

**Summary: Executive Budget Recommendation  
for Fiscal Year 2024-25  
DEPARTMENT LABOR AND ECONOMIC OPPORTUNITY**



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	FY 2023-24	FY 2024-25	Difference: FY 2024-25	
	Enacted as of 2/7/24		Executive	Amount
IDG/IDT	\$0	\$0	\$0	--
Federal	1,183,654,200	1,177,165,800	(6,488,400)	(0.5)
Local	10,700,000	10,700,000	0	0.0
Private	12,539,200	12,584,600	45,400	0.4
Restricted	358,863,400	413,774,700	54,911,300	15.3
GF/GP	1,301,508,000	359,007,400	(942,500,600)	(72.4)
<b>Gross</b>	<b>\$2,867,264,800</b>	<b>\$1,973,232,500</b>	<b>(\$894,032,300)</b>	<b>(31.2)</b>
FTEs	2,648.9	2,678.5	29.6	1.1

Note: Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Labor and Economic Opportunity (LEO) engages in economic development; community growth and development; affordable housing; tourism; job creation, retention, and training; and workforce development and preparedness. LEO includes the Michigan Strategic Fund (MSF)/Michigan Economic Development Corporation (MEDC), Bureau of Employment Relations, Bureau of Services for Blind Persons, Michigan Occupational Safety & Health Administration (MIOSHA), Workforce Development, Michigan Rehabilitation Services, Office of Global Michigan, Unemployment Insurance Agency (UIA), Workers' Disability Compensation Agency, State Land Bank, and Michigan State Housing Development Authority (MSHDA).

<b>Major Budget Changes from FY 2023-24 Enacted (YTD) Appropriations</b>	<b>FY 2023-24 Enacted (as of 2/7/24)</b>	<b>Executive Change from YTD</b>
<b>1. Michigan Innovation Fund</b>	<b>Gross</b>	<b>\$0</b>
Includes \$60.0 million of Venture Michigan Fund investment proceeds (one-time) for deposit into a new innovation fund that would support startups and make investments that would improve the startup and innovation ecosystem, including programming, technical assistance, and other support services. (Note: would require statutory change to authorize use of Venture Michigan Fund investment returns).	Restricted	0
	GF/GP	\$0
		<b>\$60,000,000</b>
<b>2. Build Ready Sites Program</b>	<b>Gross</b>	<b>\$0</b>
Includes \$25.0 million GF/GP (one-time) to create development-ready sites to attract and promote business investment throughout the state.	GF/GP	\$0
		<b>\$25,000,000</b>
<b>3. Business Attraction and Community Revitalization</b>	<b>Gross</b>	<b>\$100,000,000</b>
Includes \$20.0 million GF/GP (one-time) to augment existing \$100.0 million in ongoing funds for business development and community revitalization programs and the expansion of small business services.	Restricted	59,350,000
	GF/GP	\$40,650,000
		<b>\$20,000,000</b>
<b>4. Michigan Marketing Initiatives</b>	<b>Gross</b>	<b>\$0</b>
Includes \$20.0 million GF/GP (\$15.0 million GF/GP considered one-time) for marketing initiatives that focus on talent attraction, labor retention, and population growth.	GF/GP	\$0
		<b>\$20,000,000</b>
<b>5. Going Pro</b>	<b>Gross</b>	<b>\$54,750,000</b>
Includes \$20.0 million GF/GP (one-time) to augment existing \$54.8 million Gross for Going Pro program, which would increase employer training grants in FY 2024-25.	Restricted	9,540,800
	GF/GP	\$45,209,200
		<b>\$20,000,000</b>

