



LEGISLATIVE UPDATE



Michigan Association of
Secondary School Principals

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qrco.de/MPAAA2026

TODAY'S AGENDA

- **Weighted Foundation**
- **2026-27 SAF Budget**
- **New Laws for 2026-27**
- **Pupil Accounting in Focus**



Michigan Association of
Secondary School Principals



BUILDING TO SFRC

A Roadmap to Sustainable and Adequate Funding

Presentation to Senate Appropriations Subcommittee on PK-12

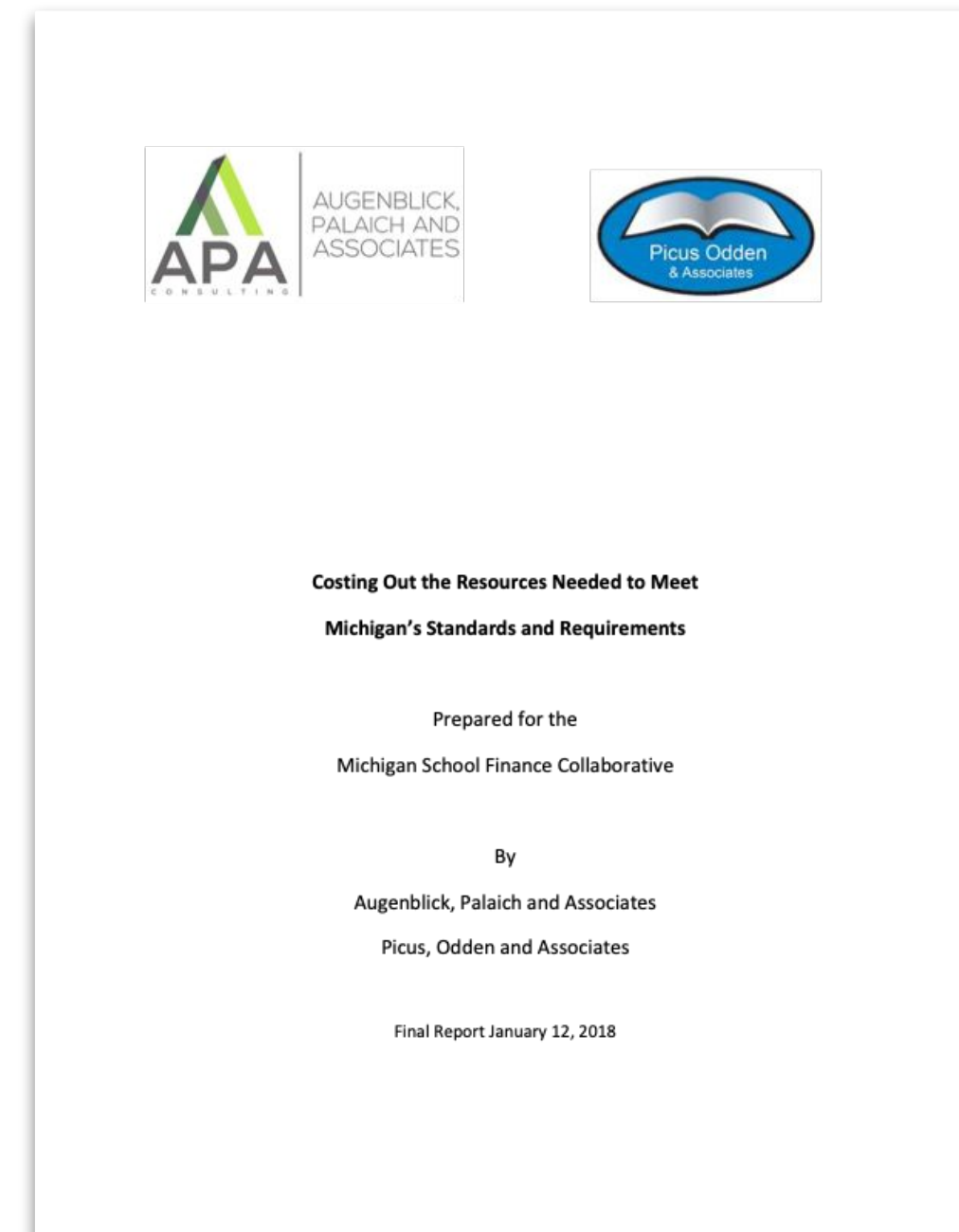
10 March 2026

WHAT DOES IT COST TO EDUCATE A STUDENT?

School Finance Research Collaborative (SFRC)

- Partnership between business and education
- Created by experts
- Research-based
- Michigan-specific

[Read the report here.](#)



WHAT DOES IT COST TO EDUCATE A STUDENT?

Table 8
Final Recommendation Base and Weights*

Final Recommendation	
Base	\$9,590
Size Adjustment	Adjusted by Formula
Poverty Weight	0.35
ELL	
WIDA 1-2	0.70
WIDA 3-4	0.50
WIDA 5-6/FELS	0.35
Special Education	
Mild	0.70
Moderate	1.15
Severe	State Reimbursement
Preschool	14,155
Isolation	0.04

*Does not include Transportation and Food Service

WHAT DOES IT COST TO EDUCATE A STUDENT?

