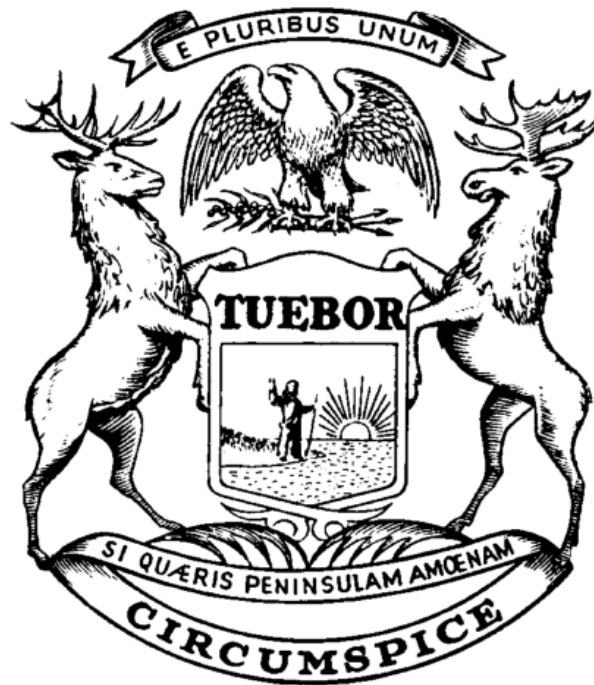


**STATE OF MICHIGAN  
FISCAL YEAR 2024-25**

# **Appropriations Summary and Analysis**



**Mary Ann Cleary, Director**

**SEPTEMBER 2024**

**HOUSE FISCAL AGENCY  
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**Joe Tate, Vice-Chair**

**Abraham Aiyash**

**Sarah Lightner, Minority Vice-Chair**

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STATE OF MICHIGAN  
HOUSE OF REPRESENTATIVES



HOUSE FISCAL AGENCY

**MARY ANN CLEARY, DIRECTOR**

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MATT HALL

September 2024

TO: Members of the Michigan House of Representatives

FROM: Mary Ann Cleary, Director

This ***FY 2024-25 Appropriations Summary and Analysis*** summarizes the FY 2024-25 state budget. A *Glossary*, following the table of contents, explains terms used throughout this report to describe Michigan's budget. The *Budget Overview* provides information on resources used and major funding changes in the FY 2024-25 year-to-date budget; summary tables of appropriated funds and fund sources are also included. *Budget Detail* pages note enacted major budget and boilerplate changes for each budget area.

When analyzing the budget, it is important to note the following:

**Adjusted Gross** is the amount to use when measuring the total amount of funding included in the state budget (including spending from federal sources).

**State Spending from State Sources (State Restricted plus GF/GP)** is the amount to use when measuring the amount of state resources collected from taxpayers to finance state spending.

**General Fund/General Purpose (GF/GP)** is the amount to use when measuring unrestricted state resources available for legislative allocation to various state programs.

Information in the *Budget Detail* section was provided by HFA Analysts; report production was coordinated by Kathryn Bateson, Administrative Assistant. House Fiscal Agency staff and their areas of responsibility are listed on the inside back cover of this publication. Please feel free to contact them, or me, if you have questions or need further information.

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director



# TABLE OF CONTENTS

## OVERVIEW

|   |         |
|---|---------|
| Budget Overview .....   | 2       |
| Consensus Revenue Estimates .....                                       | 4       |
| FY 2024-25 Balance Sheets .....   | 9       |
| Charts:   |         |
| FY 2024-25 YTD Adjusted Gross Appropriations.....                       | 12      |
| FY 2024-25 YTD General Fund/General Purpose (GF/GP) Appropriations..... | 12      |
| FY 2024-25 YTD Adjusted Gross Sources .....                             | 13      |
| FY 2024-25 YTD GF/GP Distribution .....                                 | 13      |
| Summary Tables 1 – 5 .....  | 14 – 19 |

## BUDGET DETAIL

|  |     |
|--|-----|
| Agriculture and Rural Development .....              | 22  |
| Community Colleges .....                             | 27  |
| Corrections.....                                     | 31  |
| Education (Department) .....                         | 38  |
| Environment, Great Lakes, and Energy .....           | 44  |
| General Government Totals.....                       | 52  |
| Attorney General .....                               | 54  |
| Civil Rights .....                                   | 57  |
| Executive Office.....                                | 59  |
| Legislature .....                                    | 60  |
| Legislative Auditor General .....                    | 62  |
| State (Department) .....                             | 63  |
| Technology, Management, and Budget.....              | 67  |
| Treasury .....                                       | 73  |
| Health and Human Services .....                      | 80  |
| Higher Education .....                               | 101 |
| Insurance and Financial Services .....               | 109 |
| Judiciary.....                                       | 112 |
| Labor and Economic Opportunity.....                  | 118 |
| Table 6 – Community Enhancement Grants .....         | 132 |
| Table 7 – Infrastructure Grants .....                | 134 |
| Table 8 – Public Safety Grants .....                 | 135 |
| Table 9 – Healthcare Grants .....                    | 135 |
| Table 10 – Housing Grants .....                      | 135 |
| Table 11 – One-Time Grant Programs.....              | 136 |
| Licensing and Regulatory Affairs .....               | 137 |
| Lifelong Education, Advancement, and Potential ..... | 145 |
| Military and Veterans Affairs .....                  | 153 |
| Natural Resources .....                              | 158 |
| School Aid.....                                      | 163 |
| State Police.....                                    | 182 |
| Transportation.....                                  | 188 |



# GLOSSARY

## Frequently Used State Budget Terms

### STATE BUDGET TERMS

#### **Line Item**

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

#### **Boilerplate**

Specific language sections in an appropriation bill which direct, limit, or restrict line-item expenditures, express legislative intent, and/or require reports.

#### **Lapse**

Appropriated amounts that are unspent or unobligated at the end of a fiscal year; appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

#### **Work Project**

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

### APPROPRIATION TERMS AND FUND SOURCES

#### **Appropriations**

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

**Gross:** Total of all applicable appropriations in an appropriation bill.

**Adjusted Gross:** Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

#### **Interdepartmental Grant (IDG) Revenue**

Funds received by one state department from another state department—usually for service(s) provided.

#### **Intradepartmental Transfer (IDT) Revenue**

Funds transferred from one appropriation unit to another within the same departmental budget.

#### **Federal Revenue**

Federal grant or match revenue; generally dedicated to specific programs or purposes.

#### **Local Revenue**

Revenue received from local units of government for state services.

#### **Private Revenue**

Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, or gifts and bequests.

#### **State Restricted Revenue**

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

#### **General Fund/General Purpose (GF/GP) Revenue**

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

### MAJOR STATE FUNDS

#### **General Fund**

The state's primary operating fund; receives state revenue not dedicated to another state fund.

#### **School Aid Fund (SAF)**

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

#### **Budget Stabilization Fund**

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.





# **FY 2024-25 Budget Detail**

## **OVERVIEW**

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**Budget Overview  
Consensus Revenue Estimates  
FY 2024-25 Balance Sheets  
Summary Tables**

**OVERVIEW**

**FY 2024-25  
BUDGET OVERVIEW**

**Mary Ann Cleary, Director, and Kevin Koorstra, Deputy Director**

The budget overview highlights the major components that have contributed to the fiscal year (FY) 2024-25 appropriations.

The year-to-date (YTD) state budget for FY 2024-25 incorporates the May 2024 Consensus Revenue Estimating Conference (CREC) revenue estimates. In addition to those estimates, the budget assumes a General Fund/General Purpose (GF/GP) beginning balance of \$1,633.8 million and a School Aid Fund (SAF) beginning balance of \$404.3 million.

(Millions of Dollars)

|                       | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>vs. FY 2023-24 |              |
|-----------------------|---------------------------------------|-----------------------|--|--------------|
|                       |                                       |                       | Amount                                   | %            |
| <b>Adjusted Gross</b> | <b>\$80,400.5</b>                     | <b>\$81,235.6</b>     | <b>\$835.1</b>                           | <b>1.0%</b>  |
| <b>Federal</b>        | <b>\$32,866.2</b>                     | <b>\$33,884.7</b>     | <b>\$1,018.5</b>                         | <b>3.1%</b>  |
| <b>Local/Private</b>  | <b>\$520.3</b>                        | <b>\$532.3</b>        | <b>\$12.0</b>                            | <b>2.3%</b>  |
| <b>Restricted</b>     | <b>\$31,820.5</b>                     | <b>\$31,943.4</b>     | <b>\$122.9</b>                           | <b>0.4%</b>  |
| <b>GF/GP</b>          | <b>\$15,193.5</b>                     | <b>\$14,875.1</b>     | <b>(\$318.4)</b>                         | <b>-2.1%</b> |

Of the \$46,818.6 million in state resources (restricted plus GF/GP) appropriated for FY 2024-25, \$24,925.9 million (53.2% of the total) is designated for payments to local units of government. Article IX, Section 30 of Michigan's Constitution requires that at least 48.97% of spending from state resources must be paid to local governments.

The FY 2024-25 budget includes over \$563.8 million in ongoing program increases and \$1,263.3 million in one-time GF/GP appropriations. And includes an estimated net \$95.7 million in ongoing program increases and \$1,199.0 million in one-time SAF appropriations.

Major FY 2024-25 GF/GP program increases both ongoing and one-time include:

- \$100.0 million for housing programs. (LEO)
- \$76.0 million for Federal aid match. (MDOT)
- \$40.3 million for Federal lead line replacement funding match. (EGLE)
- \$37.5 million for the Michigan Indigent Defense Commission. (LARA)
- \$161.8 million Gross (\$30.1 million GF/GP) for Certified Community Behavioral Health Clinics. (DHHS)
- \$30.0 million for clean fuel and charging infrastructure. (EGLE)

Major FY 2024-25 School Aid and Higher Education funding changes include:

- \$293.3 million (SAF) increase for special education costs. (K-12)
- \$176.4 million (SAF) increase for MPSERS related changes. (K-12)
- \$87.0 million (SAF) for literacy supports program. (K-12)
- \$85.0 million (SAF) increase for the Great Start Ready program. (K-12)
- \$82.9 million (SAF) increase for At-Risk program. (K-12)
- \$57.0 million (SAF) for one-time per-pupil grants to public school academies. (K-12)
- \$40.0 million (SAF) increase in universal school breakfast and lunch programs. (K-12)
- \$41.7 million (GF/GP) for operations increase for universities. (HE)
- \$30.0 million (GF/GP) deposit into the Michigan achievement scholarship/postsecondary scholarship fund. (HE)
- \$9.0 million (SAF) for operations increase to community colleges. (CC)

FY 2024-25 budget includes the following funding changes for local revenue sharing programs:

- Estimated decrease of \$27.3 million for constitutional revenue sharing payments to cities, villages, and townships (CVTs) based on sales tax collections.
- \$75.0 million for a public safety and violence prevention fund.
- \$40.0 million increase to CVTs.
- \$34.9 million increase to counties.

The FY 2024-25 enacted budget bills contain FY 2023-24 supplemental appropriations totaling \$2,632.0 million Gross (\$456.7 million GF/GP and \$55.5 million SAF).

- Departmental appropriation adjustments of \$2,495.3 million Gross (\$456.7 million GF/GP) include the following:
  - \$1,264.7 million Gross (\$103.0 million GF/GP) increase as part of the estimated DHHS-related caseload adjustments from the May 2024 CREC.
  - \$150.0 million (GF/GP) for targeted energy investment in LEO.
  - \$61.1 million Gross (\$49.4 million GF/GP) for one-time lump sum payments for eligible employees.
  - \$20.0 million Gross (\$10.0 million federal ARP and \$10.0 million GF/GP) for home and community bases supportive housing.
  - \$10.0 million (GF/GP) deposit into the Disaster and Emergency Contingency Fund (DECF).
- School Aid supplemental increase of \$136.7 million Gross (\$55.5 million SAF) for CREC caseload costs and additional funding for the universal school breakfast and lunch program.

A more detailed summary of major budget changes by individual budget area begins on page 22.

## OVERVIEW

# CONSENSUS REVENUE ESTIMATES

**Ben Gielczyk, Associate Director and Senior Economist**

This section describes the May 2024 Consensus Revenue Estimating Conference revenue projections, adjusted for changes enacted, for GF/GP and SAF revenue for FY 2023-24 and FY 2024-25.

For Michigan:

- Wage and salary employment is forecast to increase 0.8% in CY 2024 and 1.0% in CY 2025.
- The unemployment rate is forecast to increase to 4.2% in CY 2024 and 4.3% in CY 2025.
- Personal income is forecast to increase 3.5% in CY 2024 and 4.4% in CY 2025.

### **General Fund/General Purpose Revenue by Source**

#### ***Individual Income Tax***

- Michigan individual income tax revenue is forecast to increase 2.2% in FY 2023-24 due to the individual income tax rate returning to 4.25% in TY 2024. Revenue is projected to increase 6.5% in FY 2024-25.

#### ***Sales and Use Taxes***

- Combined GF/GP sales and use tax revenue is estimated to decline 1.1% rate to \$2,846.6 million in FY 2023-24 before increasing by 2.5% to \$2,918.0 million in FY 2024-25.

#### ***Net Business Taxes***

- Net business taxes are comprised of the Single Business Tax (SBT), the Michigan Business Tax (MBT), the corporate income tax (CIT), and insurance taxes.
- Net business taxes are expected to increase 0.9% in FY 2023-24 before declining 1.0% in FY 2024-25.