<b>Major Budget Changes from FY 2023-24 Enacted (YTD) Appropriations</b>	<b>FY 2023-24 Enacted (as of 2/7/24)</b>	<b>Executive Change from YTD</b>
<b>6. Talent Solutions</b>	<b>Gross</b>	<b>\$0</b>
Includes \$20.0 million GF/GP (one-time) to support initiatives providing economic assistance to businesses locating or expanding in Michigan, specifically around workforce needs. Funding would also support development of customized talent solutions to help fill identified needs in certain industries.	GF/GP	\$0
		<b>\$20,000,000</b>
		\$20,000,000
<b>7. New Michigander - Immigration and Legal Services</b>	<b>Gross</b>	<b>\$0</b>
Includes \$8.0 million GF/GP (one-time) for immigrant integration services that are not provided through the federal refugee resettlement program.	GF/GP	\$0
		<b>\$8,000,000</b>
		\$8,000,000
<b>8. Federal Vocational Rehabilitation State Match</b>	<b>Gross</b>	<b>NA</b>
Includes \$5.9 million Gross (\$1.3 million GF/GP) to increase authorization in the Bureau of Services for Blind Persons (\$272,900) and Michigan Rehabilitation Services (\$5.6 million) to expand vocational rehabilitation services.	Federal	NA
	GF/GP	NA
		<b>\$5,852,600</b>
		4,602,600
		\$1,250,000
<b>9. Community and Worker Economic Transition Office</b>	FTE	0.0
Includes \$5.0 million GF/GP and authorization for 20.0 FTE positions for the Community and Worker Economic Transition Office developed in 2023 PA 232. Office goals include ensuring communities, workers, and businesses are supported in navigating the state's economic transition from internal combustion engines to electric vehicles, the shift to renewable energy, and the decarbonization of the manufacturing industry. (Note: prorated funding is included in FY 2023-24 supplemental request.)	<b>Gross</b>	<b>\$0</b>
	GF/GP	\$0
		<b>\$5,000,000</b>
		\$5,000,000
		20.0
<b>10. Arts and Cultural Grants</b>	<b>Gross</b>	<b>\$11,050,000</b>
Includes \$5.0 million GF/GP (one-time) to augment existing \$11.1 million GF/GP ongoing appropriation to provide additional arts and cultural grants. Also, increases private authorization by \$50,000 to align with anticipated revenues.	Federal	1,050,000
	Private	150,000
	GF/GP	\$9,850,000
		<b>\$5,050,000</b>
		0
		50,000
		\$5,000,000
<b>11. Community and Neighborhood Initiatives</b>	<b>Gross</b>	<b>\$0</b>
Includes \$5.0 million GF/GP (one-time) for grants to community and neighborhood organizations for programs and initiatives that would build strong communities through education programs, workforce training services, recreational activities, senior programming, and other wraparound services. Grants would support projects that are free and open to the community in which they are located or serve.	GF/GP	\$0
		<b>\$5,000,000</b>
		\$5,000,000
<b>12. Global Talent and Retention</b>	FTE	0.0
Includes \$4.0 million GF/GP (one-time) and authorization for 1.0 FTE position to improve the integration of individuals from foreign countries seeking education and/or employment in the state. Funds would support activities that would increase direct connections between universities and employers and lowering barriers to employment by improving licensing and certification processes.	<b>Gross</b>	<b>\$0</b>
	GF/GP	\$0
		<b>\$4,000,000</b>
		\$4,000,000
		1.0
<b>13. Michigan Growth Office</b>	<b>Gross</b>	<b>\$0</b>
Includes \$4.0 million GF/GP (one-time) to fund efforts that would build off and expand the work of the Growing Michigan Together Council, identify barriers to economic and population growth in the state, and support community growth opportunities statewide.	GF/GP	\$0
		<b>\$4,000,000</b>
		\$4,000,000

<b>Major Budget Changes from FY 2023-24 Enacted (YTD) Appropriations</b>		<b>FY 2023-24 Enacted (as of 2/7/24)</b>	<b>Executive Change from YTD</b>
<b>14. Office of Rural Prosperity Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,500,000</b>
Includes \$2.5 million GF/GP (one-time) for grants that would improve shovel-ready projects that meet statewide priorities, including enhancing or elevating broadband, housing, infrastructure, education, and workforce development. Funds would also support building and enhancing regional and statewide coordination of services and programming in rural communities.	GF/GP	\$0	\$2,500,000
<b>15. Workers' Disability Compensation Agency Fee Proposal</b>	<b>Gross</b>	<b>\$8,316,100</b>	<b>\$1,500,000</b>
Includes \$1.5 million restricted Workers' Compensation Administrative Revolving Fund to recognize increased revenues from a proposed expansion of redemption fees and establishment of coverage reporting filing fees. (Note: legislation would be needed to effectuate the fee increase and expansion.)	Restricted	4,823,000	1,500,000
	GF/GP	\$3,493,100	\$0
<b>16. Focus: HOPE</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>\$0</b>
Retains \$1.0 million GF/GP (one-time) for grant to Focus: HOPE for education and workforce development programming. There was \$1.0 million one-time GF/GP appropriated for the same purpose in FY 2023-24.	GF/GP	\$1,000,000	\$0
<b>17. Executive Order 2023-6 Transfers</b>	FTE	12.0	(11.0)
Includes the following transfers due to Executive Order 2023-6:	<b>Gross</b>	<b>\$68,674,200</b>	<b>(\$67,976,800)</b>
• Transfers out \$68.7 million GF/GP and authorization for 12.0 FTE positions for Reconnect and the Tri-Share Child Care program to the new MiLEAP department.	GF/GP	\$68,674,200	(\$67,976,800)
• Transfers in \$697,400 GF/GP and authorization for 1.0 FTE due to the shift of the Office of Rural Prosperity from MDARD to LEO.			
<b>18. Prosperity Bureau Limited-Term Staffing</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP (one-time) and boilerplate authorization for 4.0 limited-term FTE positions to build staffing capacity and improve program delivery.	GF/GP	NA	\$1,000,000
<b>19. Language Access</b>	<b>Gross</b>	<b>\$39,874,600</b>	<b>\$500,000</b>
Includes \$500,000 GF/GP (one-time) for the Office of Global Michigan to coordinate language access initiatives statewide, including providing technical assistance and guidance to state agencies.	Federal	38,369,000	0
	GF/GP	\$1,505,600	\$500,000
<b>20. Bureau of Services for Blind Persons Federal Authorization</b>	FTE	116.0	0.0
Increases federal authorization by \$3.4 million to recognize an anticipated increase in federal revenues.	<b>Gross</b>	<b>\$25,698,800</b>	<b>\$3,435,100</b>
	Federal	19,211,400	3,435,100
	Local	100,000	0
	Private	111,800	0
	Restricted	350,000	0
	GF/GP	\$5,925,600	\$0
<b>21. Michigan Occupational Safety and Health Radiation Safety Fees</b>	FTE	21.4	4.6
Includes \$582,000 restricted radiological health fees authorization and authorization 4.6 FTE positions to reflect increased revenues from a FY 2022-23 fee increase. Funds would support increased staffing and updated equipment. (Note: request for funding was also included in FY 2023-24 supplemental request 2023-2 described below.)	<b>Gross</b>	<b>\$3,466,200</b>	<b>\$582,000</b>
	Federal	513,300	0
	Restricted	2,952,900	582,000
	GF/GP	\$0	\$0
<b>22. State Historic Preservation Office</b>	<b>Gross</b>	<b>NA</b>	<b>\$300,000</b>
Includes \$300,000 restricted fund authorization to align State Historic Preservation Office Fees and Charges restricted fund source with anticipated revenues.	Federal	NA	0
	Restricted	NA	300,000
	GF/GP	NA	\$0

