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Legislative Update

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Governor's Executive Budget Proposes Increased 2025-2026 School Aid Funding

On February 5, Governor Gretchen Whitmer released details of her proposed Fiscal Year 2025-2026 state budget before a joint hearing of the House and Senate Appropriations committees. Her proposed budget totals $83.5 billion ($15.3 billion General Fund), including $21.2 billion in School Aid funding.

Presentation of the Governor's proposal kicks off the annual state budget process. Next, subcommittees of the Appropriations Committee in each chamber will now get to work. They will hold hearings to inform the budget recommendations they will ultimately advance to the full Appropriations Committee in the House (chaired by **Representative Ann Bollin**, R-Brighton) and in the Senate (chaired by **Senator Sarah Anthony**, D-Lansing). Attached is the directory of the 103rd (2025-2026) Michigan Legislature, compliments of Karoub Associates, which you may print.

See page 2 for highlights of the Governor's proposed FY 2025-2026 School Aid budget. Once finalized, the budget will go into effect October 1, 2025, and run through September 30, 2026.



House Legislative Committees Announced

House Speaker Matt Hall (R-Richland) has announced the full roster of House Committees for the 2025-2026 legislative term.

In all, the chamber has 18 standing committees and 21 subcommittees (15 within the Appropriations Committee and 6 within the Oversight Committee), comprised of 370 total slots.

No House members were left out of committee assignments.

House Committee chairs are listed on page 3. **Click here** for the full House Committee rosters.

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Highlights of the Governor's 2025-2026 proposed school aid budget:

- 4.1% increase to the foundation allowance, raising it from $9,608 to $10,000 per pupil.
- 20% reduction in the per-pupil grants for 100% online cyber schools, which would receive $8,000 per student, in recognition of lower operating costs.
- $523.9 million in ongoing funding to ensure these foundation allowance payments are available to support special education students.
- More than $1.1 billion to reimburse districts for special education costs.
- $200 million to continue free breakfasts and lunches for all K-12 students in public schools.
- $106 million in student literacy supports.
- Continuation of $150 million ongoing discretionary per pupil funding for mental health and student safety.
- Maintains $50 million for before and after school programs.
- $150 million to encourage consolidation of school district administrative services.
- $71 million to address challenges faced by school districts with declining enrollment.
- $676 million to support preschool for all 4-year-olds and $61 million to continue and expand a pilot preschool program for eligible 3-year-olds.
- $2.2 billion for MPSERS retirement contributions.

Budget Resources

FY26 Budget Book

FY26 Executive Budget Recommendation Presentation

FY 2026 School Aid Budget Highlights (beginning on page 8)

Mark Your Calendar
Governor Whitmer's State of the State Address
February 26, 2025



House Standing Committee Chairs

Agriculture Committee	Chair, Rep. Jerry Neyer (R-Shepherd)
Communications & Technology Committee	Chair, Rep. Jaime Greene (R-Richmond)
Economic Competitiveness Committee	Chair, Rep. Mike Hoadley (R-Au Gres)
Education and Workforce Committee	Chair, Rep. Nancy De Boer (R-Holland)
Election Integrity Committee	Chair, Rep. Rachelle Smit (R-Shelbyville)
Energy Committee	Chair, Rep. Pauline Wendzel (R-Watervliet)
Families & Veterans Committee	Chair, Rep. Kathy Schmaltz (R-Jackson)
Finance Committee	Chair, Rep. Mark Tisdel (R-Rochester Hills)
Government Operations Committee	Chair, Rep. Brian BeGole (R-Perry)
Health Policy Committee	Chair, Rep. Curt VanderWall (R-Ludington)
Insurance Committee	Chair, Rep. Mike Harris (R-Waterford)
Natural Resources & Tourism Committee	Chair, Rep. David Martin (R-Davison)
Regulatory Reform Committee	Chair, Rep. Joseph Aragona (R-Clinton Twp)
Rules Committee	Chair, Rep. Bill Schuette (R-Midland)
Transportation & Infrastructure Committee	Chair, Rep. Pat Outman (R-Six Lakes)

Chairing the **Appropriations Subcommittee on School Aid and Department of Education** is Representative Tim Kelly (R-Saginaw).

Click here for the full Senate Committee rosters, which reflect minor changes from last session.