#### ***GF/GP Tax Revenue***

- GF/GP tax revenue in FY 2023-24 is expected to increase by 1.0% to \$12,900.5 million and 4.5% to \$13,480.2 million in FY 2024-25.

#### ***Net GF/GP Revenue***

- Total net GF/GP revenue includes tax revenue and non-tax revenue.
- Non-tax revenue includes revenue from the liquor purchase revolving fund, transfers of unclaimed property, federal aid, licenses and permits, and investment income and borrowing costs.
- Net GF/GP revenue is expected to decline 0.1% to \$13,948.7 million in FY 2023-24 before increasing 2.2% to \$14,257.8 million in FY 2024-25.

**GENERAL FUND/GENERAL PURPOSE REVENUE ESTIMATES  
(Millions of Dollars)**

|                          | <u>FY 2023-24</u> | <u>FY 2024-25</u> | <u>FY 2024-25 Over FY 2023-24</u> |             |
|--------------------------|-------------------|-------------------|-----------------------------------|-------------|
|                          |                   |                   | <u>Change</u>                     |             |
| Individual Income Tax    | \$7,933.7         | \$8,448.2         | \$514.5                           | 6.5%        |
| Sales and Use Taxes      | 2,846.6           | 2,918.0           | 71.4                              | 2.5%        |
| Net Business Taxes       | 1,653.4           | 1,636.2           | (17.2)                            | (1.0%)      |
| Other Taxes              | 466.8             | 477.8             | 11.0                              | 2.4%        |
| <b>GF/GP Tax Revenue</b> | <b>\$12,900.5</b> | <b>\$13,480.2</b> | <b>\$579.7</b>                    | <b>4.5%</b> |
| Non-Tax Revenue          | 1,048.2           | 777.6             | (270.6)                           | (25.8%)     |
| <b>Net GF/GP Revenue</b> | <b>\$13,948.7</b> | <b>\$14,257.8</b> | <b>\$309.1</b>                    | <b>2.2%</b> |

**SCHOOL AID FUND REVENUE ESTIMATES  
(Millions of Dollars)**

| <u>Revenue</u>                | <u>FY 2023-24</u> | <u>FY 2024-25</u> | <u>FY 2024-25 Over FY 2023-24</u> |             |
|-------------------------------|-------------------|-------------------|-----------------------------------|-------------|
|                               |                   |                   | <u>Change</u>                     |             |
| Sales and Use Taxes           | \$8,655.8         | \$8,748.9         | \$93.1                            | 1.1%        |
| Individual Income Tax Earmark | 3,785.7           | 3,922.5           | 136.8                             | 3.6%        |
| Lottery, Casinos, and iGaming | 1,749.2           | 1,769.0           | 19.8                              | 1.1%        |
| Cigarette Tax                 | 242.1             | 235.7             | (6.4)                             | (2.6%)      |
| State Education Tax           | 2,715.0           | 2,812.6           | 97.6                              | 3.6%        |
| Real Estate Transfer Tax      | 370.0             | 385.0             | 15.0                              | 4.1%        |
| Recreational Marihuana        | 115.6             | 121.7             | 6.1                               | 5.3%        |
| Other Specific Taxes          | 150.2             | 151.5             | 1.3                               | 0.9%        |
| <b>Net SAF Revenue</b>        | <b>\$17,783.6</b> | <b>\$18,146.9</b> | <b>\$363.3</b>                    | <b>2.0%</b> |

**School Aid Fund Revenue by Source**

***Sales and Use Taxes***

- Combined sales and use tax revenue dedicated to the SAF is forecast to decrease 0.7% to \$8,655.8 million in FY 2023-24 before increasing 1.1% to \$8,748.9 million in FY 2024-25.

***Individual Income Tax Earmark***

- SAF dedicated income tax revenue is forecast to decline to \$3,785.7 million in FY 2023-24, and then increase 3.6% to \$3,922.5 million in FY 2024-25. The SAF is held harmless from the rate change and other income tax provisions that reduce GF/GP income tax revenue.

***Lottery, Casinos, and iGaming***

- Revenue from the lottery, casinos, online gaming, and sports betting to the SAF is projected to be \$1,749.2 million in FY 2023-24 and \$1,769.0 million in FY 2024-25.

***Cigarette Tax***

- Approximately 41.4% of cigarette tax revenue is dedicated to the SAF.
- The demand for tobacco products is expected to decline over the duration of the forecast, leading to total SAF tobacco tax revenue of \$242.1 million in FY 2023-24 and \$235.7 million in FY 2024-25.

## **OVERVIEW**

### ***State Education Tax/Real Estate Transfer Tax***

- All of the 6-mill state education tax (SET) and the real estate transfer tax (RET) is dedicated to the SAF.
- SET revenue is expected to increase to \$2,715.0 million in FY 2023-24 and \$2,812.6 million in FY 2024-25.
- RET is forecast to decrease to \$370.0 million in FY 2023-24 before increasing to \$385.0 million in FY 2024-25.

### ***Other Specific Taxes***

- Other specific taxes include the liquor excise tax, the excise tax on recreational marihuana, industrial and commercial facilities taxes, the commercial forest tax, and other smaller specific taxes.

### ***Net SAF Revenue***

- Net SAF revenue represents revenue available for expenditure each year; it includes tax changes but does not include any GF/GP transfers, federal funds, or year-end balances.
- Net SAF revenue is expected to decrease 0.4% to \$17,783.6 million in FY 2023-24 before increasing 2.0% to \$18,146.9 million in FY 2024-25.

**Budget Stabilization Fund Year-End Balances**

The following table notes BSF deposits, withdrawals, and interest earnings from FY 1999-2000 to FY 2022-23, and HFA estimates of deposits, expected interest earnings, and year-end balances for FY 2023-24 and FY 2024-25. Deposits include appropriations as well as the provisions enacted in 2014 PA 186, which amended the Michigan Trust Fund Act to require annual \$17.5 million deposits of tobacco settlement revenue to the BSF from FY 2014-15 through FY 2034-35.

After deposits totaling \$197.2 million and \$9.3 million in interest earnings, the final BSF fund balance for FY 2021-22 was \$1,588.8 million. Although the enacted FY 2022-23 budget did not contain an appropriation, a \$100 million appropriation was included in the supplemental portion of the FY 2023-24 budget, which also contained a \$100 million deposit for FY 2023-24 and includes a \$50 million deposit from unassigned GF/GP balance at the close of the fiscal year. Incorporating these deposits and estimated interest earnings, projected year-end balances are \$1,785.0 for FY 2023-24 and \$1,993.4 for FY 2024-25.

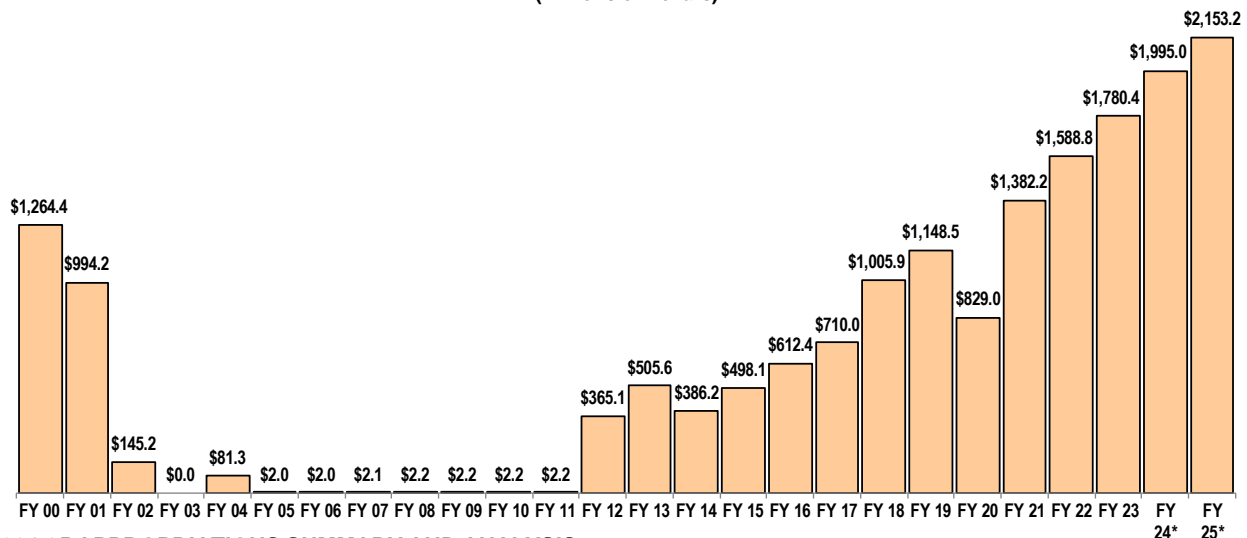
**BUDGET STABILIZATION FUND HISTORY  
(Millions of Dollars)**

| <b>Fiscal Year</b> | <b>Deposits</b> | <b>Withdrawals</b> | <b>Interest Earned</b> | <b>Balance</b> |
|--------------------|-----------------|--------------------|------------------------|----------------|
| 1999-2000          | \$100.0         | \$132.0            | \$73.9                 | \$1,264.4      |
| 2000-01            | 0.0             | 337.0              | 66.7                   | 994.2          |
| 2001-02            | 0.0             | 869.8              | 20.8                   | 145.2          |
| 2002-03            | 0.0             | 156.1              | 10.9                   | 0.0            |
| 2003-04            | 81.3            | 0.0                | 0.0                    | 81.3           |
| 2004-05            | 0.0             | 81.3               | 2.0                    | 2.0            |
| 2005-06            | 0.0             | 0.0                | 0.0                    | 2.0            |
| 2006-07            | 0.0             | 0.0                | 0.1                    | 2.1            |
| 2007-08            | 0.0             | 0.0                | 0.1                    | 2.2            |
| 2008-09            | 0.0             | 0.0                | 0.0                    | 2.2            |
| 2009-10            | 0.0             | 0.0                | 0.0                    | 2.2            |
| 2010-11            | 0.0             | 0.0                | 0.0                    | 2.2            |
| 2011-12            | 362.7           | 0.0                | 0.2                    | 365.1          |
| 2012-13            | 140.0           | 0.0                | 0.5                    | 505.6          |
| 2013-14            | 75.0            | 194.8              | 0.4                    | 386.2          |
| 2014-15            | 111.6           | 0.0                | 0.3                    | 498.1          |
| 2015-16            | 112.5           | 0.0                | 1.7                    | 612.4          |
| 2016-17            | 92.5            | 0.0                | 5.1                    | 710.0          |
| 2017-18            | 282.5           | 0.0                | 13.5                   | 1,005.9        |
| 2018-19            | 117.5           | 0.0                | 25.1                   | 1,148.5        |
| 2019-20            | 17.3            | 350.0              | 13.2                   | 829.0          |
| 2020-21            | 552.2           | 0.0                | 1.0                    | 1,382.2        |
| 2021-22            | 197.2           | 0.0                | 9.3                    | 1,588.8        |
| 2022-23            | 117.5           | 0.0                | 74.1                   | 1,780.4        |
| 2023-24*           | 117.5           | 0.0                | 97.2                   | 1,995.0        |
| 2024-25*           | 67.5            | 0.0                | 90.6                   | 2,153.2        |

Note: Numbers may not add due to rounding.

\*HFA estimates.

**BUDGET STABILIZATION FUND (BSF) BALANCE  
(Millions of Dollars)**



**OVERVIEW**

**Compliance with the State Revenue Limit**

HFA estimates of the state revenue limit provided for in Article IX, Section 26, of the *Constitution of the State of Michigan*, and estimates of total state revenue collections subject to the state revenue limit are shown in the following table. As provided for in the Constitution, the revenue limit is calculated as 9.49% of total state personal income in the previous full calendar year (CY) prior to the fiscal year in which the revenue is measured, as estimated by the Bureau of Economic Analysis, United States Department of Commerce.