<b><u>Major Budget Changes from FY 2023-24 Enacted (YTD) Appropriations</u></b>		<b><u>FY 2023-24 Enacted (as of 2/7/24)</u></b>	<b><u>Executive Change from YTD</u></b>
<b>23. MSHDA Technical Assistance Field Staff</b>	FTE	303.0	15.0
Includes authorization for 15.0 FTE positions in MSHDA Housing and Rental Assistance to support local capacity building for housing.	<b>Gross</b>	<b>\$50,259,300</b>	<b>\$0</b>
	Federal	2,773,300	0
	Restricted	47,486,000	0
	GF/GP	\$0	\$0
<b>24. Removal of Enacted Budget One-Time Appropriations</b>	<b>Gross</b>	<b>\$1,042,330,000</b>	<b>(\$1,042,330,000)</b>
Removes \$1,042.3 million Gross (\$1,017.3 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the 30 one-time appropriation lines.	Federal	15,000,000	(15,000,000)
	Restricted	10,000,000	(10,000,000)
	GF/GP	\$1,017,330,000	(\$1,017,330,000)
<b>25. Current Services Baseline Technical Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$6,479,500)</b>
Reduces various lines by a total of \$6.5 million Gross (\$0 GF/GP) to align various revenue sources with anticipated revenues.	Federal	NA	(6,122,700)
	Restricted	NA	(356,800)
	GF/GP	NA	\$0
<b>26. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$11,034,300</b>
Reflects increased costs of \$11.0 million Gross (\$1.6 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Federal	NA	6,596,600
	Private	NA	(4,600)
	Restricted	NA	2,886,100
	GF/GP	NA	\$1,556,200

### **Major Boilerplate Changes from FY 2023-24**

#### **GENERAL SECTIONS**

##### **Sec. 207. Disciplinary Action Against State Employees – DELETED**

Prohibits department from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law. (*Governor deemed this section is unenforceable in FY 2023-24.*)

##### **Sec. 212. Transparency Website – DELETED**

Requires department to maintain a searchable website that is accessible by the public at no cost that includes data on expenditures, vendor payments, and data on number of active employees, including job specifications and wage rates.

##### **Sec. 213. Report on State Restricted Funds – DELETED**

Requires department to report within 14 days of the release of the executive budget recommendation on state restricted fund balances, projected state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

##### **Sec. 214. Department Metrics – DELETED**

Requires department to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates, key metrics that are used to monitor and improve the department's performance.

##### **Sec. 217. Work Project Expenditures – DELETED**

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures. (*Governor's signing letter states this section is unenforceable in FY 2023-24.*)

##### **Sec. 218. State Administrative Board Transfers – DELETED**

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. (*Governor's signing letter states this section is unenforceable in FY 2023-24.*)

##### **Sec. 219. Receipt and Retention of Required Reports – DELETED**

Requires departments to receive and retain copies of all reports required in Article 9; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes departments to electronically retain copies of reports unless otherwise required by federal and state guidelines.