2026-27 Budget To Do:

- Establish adequate foundation target
- Update target as part of CREC
- Move core categoricals into weights
 - ELL
 - At Risk
- Eliminate restrictive boilerplate

Building Toward a Weighted Foundation

A Roadmap to a Sustainable and Adequate Funding

Michigan's education community shares a common vision for school funding grounded in the research and recommendations of the School Finance Research Collaborative (SFRC). While meaningful progress has been made in recent years, Michigan lacks a clear, shared roadmap for moving from today's system to a fully funded, research-based weighted foundation allowance.

This proposal is intended to fill that gap. It does not mandate specific appropriations or attempt to resolve all funding challenges at once. Instead, it establishes clear targets, durable structure, and a credible path forward so that progress is intentional, measurable, and sustained over time. Much like a growth-to-proficiency plan for a student who is behind, closing long-standing funding gaps will require consistent progress over multiple years. A roadmap makes that work possible.

Core Elements of the Proposal

This framework would:

- Establish in statute a research-based target for adequate funding that includes both a foundation allowance and weights based on student need.
- Ensure that the adequacy target remains current by requiring regular, non-partisan recalculation to reflect inflation and changing student populations.
- Close funding gaps for Michigan's highest-need students by growing weighted funding components faster than the foundation allowance until target levels are reached.
- Transition Michigan's current system of siloed categorical programs into a true weighted foundation structure that provides stability, transparency, and flexibility for districts.

Establishing an Adequate Foundation

While recent investments have moved Michigan closer to the SFRC vision, the absence of a defined target makes it difficult to measure progress or ensure long-term consistency. This proposal addresses that challenge by establishing an "adequate foundation" in statute based on the SFRC's 2018 recommendations, adjusted forward for inflation.

The proposal relies on Michigan's existing, non-partisan Consensus Revenue Estimating Conference (CREC) to calculate and regularly update the adequacy target and associated pupil projections, to ensure the target remains aligned with real-world costs.

Proposed statutory language to implement this approach is included in Appendix A.

2x For Equity

Even as Michigan works toward an adequate foundation allowance, larger gaps persist in funding for students with the greatest needs. To close those gaps, this proposal recommends reestablishing a

WHAT DOES IT COST TO EDUCATE A STUDENT?

To Do:

- Establish adequate foundation target
- Update target as part of CREC
- Move core categoricals into weights
 - ELL
 - At Risk
- Eliminate restrictive boilerplate
- Adopt 2X methodology for weights
- Move remaining categoricals into weights
 - Special education
 - CTE
 - Rural/Isolated
 - Early childhood education