**COMPLIANCE WITH THE STATE REVENUE LIMIT  
(Millions of Dollars)**

| <u>Revenue Limit Calculations</u>              | <u>FY 2023-24</u>   | <u>FY 2024-25</u>   |
|--|---------------------|---------------------|
| Personal Income                                | CY 2022             | CY 2023             |
| Amount   | \$572,325           | \$599,366           |
| X Limit Ratio                                  | 9.49%               | 9.49%               |
| <b>State Revenue Limit</b>                     | <b>\$54,313.6</b>   | <b>\$56,879.8</b>   |
| <b>Total Revenue Subject to Revenue Limit</b>  | <b>\$43,677.3</b>   | <b>\$44,445.0</b>   |
| <b>Amount (Under) Over State Revenue Limit</b> | <b>(\$10,636.3)</b> | <b>(\$12,434.8)</b> |

**Implications of Exceeding the State Revenue Limit**

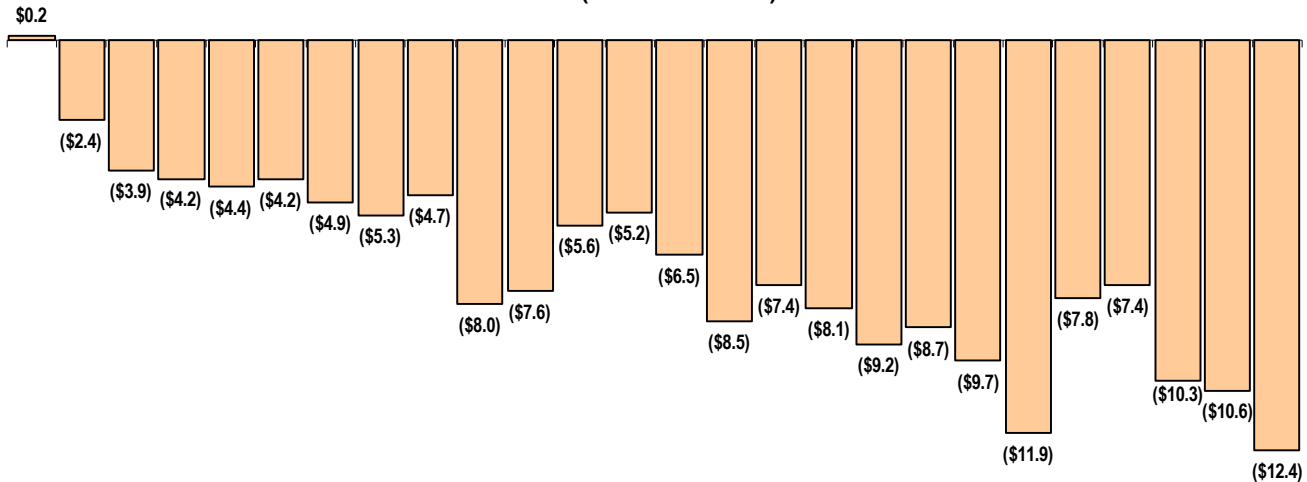
Article IX, Section 26, *Constitution of the State of Michigan*, provides that:

... For any fiscal year in the event that Total State Revenue exceed the limit established in this section by 1% or more, the excess revenues shall be refunded pro rata based on the liability reported on the Michigan income tax and single business tax (or its successor tax or taxes) annual returns filed following the close of such fiscal year. If the excess is less than 1%, this excess may be transferred to the State Budget Stabilization Fund . . .

Furthermore, the state is prohibited from spending any current year revenue in excess of the limit established in Section 26 by Article IX, Section 28.

The final FY 2022-23 revenue limit calculation indicates that the state revenue collections were under the revenue limit by \$10.3 billion. For both FY 2023-24 and FY 2024-25, state revenue is estimated to be substantially below the revenue limit by roughly \$10.6 billion and \$12.4 billion, respectively.

**CONSTITUTIONAL REVENUE LIMIT  
(Billions of Dollars)**



FY 00 FY 01 FY 02 FY 03 FY 04 FY 05 FY 06 FY 07 FY 08 FY 09 FY 10 FY 11 FY 12 FY 13 FY 14 FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22 FY 23 FY 24\* FY 25\*  
\*FY 24 and FY 25 are consensus estimates



# FY 2024-25 BALANCE SHEETS

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The balance sheets below summarize estimated General Fund/General Purpose, School Aid Fund, and Merit Award Trust Fund revenues, expenditures, and balance amounts for FY 2024-25 based on the year-to-date state budget.

## FY 2024-25 GENERAL FUND/GENERAL PURPOSE BALANCE SHEET (Millions of Dollars)

|   |                   |
|---|-------------------|
| <b>Estimated Beginning Fund Balance</b>                         | <b>\$1,633.8</b>  |
| <b>Revenues</b>   |                   |
| May 2024 consensus revenue estimate                             | \$14,257.8        |
| Miscellaneous revenue adjustments                               | (27.6)            |
| One-time revenue adjustments (VMF/SOAR interest)                | 115.0             |
| Revenue sharing to local units of government                    | (552.2)           |
| <b>Total Estimated Revenues</b>                                 | <b>\$13,793.0</b> |
| <b>Expenditures</b>   |                   |
| Enacted appropriations: ongoing                                 | \$13,781.9        |
| Enacted appropriations: one-time                                | 1,263.3           |
| School Aid adjustment – Community District Education Trust Fund | 70.2              |
| <b>Total Estimated Expenditures</b>                             | <b>\$15,115.3</b> |
| <b>Estimated Ending Fund Balance</b>                            | <b>\$311.5</b>    |

*Note: Numbers may not add due to rounding.*

**OVERVIEW**

**FY 2024-25 SCHOOL AID FUND BALANCE SHEET  
(Millions of Dollars)**

|   |                   |
|---|-------------------|
| <b>Estimated Beginning Fund Balance</b>             | <b>\$404.3</b>    |
| <b>Revenues</b>                                     |                   |
| May 2024 consensus revenue estimate                 | \$18,146.9        |
| General Fund/General Purpose grant                  | 78.8              |
| Community District Education Trust Fund             | 111.2             |
| MPSER Reserve Fund                                  | 334.1             |
| School Transportation Fund                          | 125.0             |
| Enrollment Stabilization Fund                       | 71.0              |
| Other Revenues                                      | 53.0              |
| Federal aid   | 2,272.8           |
| <b>Total Estimated Revenues</b>                     | <b>\$21,192.8</b> |
| <b>Expenditures</b>                                 |                   |
| Enacted K12 appropriations: ongoing                 | \$19,460.4        |
| Enacted K12 appropriations: one-time                | 1,183.9           |
| Enacted Community Colleges appropriations: ongoing  | 456.7             |
| Enacted Community Colleges appropriations: one-time | 5.1               |
| Enacted Higher Education appropriations: ongoing    | 451.7             |
| Enacted Higher Education appropriations: one-time   | 10.0              |
| <b>Total Estimated Expenditures</b>                 | <b>\$21,567.7</b> |
| <b>Estimated Ending Fund Balance</b>                | <b>\$29.4</b>     |

*Note: Numbers may not add due to rounding.*

**FY 2024-25 MERIT AWARD TRUST FUND BALANCE SHEET  
(Millions of Dollars)**

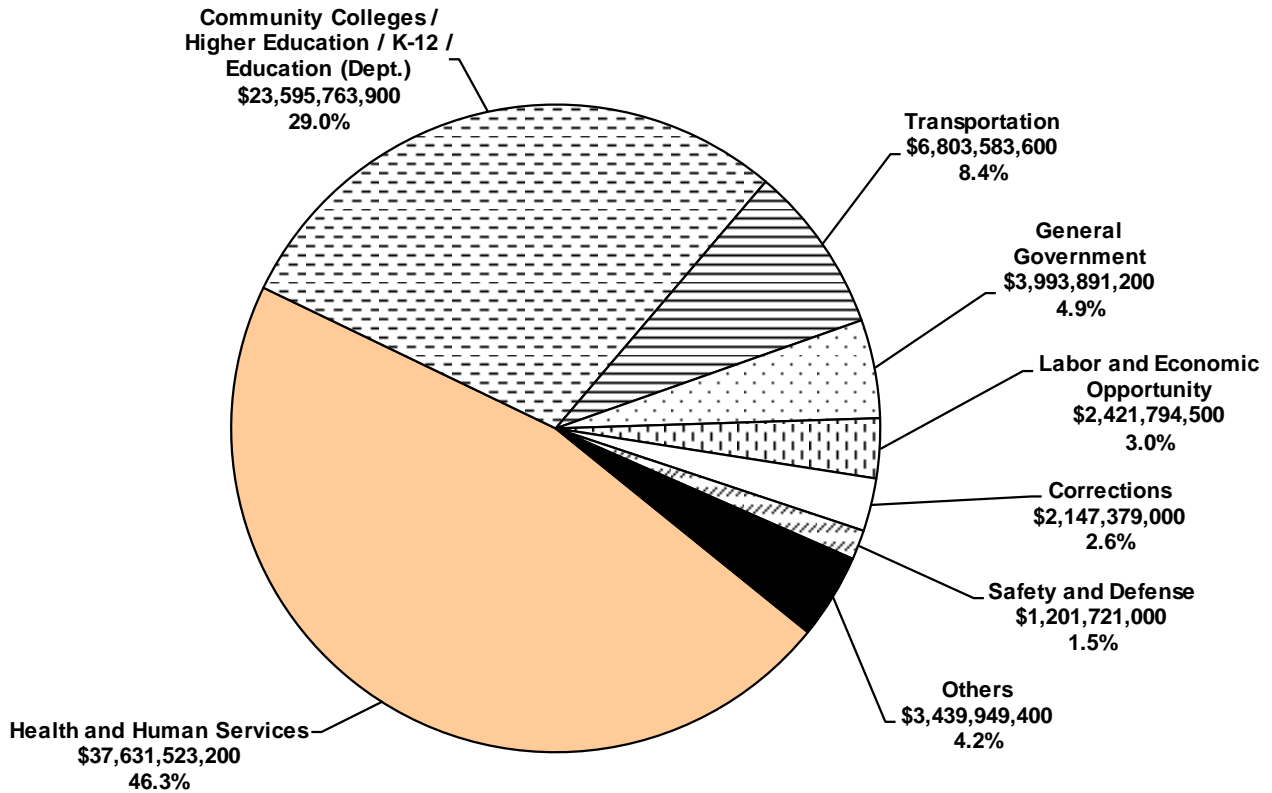
|   |               |
|---|---------------|
| <b>Estimated Beginning Fund Balance</b>                               | <b>\$14.5</b> |
| <b>Revenues</b>   |               |
| Annual tobacco settlement payment due to Michigan                     | \$235.2       |
| Debt service payments for prior securitization                        | (56.7)        |
| Deposit to 21 <sup>st</sup> Century Jobs Fund                         | (75.0)        |
| Repayment to Budget Stabilization Fund for Detroit settlement payment | (17.5)        |
| Transfer to Community District Education Trust Fund                   | (41.0)        |
| Interest  | 2.1           |
| <b>Total Estimated Net Revenues</b>                                   | <b>\$47.1</b> |
| <b>Expenditures</b>   |               |
| Attorney General: Administration                                      | \$0.5         |
| Community Health: Medicaid base funding                               | 54.7          |
| Community Health: Aging – Respite care                                | 4.1           |
| State Police: Tobacco settlement enforcement                          | 1.0           |
| Treasury: Tuition Incentive Program administration                    | 1.2           |
| <b>Total Estimated Expenditures</b>                                   | <b>\$61.5</b> |
| <b>Estimated Ending Fund Balance</b>                                  | <b>\$0.1</b>  |

*Note: Numbers may not add due to rounding.*

**OVERVIEW**

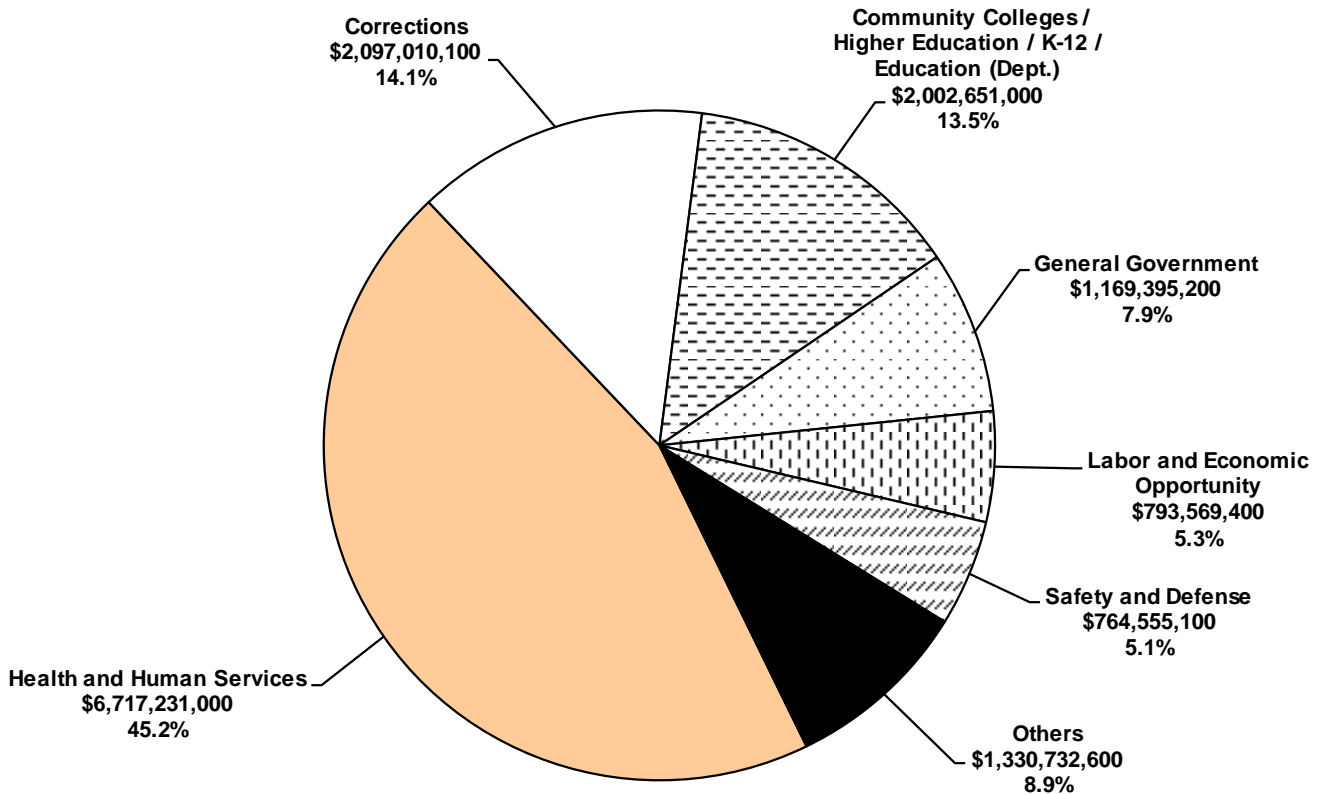
**FY 2024-25 Year-to-Date Adjusted Gross Appropriations**