##### **Sec. 220. Reporting Requirement on Policy Changes – DELETED**

Requires department to report by April 1 on policy changes made in order to implement enacted legislation.

## **Major Boilerplate Changes from FY 2023-24**

### **Sec. 221. Fund Sourcing Priorities – DELETED**

Requires federal or private grant funding to be used prior to general fund appropriations when available for the same expenditure.

### **Sec. 222. Severance Pay Report – DELETED**

Requires department to report name and any amount of severance pay given to high-ranking department officials; requires department to submit annual report on total amount of severance pay remitted to former employees during prior fiscal year and total number of those employees; defines "severance pay".

### **Sec. 223. Prioritization of In-person Work for State Workforce – DELETED**

States that the intent of legislature is to maximize efficiency of state workforce and, where possible, prioritize in-person work; requires each department, agency, board, or commission to post its in-person, remote, or hybrid work policy on its website.

### **Sec. 225. Initiatives and Recommendations Related to Savings Identified in Audit Reports – DELETED**

Requires department to report on efforts and progress made toward achieving savings and efficiencies identified by the auditor general in audit reports; authorizes the auditor general to perform and charge for a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented if the required report is not received within 6 months of the release of the audit. (*Governor's signing letter states this section is unenforceable in FY 2023-24.*)

## **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY (LEO)**

### **Sec. 301. Contingency Authorization – REVISED**

Appropriates \$15.0 million in federal, \$510.0 million in state restricted, \$11.0 million in private, and \$2.0 million in local contingency authorization; authorizes expenditure after legislative transfer to specific line items. Revises authorizations to \$30.0 million federal and \$560.0 million state restricted.

### **Sec. 303. SIGMA System Reporting – DELETED**

Requires LEO to use SIGMA to report encumbrances and expenditures.

### **Sec. 304. Private Grant Funded Projects – REVISED**

Authorizes appropriation of private grant revenues, subject to a limitation of \$1.5 million; requires report to legislature within ten days of receiving grants from private entities. Revises to eliminate \$1.5 million cap.

### **Sec. 305. Informational, Training, and Special Events Revenues and Expenditures – REVISED**

Authorizes LEO to charge registration fees for events sponsored by LEO; requires fees to reflect costs of sponsoring events; appropriates revenue generated by fees for sponsorship costs; authorizes excess revenue to be carried forward; limits appropriation to \$500,000. Revises to eliminate \$500,000 cap.

### **Sec. 308. Grant and Project Funding Transparency – DELETED**

Requires LEO to follow procurement statutes for any grant program or project, created for a public purpose, unless it can fully validate specific organization or local unit of government that will receive funds and how funds will be administered and expended; provides list of required verifying and application activities departments must perform to administer public grants or projects; requires identification of sponsoring legislator or department of a grant and certain activities for approval of grant agreement; requires all grant funding to be expended by close of FY 2027-28; requires information on each grant or project to be posted on public website, including receiving entity and grant sponsor.

## **STRATEGIC OUTREACH AND ATTRACTION RESERVE FUND**

### **Sec. 350. Strategic Outreach and Attraction Reserve Appropriation – REVISED**

Appropriates up to \$500.0 million restricted funding from the SOAR fund; funds must be used to support activities under the Michigan Strategic Fund Act; requires funding not restricted, obligated, or committed at end of fiscal year to lapse to the state general fund. Revises to include interest and earnings in the appropriation to the fund to allow them to be used to support SOAR projects after legislative transfers have been approved. Removes requirement that funding not restricted, obligated, or committed at the end of the fiscal year to lapse to the general fund because it is already required by statute.

### **Sec. 352. SOAR Program: CIP and MSSRP Expenditures – DELETED**

States legislative intent that CIP and MSSRP funding be expended to maximize job creation, grow wages, support existing state businesses and attract new businesses; states legislative intent that the MSF prioritize specific conditions when expending funds, including claw-back provisions if jobs are not retained for 5 years, locating projects in qualified census tracts that have unemployment rates higher than state average, community benefits agreements, and agreements that qualified business offer specific employee services.

## **Major Boilerplate Changes from FY 2023-24**

### **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

#### ***Sec. 401. Michigan State Housing Development Authority Annual Report – DELETE***

Requires Michigan State Housing Development Authority (MSHDA) to annually present a report on the status of the authority's housing production goals under all financing programs; prohibits MSHDA from restricting eligibility for housing units without a permanent foundation unless it is a federal restriction for program.

#### ***Sec. 403. Community Development Block Grant (CDBG) – DELETED***

Appropriates federal CDBG funding to complete all program activities from prior program years ending with the 2022 program allocation; allows funding to be expended for program activities and program administration.