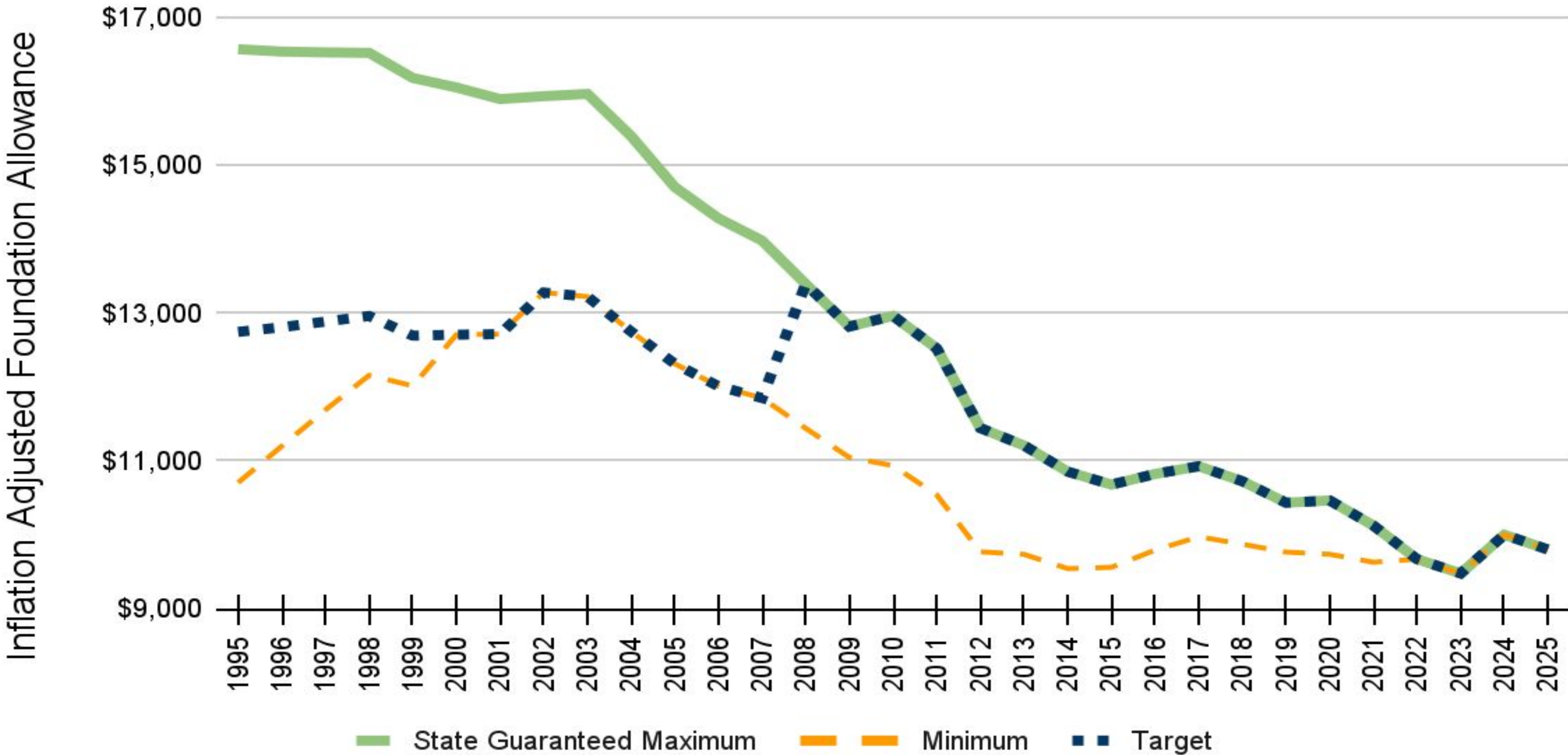
Foundation Allowance History

Growth Since Proposal A

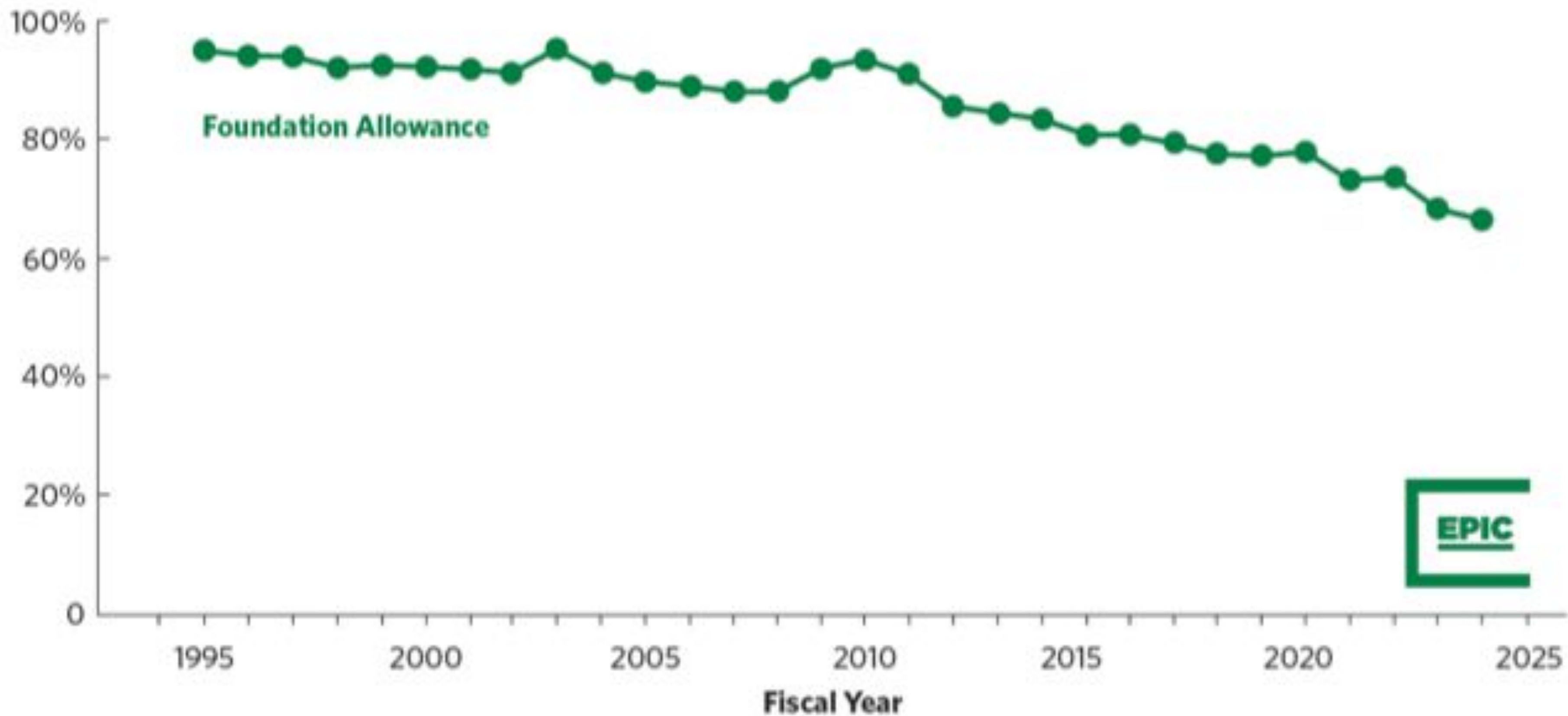
The foundation allowance is **\$10,050** per pupil for FY 2025-26.



Michigan Inflation Adjusted Foundation Allowance (2000-2025)



Proportion of School District Revenues



I CAN'T LOOK



I JUST CAN'T

BUDGET

C'mon baby make it hurt so good!

