

**FY 2018-19: MARSHALL PLAN FOR TALENT**  
**Summary: House Appropriations Committee**  
**Senate Bill 941 (H-1)**



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	FY 2017-18 YTD as of 2/7/18	FY 2018-19 Revised Executive	FY 2018-19 House	FY 2018-19 Senate	FY 2018-19 Enacted	Difference From FY 2017-18 YTD Amount	%
<b>IDG/IDT</b>	\$0	\$0	\$0	\$0		\$0	--
<b>Federal</b>	0	0	0	0		0	--
<b>Local</b>	0	0	0	0		0	--
<b>Private</b>	0	0	0	0		0	--
<b>Restricted</b>	0	100,000,000	75,000,000	100,000,000		100,000,000	--
<b>GF/GP</b>	0	0	0	0		0	--
<b>Gross</b>	<b>\$0</b>	<b>\$100,000,000</b>	<b>\$75,000,000</b>	<b>\$100,000,000</b>		<b>\$100,000,000</b>	<b>--</b>

Notes: The Executive proposed the Marshall Plan for Talent in Executive Budget Revision 2019-2. The House previously revised and passed portions of the Marshall Plan for Talent in House Bill 5579 (H-1).

**Major Budget Changes From FY 2017-18 YTD Appropriations**

**FY 2017-18  
Change**

**1. Competencies and Credentials in High-Demand Fields (Sec. 297a(2))**

Provides \$29.9 million to expand K-12 education programs focused on creating competencies in high-demand fields by providing competitive grants to districts and Intermediate School Districts (ISDs) that are members of or apply on behalf of a talent consortium for the following usages:

- Providing stipends for industry mentors to assist in teaching classes in high-demand fields;
- Providing testing and project fees on behalf of pupils earning credentials in high-demand fields;
- Providing professional development for teachers who improve their capacity to teach high-demand skills, caps grant at \$5,000 per teacher;
- Hiring staff to create or expand a program in a high-demand field, whereby the applicant must commit to provide the program for at least 3 years after final disbursement of funds and capped at \$7.0 million for this usage type;
- Creating new curriculum in a high-demand field that lacks sufficient curricula, as determined by the department;
- Assisting certificated teachers to earn new endorsements in areas of high-demand critical shortage through a competency-based residency model, caps at \$8,000 per teacher.

**Gross** \$29,935,000  
**Restricted** 29,935,000  
**GF/GP** \$0

Additionally, there is allocated at least \$2.0 million for competitive grants to districts that are members of talent consortiums that seek to convert an entire school or district to a competency-based learning model. (See Major Boilerplate Changes for Sec. 297k below.)

Executive provided \$27.5 million in Budget Revision 2019-2 Secs. 303, 304, and 306 and House concurred in HB 5579 (H-1) Secs. 68, 68a, and 21j, respectively.

**2. Cybersecurity Training and Infrastructure (Sec. 297a(5))**

Provides \$1.1 million to the Department of Technology, Management, and Budget (DTMB) to support cybersecurity training and infrastructure programs and expand the Michigan high school cyber challenge program through credentialing or collaboration with other cybersecurity programs.

**Gross** \$1,100,000  
**Restricted** 1,100,000  
**GF/GP** \$0

Executive provided \$1.1 million in Executive Budget Revision 2019-2 Sec. 308(6) and House concurred in HB 5579 (H-1) Sec. 99k.

**FY 2017-18  
Change**

**Major Budget Changes From FY 2017-18 YTD Appropriations**

**3. Competency-Based Education Models (Sec. 297a(6))**

Provides \$450,000 to MDE for statewide supports for competency-based learning, including, but not limited to, capacity-building infrastructure tools, transcripts, and reporting mechanisms that support implementation of competency-based education models, with the goal of offering these tools statewide.

**Gross** \$450,000  
Restricted 450,000  
GF/GP \$0

Executive provided \$450,000 in Executive Budget Revision 2019-2 Sec. 306(3) and House concurred in HB 5579 (H-1) Sec. 21j.

**4. Competency-Based Curriculum Integration (Sec. 297a(7))**

Provides \$1.0 million to MDE to provide technical assistance to districts to integrate the Michigan Merit Curriculum into competency-based programs, including CTE programs.

**Gross** \$1,000,000  
Restricted 1,000,000  
GF/GP \$0

Executive provided \$2.0 million in Executive Budget Revision 2019-2 Sec. 304(5) and House concurred in HB 5579 (H-1) Sec. 68a.

