



**Capitol Corner**  
**An ECIC Legislative Update**  
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**Governor's Budget Proposes Increase for Early Childhood**

On Thursday, February 7, 2008, Governor Jennifer Granholm presented her Fiscal Year 2009 budget to the Legislature. The total budget allocates spending of \$44.8 billion, which is 2.9 percent increase over the current year budget. The General Fund totals \$9.849 billion which is actually slightly less than the current year total by less than 1/10 of one percent. The budget, as proposed, is funded with no new taxes or fee increases.

While this could be considered a “flat” budget when compared to the current spending, one area of noticeable increase in recommended spending is in early childhood. The Governor has proposed to increase spending by \$31.5 million for early childhood initiatives. The bulk of the increase, \$24 million is to expand the number of pre-school slots for the “Great Start Readiness Program” (formerly called the Michigan School Readiness Program). This increase will provide 7,000 more children with access to pre-school opportunities. The \$24 million increase will bring the total spending to \$117.6 million. The School-based pre-school programs are funded at \$102.9 million, a \$22 million increase to serve a total of 30,300 children--an increase of 6470 children. The competitive grant programs are funded at \$14.7 million, an increase of \$2 million to serve a total of 4,300 children--an increase of 588 children. The per-child allotment remains unchanged at \$3,400.

The Governor proposed an additional \$5 million to be appropriated for the expansion of local Great Start Collaboratives. Currently, there are 21 local Great Start Collaboratives, with funding in the current fiscal year to expand that number by 10. The additional funding will help fund the build out of the Great Start system across the state.

The Governor's budget also includes \$2.5 million for innovation grants to help develop evidenced-based practices that provide children from birth to five with quality early learning environments that promote school readiness. These grant programs will:

- Provide professional development opportunities for child care providers that identify early learning opportunities for children at risk of not being prepared to succeed in school;

- Create quality rating improvement systems that identify quality early learning environments and make the information available to parents;
- Encourage creative community-based approaches to expand early learning opportunities for at-risk children; and,
- Implement an early development inventory to assess a child's development and uses that inventory tool to target community resources toward improving academic outcomes for at-risk children.

The proposed increase for early childhood funding comes on the heels of the first annual Michigan Early Childhood Challenge which was attended by 150 stakeholders from across early childhood sectors. The Governor kicked off the Challenge and was highly impressed with the commitment of the participants and recommendations that came out of the Challenge. These recommendations helped to frame and direct the need for increased investment in early childhood leading to the Governor's decision to make the increase investments found in her proposed Fiscal Year 2009 budget.