**Total: \$81,235,605,800**

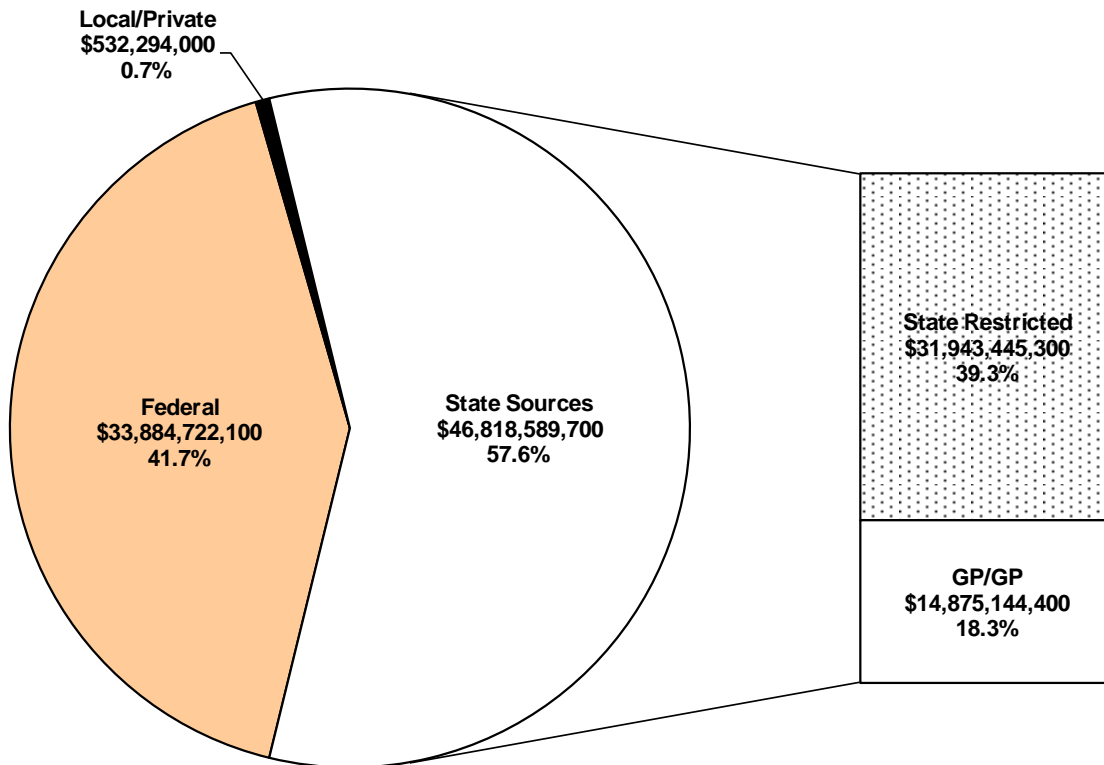


**FY 2024-25 Year-to-Date General Fund/General Purpose (GF/GP) Appropriations**

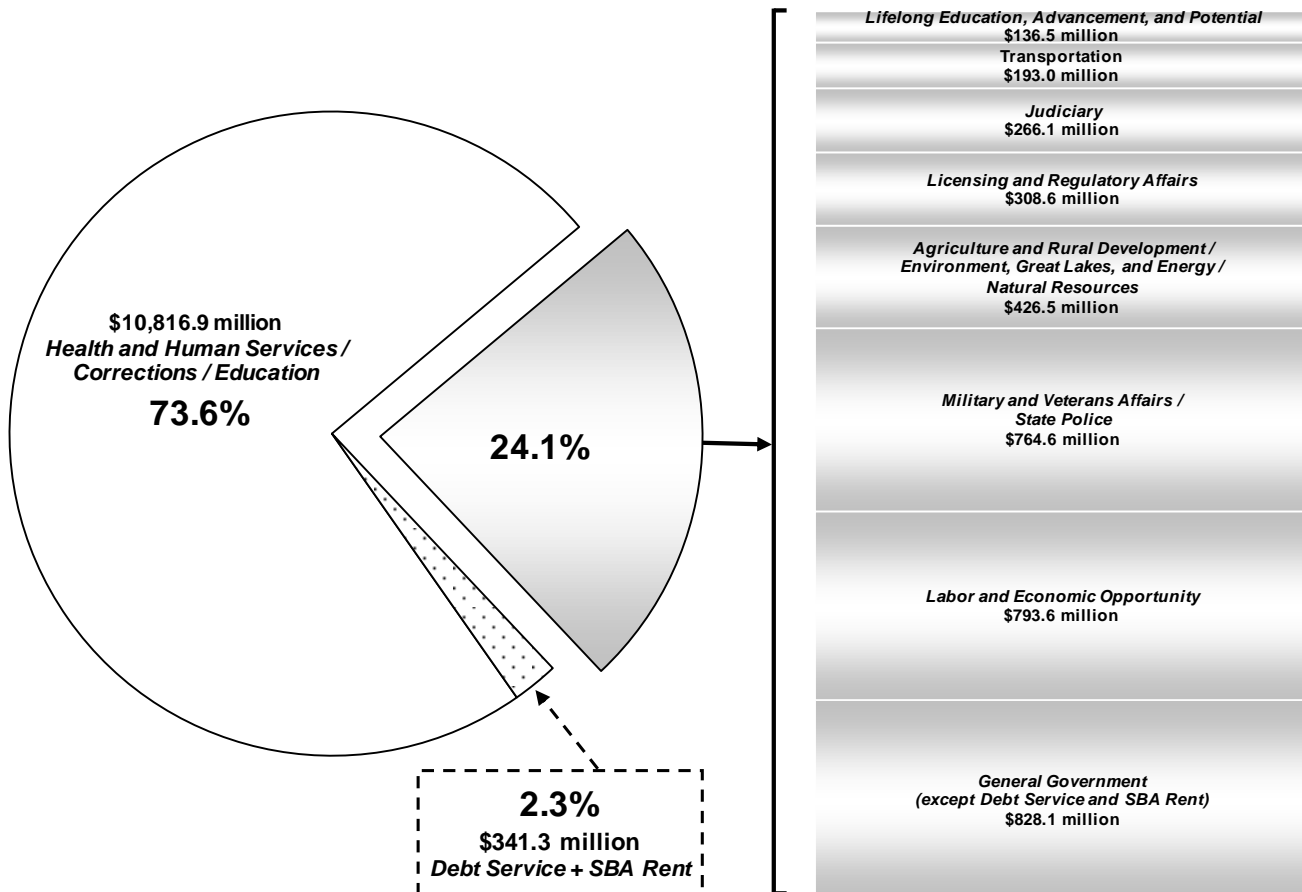
**Total: \$14,875,144,400**



**FY 2024-25 Year-to-Date Adjusted Gross Sources = \$81,235,605,800**



**FY 2024-25 Year-to-Date GF/GP Distribution = \$14,875,144,400**



## SUMMARY TABLES

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In the following tables, FY 2023-24 Enacted (as of 2/7/2024) and FY 2024-25 appropriations as enacted.

**Table 1** (page 15) details the FY 2024-25 appropriations by Source of Funds. When interdepartmental grants and intradepartmental transfers are deducted (to avoid double counting), gross appropriations of \$82,515.2 million reduce to \$81,235.6 million in adjusted gross appropriations.

**Table 2** (page 16) and **Table 3** (page 17) compares FY 2023-24 to FY 2024-25 enacted appropriations.

Adjusted Gross Appropriations increase from \$80,400.5 million in FY 2023-24 to \$81,235.6 million in FY 2024-25, an increase of \$835.1 million or 1.0%.

GF/GP Appropriations increase from \$15,193.5 million in FY 2023-24 to \$14,875.1 million in FY 2024-25, a decrease of \$318.4 million or 2.1%.

**Table 4** (page 18) compares the number of authorized Full-Time Equated (FTE) Positions (classified and unclassified) from FY 2023-24 to FY 2024-25. An increase of 506.7 FTEs is shown in Table 4—from 55,813.0 in FY 2023-24 to 56,319.7 in FY 2024-25. Each FTE is equivalent to 2,088 hours of employee compensated time (including overtime, annual leave, and used sick leave) during the year.

**Table 5** (page 19) shows FY 2024-25 State Spending from State Sources Paid to Local Governments and compares enacted payments to local units of government to the amount of spending from state sources provided in each budget. Pursuant to Article IX, Section 30 of the *Constitution of the State of Michigan of 1963*, at least 48.97% of state spending from state resources must be paid to all units of local government. The enacted FY 2024-25 budget provides for \$24,925.9 million in state spending to local units of government, 53.2% of the estimated \$46,818.6 million in state spending from state resources—well above the constitutional requirement.

**TABLE 1  
FY 2024-25 ENACTED APPROPRIATIONS BY SOURCE OF FUNDS**

| <b>Department/Budget Area</b>         | <b>Gross</b>            | <b>IDG/IDT</b>         | <b>Adjusted Gross</b>   | <b>Federal</b>          | <b>Local</b>         | <b>Private</b>       | <b>State Restricted</b> | <b>GF/GP</b>            |
|---------------------------------------|-------------------------|------------------------|-------------------------|-------------------------|----------------------|----------------------|-------------------------|-------------------------|
| Agriculture and Rural Development     | \$156,938,900           | \$332,400              | \$156,606,500           | \$20,357,900            | \$0                  | \$21,300             | \$47,170,900            | \$89,056,400            |
| Attorney General                      | 129,746,700             | 39,465,600             | 90,281,100              | 10,391,600              | 0                    | 0                    | 22,480,400              | 57,409,100              |
| Capital Outlay                        | 0                       | 0                      | 0                       | 0                       | 0                    | 0                    | 0                       | 0                       |
| Civil Rights                          | 29,163,500              | 0                      | 29,163,500              | 2,890,900               | 0                    | 18,700               | 58,500                  | 26,195,400              |
| Community Colleges                    | 462,220,800             | 0                      | 462,220,800             | 0                       | 0                    | 0                    | 461,720,800             | 500,000                 |
| Corrections                           | 2,147,379,000           | 0                      | 2,147,379,000           | 5,180,500               | 11,694,000           | 0                    | 33,494,400              | 2,097,010,100           |
| Education                             | 164,975,100             | 0                      | 164,975,100             | 82,550,500              | 5,868,500            | 2,542,200            | 10,117,800              | 63,896,100              |
| Environment, Great Lakes, and Energy  | 1,039,098,600           | 4,085,900              | 1,035,012,700           | 463,788,900             | 0                    | 1,364,200            | 309,149,300             | 260,710,300             |
| Executive Office                      | 9,337,100               | 0                      | 9,337,100               | 0                       | 0                    | 0                    | 0                       | 9,337,100               |
| Health and Human Services             | 37,646,231,100          | 14,707,900             | 37,631,523,200          | 26,644,177,600          | 170,492,500          | 177,599,600          | 3,922,022,500           | 6,717,231,000           |
| Higher Education                      | 2,324,292,600           | 0                      | 2,324,292,600           | 3,200,000               | 0                    | 0                    | 461,668,300             | 1,859,424,300           |
| Insurance and Financial Services      | 78,621,400              | 753,500                | 77,867,900              | 700,000                 | 0                    | 0                    | 77,167,900              | 0                       |
| Judiciary                             | 373,441,400             | 2,402,300              | 371,039,100             | 7,132,600               | 0                    | 1,905,300            | 95,887,300              | 266,113,900             |
| Labor and Economic Opportunity (MSF)  | 2,421,794,500           | 0                      | 2,421,794,500           | 1,191,165,800           | 10,700,000           | 12,584,600           | 413,774,700             | 793,569,400             |
| Legislative Auditor General           | 31,237,700              | 7,334,800              | 23,902,900              | 0                       | 0                    | 0                    | 2,475,900               | 21,427,000              |
| Legislature                           | 200,728,000             | 0                      | 200,728,000             | 0                       | 0                    | 467,700              | 5,422,500               | 194,837,800             |
| Licensing and Regulatory Affairs      | 648,739,000             | 27,682,800             | 621,056,200             | 30,471,300              | 0                    | 0                    | 281,979,200             | 308,605,700             |
| Lifelong Ed., Advance., and Potential | 643,994,200             | 0                      | 643,994,200             | 505,391,000             | 0                    | 250,000              | 1,863,900               | 136,489,300             |
| Military and Veterans Affairs         | 275,904,100             | 101,800                | 275,802,300             | 144,786,800             | 0                    | 100,000              | 13,221,400              | 117,694,100             |
| Natural Resources                     | 534,579,800             | 207,000                | 534,372,800             | 96,140,700              | 0                    | 7,609,200            | 353,865,900             | 76,757,000              |
| School Aid                            | 20,644,275,400          | 0                      | 20,644,275,400          | 2,272,793,500           | 0                    | 0                    | 18,292,651,300          | 78,830,600              |
| State                                 | 291,839,900             | 20,000,000             | 271,839,900             | 1,460,000               | 0                    | 50,100               | 258,360,700             | 11,969,100              |
| State Police                          | 953,108,500             | 27,189,800             | 925,918,700             | 99,062,700              | 4,975,700            | 35,000               | 174,984,300             | 646,861,000             |
| Tech., Mgmt. and Budget: Operations   | 1,550,254,600           | 1,119,848,200          | 430,406,400             | 4,393,300               | 2,334,000            | 189,200              | 130,096,500             | 293,393,400             |
| Tech., Mgmt. and Budget: SBA Rent     | 246,170,600             | 0                      | 246,170,600             | 0                       | 0                    | 0                    | 0                       | 246,170,600             |
| Transportation                        | 6,807,900,300           | 4,316,700              | 6,803,583,600           | 2,273,675,100           | 87,448,500           | 18,800,000           | 4,230,660,000           | 193,000,000             |
| Treasury: Operations                  | 832,673,100             | 11,188,500             | 821,484,600             | 25,011,400              | 15,207,100           | 36,600               | 567,660,800             | 213,568,700             |
| Treasury: Debt Service                | 95,087,000              | 0                      | 95,087,000              | 0                       | 0                    | 0                    | 0                       | 95,087,000              |
| Treasury: Revenue Sharing             | 1,775,490,100           | 0                      | 1,775,490,100           | 0                       | 0                    | 0                    | 1,775,490,100           | 0                       |
| <b>TOTAL APPROPRIATIONS</b>           | <b>\$82,515,223,000</b> | <b>\$1,279,617,200</b> | <b>\$81,235,605,800</b> | <b>\$33,884,722,100</b> | <b>\$308,720,300</b> | <b>\$223,573,700</b> | <b>\$31,943,445,300</b> | <b>\$14,875,144,400</b> |