### **MICHIGAN STRATEGIC FUND**

#### ***Sec. 503. Pure Michigan Appropriations – REVISED***

Requires GF/GP appropriated for Pure Michigan to be used for specified purposes; authorizes fund to contract any of the authorized activities; authorizes fund to work with local units of government, non-profit entities, and private entities on Pure Michigan promotion campaigns. Revised to remove reference to promotional focus including talent attraction, labor retention, and relocating to Michigan due to inclusion of new Michigan Marketing Initiatives appropriation. Removes reporting requirement.

#### ***Sec. 506. Business Incentive and Community Revitalization Grant Amendment Reporting – DELETED***

Requires MSF to provide a report of prior year amendments to Michigan Business Development Program and Michigan Community Revitalization Program incentives.

#### ***Sec. 507. Corporate Funding Reporting – DELETED***

Requires MEDC/MSF to provide an activities report on programs and activities administered by the MEDC board and supported with corporate or investment revenues.

#### ***Sec. 508. MSF Interlocal Agreements – DELETED***

Requires interlocal agreements entered into by MSF and local units of government to contain language which states that if the local unit has an arrangement with a private economic development corporation, the MEDC will work cooperatively with the private corporation.

#### ***Sec. 509. Land Purchase Provisions – DELETED***

Prohibits MEDC from purchasing land or land options unless the land is in an economically distressed area or purchase is at invitation of local unit of government and economic development agency; authorizes consideration of purchases where proposed use is consistent with a regional land use plan, will result in redeveloping an economically distressed area, can be supported with existing infrastructure, and will not cause population to shift from population centers; requires a report that lists all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases on land or on options for land. (*Governor's signing letter states this section is unenforceable in FY 2023-24.*)

#### ***Sec. 513. Fundraising Activity – DELETED***

Prohibits MEDC staff involved in fundraising from being party to grant award, incentives, or tax abatement decisions. (*Governor's signing letter states this section is unenforceable in FY 2023-24.*)

#### ***Sec. 514. Business Attraction and Community Revitalization – DELETED***

Requires that not less than 20% of the funds appropriated for this program be used for brownfield redevelopment incentives and historic preservation incentives.

#### ***Sec. 520. Film Tax Incentive Program Report – DELETED***

Requires MSF to report on the status of film incentive program and previous film tax credit program, including number of contracts signed, number of films completed, amount of tax credits, and number of jobs created.

#### ***Sec. 521. Film and Digital Media Office Status Report – DELETED***

Requires annual activities report from the Michigan Film and Digital Media Office; requires report to include a listing of all projects that received assistance from the office, a listing of the services provided for each project, and an estimate of the investment leveraged.

#### ***Sec. 525. Business Attraction and Community Revitalization Funds Reporting – DELETED***

Requires quarterly report on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended; requires report to include funds previously appropriated that have lapsed back to the fund after being considered appropriated, pre-encumbered, encumbered, or expended for any reason.

#### ***Sec. 527. Previously Authorized Tax Credit Transfer Notification – DELETED***

Requires notification 30 days prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to the state.

## **Major Boilerplate Changes from FY 2023-24**

### **Sec. 531. Job Creation Services Report – DELETED**

Requires department to provide a biannual report that includes expenditures by division and program unit within the job creation services line item.

## **WORKFORCE DEVELOPMENT**

### **Sec. 701. Tri-Share Child Care Program – DELETED**

Requires funding to be used to continue the Tri-Share Child Care program; allow funding of new child care facilitator hubs provided that existing hubs receive sufficient support; requires new hubs to increase the number of participating counties or serve statewide employers; caps administration costs at \$200,000. (*Transferred to MiLEAP under Executive Order 2023-6*).

### **Sec. 706. Going Pro Expenditure Report – DELETED**

Requires LEO to provide a report of Going Pro expenditures by program/grant type for the prior fiscal year and a projected expenditure report by program/grant type for the current fiscal year.

### **Sec. 715. Michigan Reconnect Grant Program – DELETED**

Requires funding for the Michigan Reconnect Grant Program to be distributed pursuant to the Michigan Reconnect Grant Act, 2020 PA 84.

### **Sec. 716. Interagency Agreement for TANF Funds – DELETED**

Requires LEO to provide reporting on the interagency agreement with DHHS for the use of TANF funds; requires report on use of TANF funds by LEO.

### **Sec. 716. Office of Rural Development – NEW**

Directs the Office of Rural Development to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development. (*Transferred in from MDARD under EO 2023-6*.)

### **Sec. 717. Community and Worker Economic Transition Office – NEW**

Authorizes the LEO to hire employees and deploy capabilities to evaluate and address the impacts of economic transitions; lists activities of the office; requires office to submit a community and worker economic transition plan by December 31, 2025; requires annual report submitted by February 13, 2025.

## **UNEMPLOYMENT**

### **Sec. 805. Unemployment Insurance Agency Limited-Term Employee Authorization – REVISED**

Authorizes the UIA to hire up to 500.0 limited-term employees if UIA local offices offer full-time, in-person services. Revises to remove requirement that UIA must provide full-time, in-person services at existing unemployment insurance local offices to hire limited-term employees.