#BigGretchOut



BUDGET: MAJOR HIGHLIGHTS

	Governor	Senate	House
<i>Foundation Allowance</i>	\$10,300/pupil (2.5% increase), cyber charter schools capped at 80% of foundation	\$10,300/pupil (2.5% increase), cyber charter schools capped at 80% of foundation	\$10,300/pupil (2.5% increase)

January CREC Projection for FY 26-27 Inflation: 3.2%

BUDGET: MAJOR HIGHLIGHTS

	Governor	Senate	House
<i>At Risk</i>	\$1.37 billion (6% increase), rolled into a new weighted foundation model	\$1.62 billion (25% increase), rolled into a new weighted foundation model	\$1.23 billion (5% increase)
<i>ELL</i>	\$66.5 million (6% increase), rolled into a new weighted foundation model	\$78.4 million (25% increase), rolled into a new weighted foundation model	\$65.9 million (5% increase)

BUDGET: MAJOR HIGHLIGHTS

	Governor	Senate	House
<i>Other Weights (CTE, Rural/Isolated, etc.)</i>	6% across the board increases	6% across the board increases	5% across the board increase
<i>ISD Operations</i>	\$85.3 million (2.5% increase)	\$85.3 million (2.5% increase)	\$85.3 million (2.5% increase)
<i>GSRP</i>	\$11,290/pupil (6% increase)	\$11,290/pupil (6% increase)	\$10,916 (2.5% increase)

BUDGET: TRUE WEIGHTED FUNDING

Fully Included

- Moves At Risk and ELL funding into a system of weights
- Requires CREC to annually project weighted pupil count

Partially Included

- Cut strings tied to weighted foundation money
- Move any mandates to School Code
- Scrap superfluous mandates & requirements
- 15-year weights growth schedule (Senate)

Not Included

- Create "Adequate Foundation" in statute
- CREC to update and project "Adequate Foundation" target based on inflation
- Move other categorical into weighted foundation structure

BUDGET: PUPIL ACCOUNTING

- Common to ALL 3 BUDGET RECS
- **Sec. 101(h): 75% attendance waived for special ed programs**
 - >180 days scheduled
 - 1,098 hours offered
- **Sec. 101(i): micro-district waiver for lower attendance threshold**
 - District has fewer than 100 pupils
 - Demonstrate absence of a single household could reduce attendance below 75%
 - Would reduce attendance threshold to 60% instead of 75%
 - Waiver process subject to MDE review/approval

BUDGET: PUPIL ACCOUNTING

	Governor	Senate	House
<i>Sec. 6(4)(m): EMC students who have graduated HS</i>	Allows counting of HS graduates who are enrolled in an EMC program	Allows counting of HS graduates who are enrolled in an EMC program	Retains current law
<i>Sec. 6(4)(dd): Dropout recovery FTE limit</i>	Allows >1.0 FTE for dropout recovery students (23a)	Allows >1.0 FTE for dropout recovery students (23a)	Retains current law

BUDGET: PUPIL ACCOUNTING

	Governor	Senate	House
<i>Sec. 6(8)(b): Definition of "class" and appropriate placement</i>	<u>Eliminates</u> FTE penalty for inappropriately placed teacher	<u>Retains</u> FTE penalty for inappropriately placed teacher	<u>Delays</u> FTE penalty for inappropriately placed teacher

"(b) "Class" means a period of time in 1 day when pupils and a teacher with **an endorsement appropriate for the grade level** or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place."

Do not edit
How to change the design



Is an FTE penalty tied to teacher grade-level endorsement better or worse than an FTE penalty tied to appropriate placement (grade-level and subject area)?



Presenting with animations, GIFs or speaker notes? Enable our [Chrome extension](#)

