



April 26, 2024

To: Governor Gretchen Whitmer, Speaker of the House Joe Tate, Senate Majority Leader Winnie Brinks, House Appropriations Chair Angela Witwer, Senate Appropriations Chair Sarah Anthony, House K-12 Appropriations Chair Regina Weiss, and Senate K-12 Appropriations Chair Darrin Camilleri

Dear allies and friends of public education;

First, I want to thank you on behalf of MEA members across the state for your commitment to historic levels of education funding for Michigan students and the educators who serve them. While there is still much to do to ensure adequate and equitable school funding, the progress made over the past few years is remarkable and is making a difference every day in our schools.

Looking ahead to the 2024-25 education budget, I'm writing today to make clear MEA's priorities as we move toward the finish line of the appropriations process.

As a state, we must continue to:

- Invest in programs that are helping students (e.g., free school meals, expanded mental health programming, expanded preschool availability and other critical priorities).
- Address the educator shortage (e.g., pay for student teachers, scholarships for aspiring educators, educator student loan debt relief and support for local "grow your own" programs).

It's crucial that we maintain successful programs that directly benefit our students and the school employees who provide them a great public education.

To that end, MEA is supportive of the state spending the \$680 million that would otherwise be used to over-fund the retiree health system (OPEB). However, our members have expressed concerns to us about this approach, and we are requesting two important considerations be part of the final deliberations on how this money is used:

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1. The educators who have been putting 3% of their salary into this system need to share in the benefit of reaching this funding milestone. Money from their paychecks is a major reason why the system is now fully funded. Pausing or otherwise reducing their 3% payments into the system is one way of accomplishing this, and we appreciate that the House-proposed budget includes a step in this direction. We are open to conversation with all of you to ensure school employees see direct financial benefit from this decision, as that will continue enhancing efforts to recruit and retain excellent educators for our students.
 2. The funding made available by this move needs to stay in preK-12 education and not be used to fund other non-School Aid Fund programs. There are many great ideas about how to move Michigan forward on all fronts, but the SAF cannot be further diluted as a replacement for securing adequate revenue for our state's priorities.

Regarding the concept of moving some of this available funding directly to the school district level via reductions in the MPERS rate – while this is generally a solid policy concept, we do have apprehension about using these specific funds in this manner. Per the point raised above, our members who have been part of the solution to paying off unfunded retirement liabilities need to see individual financial benefits from this move. We appreciate that intent language in the House-proposed budget works to address this. We look forward to further discussion about how to advocate for a balanced budget that meets the varied needs of Michigan's students and educators.

Beyond this coming year's budget, we have more work ahead to recruit and retain the best and brightest in the education profession. This includes restoring quality retirement benefits for all school employees and reducing the rising out-of-pocket costs for health insurance. We look forward to working with all of you on these and other issues, both through the rest of 2024 and in the years to come.

In solidarity,



Chandra Madafferi
MEA President