**OVERVIEW**

**TABLE 2**  
**ADJUSTED GROSS APPROPRIATIONS**  
**FY 2024-25 Compared with FY 2023-24 Enacted Appropriations**

| <b><u>Department/Budget Area</u></b>  | <b><u>FY 2023-24 Enacted<br/>as of 2/7/24</u></b> | <b><u>FY 2024-25<br/>Enacted</u></b> | <b><u>FY 2024-25 vs. FY 2023-24<br/>Difference</u></b> |             |
|---------------------------------------|---|--------------------------------------|--|-------------|
| Agriculture and Rural Development     | \$168,285,700                                     | \$156,606,500                        | (\$11,679,200)   | (6.9%)      |
| Attorney General                      | 106,562,900                                       | 90,281,100                           | (16,281,800)   | (15.3%)     |
| Capital Outlay                        | 0   | 0                                    | 0  | --          |
| Civil Rights                          | 31,710,000  | 29,163,500                           | (2,546,500)  | (8.0%)      |
| Community Colleges                    | 544,517,500                                       | 462,220,800                          | (82,296,700)   | (15.1%)     |
| Corrections                           | 2,086,250,000                                     | 2,147,379,000                        | 61,129,000   | 2.9%        |
| Education                             | 647,380,900                                       | 164,975,100                          | (482,405,800)  | (74.5%)     |
| Environment, Great Lakes, and Energy  | 1,047,576,800                                     | 1,035,012,700                        | (12,564,100)   | (1.2%)      |
| Executive Office                      | 8,905,400   | 9,337,100                            | 431,700  | 4.8%        |
| Health and Human Services             | 35,719,906,100                                    | 37,631,523,200                       | 1,911,617,100  | 5.4%        |
| Higher Education                      | 2,291,048,800                                     | 2,324,292,600                        | 33,243,800   | 1.5%        |
| Insurance and Financial Services      | 73,415,800  | 77,867,900                           | 4,452,100  | 6.1%        |
| Judiciary                             | 354,025,900                                       | 371,039,100                          | 17,013,200   | 4.8%        |
| Labor and Economic Opportunity (MSF)  | 2,867,264,800                                     | 2,421,794,500                        | (445,470,300)  | (15.5%)     |
| Legislative Auditor General           | 22,828,300  | 23,902,900                           | 1,074,600  | 4.7%        |
| Legislature                           | 192,343,800                                       | 200,728,000                          | 8,384,200  | 4.4%        |
| Licensing and Regulatory Affairs      | 581,043,700                                       | 621,056,200                          | 40,012,500   | 6.9%        |
| Lifelong Ed., Advance., and Potential | 0   | 643,994,200                          | 643,994,200  | --          |
| Military and Veterans Affairs         | 248,238,600                                       | 275,802,300                          | 27,563,700   | 11.1%       |
| Natural Resources                     | 572,045,500                                       | 534,372,800                          | (37,672,700)   | (6.6%)      |
| School Aid                            | 21,459,651,300                                    | 20,644,275,400                       | (815,375,900)  | (3.8%)      |
| State                                 | 284,209,500                                       | 271,839,900                          | (12,369,600)   | (4.4%)      |
| State Police                          | 867,096,700                                       | 925,918,700                          | 58,822,000   | 6.8%        |
| Tech., Mgmt. and Budget: Operations   | 737,480,400                                       | 430,406,400                          | (307,074,000)  | (41.6%)     |
| Tech., Mgmt. and Budget: SBA Rent     | 236,570,600                                       | 246,170,600                          | 9,600,000  | 4.1%        |
| Transportation                        | 6,622,196,900                                     | 6,803,583,600                        | 181,386,700  | 2.7%        |
| Treasury: Operations                  | 866,528,000                                       | 821,484,600                          | (45,043,400)   | (5.2%)      |
| Treasury: Debt Service                | 100,084,100                                       | 95,087,000                           | (4,997,100)  | (5.0%)      |
| Treasury: Revenue Sharing             | 1,663,359,200                                     | 1,775,490,100                        | 112,130,900  | 6.7%        |
| <b>TOTAL APPROPRIATIONS</b>           | <b>\$80,400,527,200</b>                           | <b>\$81,235,605,800</b>              | <b>\$835,078,600</b>                                   | <b>1.0%</b> |



**TABLE 3  
GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS  
FY 2024-25 Compared with FY 2023-24 Enacted Appropriations**

| <b>Department/Budget Area</b>         | <b>FY 2023-24 Enacted<br/>as of 2/7/24</b> | <b>FY 2024-25<br/>Enacted</b> | <b>FY 2024-25 vs. FY 2023-24<br/>Difference</b> |               |
|---------------------------------------|--|-------------------------------|---|---------------|
| Agriculture and Rural Development     | \$92,781,800                               | \$89,056,400                  | (\$3,725,400)                                   | (4.0%)        |
| Attorney General                      | 75,726,000                                 | 57,409,100                    | (18,316,900)                                    | (24.2%)       |
| Capital Outlay                        | 0  | 0                             | 0   | --            |
| Civil Rights                          | 28,741,900                                 | 26,195,400                    | (2,546,500)                                     | (8.9%)        |
| Community Colleges                    | 0  | 500,000                       | 500,000   | --            |
| Corrections                           | 2,029,495,900                              | 2,097,010,100                 | 67,514,200                                      | 3.3%          |
| Education                             | 130,652,500                                | 63,896,100                    | (66,756,400)                                    | (51.1%)       |
| Environment, Great Lakes, and Energy  | 245,952,100                                | 260,710,300                   | 14,758,200                                      | 6.0%          |
| Executive Office                      | 8,905,400                                  | 9,337,100                     | 431,700   | 4.8%          |
| Health and Human Services             | 6,464,135,400                              | 6,717,231,000                 | 253,095,600                                     | 3.9%          |
| Higher Education                      | 1,677,754,100                              | 1,859,424,300                 | 181,670,200                                     | 10.8%         |
| Insurance and Financial Services      | 0  | 0                             | 0   | --            |
| Judiciary                             | 250,218,100                                | 266,113,900                   | 15,895,800                                      | 6.4%          |
| Labor and Economic Opportunity (MSF)  | 1,301,508,000                              | 793,569,400                   | (507,938,600)                                   | (39.0%)       |
| Legislative Auditor General           | 20,406,700                                 | 21,427,000                    | 1,020,300                                       | 5.0%          |
| Legislature                           | 186,734,100                                | 194,837,800                   | 8,103,700                                       | 4.3%          |
| Licensing and Regulatory Affairs      | 271,331,100                                | 308,605,700                   | 37,274,600                                      | 13.7%         |
| Lifelong Ed., Advance., and Potential | 0  | 136,489,300                   | 136,489,300                                     | --            |
| Military and Veterans Affairs         | 98,889,300                                 | 117,694,100                   | 18,804,800                                      | 19.0%         |
| Natural Resources                     | 88,054,500                                 | 76,757,000                    | (11,297,500)                                    | (12.8%)       |
| School Aid                            | 87,900,000                                 | 78,830,600                    | (9,069,400)                                     | (10.3%)       |
| State                                 | 13,324,700                                 | 11,969,100                    | (1,355,600)                                     | (10.2%)       |
| State Police                          | 607,564,000                                | 646,861,000                   | 39,297,000                                      | 6.5%          |
| Tech., Mgmt. and Budget: Operations   | 596,128,900                                | 293,393,400                   | (302,735,500)                                   | (50.8%)       |
| Tech., Mgmt. and Budget: SBA Rent     | 236,570,600                                | 246,170,600                   | 9,600,000                                       | 4.1%          |
| Transportation                        | 288,100,000                                | 193,000,000                   | (95,100,000)                                    | (33.0%)       |
| Treasury: Operations                  | 292,586,100                                | 213,568,700                   | (79,017,400)                                    | (27.0%)       |
| Treasury: Debt Service                | 100,084,100                                | 95,087,000                    | (4,997,100)                                     | (5.0%)        |
| Treasury: Revenue Sharing             | 0  | 0                             | 0   | --            |
| <b>TOTAL APPROPRIATIONS</b>           | <b>\$15,193,545,300</b>                    | <b>\$14,875,144,400</b>       | <b>(\$318,400,900)</b>                          | <b>(2.1%)</b> |

**OVERVIEW**

**TABLE 4**  
**AUTHORIZED FULL-TIME EQUATED (FTE) POSITIONS\***  
**FY 2024-25 Compared with FY 2023-24 Enacted Appropriations**

| <b><u>Department/Budget Area</u></b>  | <b><u>FY 2023-24 Enacted<br/>as of 2/7/24</u></b> | <b><u>FY 2024-25<br/>Enacted</u></b> | <b><u>FY 2024-25 vs. FY 2023-24<br/>Difference</u></b> |             |
|---------------------------------------|---|--------------------------------------|--|-------------|
| Agriculture and Rural Development     | 550.0   | 556.0                                | 6.0  | 1.1%        |
| Attorney General                      | 611.4   | 627.4                                | 16.0   | 2.6%        |
| Capital Outlay                        | 0.0   | 0.0                                  | 0.0  | --          |
| Civil Rights                          | 166.0   | 175.0                                | 9.0  | 5.4%        |
| Community Colleges                    | 0.0   | 0.0                                  | 0.0  | --          |
| Corrections                           | 13,206.0  | 13,227.0                             | 21.0   | 0.2%        |
| Education                             | 640.5   | 574.5                                | (66.0)   | (10.3%)     |
| Environment, Great Lakes, and Energy  | 1,616.0   | 1,652.0                              | 36.0   | 2.2%        |
| Executive Office                      | 96.2  | 96.2                                 | 0.0  | 0.0%        |
| Health and Human Services             | 15,861.5  | 15,941.5                             | 80.0   | 0.5%        |
| Higher Education                      | 0.0   | 0.0                                  | 0.0  | --          |
| Insurance and Financial Services      | 394.5   | 404.5                                | 10.0   | 2.5%        |
| Judiciary                             | 598.0   | 643.5                                | 45.5   | 7.6%        |
| Labor and Economic Opportunity (MSF)  | 2,648.9   | 2,671.5                              | 22.6   | 0.9%        |
| Legislative Auditor General           | 0.0   | 0.0                                  | 0.0  | --          |
| Legislature                           | 0.0   | 0.0                                  | 0.0  | --          |
| Licensing and Regulatory Affairs      | 1,893.9   | 1,821.0                              | (72.9)   | (3.8%)      |
| Lifelong Ed., Advance., and Potential | 0.0   | 343.0                                | 343.0  | --          |
| Military and Veterans Affairs         | 1,060.0   | 1,060.0                              | 0.0  | 0.0%        |
| Natural Resources                     | 2,555.3   | 2,545.3                              | (10.0)   | (0.4%)      |
| School Aid                            | 0.0   | 0.0                                  | 0.0  | --          |
| State                                 | 1,625.0   | 1,635.0                              | 10.0   | 0.6%        |
| State Police                          | 3,832.0   | 3,856.0                              | 24.0   | 0.6%        |
| Tech., Mgmt. and Budget: Operations   | 3,220.0   | 3,249.5                              | 29.5   | 0.9%        |
| Tech., Mgmt. and Budget: SBA Rent     | 0.0   | 0.0                                  | 0.0  | --          |
| Transportation                        | 3,224.3   | 3,228.3                              | 4.0  | 0.1%        |
| Treasury: Operations                  | 2,013.5   | 2,012.5                              | (1.0)  | (0.0%)      |
| Treasury: Debt Service                | 0.0   | 0.0                                  | 0.0  | --          |
| Treasury: Revenue Sharing             | 0.0   | 0.0                                  | 0.0  | --          |
| <b>TOTAL FTE POSITIONS</b>            | <b>55,813.0</b>                                   | <b>56,319.7</b>                      | <b>506.7</b>   | <b>0.9%</b> |

\* Includes classified, unclassified, and nonlegislative exempt positions. Represents authorized/estimated positions, not necessarily actual positions funded.