slido

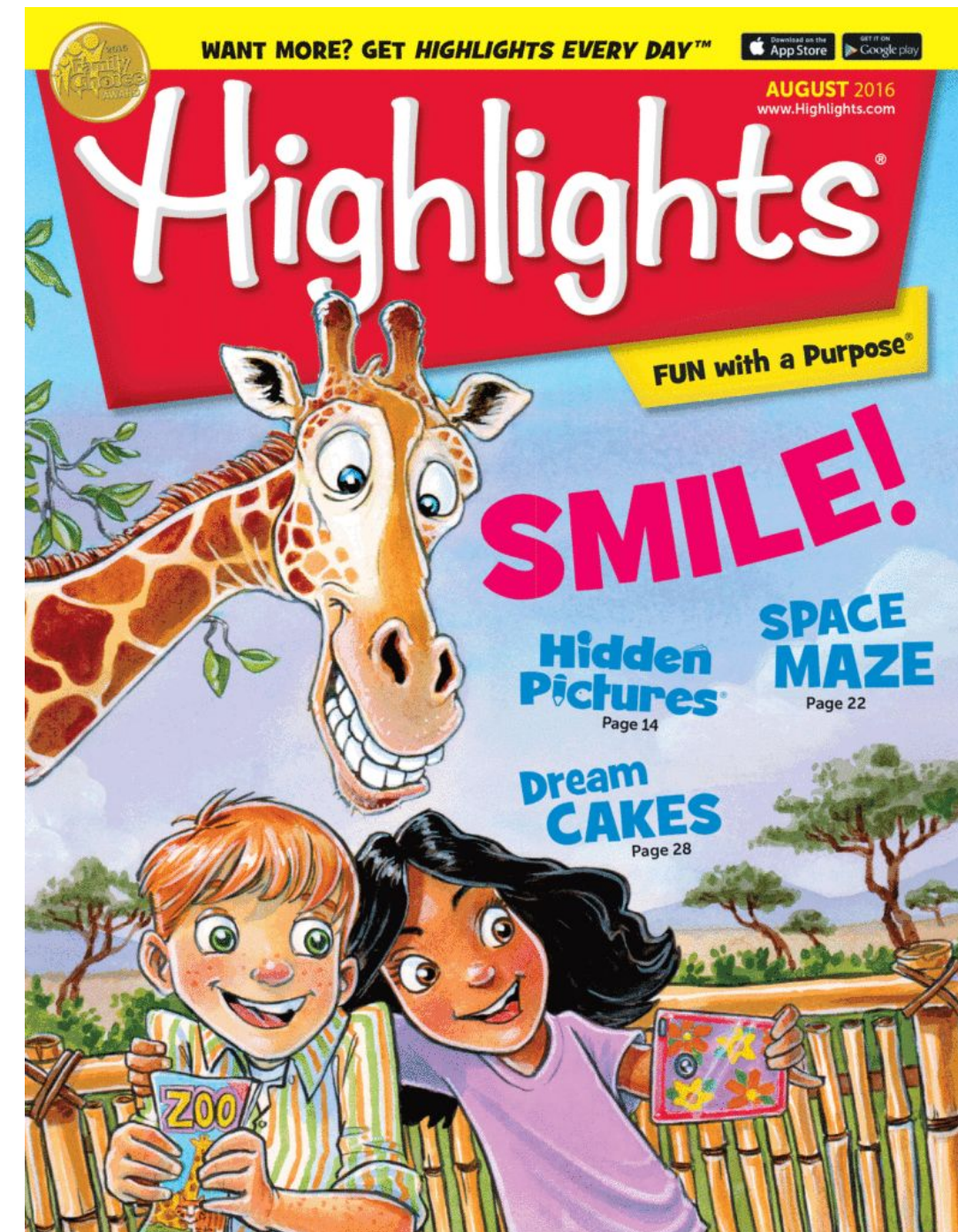
BUDGET: PUPIL ACCOUNTING

SENATE ONLY

- **Sec. 6(4)(k)**
- **Alternative pupil count methodology**
- **Districts get the greater of:**
 - Current year enrollment
 - Prior three year average pupil membership
- **Sec. 21f**
- **Restores 6 virtual learning days w/o parent consent**
- **No plan required for ≤ 6 days**
- **Days are limited as follows:**
 - Max 3 days for state testing
 - Max 3 days for weather, etc.

BUDGET: OTHER HIGHLIGHTS

- \$125-150M Transportation Fund
- \$300-325M Mental Health/Safety
- \$201.6M Universal Free Meals
(incl. non-public schools)
- \$315M Literacy Supports
- \$135M Before and After School Programs



