than 600,000 focused on equitable local, regional, and statewide economic growth through immigrant inclusion programs, assisting immigrants in acquiring the necessary skills to enter the workforce. The state will also dedicate \$500 million for the Make it in Michigan Fund to continue competing with other states and nations to bring home manufacturing projects and expand our workforce opening opportunities for new immigrants and the general Latinx population. To connect Michigan residents to increased opportunities such as applying for jobs on-line and facilitating on-line communication, the state will build on the \$1.5 billion (4th highest in the nation) distributed by the Biden Administration in the form of the Broadband Equity, Access, and Deployment (BEAD) Program to expand high-speed internet access to over 200,000 Michiganders in unserved and underserved areas, across the state. Our own commissioners have been assisting the MIHI office with identifying barriers in Latinx communities, in accessing high-speed internet. Finally, this budget invests in our community by dedicating over \$100 million in business attraction and community revitalization programs and \$10 million to minority owned business support, which is needed as our Latinx entrepreneurial community continues to expand.

Health & Human Services: In the area of health, the 2024 FY budget implements recommendations to reduce health disparities exacerbated by the COVID-19 Pandemic and other historical inequities. MDHHS will receive multiple streams of funding to support the elderly, expectant and new mothers; children/infants; rural residents; minoritized and underserved communities and those working in the health care industry caring for the elderly and infirm. For example, \$140 million will be dedicated to support an 85-cent-per-hour wage increase for direct care workers and long-term care workers. According to their identified strategic priorities, HLCOM has highlighted the need for more attention and funding on behavioral health, this budget will dedicate over \$200 million to behavioral health treatment and recovery services related to opioids, substance abuse, and support for increasing the number of behavioral health centers across the state. Over \$347 million will be dedicated to developing a Social Determinants of Health Hub, mobile mammography programs, multicultural integration practices, medically underserved area services, health workforce development in underserved areas, and a narcotics awareness program, all of which will benefit the Hispanic Latinx

communities in Michigan. The budget also expands Healthy Moms Healthy Babies, offering Medicaid doula services, post-partum care and home visiting services for new and expecting moms. Simultaneously, over \$400 million will be dedicated to the WIC program, prenatal education/services, family planning, and immunization programs with over 2 million dedicated to a rural home visiting program, which would attend to some of the complex health needs in the MSFW population. The state has also appropriated public assistance to refugees of over 4 million and as part of a one-time \$7-million-dollar appropriation HHS will develop a refugee assistance program. Finally, the Budget improves access to essential health services via Medicaid impacting over 25,000 underserved Michiganders across the state with over \$2,000 a year in savings on essential medical services through the expansion of 'Plan First!

Aligned with HLCOM's legislative and strategic recommendations opportunities for access to food and the expansion of caregiving practices are highlighted in recent legislation and the budget. Earlier this week Governor Whitmer signed legislation that would no longer require asset testing for those applying for food assistance programs, increasing access to food for underserved and struggling families. The budget simultaneously dedicates 4.9 million over 2yrs to the Double-Up Food Bucks Program, which would also increase access to fresh fruits and vegetables for Michiganders on food assistance. HLCOM also identified expanding new training and support to Latinx caregivers hoping to open daycare centers as part of our legislative recommendations. In the 2024 budget \$200,000 will be dedicated to bringing awareness to and collecting aggregate data on kinship caregiving, a form of caregiving the HLCOM recognizes and supports as essential to the Latinx community.

Housing, Community Investment, & Law Enforcement: This budget dedicates over 50 million in sustainable, recurring funding for housing and community development to build thousands of housing units, house thousands of families and support the creation of jobs. These funds build on the \$150 million investment in the fund from earlier this year. \$212 million will be used for residential energy efficiency improvements through federal funds, lowering costs for Michiganders via point-of-sale rebates for home appliances, water heaters and more. The state has also established recurring funding for revitalization and placemaking grants that will be used to make communities more attractive and safer to live and work, investing specifically in building housing, park development, and removal of blighted spaces. To support immigrants and refugees, the state has allocated \$500,000 for the creation and development of a community center that serves the needs of immigrants and refugees in a city between 195,000 and 200,000. From the funds appropriated for new Michigander support, \$3 million will be utilized on a non-profit organization that provides support for foreign-born non-citizens in this state focused on equity and belonging for immigrant communities. The nonprofit will consult with existing relevant resources in the OGM and MSHDA and the funds will be used to provide legal services, housing supports, staffing, and outreach to foreign-born non-citizens in this state.

To invest in and promote increased diversity and equitable representation in our state's police force. The budget outlines that the Michigan State Police will make an organized, strategic effort to recruit trooper school candidates and other new employees that mirror the diverse racial, religious, and cultural backgrounds that make up the communities in Michigan, including individuals who are Black, Jewish, Native American, LGBTQ+, Indian/Hindu, Hispanic, Arab/Muslim, and Asian and Pacific Islander. An annual report of these recruiting efforts, along with the status of the diversity of current racial, religious, and cultural backgrounds of those employed by the department, will be reported on an annual basis.

Key Take Aways:

- \$10,000 a year in savings for families with Pre-K for All.
- 5,600 free pre-K slots open this fall, with thousands more to come in the years ahead.
- \$1,000 a year average savings from retirement tax rollback
- 500,000 households will benefit from rolling back the retirement tax.
- \$3,150, the new average refund from the Working Families Tax Credit, several hundred dollars higher than it was.
- 700,000 families will receive the Working Families Tax Credit.
- 26,000 families will be lifted out of working poverty with the Working Families Tax Credit.
- 50% of Michigan's children live in households receiving the Working Families Tax Credit.
- \$2,000 a year in savings on essential medical services with an expansion 'Plan First!'
- 25,000 Michiganders will benefit from health care savings under the Medicaid Plan First! Program.
- \$850+ a year per student savings with free breakfast and lunch in school.
- 350,000 more Michiganders eligible for tuition-free associate degree or skills certificate with expansion of Michigan Reconnect from 25 to 21 years old.
- \$4.9 million over 2 years for Double-Up Food Bucks, boosting access to fresh fruits and vegetables for Michiganders on food assistance.
- \$212 million for residential energy efficiency improvements through federal funds, lowering costs for Michiganders via point-of-sale rebates for home appliances, water heaters and more.