**TABLE 5  
STATE SPENDING FROM STATE SOURCES PAID TO LOCAL GOVERNMENTS  
FY 2024-25 Enacted Appropriations**

| <u>Department/Budget Area</u>         | <u>Spending From State Sources</u> | <u>State Spending to Local Government Units</u> | <u>% of State Spending From State Sources as Payment to Locals</u> |
|---------------------------------------|------------------------------------|---|--|
| Agriculture and Rural Development     | \$136,227,300                      | \$8,800,000                                     | 6.5%   |
| Attorney General                      | 79,889,500                         | 0   | 0.0%   |
| Capital Outlay                        | 0                                  | 0   | --   |
| Civil Rights                          | 26,253,900                         | 0   | 0.0%   |
| Community Colleges                    | 462,220,800                        | 461,720,800                                     | 99.9%  |
| Corrections                           | 2,130,504,500                      | 123,656,000                                     | 5.8%   |
| Education                             | 74,013,900                         | 19,242,700                                      | 26.0%  |
| Environment, Great Lakes, and Energy  | 569,859,600                        | 108,933,300                                     | 19.1%  |
| Executive Office                      | 9,337,100                          | 0   | 0.0%   |
| Health and Human Services             | 10,639,253,500                     | 2,032,618,200                                   | 19.1%  |
| Higher Education                      | 2,321,092,600                      | 0   | 0.0%   |
| Insurance and Financial Services      | 77,167,900                         | 0   | 0.0%   |
| Judiciary                             | 362,001,200                        | 153,885,500                                     | 42.5%  |
| Labor and Economic Opportunity (MSF)  | 1,207,344,100                      | 76,749,900                                      | 6.4%   |
| Legislative Auditor General           | 23,902,900                         | 0   | 0.0%   |
| Legislature                           | 200,260,300                        | 0   | 0.0%   |
| Licensing and Regulatory Affairs      | 590,584,900                        | 280,345,300                                     | 47.5%  |
| Lifelong Ed., Advance., and Potential | 138,353,200                        | 500,000   | 0.4%   |
| Military and Veterans Affairs         | 130,915,500                        | 4,174,700                                       | 3.2%   |
| Natural Resources                     | 430,622,900                        | 14,253,000                                      | 3.3%   |
| School Aid                            | 18,371,481,900                     | 16,928,443,900                                  | 92.1%  |
| State                                 | 270,329,800                        | 11,715,900                                      | 4.3%   |
| State Police                          | 821,845,300                        | 64,141,500                                      | 7.8%   |
| Tech., Mgmt. and Budget: Operations   | 423,489,900                        | 1,000,000                                       | 0.2%   |
| Tech., Mgmt. and Budget: SBA Rent     | 246,170,600                        | 0   | 0.0%   |
| Transportation                        | 4,423,660,000                      | 2,507,859,400                                   | 56.7%  |
| Treasury: Operations                  | 781,229,500                        | 352,364,800                                     | 45.1%  |
| Treasury: Debt Service                | 95,087,000                         | 0   | 0.0%   |
| Treasury: Revenue Sharing             | 1,775,490,100                      | 1,775,490,100                                   | 100.0%   |
| <b>TOTALS</b>                         | <b>\$46,818,589,700</b>            | <b>\$24,925,895,000</b>                         | <b>53.2%</b>   |



# **FY 2024-25**

## **Budget Detail**

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**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 1)**

**Analyst: William E. Hamilton**

|                   | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |              |
|-------------------|-------------------------|----------------------|---------------------------|--------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %            |
| <b>IDG/IDT</b>    | \$327,000               | \$332,400            | \$5,400                   | 1.7          |
| <b>Federal</b>    | 29,762,700              | 20,357,900           | (9,404,800)               | (31.6)       |
| <b>Local</b>      | 0                       | 0                    | 0                         | --           |
| <b>Private</b>    | 21,300                  | 21,300               | 0                         | 0.0          |
| <b>Restricted</b> | 45,719,900              | 47,170,900           | 1,451,000                 | 3.2          |
| <b>GF/GP</b>      | 92,781,800              | 89,056,400           | (3,725,400)               | (4.0)        |
| <b>Gross</b>      | <b>\$168,612,700</b>    | <b>\$156,938,900</b> | <b>(\$11,673,800)</b>     | <b>(6.9)</b> |
| <b>FTEs</b>       | 550.0                   | 556.0                | 6.0                       | 1.1          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Michigan Department of Agriculture and Rural Development (MDARD) key programs and priorities include ensuring food safety and security, protecting animal health and welfare, managing invasive exotic species, regulating pesticide use, certifying agricultural commodities, ensuring environmental stewardship, consumer protection, and promoting the state's agricultural economy.

Note: The enacted budget reflects MDARD's internal reorganization effective January 1, 2024. However, the analysis of major budget changes below compares programs and line items in the FY 2024-25 budget with like programs and line items in the FY 2023-24 budget and does not show changes associated with MDARD's reorganization or related changes in budget structure.

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>1. Unclassified Salaries</b>  | FTE          | 6.0  | 0.0                                      |
| Includes increase of \$335,100 Gross (\$0 GF/GP) to support all 6.0 authorized unclassified FTE positions.   | <b>Gross</b> | <b>\$664,900</b>                                 | <b>\$335,100</b>                         |
|  | Restricted   | 0  | 335,100                                  |
|  | GF/GP        | \$664,900  | \$0                                      |
| <b>2. Emerging Contaminates in Food and Agriculture</b>  | FTE          | 6.0  | 0.0                                      |
| Retains \$2.1 million GF/GP in ongoing funding for program intended to identify, respond to, and mitigate emerging contaminants, including PFAS, affecting agriculture and related food industries, but does not retain \$2.0 million in one-time funding.   | <b>Gross</b> | <b>\$4,079,900</b>                               | <b>(\$1,999,800)</b>                     |
|  | GF/GP        | \$4,079,900                                      | (\$1,999,800)                            |
| <b>3. Federal USDA Emergency Management Grant</b>  | FTE          | 8.0  | 0.0                                      |
| Increases federal authorization in Emergency Management by \$600,000 to recognize a United States Department of Agriculture (USDA) Animal and Plant and Health Inspection Service (APHIS) grant awarded to the department for incident command training and other services. This grant was also recognized in FY 2023-24 MDARD budget through a legislative transfer approved May 22, 2024 (State Budget Office request 2024-4). | <b>Gross</b> | <b>\$2,918,000</b>                               | <b>\$600,000</b>                         |
|  | Federal      | 432,300  | 600,000                                  |
|  | GF/GP        | \$2,485,700                                      | \$0                                      |

**AGRICULTURE AND RURAL DEVELOPMENT**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>4. Environmental Stewardship/MAEAP – Staffing</b>   | FTE          | 26.0   | 0.0                                      |
| Retains baseline funding and FTE authorization at FY 2023-24 levels.   | <b>Gross</b> | <b>\$11,744,500</b>                              | <b>\$0</b>                               |
| [Enacted budget does not adopt Executive proposal to shift program delivery from Local Conservation District contract technicians to classified MDARD employees.]  | Federal      | 1,982,600  | 0  |
|  | Restricted   | 8,328,900  | 0  |
|  | GF/GP        | \$1,433,000                                      | \$0                                      |
| <b>5. Agricultural Climate Resiliency</b>  | <b>Gross</b> | <b>\$7,000,000</b>                               | <b>(\$900,000)</b>                       |
| Includes \$6.1 million GF/GP (\$1.0 million ongoing, \$5.1 million one-time) for grant program to promote the principles of regenerative agriculture – a reduction of \$900,000 from FY 2023-24. The program is defined in boilerplate section 502.  | GF/GP        | \$7,000,000                                      | (\$900,000)                              |
| <b>6. Soil Health and Regenerative Agriculture</b>   | FTE          | 5.0  | 0.0                                      |
| Retains \$1.0 million GF/GP in ongoing funding for program intended to promote the principles of regenerative agriculture, but does not retain \$5.0 million shown as one-time in the FY 2023-24 budget. The program is defined in boilerplate section 502.  | <b>Gross</b> | <b>\$6,000,000</b>                               | <b>(\$5,000,000)</b>                     |
|  | GF/GP        | \$6,000,000                                      | (\$5,000,000)                            |
| <b>7. Local Conservation Districts</b>   | <b>Gross</b> | <b>\$3,000,000</b>                               | <b>\$0</b>                               |
| Retains \$3.0 million GF/GP, all as ongoing funding. The enacted budget revises boilerplate section 507 which directs how funds are granted to specific local conservation districts.  | GF/GP        | \$3,000,000                                      | \$0                                      |
| <b>8. Farm to Family Program</b>   | FTE          | 0.0  | 6.0                                      |
| Includes \$3.0 million GF/GP, and 6.0 FTE authorization, for a new ongoing program to support regenerative farming, agriculture supply chains, and the promotion of Michigan food products.  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$3,000,000</b>                       |
|  | GF/GP        | \$0  | \$3,000,000                              |
| <b>9. Fair Food Network – Double Up Food Bucks</b>   | <b>Gross</b> | <b>\$2,000,000</b>                               | <b>\$3,000,000</b>                       |
| Includes \$5.0 million GF/GP in ongoing support for program that provides a supplemental benefit for SNAP recipients to purchase fresh fruits and vegetables – an increase of \$3.0 million from FY 2023-24.   | GF/GP        | \$2,000,000                                      | \$3,000,000                              |
| <b>10. Food and Agriculture Supply Chain Investment</b>  | FTE          | 1.0  | 0.0                                      |
| Retains \$800,000 GF/GP in ongoing funding, but does not retain \$1.0 million GF/GP in one-time funding, for program intended to address issues related to agriculture and food industry supply chain, including accessibility of cold storage, distribution and processing facilities, and implementation of advanced technologies. | <b>Gross</b> | <b>\$1,800,000</b>                               | <b>(\$1,000,000)</b>                     |
|  | GF/GP        | \$1,800,000                                      | (\$1,000,000)                            |
| <b>11. Office of Rural Development Transfer</b>  | FTE          | 1.0  | (1.0)                                    |
| Reflects Executive Order 2023-6 transfer of the Office of Rural Development to the Department of Labor and Economic Opportunity (LEO).   | <b>Gross</b> | <b>\$678,000</b>                                 | <b>(\$678,000)</b>                       |
|  | GF/GP        | \$678,000  | (\$678,000)                              |
| <b>12. County Fairs, Shows, and Expositions</b>  | <b>Gross</b> | <b>\$2,500,000</b>                               | <b>(\$2,000,000)</b>                     |
| Retains \$500,000 GF/GP in ongoing support for grant program but does not retain \$2.0 million in FY 2023-24 one-time funding.   | GF/GP        | \$2,500,000                                      | (\$2,000,000)                            |
| <b>13. Standardbred Racing Program</b>   | <b>Gross</b> | <b>\$3,794,200</b>                               | <b>\$720,000</b>                         |
| Increases restricted Agriculture Equine Industry Development Fund (AEIDF) authorization by \$720,000 for standardbred horse racing programs at county fairs. As defined in boilerplate section 803, the funds could only be used for a standardbred races if there no licensed standardbred race meeting by January 1, 2025.         | Restricted   | 3,794,200  | 720,000                                  |
|  | GF/GP        | \$0  | \$0                                      |

**AGRICULTURE AND RURAL DEVELOPMENT**

|  |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|--------------|---|---------------------------------|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |   |                                 |
| <b>14. Underserved-Owned Food and Agriculture Ventures (One-Time)</b>  | <b>Gross</b> | <b>\$2,900,000</b>                      | <b>(\$2,400,000)</b>            |
| Retains \$500,000 GF/GP in one-time funding, a reduction of \$2.4 million from FY 2023-24. The program had previously been named "Minority-owned food and agriculture ventures."   | GF/GP        | \$2,900,000                             | (\$2,400,000)                   |
| <b>15. Laboratory Animal Welfare (One-Time)</b>  | <b>Gross</b> | <b>\$500,000</b>                        | <b>(\$500,000)</b>              |
| Removes \$500,000 GF/GP for one-time line item associated with Senate Bills 148 and 149 ("Teddy's Law") related to the adoption of animals used in medical research.   | GF/GP        | \$500,000                               | (\$500,000)                     |
| <b>16. Animal Welfare Grants (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$500,000</b>                |
| Includes new \$500,000 GF/GP animal welfare grant program.   | GF/GP        | \$0                                     | \$500,000                       |
| <b>17. Flint Farmer's Market (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$150,000</b>                |
| Includes \$150,000 GF/GP for market upgrades.  | GF/GP        | \$0                                     | \$150,000                       |
| <b>18. Fruit and Vegetable Prescription Program (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$500,000</b>                |
| Includes \$500,000 GF/GP for program defined in Sec. 902.  | GF/GP        | \$0                                     | \$500,000                       |
| <b>19. Study on Agriculture Stewardship (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$250,000</b>                |
| Includes \$250,000 GF/GP for study of agriculture stewardship generally, defined in section 903.   | GF/GP        | \$0                                     | \$250,000                       |
| <b>20. Animal Disease Prevention and Response (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$2,000,000</b>              |
| Includes \$2.0 million GF/GP for response to highly pathogenic avian influenza (HPAI).   | GF/GP        | \$0                                     | \$2,000,000                     |
| <b>21. Removal of FY 2023-24 One-Time Appropriations #</b>   | <b>Gross</b> | <b>\$10,200,200</b>                     | <b>(\$10,200,200)</b>           |
| Removes the following one-time items, totaling \$10.2 million Gross (\$100,200 GF/GP), that had been included in the FY 2023-24 budget:  | Federal      | 10,100,000                              | (10,100,000)                    |
| <ul style="list-style-type: none"> <li>• ARP - Resilient Food Systems Infrastructure, \$10.1 million federal.</li> <li>• Northern Michigan Herd Protection, \$100 GF/GP.</li> <li>• Rural Venture Capital Program, \$100 GF/GP.</li> <li>• Washtenaw conservation district - MiFarmLink pilot project, \$100,000 GF/GP.</li> </ul> | GF/GP        | \$100,200                               | (\$100,200)                     |
| <i># Note that the FY 2023-24 budget included a total of \$30.6 million Gross (\$20.5 million GF/GP) in one-time items. However, some of those items are reviewed elsewhere in this summary.</i>   |              |   |                                 |
| <b>22. Economic Adjustments</b>  | <b>Gross</b> | <b>NA</b>                               | <b>\$1,968,500</b>              |
| Reflects increased costs of \$2.0 million Gross (\$1.5 million 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.  | IDG/IDT      | NA                                      | 5,400                           |
|  | Federal      | NA                                      | 95,200                          |
|  | Restricted   | NA                                      | 395,900                         |
|  | GF/GP        | NA                                      | \$1,472,000                     |

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

**Sec. 214. Key Metrics – DELETED**

Deletes section that requires the department to maintain on a publicly accessible website information on key metrics and performance measures.