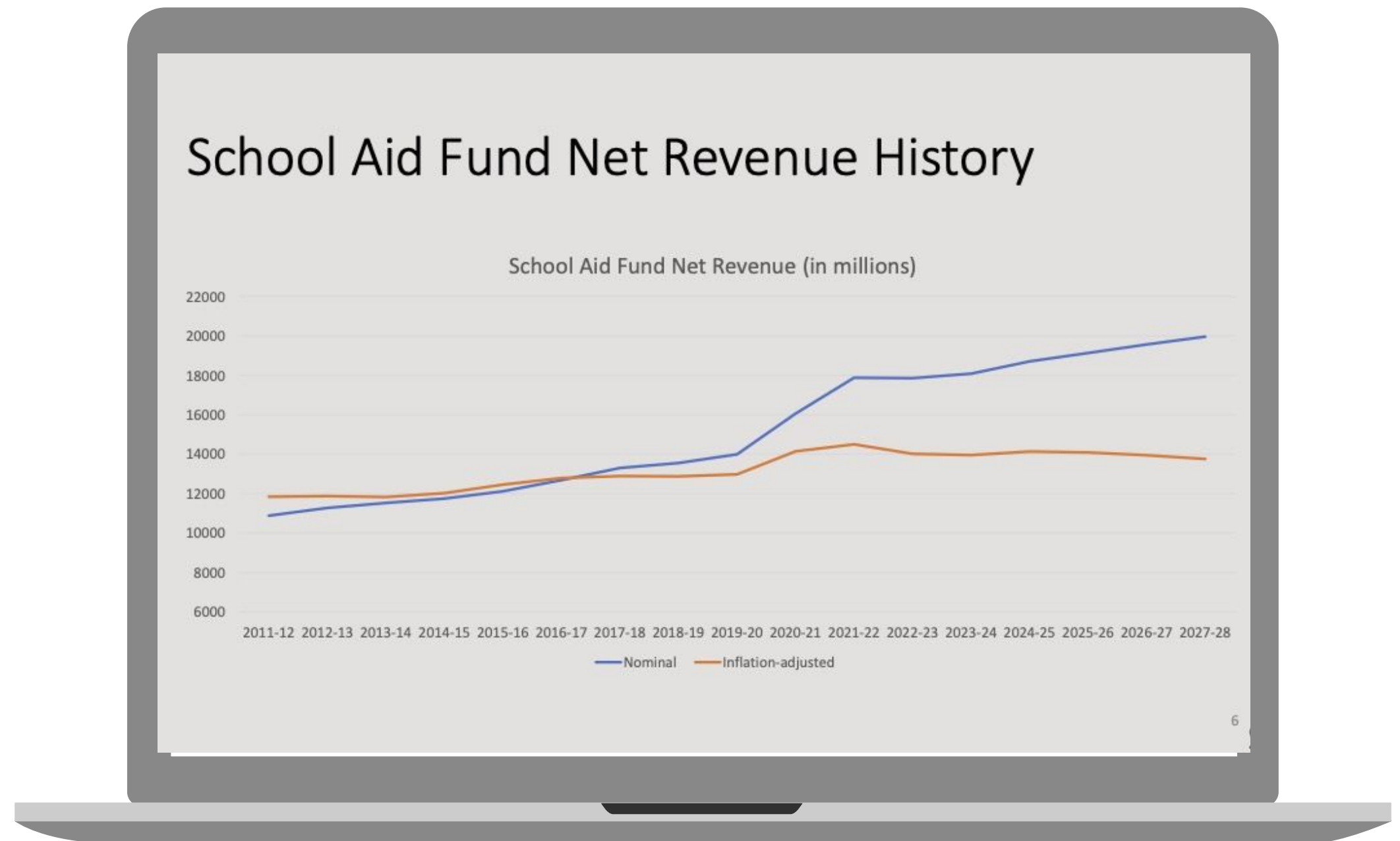
BUDGET: RECRUITMENT & RETENTION

- \$0-60M: District Grow-Your-Own Programs
- \$50M: public student teacher stipend (\$9,600/sem.)
- \$25M: MI Future Educator Fellowship (\$10K/yr)
- House adds funding & non-public school teachers to grants



BUDGET: REVENUE PICTURE

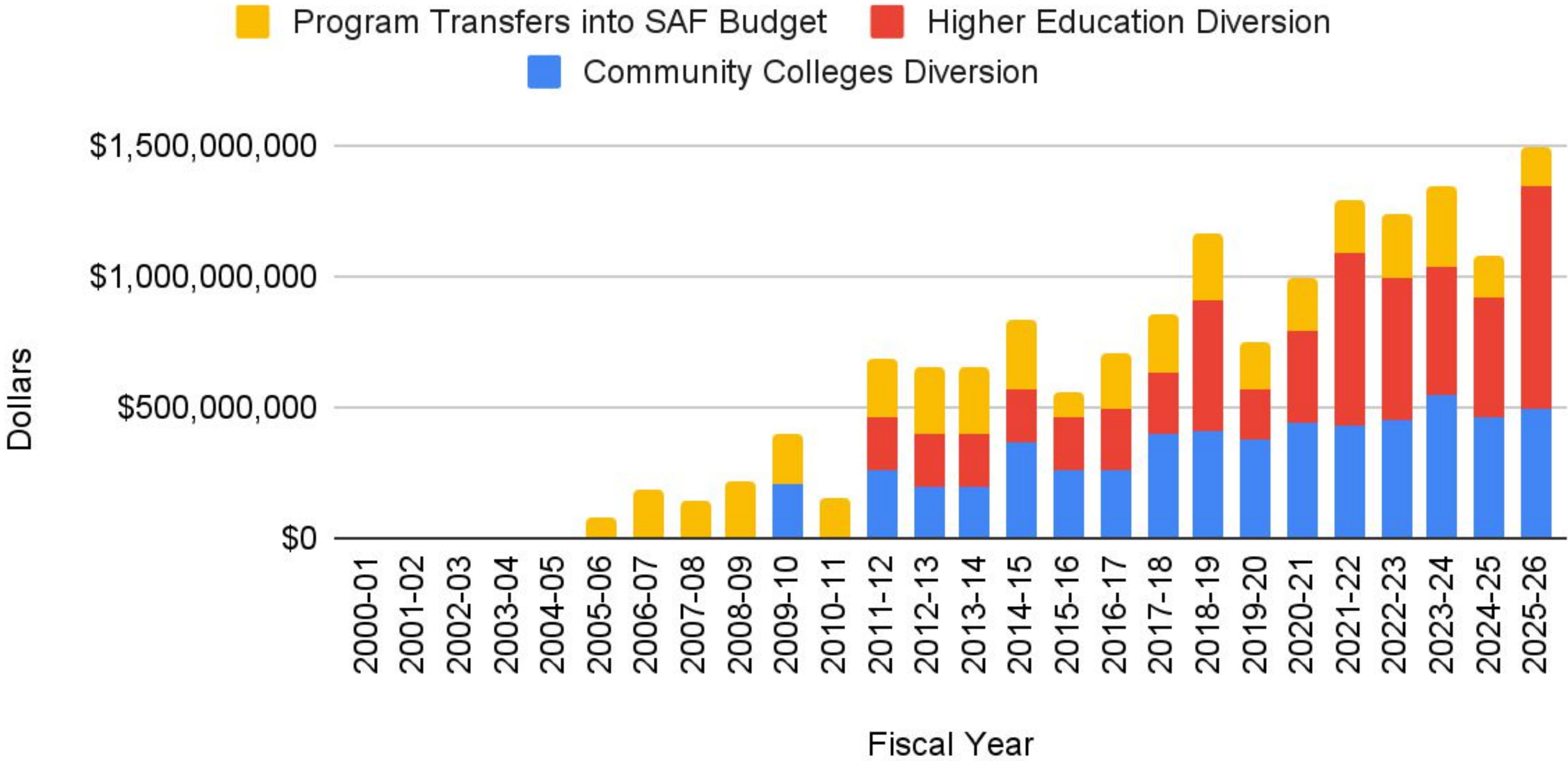
- SAF growth (2.3%) slower than inflation (3.1%)
- SAF balance of \$1.7B (\$956M ongoing, \$744M one-time)
- GF facing \$822M shortfall
- School Aid Fund = Target
- Pupil losses huge (12.5K this year, 10K next)



