SUMMARY OF THE MARSHALL PLAN FOR TALENT

The Marshall Plan for Talent is a partnership between educators, employers, and other stakeholders to transform Michigan’s talent pipeline and redesign the ways the state invests, develops, and attracts talent. The Marshall Plan for Talent provides $100 million to ensure citizens are prepared for openings in high-demand career fields.

Funding for these programs is available through the Student Loan Operating Fund (SLOF), which has generated excess cash through the purchase and refinancing of student loans. The fund has sufficient cash to cover existing liabilities and an appropriate reserve level after $100 million is repurposed for the plan. Additional detail on the SLOF is provided in Appendix A.

MARSHALL PLAN FOR TALENT OVERVIEW

The plan creates and expands talent development programs, advances career exploration and awareness opportunities, and invests in students and teachers.

Program Creation & Expansion ($48.6 million)

- The plan includes a total of $31.0 million for competency-based education. This includes investments in curriculum development ($6.1 million); staffing, equipment, and professional development grants ($21.9 million); and pilot program grants ($3.0 million). Grants will be distributed to districts through a competitive process that emphasizes partnerships through a consortium. This model allows students to progress through the education system at their own pace, utilizing their own interests, through hands-on, engaging projects. The plan includes funding for the development of competency-based curriculum developed in collaboration between educators and businesses in high-demand career fields. Students will work directly with local businesses to create new, innovative, blended learning opportunities, completing all necessary skills for graduation while also gaining practical experience and earning industry-recognized credentials.

- The plan continues state support for investments in state-of-the-art equipment and technology by providing $11.6 million for grants to education institutions for the purchase of equipment for CTE programs and competency-based programs. Grants will be distributed on a matching basis, up to $150,000, to ensure that schools are partnering...
with local businesses. For those communities engaging in crowdfunding activities, districts could receive up to $350,000, at a 2:1 matching rate.

- To support talent resources in the growing sector of cybersecurity, the plan includes $2 million for the continuation of team-based cybersecurity competitions for students. The grants provide reimbursements for team travel and activities, and credentialing opportunities for those students advancing to the finals.

- The plan calls for the creation of the Michigan Future Talent Council, which will be comprised of employers, policymakers, and educators. The council will meet periodically to determine the skills and credentials necessary for high-demand jobs now and in the future.

- The plan provides $4 million to partner with universities to provide ongoing evaluation of programs, develop curriculum, and to support the Michigan Future Talent Council.

**Career Exploration and Awareness ($19.6 million)**

- To help students explore available career pathways and develop learning plans, the plan includes $10.1 million for grants to districts to hire career development facilitators who will work with and support school counselors. Grants would be provided over a 3-year period and districts would be expected to maintain funding for their facilitator after the grant funding has ended.

- The plan continues state support for online career exploration tools by providing $4 million for statewide implementation of the MI Bright Future and Career Cruising platforms. These tools help students and career counselors develop education development plans.

- The plan includes $5.5 million for outreach and awareness campaigns to grow, retain, and attract talent.

**Investing in Students and Teachers ($31.8 million)**

- To help low income and underserved Michiganders obtain the skills necessary for success in a 21st century workforce, the plan includes $25.5 million for scholarships toward the completion of certifications in high-salary, high-demand careers, based on recommendations of the Michigan Future Talent Council.

- The Michigan Innovative Teacher Corps is created under the plan. These Master Teachers will engage with policymakers, mentor new teachers, and provide professional development across Michigan the improve statewide education practices. The plan includes $4.8 million to fund stipends for these teachers.

- The plan includes $1.5 million to incentivize current teachers to gain credentials in critical shortage fields and high-demand fields. As part of this investment, the Department of Education will develop a condensed teaching certificate to help meet the demand for professional trade instructors.
Student Loan Operating Fund Overview

The former Michigan Higher Education Student Loan Authority (MHESLA) issued bonds under its various trust indentures to originate and acquire FFELP and private MI-LOAN student loans. Both the FFELP program and the MI-LOAN private loan program ended by 2010 and the MHESLA has been consolidated into the Michigan Finance Authority (MFA).

For the past several years, MFA has worked to refinance the outstanding student loan bonds to purchase and cancel auction rate securities and remove Ambac bond insurance. As the bonds have been refunded, excess cash from the trusts has been released to the student loan operating fund.

- The balance in the Student Loan Operating Fund (SLOF) currently stands at over $140 million. Based on the recommendation of the Student Loan Program’s financial advisor, the MFA needs to maintain a balance of approximately $30 million to cover any unforeseen circumstances, such as federal changes to the student loan repayment requirements, increase in loan deferments, etc. This leaves a current surplus of approximately $110 million in the student loan operating fund.

- The MFA may only use the operating funds for purposes allowed by PA 222 of 1975, including loans to students. Amendments were passed in 2007 to allow $95 million of operating funds to be used for certain state scholarships and grants, but only in fiscal year 2007 (PA 34 of 2007) Additional amendments will be needed to allow for the proposed change in allowable uses of funds

- Student loan operating funds are currently invested in various types of securities with maturities ranging from FY 18 to FY 23. The total amount of student loan bonds outstanding is $633 million:
  - $489 mil. FFELP
  - $144 mil. Private MI-LOANS