**5. Innovative Educator Program (Sec. 297a(8))**

Provides \$4.0 million for stipends of \$5,000 per educator to replicate, expand, and disseminate specialized skills and innovative programs across the state and, contingent on available funds, an additional \$5,000 per educator to be awarded to their ISD for expenses related to the member's participation in the innovative educator program.

**Gross** \$4,000,000  
Restricted 4,000,000  
GF/GP \$0

Executive provided \$4.8 million in Executive Budget Revision 2019-2 Secs. 314(1) & (9) and House provided \$4.8 million in HB 5579 (H-1) Sec. 68c.

**6. Career and Technical Equipment Grants (Sec. 297b(1))**

Provides \$18.5 million for competitive grants to a district or ISD that is a member of a talent consortium for the purchase or lease of equipment. Applicants must provide matching funds (in-kind goods or services are an allowable match) of at least 25% of the grant award and include a description of how the proposed capital infrastructure initiative will align with their talent agreement and provide increased career opportunities for pupils and adult learners in high-demand fields. (See Major Boilerplate Changes for Sec. 297k below.)

**Gross** \$18,500,000  
Restricted 18,500,000  
GF/GP \$0

Executive provided \$11.2 million in Executive Budget Revision 2019-2 Sec. 305(2) and House provided \$25.0 million in HB 5579 (H-1) Sec. 61c.

**7. Scholarships and Stipends (Sec. 297c(2))**

Provides \$20.0 million to fund scholarships and stipends for 3 cohorts over the course of 4 years, which are to assist low-income individuals with the cost of obtaining a qualifying degree or credential in a high-demand field.

**Gross** \$20,000,000  
Restricted 20,000,000  
GF/GP \$0

Executive provided \$20.0 million in Executive Budget Revision 2019-2 Sec. 309(2) and House provided \$10.0 million in HB 5579 (H-1) Sec. 68b.

**8. Postsecondary Institution Coaches for Scholarship Recipients (Sec. 297c(10))**

Provides \$2.4 million for grants to community colleges, universities, or private nonprofit colleges to provide coaches to students receiving scholarship awards, capped at \$40,000 per coach. Coaches will provide mentoring and advising to recipients of scholarships, focusing on ensuring students complete programs for which they are receiving scholarships.

**Gross** \$2,440,000  
Restricted 2,440,000  
GF/GP \$0

Executive provided \$2.4 million in Executive Budget Revision 2019-2 Sec. 309(10) and House did not include.

**9. Student Stipends and District Bonus Payments (Sec. 297c(11))**

Provides \$2.3 million for awards of \$500 (half to student and half to district) for the completion of an in-demand workforce certificate in a high-demand field in calendar year 2019 or 2020.

**Gross** \$2,300,000  
Restricted 2,300,000  
GF/GP \$0

Executive provided \$2.3 million in Executive Budget Revision 2019-2 Sec. 309(11) and House did not include.

**FY 2017-18  
Change**

**Major Budget Changes From FY 2017-18 YTD Appropriations**

**10. Treasury Administration Funding (Sec. 297c(13))**

Provides \$760,000 to Treasury to develop an application and eligibility determination process, distribute scholarship and stipends, and work with CEPI to report the number scholarship/stipend recipients and completed programs.

<b>Gross</b>	<b>\$760,000</b>
Restricted	760,000
GF/GP	\$0

Executive provided \$760,000 in Executive Budget Revision 2019-2 Sec. 309(13) and House provided \$700,000 in HB 5579 (H-1) Sec. 61b.

**11. Career Navigators (Sec. 297d(2))**

Provides \$10.5 million for competitive grants to districts and ISDs that are members of a talent consortium to hire additional staff for career counseling activities such as creating education development plans and talent portfolios, identifying work-based learning opportunities, and identifying career exploration activities. (See Major Boilerplate Changes for Sec. 297k below.)

<b>Gross</b>	<b>\$10,500,000</b>
Restricted	10,500,000
GF/GP	\$0

Executive provided \$10.0 million in Executive Budget Revision 2019-2 Sec. 310(2) and House provided a \$100 placeholder in HB 5579 (H-1) Sec. 68d.

**12. MI Bright Futures (Sec. 297d(3))**

Provides \$4.0 million for the expansion of a web-based career preparation platform, MI Bright Futures. (See Major Boilerplate Changes for Sec. 297k below.)

<b>Gross</b>	<b>\$4,000,000</b>
Restricted	4,000,000
GF/GP	\$0

Executive provided \$4.0 million in Executive Budget Revision 2019-2 Sec. 311(1) and House provided \$1.5 million in HB 5579 (H-1) Sec. 67a.