BUDGET: REVENUE PICTURE

	Governor	Senate	House
<i>School Aid Fund Diversion</i>	\$525M to CCs \$1.2B to HE \$528M increase over 25-26	\$491M to CCs \$1.17B to HE \$319M increase over 25-26	\$491M to CCs \$1.03B to HE \$174M increase over 25-26

Formerly State General Fund Programs Transferred Into the School Aid Fund



SNOW DAYS: 2026 EDITION

- **Three different versions of snow day forgiveness introduced in House**
 - HB 5797 (Fairbairn) - broad waiver, +4 snow days
 - HB 5800 (Prestin) - narrow days/hours waiver
 - HB 5808 (Cavitt) - increases snow days to 12
- **Sent to Gov Ops pending sponsors working out agreement**
- **Could be fixed in budget, but**
 - Not included in any of the 3 proposals
 - No clear idea for what form it would take





YOU GUYS GIVE UP

**OR ARE YOU
THIRSTY FOR MORE?**

NEW LAWS
Coming July 2026
#Previews



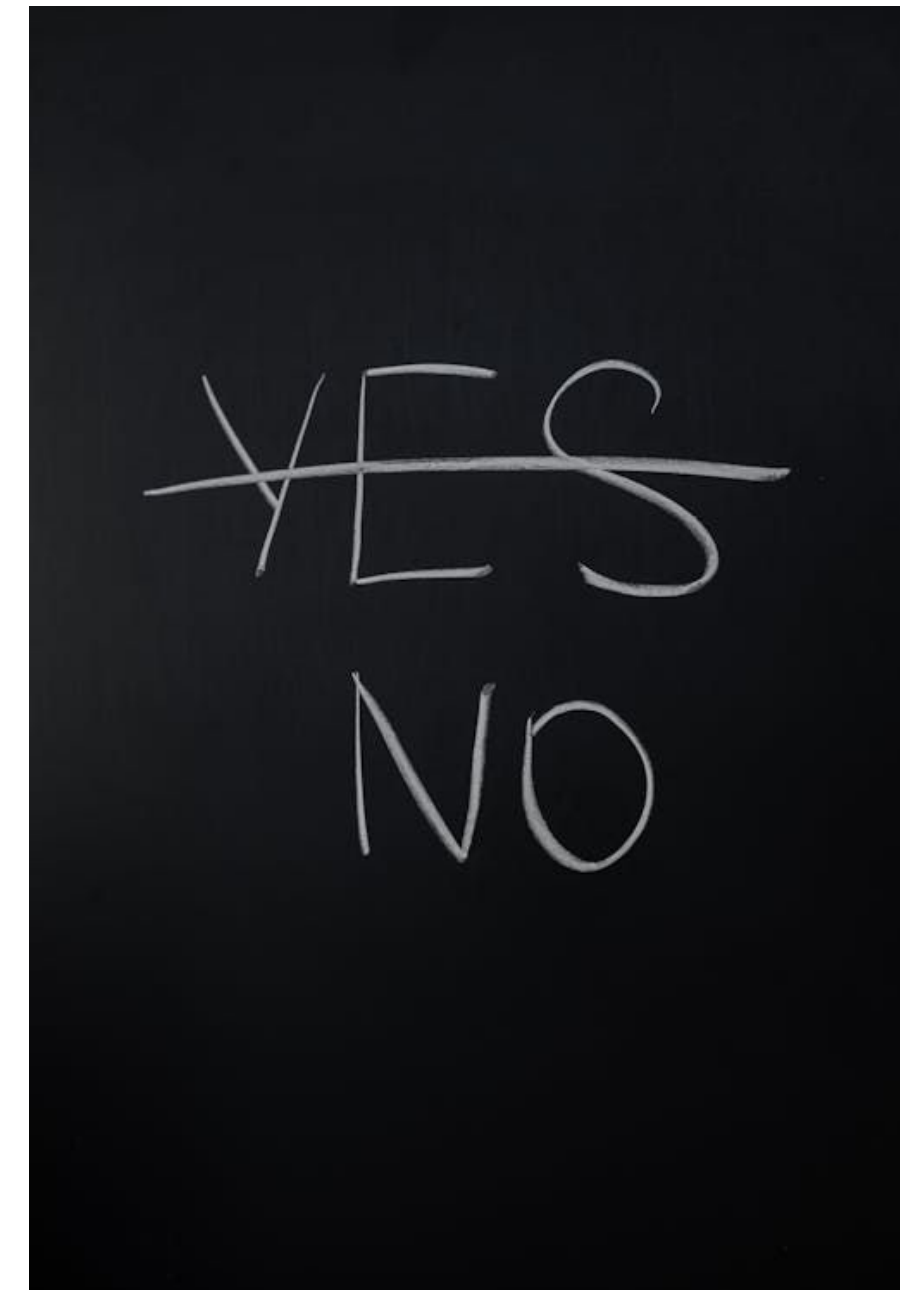
NEW LAWS: CELL PHONE RESTRICTIONS

- Law effective beginning 2026-27 school year
- Local boards must adopt wireless device policies restricting device use (with exemptions) during "instructional time"
- Local rules can be more stringent than law requires
- Districts must also update EOPs