**Sec. 218. Remote Work Policy – DELETED**

Deletes section that indicates legislative intent that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website.

**Sec. 219. State Administrative Board Transfers – DELETED**

Deletes section that authorizes the legislature to intertransfer funds within budget if the State Administrative Board transfers funds from an appropriation within this budget.



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

**Sec. 223. Severance Pay Report – DELETED**

Deletes section that established reporting requirements related to severance pay paid to department personnel upon the termination of employment.

**Sec. 223. Fiscal Recovery Funds – NEW**

Prescribes use of federal fiscal recovery funds.

**Sec. 250. Report on Grant Sponsors and Grant Recipients – NEW**

Establishes detailed reporting requirements for grants made to single recipients or local units of government.

**Sec. 502. Agricultural Climate Resiliency/Soil Health and Regenerative Agriculture – REVISED**

Combines and revises two sections that define two part 1 line items: Agricultural Climate Resiliency, and Soil Health and Regenerative Agriculture. Directs the department to use not less than \$6.1 million to partner with a state land-grant university (Michigan State University) for program activities.

**Sec. 507. Local Conservation Districts – REVISED**

Revises section that currently requires the equal distribution of appropriation to local conservation districts. The revised language directs that funds be distributed through a grant program to local conservation districts that were in operation in the previous fiscal year based upon criteria established by the department. (The section which was Sec. 609 in FY 2023-24 budget is renumbered as Sec. 507 in FY 2024-25.)

**Sec. 803. Standardbred Sire Stakes at County Fairs – NEW**

Defines use of \$720,000 in AEIDF appropriated for standardbred races at fairs and licensed tracks. Provides for use of funds only if there is not a licensed track on January 1, 2025.

**Sec. 901. Underserved-owned Food and Agriculture Ventures– REVISED**

Includes section defining use of part 1 one-time appropriation. The program had been named "Minority-owned food and agriculture ventures" in the FY 2023-24 budget.

**Sec. 902. Fruit and Vegetable Prescription Program – NEW**

Includes section defining use of part 1 one-time \$500,000 appropriation, specifically, to expand the fruit and vegetable prescription program in Genesee County and allow participants to redeem prescriptions at qualified full-service grocery stores and farmer's markets participating in the program to positively impact the nutrition and health of children and families.

**Sec. 903. Study of Agriculture Stewardship – NEW**

Defines the purpose of the \$250,000 part 1 one-time project appropriation as to create a report on the goals of agriculture stewardship with recommendations as to future strategies to best achieve those goals. Designates the appropriation as a work project.

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Animal Disease Prevention and Response**

Includes authorization to receive \$5.0 million from the USDA for animal disease prevention and response, and specifically, to respond, detect, and address highly pathogenic avian influenza (HPAI) in dairy cows and poultry. Michigan is one of 12 states where HPAI has been detected in domestic livestock. According to USDA, figures through June 21, 2024, there have been 25 confirmed affected herds in Michigan between March 29, 2024 (first detection) and June 11, 2024 (most recent detection). "Affected herds" means herds in which one or more cows tests positive for HPAI.

|              | <b>Appropriation<br/>Change</b> |
|--------------|---------------------------------|
| <b>Gross</b> | <b>\$5,000,000</b>              |
| Federal      | 5,000,000                       |
| GF/GP        | \$0                             |

**2. Employee Lump Sum Payments**

Includes \$780,100 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 staff employed full-time as of December 23, 2023.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$780,100</b> |
| GF/GP        | \$780,100        |

**AGRICULTURE AND RURAL DEVELOPMENT**

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

***Sec. 301. Animal Disease Prevention and Response***

Designates unexpended funds as a work project appropriation to be used to respond to the detection of unusual contagious disease events in animals.

**COMMUNITY COLLEGES**  
**Summary of FY 2024-25 Enacted**  
**Public Act 120 of 2024 (House Bill 5507, Article 2)**

Analyst: Perry Zielak

| IDG/IDT           | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |               |
|-------------------|-------------------------|----------------------|---------------------------|---------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %             |
| <b>Federal</b>    | \$0                     | \$0                  | \$0                       | --            |
| <b>Local</b>      | 0                       | 0                    | 0                         | --            |
| <b>Private</b>    | 0                       | 0                    | 0                         | --            |
| <b>Restricted</b> | 544,517,500             | 461,720,800          | (82,796,700)              | (15.2)        |
| <b>GF/GP</b>      | 0                       | 500,000              | 500,000                   | --            |
| <b>Gross</b>      | <b>\$544,517,500</b>    | <b>\$462,220,800</b> | <b>(\$82,296,700)</b>     | <b>(15.1)</b> |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Community Colleges budget, contained in Article II of the compiled School Aid Act, provides funding for operational support of the 28 public community colleges located throughout the state and some retirement costs for employees who participate in the state public school employee retirement system. Community colleges offer a wide variety of educational programs, including traditional two-year transfer programs, associate degrees, career and technical education, developmental and remedial education, continuing education, and baccalaureate programs in a limited number of areas. The colleges are supported primarily through a combination of state aid, local property tax revenue, and tuition and fees.

**Major Budget Changes from FY 2023-24 YTD Appropriations**

**1. Community College Operations Increase**

Includes a net increase of \$9.0 million School Aid Fund (SAF) for community college operations, a 2.5% increase. This includes:

- \$5.4 million SAF, or 1.5%, ongoing increase to operations grants for community colleges, which will be distributed through the performance funding formula.
- \$3.6 million SAF, or 1.0%, one-time increase to operations grants for community colleges, which will be distributed through the performance funding formula.
- \$49,100 SAF increase based on FY 2022-23 North American Indian Tuition Waiver (ITW) program costs reported by institutions.

Attainment of the ongoing and one-time performance funding increase will be conditioned on restraining in-district tuition and fee increases to the greater of 4.5% or \$217, and certification to following at least 2 of 5 institutional best practices, one of which must be the institutional best practice on transfers. Projected funding increases for individual community colleges will range from 2.0% to 3.8%. Total funding for operations will be \$366.9 million SAF.

|              | FY 2023-24<br>Year-to-Date<br>(as of 2/8/23) | FY 2024-25<br>Enacted<br>Change |
|--------------|--|---------------------------------|
| <b>Gross</b> | <b>\$357,961,900</b>                         | <b>\$8,969,900</b>              |
| Restricted   | 357,961,900                                  | 8,969,900                       |
| GF/GP        | \$0  | \$0                             |

**COMMUNITY COLLEGES**

|  |  | <b>FY 2023-24<br/>Year-to-Date<br/>(as of 2/8/23)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|---|--|
| <b><u>Major Budget Changes from FY 2023-24 YTD Appropriations</u></b>  |  |   |  |
| <b>2. Michigan Public School Employee Retirement System (MPERS) State Share of Unfunded Actuarial Accrued Liability (UAAL) Stabilization Payment</b>   |  | <b>Gross \$105,800,000</b>                            | <b>(\$43,700,000)</b>                    |
| Decreases funding by \$43.7 million SAF for the state's share of community colleges' MPERS UAAL, a 41.3% decrease. The state's share is the difference between the calculated UAAL contribution to the system and the employer contribution cap of 20.96% of payroll set by the Public School Employees Retirement Act (MCL 38.1341). Total funding for the state share of MPERS will be \$62.1 million SAF. |  | Restricted 105,800,000                                | (43,700,000)                             |
|  |  | GF/GP \$0   | \$0                                      |
| <b>3. MPERS Normal Cost Offset</b>   |  | <b>Gross \$23,000,000</b>                             | <b>(\$1,200,000)</b>                     |
| Decreases funding by \$1.2 million SAF for the community colleges' MPERS normal cost offset, a 5.2% decrease, due to maintaining the assumed rate of return at 6.0%. Total funding for the MPERS normal cost offset will be \$21.8 million SAF.  |  | Restricted 23,000,000                                 | (1,200,000)                              |
|  |  | GF/GP \$0   | \$0                                      |
| <b>4. Career and Education Navigators for Adult Learners</b>   |  | <b>Gross \$5,000,000</b>                              | <b>(\$3,850,000)</b>                     |
| Reduces funding by \$3.9 million SAF for career and education navigators for adult learners. Community colleges will partner with county governments to apply for grants through the Department of Lifelong Education, Advancement, and Potential. Total funding for Career and Education Navigators for Adult Learners will be \$1.2 million SAF.   |  | Restricted 5,000,000                                  | (3,850,000)                              |
|  |  | GF/GP \$0   | \$0                                      |
| <b>5. Public-Service-Focused Careers Program</b>   |  | <b>Gross \$0</b>                                      | <b>\$500,000</b>                         |
| Adds \$500,000 GF/GP of one-time funding for the Michigan Community College Association (MCCA) to administer a program to increase the number of dual enrolled high school students and encourage pursuit of public-service-focused careers, including public safety, education, and health care.  |  | GF/GP \$0   | \$500,000                                |
| <b>6. Kalamazoo Valley Community College Internet Accessibility</b>  |  | <b>Gross \$0</b>                                      | <b>\$350,000</b>                         |
| Adds \$350,000 SAF of one-time funding to improve internet accessibility at Kalamazoo Valley Community College.  |  | Restricted 0  | 350,000                                  |
|  |  | GF/GP \$0   | \$0                                      |
| <b>7. Removal of FY 2023-24 One-Time Appropriations</b>  |  | <b>Gross \$43,366,600</b>                             | <b>(\$43,366,600)</b>                    |
| Removes \$43.4 million SAF of one-time funding that was included in the FY 2023-24 budget to support the following:  |  | Restricted 43,366,600                                 | (43,366,600)                             |
| <ul style="list-style-type: none"> <li>• Infrastructure, Technology, Equipment, Maintenance, and Safety (\$32.8 million SAF)</li> <li>• Critical Incident Mapping (\$5.0 million SAF)</li> <li>• Michigan Reconnect Entry Point Program (\$5.0 million SAF)</li> <li>• Kalamazoo Valley Community College Workforce Development Grants (\$530,000 SAF)</li> </ul>  |  | GF/GP \$0   | \$0                                      |

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

**Sec. 201f. One-Time Performance Funding Payment Detail – NEW**

Adds language detailing the one-time performance funding payment allocations for each community college.

**Sec. 201g. State Fiscal Recovery Funds Reallocation Authorization – NEW**

Adds language directing the state budget director to reallocate state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline of December 31, 2026, and must notify the Legislature within 10 days after making the reallocation.

**Sec. 201h. MPERS Normal Cost FY 2023-24 Supplemental Appropriation Detail – NEW**

Adds language increasing the FY 2023-24 MPERS Normal Cost by \$1.3 million SAF due to reported payroll of community colleges being slightly higher than original projections.

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

***Sec. 205. Ordering From Businesses in Deprived and Depressed Communities – REVISED***

Encourages community colleges to ensure businesses in economically distressed areas compete for and perform contracts for services and/or supplies. Revises language to encourage community colleges to ensure geographically disadvantaged business enterprises compete for and perform contracts for services and/or supplies.

***Sec. 216c. Infrastructure, Technology, Equipment, Maintenance, and Safety Appropriation Detail – DELETED***

Deletes language that details infrastructure, technology, equipment, maintenance, safety and housing (ITEMS) repayment categories that ITEMS funding could be used for by community colleges and language on program eligibility and distribution of funding.

***Sec. 216d. ITEMS Certification and Payment Detail – DELETED***

Deletes language that details the certification process community colleges must complete and have approved by the State Budget Director in order to receive an ITEMS payment.

***Sec. 216e. Institutional Best Practices Detail – NEW***

Adds language that details community colleges must certify to following at least 2 of 5 institutional best practices in order to receive both ongoing and one-time performance funding increases, one of which must be the best practice on transfers and working to increase the number of reverse transfer or articulation agreements. The remaining best practices include: providing an academic degree or certificate course map, adopting a co-requisite model for remedial courses and providing the courses at a reduced cost to students, requiring students to meet with an academic advisor once a semester or term, and providing employees to assist prospective and current students with completing the Free Application for Federal Student Aid.