## **REHABILITATION SERVICES**

### **Sec. 902. Michigan Rehabilitation Services Report – DELETED**

Requires annual status and outcome report on efforts taken to remedy and improve the MRS.

## **COMMISSIONS**

### **Sec. 951. Ethnic Affairs Commissions Reporting – DELETED**

Requires Office of Global Michigan to coordinate with three ethnic affairs commissions to produce report detailing commissions' activities.

### **Sec. 952. Ethnic Affairs Commissions' Spending – DELETED**

Requires expenditure of appropriated funds by the commissions to directly relate to mission statements.

## **ONE-TIME APPROPRIATIONS**

### **Sec. 1000. Adult Literacy – DELETED**

Requires LEO to allocate \$2.0 million for a grant program to be administered by a nonprofit organization for adult education programs; requires each grant recipient to be a 501(c)(3) organization and authorizes receipt of \$2,000 per learner, up to \$150,000.

### **Sec. 1000. Focus: HOPE – RETAINED**

Requires funds appropriated in part 1 for Focus: HOPE to be used for education and workforce development programming, early childhood education, youth development, food assistance, or community empowerment and advocacy. (*Note: for FY 2023-24 this language was included as Section 1008 in One-Time Appropriations.*)

## **Major Boilerplate Changes from FY 2023-24**

### **Sec. 1001. Child Savings Accounts – DELETED**

Allocates \$2.5 million to a nonprofit trade association for enhancing current child savings account programs and for pilot programs in depressed and deprived communities; allows administration costs up to \$250,000.

### **Sec. 1001. Office of Rural Prosperity – NEW**

Requires funds appropriated in part 1 for the Office of Rural Prosperity to be used for a grant program to support community activities, including, but not limited to, enhancing or elevating broadband, housing, infrastructure, education, workforce development, and addressing other needs uniquely experienced in rural areas of Michigan.

### **Sec. 1002. College Success Fund and Student Wraparound Supports – DELETED**

Requires \$11.5 million to be for student wraparound services and basic needs supports to assist public colleges, universities, and tribal colleges with addressing students' basic needs; authorizes department to award grants to higher education institutions and to nonprofit organizations for student wraparound supports, including public assistance benefit screening, emergency housing, child care, food pantries, emergency grants to students, mental health supports, and re-enrollment support; designates unexpended funds as a work project appropriation.

### **Sec. 1002. Global Talent and Retention – NEW**

Requires funds appropriated in part 1 for Global Talent and Retention to be used for equitable local, regional, and statewide economic growth through immigrant inclusion programs.

### **Sec. 1003. Community Enhancement Grants – DELETED**

Requires funding to be used for 68 specific grants. (*Governor vetoed subsection (26) which appropriated \$2.0 million GF/GP to Livingston County Catholic Charities.*)

### **Sec. 1003. Prosperity Bureau – NEW**

Authorizes funds appropriated in part 1 to be used for up to 4.0 limited-term employees to expand capacity within the Prosperity Bureau.

### **Sec. 1004. Convention and Visitors Bureau Relief – DELETED**

Requires funding to be expended to provide grants to all convention and visitors bureaus for promoting hospitality, tourism, and travel; allows up to 1.0% for administration costs; requires report.

### **Sec. 1004. Talent Solutions – NEW**

Requires funds appropriated in part 1 for Talent Solutions to be used for the operations of the talent action teams fast track system, grants to employer-led collaboratives to support job creation and authorizes up to 3% of funds to be used for administration.

### **Sec. 1005. Digital Workforce Development – DELETED**

Requires funding to be used for a single digital platform for career exploration and skill development to connect prospective employees with employers; requires platform to be made available to intermediate school districts and employers and to include a library of virtual reality content for skill development and education, career exploration tools, and a tool to connect employers with certain students.

### **Sec. 1005. Michigan Marketing Initiative – NEW**

Requires funds appropriated in part 1 for Michigan Marketing Initiative be used for activities focused on promotion of Michigan as a place to live, attracting and retaining talent for in-demand and high-growth occupations, and supporting broader population growth goals; authorizes MSF to contract with outside entities for services and work with local units, nonprofit entities, and private entities.

### **Sec. 1006. Economic Development Grants – DELETED**

Requires funding to be used for 14 specific economic development grants.

### **Sec. 1006. Community and Neighborhood Initiatives – NEW**

Requires funds appropriated in part 1 for Community and Neighborhood Initiatives to be used for a grant program for projects that benefit local communities and neighborhoods; outlines requirements for program guidelines, eligibility criteria, and application process; requires quarterly progress reports from grant recipients and a departmental report.