NEW LAWS: WORK SKILLS OPT OUT

- Takes effect beginning in 2026-27
- Allow parents to opt students out of WIN testing
- MDE to create standardized process and opt-out forms districts MAY use
- Districts must send form letter home to parents developed by MDE w/ industry & trades reps extolling virtues of WIN test



NEW LAWS: SAT ESSAY & TRANSCRIPTED MME

- Repeal state requirement for extended writing in MME
- Repeal requirement to include MME score on transcript
- Reduce testing time by 1hr
- Allow truly test-optional college applications



NEW LAWS: WORK PERMIT SHIFT

- Shift responsibility for issuing work permits from local districts to LEO
- Amend work hour limits for 14-15 year olds to align with federal law (not dependent on school hours)
- Retain process for school to rescind work permit for student absence problems
- Effective: Oct 1, 2026





PUPIL ACCOUNTING

In Focus

#ISeeYou





Michigan Education Guarantee

A Future-Focused, Student-Centered Graduation
Standard for all Michigan Students



Imagine this...

- Students have **personalized roadmaps** for their high school experience.
- **Rigorous academics are blended with opportunities to apply skills** in a variety of real-world settings.
- No student graduates without demonstrating **they can read, write and do math** (and there is lots of help for those who struggle)
- Students regularly **connect with the workforce** locally and globally
- Every student completes a **capstone project**, a portfolio of learning
- Every student has a sequence of **career-focused education** experiences

PUPIL ACCOUNTING: IN FOCUS

- Innovative Districts proposal
- Collaboration between Future of Learning Council, Rick Snyder, Doug Ross
- An Innovative District designation would get you a waiver from:
 - Days and hours
 - MMC
 - Common calendar



21ST CENTURY LEARNING IN MICHIGAN
STUDENT CENTERED, REAL LIFE RESULTS

ELEVATING K-12 EDUCATION IN MICHIGAN THROUGH ACCOUNTABLE INNOVATION

THE CHALLENGE

Michigan public education has been struggling for the past quarter century under governors and legislators of both parties. By any broadly accepted measures, the state's K-12 student outcomes have fallen into the bottom third of the states. In a 21st century economic competition where the best jobs and highest incomes go to those communities with the best educated citizens, Michigan must either significantly improve its students' education outcomes or see its prospects for a growing prosperity crumble.

For much of the 20th century, Michigan boasted one of the top-rated public education systems in America. However, America has changed dramatically over the past 25 years and our schools have struggled to catch up. This offers Michigan an extraordinary opportunity: To be the place where America invents the next generation of schools to effectively serve the needs of 21st century students, allowing us to jump to the top of the state education rankings and a very bright economic future for all Michiganders. We have the teachers and school leaders we need to compete with the best. Many of them have been innovating as much as possible in our antiquated 20th century system. What we need urgently now is the commitment and regulatory space to reinvent our public schools to meet the needs of our children in today's economy. The Innovation District legislation is designed to make that possible.

EMPOWERING THE WILLING

The Innovation District proposal creates the opportunity for local parents, school boards, superintendents, principals, and teacher unions to implement tested education innovations with clear outcome accountability.

To be clear, for a school district to enroll a student in an innovation program under the proposed Innovation District legislation, the following all must agree:

- Student's parents or guardians
- Students
- Local school board
- Local teachers union

The districts and parents that wish to continue their existing learning programs would be permitted to do so. This proposal is about local choice, not state mandate.

KEY INNOVATION ELEMENTS

Possible innovations include:

- Individual student learning plans to customize instruction for different learning styles and interests
- Mastery or competency-based learning accountability where students advance at their own pace
- Project based learning that connects to student interests and the real-world
- Career exploration that includes work-based learning, internships, and apprenticeships
- Flexible scheduling

THE ADVANTAGE OF LOCAL CONTROL

Michigan is a local control public education state. This lends itself to multiple innovations that should be welcome providing they each come with measurable accountability. Dozens of Michigan school districts are asking for permission to reinvent their learning systems to meet the challenges of today and tomorrow. We should let them fly.

21C PROJECT LEADS

- Rick Snyder
- Doug Ross
- Maureen Watson-Bolger
- Rusty Merchant

CONTACT INFO

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PUPIL ACCOUNTING: IN FOCUS

3 Support Innovation and Remove Barriers

Fostering innovation in schools requires removing unnecessary restrictions and supporting creative approaches to teaching and learning. MASSP will advocate for clearer pupil accounting rules, funding for innovative programs, and policies that enable flexible school schedules and personalized learning.



PUPIL ACCOUNTING AND INSTRUCTIONAL TIME FLEXIBILITY

Michigan's pupil accounting rules are overly complex, inconsistently enforced, and too rigid for innovative learning models. Learning should be measured by mastery, not seat time.

- Allow multiple pathways to meet instructional time: 180 days OR 1,098 hours OR MDE-approved innovative models.
- Empower MDE to issue binding, statewide guidance to ensure consistent interpretation.
- Require MDE to pre-approve and publish alternative instructional models, including hybrid and competency-based options, to promote equitable access statewide.

PUPIL ACCOUNTING: IN FOCUS

- **Interest in non-traditional delivery models for learning, including:**
 - Work-based learning
 - Virtual and blended learning
 - Competency-based learning
- **Interest in alternative schedules**
 - Late start for secondary
 - 4-day school week
- **Frustration w/ existing options and "overly complex" rules**





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