









FOR IMMEDIATE RELEASE

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Education Leaders Applaud Rep. Regina Weiss's School Aid Budget Proposal

Education Groups Urge Passage Before the July 1 Deadline

LANSING, MI — The Michigan Association of Superintendents & Administrators (MASA), the Michigan Association of School Boards (MASB), the Michigan Association of Secondary School Principals (MASSP), the Michigan Association of Intermediate School Administrators (MAISA) and the Michigan Alliance for Student Opportunity (MASO) applaud Rep. Regina Weiss and members of the House Appropriations Subcommittee on its School Aid and Education budget proposal for fiscal year 2024-2025 that invests in the classroom by reducing one of the most significant costs faced by local school districts: the ongoing debt payments that schools are required to make to the Michigan Public School Employees Retirement System (MPSERS).

"This budget proposal invests in our classrooms, supports essential programs that will expand educational opportunities for Michigan's children, and fully funds retirement benefits, which often strain district resources," said Peter Spadafore, executive director of the Michigan Alliance for Student Opportunity. "The increases in foundation allowance, atrisk, and special education funding within this budget are critical for our schools to effectively meet diverse student needs. This plan builds upon the significant progress that has been made in recent years to strengthen Michigan classrooms and our retirement system, helping improve outcomes for students as we move past the pandemic and years of funding crises."

After school districts have paid billions of dollars over the past decade to address chronic under-funding of the state-run education retirement system, Michigan's traditional public schools have made significant progress when it comes to funding retiree health benefits. Currently, teacher retiree health care benefits are funded at 140 percent – funding retiree benefits at 40 percent above their sustainable level. Rep. Wiess's budget proposal would make schools more financially stable, putting Michigan's education system closer to the full funding that our students deserve.

"School districts across the state have been making costly payments into MPSERS for decades," said Dr. Tina Kerr, executive director of the Michigan Association of Superintendents & Administrators. "We very much appreciate the actions taken to review

these legacy costs and reduce this financial burden. This is going to have a direct, positive impact, allowing districts to put those funds back into the classroom where they belong."

"Every dollar Rep. Weiss included to reduce district MPSERS costs is a savings local districts will be investing where it belongs, in our students and teachers," said Don Wotruba, executive director of the Michigan Association of School Boards. "Chair Weiss also recognized the necessary increases needed in core school funding areas such as the foundation allowance, at-risk funding, and special education funding."

While this plan is not the entire \$450 to \$600 per student savings proposed by education leaders, projections show that Rep. Weiss's budget will direct excess retiree health benefit payments back into classrooms to maintain the long-term solvency of MPSERS while giving schools an estimated \$290 million more to support student learning. Investing these excess funds back into our classrooms will save \$200-\$250 per student while fully funding teacher retirement benefits. Education leaders across Michigan support this effort to capitalize on the strong investments our school districts and state have made to the retirement health plan while providing critical funding for our education system by directing the additional payments that are above the sustainable threshold back into classrooms where resources are needed most.

"Rep. Weiss's budget prioritizes students and schools by reinvesting MPSERS savings where they belong: in our classrooms," said Wendy Zdeb, executive director of the Michigan Association of Secondary School Principals. "Her balanced approach also recognizes the importance of increasing funding in the core line items schools most depend on and continuing funding for key priority areas like student mental health, school safety and educator recruitment and retention. All told, this is an excellent budget for Michigan's students and schools."

MASA, MASB, MASSP, MAISA, and MASO are urging lawmakers to support Rep. Weiss's budget proposal as it not only provides necessary, student-centered funding increases in several areas but recognizes the sacrifice of public school educators by offsetting a decade's worth of MPSERS payroll costs, investing those dollars back into the classroom.

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