### **Sec. 1007. Fire Gear Equipment Grants – DELETED**

Requires funding to be expended for a grant program to fund a second set of turnout gear for fire fighters statewide in eligible departments; prohibits grants from exceeding \$3,500 per full time member of the department; designates unexpended funds as a work project appropriation.



## **Major Boilerplate Changes from FY 2023-24**

### ***Sec. 1007. Michigan Innovation Fund – NEW***

Requires funds appropriated in part 1 for the Michigan Innovation Fund to be used for activities under section 32 of the Michigan Early Stage Venture Act of 2003; requires MSF to develop and post program guidelines; requires not less than \$5.0 million of funds to support underrepresented entrepreneurs; requires awards to be made to universities, economic development organizations, nonprofit organizations, and other investment vehicle entities; requires annual pitch competition to address strategic challenges in Michigan.

### ***Sec. 1008. Build Ready Sites Program – NEW***

Requires funds appropriated in part 1 for the Build Ready Sites Program to be used to develop or enhance strategic sites to make them build ready and competitive for site selection projects.

### ***Sec. 1009. Habitat for Humanity – DELETED***

Requires \$10.0 million be awarded to Habitat for Humanity for a statewide housing home ownership program.

### ***Sec. 1010. Healthcare Grants – DELETED***

Requires funding to be used for 11 specific healthcare grants.

### ***Sec. 1011. High Speed Rail Grants – DELETED***

Requires department to grant funding to MDOT to allocate to governmental entities; requires funding to be allocated for projects that support new or expand existing high-speed rail or rapid transit bus services; requires matching funds; requires report; designates unexpended funds as a work project appropriation.

### ***Sec. 1012. Housing Grants – DELETED***

Requires funding to be used for 11 specific housing grants.

### ***Sec. 1013. Lansing Housing Projects – DELETED***

Requires funding to be allocated to support redevelopment projects to create affordable housing units or complete other corridor improvements in Lansing; designates unexpended funds as a work project appropriation.

### ***Sec. 1014. Michigan Community Development Financial Institution (CDFI) Fund Grants – DELETED***

Creates the Michigan CDFI Fund and requires grants to be awarded by the MSF to eligible community development financial institutions; requires reports from grant recipients; designates unexpended funds as a work project appropriation.

### ***Sec. 1015. Michigan Enhancement Grants – DELETED***

Requires funding to be used for 6 specific grants.

### ***Sec. 1016. Michigan Nurse Scholarship – DELETED***

Requires funding be allocated to a statewide nonprofit foundation for a nursing scholarship program for existing nursing students or existing nurses seeking advanced degrees or certifications.

### ***Sec. 1017. Minority Owned Business Support – DELETED***

Requires department to award grants to minority owned businesses or nonprofit business organizations for small business development initiatives; requires department to seek opportunities to award grants in a geographically diverse manner; requires not less than 25% of funding be allocated to support small businesses in alternative energy sectors, including electric vehicles, \$500,000 for a business accelerator and other activities in Lansing, \$500,000 for a nonprofit business alliance in Detroit; requires report; designates unexpended funds as a work project appropriation.

### ***Sec. 1018. New Michigander – DELETED***

Requires \$3.0 million be allocated to a nonprofit organization to provide services to foreign-born non-citizens in the state; requires funding to be used for legal services, housing supports, staffing, and outreach to foreign-born noncitizens.

### ***Sec. 1019. Public Infrastructure Grants – DELETED***

Funding for 69 public infrastructure grants.

### ***Sec. 1020. Public Safety Grants – DELETED***

Requires funding to be used for 23 specific public safety grants.

### ***Sec. 1021. Skilled Trade Grant Program – DELETED***

Allocates funding for a skilled trade grant program to 4 nonprofit skilled trade worker associations to provide skilled trade training programs.

### ***Sec. 1022. Sports Infrastructure Compliance – DELETED***

Requires department to allocate funding to support capital improvement costs of professional baseball organizations that are needed for affiliate compliance; limits grant awards to \$1.5 million for a professional sports team.

**Major Boilerplate Changes from FY 2023-24**

**Sec. 1023. Talent Investment Pilot – DELETED**

Requires LEO to establish a grant program to fund the development of three public space projects in central city neighborhoods or concentrated districts in Detroit; requires grant applicants to be a consortium of local governments, local economic development organizations, nonprofits, and businesses to be eligible; requires 50% local or private match.

**Sec. 1024. Voluntary Income Tax Assistant Grants – DELETED**

Requires \$3.3 million to be allocated to a nonprofit trade association to provide free tax preparation services and to expand local capacity to provide free tax preparation services; allows up to \$300,000 for administration costs.

**Sec. 1025. Workforce Development Grants – DELETED**

Requires funding to be used for 12 specific workforce development projects.