**13. Talent Marketing Strategy: Marketing Campaign (Sec. 297e(2))**

Provides \$2.8 million for the Department of Talent and Economic Development (TED) for a talent marketing campaign designed to recruit and retain talent in high-demand fields.

<b>Gross</b>	<b>\$2,765,000</b>
Restricted	2,765,000
GF/GP	\$0

Executive provided \$4.0 in Executive Budget Revision 2019-2 Secs. 312(2) & (6) and House did not include.

**14. Talent Marketing Strategy: Expand Going Pro (Sec. 297e(3))**

Provides \$750,000 for TED to expand the existing Going Pro campaign.

<b>Gross</b>	<b>\$750,000</b>
Restricted	750,000
GF/GP	\$0

Executive provided \$1.0 in Executive Budget Revision 2019-2 Sec. 312(5) and House did not include.

**15. MDE Administration (Sec. 297g)**

Provides \$1.5 million to MDE for administration costs for the Marshall Plan for Talent.

<b>Gross</b>	<b>\$1,500,000</b>
Restricted	1,500,000
GF/GP	\$0

Executive and House provided MDE \$1.3 million for administration in a number of sections to carry out the Marshall Plan for Talent.

**Major Boilerplate Changes From FY 2017-18**

**Sec. 297(2). Work Project – NEW**

The bill provides work project language for the appropriated funds, and any unexpended funds for 2017-2018 are carried forward in 2018-2019. The estimated completion date of the work project is September 30, 2022.

**Sec. 297h. Definitions – NEW**

Provides definitions for the following key terms:

**High-demand Field:** Means professional trades, manufacturing, engineering, information technology and computer science, machine learning and artificial intelligence, mobility, health care, and business.

**Talent Consortium:** Must include at least 1 district or ISD and at least 2 employers or organizations representing employers. However, a talent consortium with only 1 district that is a tier 3 district is not required to include more than 1 employer or organization representing employers. A talent consortium may include a private training provider that grants degrees or certificates and is located in this state, community colleges, colleges, or universities. A talent consortium is not bound by size or geographic locations in this state.

**Tier 1 District:** A district with a pupil membership in 2017-2018 of at least 3,800.

**Tier 2 District:** A district with a pupil membership in 2017-2018 of at least 1,400 but less than 3,800.

**Tier 3 District:** A district with a pupil membership in 2017-2018 of less than 1,400.

## **Major Boilerplate Changes From FY 2017-18**

### ***Sec. 297i. Grant Applications – NEW***

Requires MDE, in consultation with TED, to develop a consolidated grant application for grants under sections 297a, 297b, and 297d. Additionally requires MDE, in consultation with TED, to develop additional consolidated applications for grants under this article that require an applicant to identify the grant or grants for which the applicant is applying and the amount of the award the applicant is requesting for each grant.

Requires MDE to begin accepting consolidated applications by March 31, 2019. By June 1, 2019, MDE, in consultation with TED, is required to award 50% of the funds allocated for Sec. 297a, 297b, and 297d.

### ***Sec. 297j. Tiered Grant Distribution Limits – NEW***

Distributes grants by district tier in an amount not to exceed the following:

- Tier 1 District: \$500,000
- Tier 2 District: \$300,000
- Tier 3 District: \$200,000

Allows for 1 or more districts to apply for grants. In the case of more than 1 district applying for a grant, the sum of the pupil memberships of the districts applying for a combined grant must be used to determine the tier level for grant allocation, and each district in the combined grant application is eligible for that amount.

Allows for an ISD to apply for a grant for its own programs, or on behalf of 1 or more of its constituent districts. An ISD grant for its own district is considered a Tier 1 District. For an ISD grant on behalf of 1 or more of its constituent districts, the sum of the pupil memberships of the constituent districts in the grant application will determine the tier level for the grant allocation for each constituent district included in the application.

### ***Sec. 297k. Tiered Grant Percentage Distribution – NEW***

Requires MDE to award total grant funds under Secs. 297a, 297b, and 297d as follows:

- Tier 1 Districts: 50% of total funding
- Tier 2 Districts: 30% of total funding
- Tier 3 Districts: 20% of total funding

### ***Sec. 297l. Grant Reporting – NEW***

Requires each recipient of a grant to provide a report to MDE by June 30, 2020 that identifies the amount of the grant received, how the grant was spent, the number of pupils reached with grant funds, and other information as requested by MDE.