**Sec. 1026. Workforce Stabilization – DELETED**

Requires department to allocate funding to a statewide nonprofit foundation to support health workforce initiatives, including a nursing scholarship program, recruitment, training, or other retention activities; designates unexpended funds as a work project appropriation.

**Sec. 1027. Workforce Hospitality Training Program – DELETED**

Requires funding to be allocated to Michigan Hospitality Training Institute in Lansing to provide quality training to advance individual's skill sets, grow operational knowledge, and advance careers in the hospitality industry.

**Sec. 1028. Housing Readiness Incentive Grant Program – DELETED**

Requires funding to be expended to provide grants to cities, villages, and townships to cover the costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability; allows local units to receive a grant of not more than \$50,000; authorizes department to collaborate with the MEDC to review grant applications; designates unexpended funds as a work project appropriation.

**Sec. 1029. Lansing Municipal Infrastructure – DELETED**

Requires funding to be allocated for the development costs of a city campus plan for Lansing which includes funding for the modernization of the municipal administration campus; designates unexpended funds as a work project appropriation.

**Supplemental Recommendations for FY 2023-24 Appropriations**

**FY 2023-24  
Recommendation**

**1. Targeted Energy Investment**

Includes \$150.0 million GF/GP (one-time) to support efforts to restart the Palisades nuclear power generation reactor. The funds augments \$150.0 million GF/GP appropriated in 2023 PA 119. Expenditure of funds would be contingent upon conditional commitments from the U.S. Department of Energy for the support of efforts to restart the facility.

<b>Gross</b>	<b>\$150,000,000</b>
GF/GP	\$150,000,000

**2. Office of Global Michigan**

Includes \$28.1 million Federal to support Ukrainian and Afghan specific grants and increases in Office of Refugee Resettlement support service grants, administrative support grants, and the unaccompanied refugee minor program.

<b>Gross</b>	<b>\$28,064,500</b>
Federal	28,064,500
GF/GP	\$0

**3. Community Worker Transition Office and Pilot**

Includes a total of \$12.5 million GF/GP and authorization for 20.0 FTE positions for the Community and Worker Economic Transition Office and an associated Community and Worker Economic Transition Fund Pilot. Of the total, \$2.5 million GF/GP and authorization for 20.0 FTE positions is included for the Community and Worker Economic Transition Office developed in 2023 PA 232. Office goals include ensuring communities, workers, and businesses are supported in navigating the state's economic transition from internal combustion engines to electric vehicles, the shift to renewable energy, and the decarbonization of the manufacturing industry. The pilot program would be supported with \$10.0 million GF/GP and would provide resources to support communities, workers, and businesses navigating the transition. Activities would include technical assistance and capacity building, training and education, and other supportive services.

FTE	20.0
<b>Gross</b>	<b>\$12,500,000</b>
GF/GP	\$12,500,000

**Supplemental Recommendations for FY 2023-24 Appropriations**

**FY 2023-24  
Recommendation**

**4. Mobility Hub Project**

Includes \$11.0 million Federal to support a project to develop a demonstration model enabling companies to transition fleets to electric vehicles and test new technologies, digital services, and business models.

**Gross** **\$11,000,000**  
Federal 11,000,000  
GF/GP \$0

**5. Bureau of Services for Blind Persons**

Recognizes \$5.0 million Federal to be used for one-time projects including training center renovations, software and financial literacy applications, and lease revisions. Sufficient matching funds already exist for the additional federal funding.

**Gross** **\$5,000,000**  
Federal 5,000,000  
GF/GP \$0

**6. State Manufacturing Leadership Program**

Recognizes \$2.0 million Federal grant to support Michigan's industry 4.0 program to provide financial assistance to implement smart manufacturing projects for small- and medium-size manufacturing firms across the state. The expanded funding will focus on supporting minority-owned small- and medium-sized manufacturing firms and those located in disadvantaged communities.

**Gross** **\$2,000,000**  
Federal 2,000,000  
GF/GP \$0

**7. Housing Readiness Incentive Program**

Includes \$1.0 million GF/GP to augment the existing \$5.0 million GF/GP appropriated in 2023 PA 119. The funds would support grants to cities, villages, townships, and counties to cover costs associated with adopting land use policies, master plan updates, zoning text amendments, and additional actions that would improve housing supply and affordability.

**Gross** **\$1,000,000**  
GF/GP \$1,000,000

**8. Radiological Health Fees**

Recognizes \$582,000 restricted radiological health fees to accommodate the fee increase approved in 2023 and provides authorization for 4.6 FTE positions. Funds would support staffing and purchases to replace outdated equipment.

FTE 4.6  
**Gross** **\$582,000**  
Restricted 582,000  
GF/GP \$0

**9. Employee Lump Sum Payments**

Includes \$727,000 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for eligible staff employed full-time as of December 23, 2023.

**Gross** **\$727,000**  
GF/GP \$727,000