***Sec. 217b. Community College Tuition and Fee Restraint and Annual Rate Report – REVISED***

Requires community colleges to report tuition and fee rates, the annual cost of tuition and fees for a 30-credit course load, and tuition and fee increases from the prior year to CEPI by the last business day of August; details tuition restraint requirements in order to receive performance funding for FY 2023-24; and requires community colleges to limit in-district tuition and fee increases to 4.5% or \$205, whichever is greater. Specifies community colleges that violate the tuition restraint cap may have their appropriation adjusted. Revises language that limits FY 2024-25 in-district tuition and fee increases to 4.5% or \$217, whichever is greater and limits FY 2025-26 in-district tuition and fee increases to the greater of 4.5% and \$227. Subjects one-time performance funding payments under section 201f to the tuition and fee restraint conditions.

***Sec. 217c. Charter School Authorizing Body Report – NEW***

Adds language that requires each community college or tribal college that serves as an authorizing body for public school academies to post a report on various details on public school academies authorized by the institution, including a list of all schools authorized; a list of any schools that closed or lost authorization; a description of new contracts for the operation of schools performing in the bottom 5%; the academic performance of each authorized school; the total enrollment; aggregated student enrollment data for students with an individualized education program; the total number of fees, reimbursements, contributions or charges received; the names of the board of directors for each authorized school; the name of the approved applicant for each school; the list of contracts and term lengths; activities to comply with the open meetings act; and a financial report on the various revenues and expenses for the authorizing body.

**COMMUNITY COLLEGES**

**FY 2024-25 Community College Operations Appropriations  
Enacted Summary**

| % of Formula:    |                                |                                     | 30%                           | 10%                | 10%                     | 10%                           | 30%                         | 5%                 | 5%               | 100%                  |                                    |                                     |                                    |                                   |   |                          |             |
|------------------|--------------------------------|-------------------------------------|-------------------------------|--------------------|-------------------------|-------------------------------|-----------------------------|--------------------|------------------|-----------------------|------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|---|--------------------------|-------------|
|                  | Total FY 2023-24 Appropriation | FY 24 Indian Tuition Waiver Payment | FY 2023-24 Base Appropriation | Sustainability     | Performance Improvement | Performance Completion Number | Performance Completion Rate | Contact Hours      | Admin.           | Local Strategic Value | Total Ongoing Formula Distribution | Total One-Time Formula Distribution | FY 2023 Indian Tuition Waiver Cost | Indian Tuition Waiver Adjustments | Total FY 25 Indian Tuition Waiver Payment | FY 2024-25 Appropriation | % Change    |
| Alpena           | \$6,327,100                    | \$26,500                            | \$6,300,600                   | \$28,353           | \$23,214                | \$6,383                       | \$14,650                    | \$14,779           | \$10,559         | \$4,725               | \$102,700                          | \$68,400                            | \$21,800                           | (4,700)                           | \$21,800                                  | \$6,493,500              | 2.6%        |
| Bay de Noc       | 6,299,200                      | 113,900                             | 6,185,300                     | 27,834             | 25,535                  | 5,953                         | 14,813                      | 19,000             | 14,939           | 4,639                 | 112,700                            | 75,100                              | 100,000                            | (13,900)                          | 100,000                                   | 6,473,100                | 2.8%        |
| Delta            | 16,690,500                     | 48,200                              | 16,642,300                    | 74,891             | 21,961                  | 24,801                        | 19,971                      | 72,626             | 13,395           | 12,482                | 240,100                            | 160,100                             | 24,800                             | (23,400)                          | 24,800                                    | 17,067,300               | 2.3%        |
| Glen Oaks        | 2,939,000                      | 0                                   | 2,939,000                     | 13,226             | 3,527                   | 3,885                         | 10,496                      | 11,593             | 0                | 2,204                 | 45,100                             | 30,100                              | 1,800                              | 1,800                             | 1,800                                     | 3,016,000                | 2.6%        |
| Gogebic          | 5,367,600                      | 37,900                              | 5,329,700                     | 23,984             | 6,396                   | 3,538                         | 14,450                      | 10,605             | 6,295            | 3,997                 | 69,300                             | 46,200                              | 48,400                             | 10,500                            | 48,400                                    | 5,493,600                | 2.3%        |
| Grand Rapids     | 20,966,400                     | 122,000                             | 20,844,400                    | 93,801             | 33,235                  | 31,916                        | 25,014                      | 128,194            | 11,970           | 15,633                | 339,800                            | 226,500                             | 111,100                            | (10,900)                          | 111,100                                   | 21,521,800               | 2.6%        |
| Henry Ford       | 24,943,900                     | 14,100                              | 24,929,800                    | 112,185            | 29,916                  | 47,078                        | 29,916                      | 122,304            | 10,808           | 18,698                | 370,900                            | 247,300                             | 6,400                              | (7,700)                           | 6,400                                     | 25,554,400               | 2.4%        |
| Jackson          | 13,887,400                     | 33,300                              | 13,854,100                    | 62,344             | 18,479                  | 13,865                        | 16,625                      | 48,433             | 8,394            | 10,391                | 178,500                            | 119,000                             | 42,300                             | 9,000                             | 42,300                                    | 14,193,900               | 2.2%        |
| Kalamazoo Valley | 14,539,400                     | 57,500                              | 14,481,900                    | 65,169             | 17,378                  | 19,837                        | 24,084                      | 72,014             | 13,135           | 10,862                | 222,500                            | 148,300                             | 37,200                             | (20,300)                          | 37,200                                    | 14,889,900               | 2.4%        |
| Kellogg          | 11,290,200                     | 21,000                              | 11,269,200                    | 50,712             | 13,523                  | 16,305                        | 13,523                      | 42,303             | 12,687           | 8,452                 | 157,500                            | 105,000                             | 35,400                             | 14,400                            | 35,400                                    | 11,567,100               | 2.5%        |
| Kirtland         | 3,792,900                      | 19,800                              | 3,773,100                     | 16,979             | 4,528                   | 5,870                         | 4,528                       | 15,964             | 11,313           | 2,830                 | 62,000                             | 41,300                              | 25,800                             | 6,000                             | 25,800                                    | 3,902,200                | 2.9%        |
| Lake Michigan    | 6,321,600                      | 3,600                               | 6,318,000                     | 28,431             | 8,532                   | 7,488                         | 7,582                       | 28,823             | 4,589            | 4,739                 | 90,200                             | 60,100                              | 6,000                              | 2,400                             | 6,000                                     | 6,474,300                | 2.4%        |
| Lansing          | 35,752,700                     | 63,500                              | 35,689,200                    | 160,603            | 44,269                  | 43,809                        | 49,746                      | 110,026            | 10,025           | 26,767                | 445,200                            | 296,800                             | 81,200                             | 17,700                            | 81,200                                    | 36,512,400               | 2.1%        |
| Macomb           | 37,661,900                     | 26,500                              | 37,635,400                    | 169,361            | 45,163                  | 44,965                        | 51,957                      | 175,929            | 9,619            | 28,227                | 525,200                            | 350,100                             | 23,700                             | (2,800)                           | 23,700                                    | 38,534,400               | 2.3%        |
| Mid Michigan     | 5,798,500                      | 55,600                              | 5,742,900                     | 25,843             | 12,723                  | 7,475                         | 6,892                       | 29,565             | 7,252            | 4,307                 | 94,100                             | 62,700                              | 75,500                             | 19,900                            | 75,500                                    | 5,975,200                | 3.0%        |
| Monroe County    | 5,286,800                      | 2,100                               | 5,284,700                     | 23,781             | 7,834                   | 7,700                         | 6,342                       | 24,885             | 9,302            | 3,964                 | 83,800                             | 55,900                              | 1,800                              | (300)                             | 1,800                                     | 5,426,200                | 2.6%        |
| Montcalm         | 3,966,700                      | 9,500                               | 3,957,200                     | 17,808             | 19,624                  | 6,537                         | 4,749                       | 14,061             | 10,403           | 2,968                 | 76,100                             | 50,800                              | 1,900                              | (7,600)                           | 1,900                                     | 4,086,000                | 3.0%        |
| Mott             | 17,823,200                     | 31,500                              | 17,791,700                    | 80,063             | 21,350                  | 20,961                        | 21,350                      | 58,920             | 10,123           | 13,344                | 226,100                            | 150,700                             | 5,800                              | (25,700)                          | 5,800                                     | 18,174,300               | 2.0%        |
| Muskegon         | 10,223,600                     | 12,700                              | 10,210,900                    | 45,949             | 13,723                  | 12,298                        | 19,192                      | 38,265             | 11,931           | 7,658                 | 149,000                            | 99,300                              | 21,300                             | 8,600                             | 21,300                                    | 10,480,500               | 2.5%        |
| North Central    | 4,011,000                      | 142,200                             | 3,868,800                     | 17,410             | 11,547                  | 5,664                         | 11,594                      | 19,970             | 9,790            | 2,902                 | 78,900                             | 52,600                              | 162,500                            | 20,300                            | 162,500                                   | 4,162,800                | 3.8%        |
| Northwestern     | 10,650,300                     | 177,000                             | 10,473,300                    | 47,130             | 13,955                  | 11,771                        | 19,670                      | 37,302             | 8,812            | 7,855                 | 146,500                            | 97,700                              | 196,800                            | 19,800                            | 196,800                                   | 10,914,300               | 2.5%        |
| Oakland          | 24,755,900                     | 22,300                              | 24,733,600                    | 111,302            | 29,681                  | 46,449                        | 37,117                      | 143,859            | 9,486            | 18,550                | 396,400                            | 264,300                             | 33,800                             | 11,500                            | 33,800                                    | 25,428,100               | 2.7%        |
| Schoolcraft      | 14,742,500                     | 30,700                              | 14,711,800                    | 66,204             | 30,847                  | 25,758                        | 24,236                      | 91,237             | 10,847           | 11,034                | 260,200                            | 173,400                             | 21,000                             | (9,700)                           | 21,000                                    | 15,166,400               | 2.9%        |
| Southwestern     | 7,695,500                      | 12,700                              | 7,682,800                     | 34,573             | 9,219                   | 5,934                         | 16,764                      | 22,488             | 9,090            | 5,762                 | 103,800                            | 69,200                              | 29,500                             | 16,800                            | 29,500                                    | 7,885,300                | 2.5%        |
| St. Clair County | 8,226,400                      | 16,000                              | 8,210,400                     | 36,947             | 11,771                  | 15,900                        | 17,004                      | 35,958             | 7,890            | 6,158                 | 131,600                            | 87,800                              | 24,100                             | 8,100                             | 24,100                                    | 8,453,900                | 2.8%        |
| Washtenaw        | 15,938,200                     | 12,700                              | 15,925,500                    | 71,665             | 21,788                  | 66,048                        | 26,531                      | 120,938            | 12,920           | 11,944                | 331,800                            | 221,200                             | 24,600                             | 11,900                            | 24,600                                    | 16,503,100               | 3.5%        |
| Wayne County     | 19,197,900                     | 4,600                               | 19,193,300                    | 86,371             | 25,944                  | 23,491                        | 23,032                      | 85,907             | 7,858            | 14,395                | 267,000                            | 178,000                             | 4,400                              | (200)                             | 4,400                                     | 19,642,700               | 2.3%        |
| West Shore       | 2,865,600                      | 14,400                              | 2,851,200                     | 12,831             | 9,589                   | 3,571                         | 3,421                       | 9,802              | 4,192            | 2,138                 | 45,500                             | 30,400                              | 12,000                             | (2,400)                           | 12,000                                    | 2,939,100                | 2.6%        |
|                  | <b>\$357,961,900</b>           | <b>\$1,131,800</b>                  | <b>\$356,830,100</b>          | <b>\$1,605,750</b> | <b>\$535,250</b>        | <b>\$535,250</b>              | <b>\$535,250</b>            | <b>\$1,605,750</b> | <b>\$267,625</b> | <b>\$267,625</b>      | <b>\$5,352,500</b>                 | <b>\$3,568,300</b>                  | <b>\$1,180,900</b>                 | <b>\$49,100</b>                   | <b>\$1,180,900</b>                        | <b>\$366,931,800</b>     | <b>2.5%</b> |

Requirements to receive ongoing and one-time performance funding for FY 2024-25:  
 1. Restrain FY 2024-25 in-district tuition/fee rate increase to 4.5% or \$217 (whichever is greater).  
 2. Certify to following the Institutional Best Practice on transfers and at least one additional Institutional Best Practice.

| Data Notes                    |               |
|-------------------------------|---------------|
| Component                     | Years         |
| Performance improvement       | FYs 2020-2022 |
| Performance completion number | FYs 2020-2022 |
| Performance completion rate   | FYs 2020-2022 |
| Contact hours                 | FY 2023       |
| Administrative                | FYs 2022-2023 |

**DEPARTMENT OF CORRECTIONS**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 2)**

Analyst: Robin R. Risko

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted  | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|------------------------|---|------------|
|                   |                                       |                        | Amount                                    | %          |
| IDG/IDT           | \$0                                   | \$0                    | \$0                                       | --         |
| <b>Federal</b>    | 17,143,500                            | 5,180,500              | (11,963,000)                              | (69.8)     |
| <b>Local</b>      | 9,805,100                             | 11,694,000             | 1,888,900                                 | 19.3       |
| <b>Private</b>    | 0                                     | 0                      | 0   | --         |
| <b>Restricted</b> | 29,805,500                            | 33,494,400             | 3,688,900                                 | 12.4       |
| <b>GF/GP</b>      | 2,029,495,900                         | 2,097,010,100          | 67,514,200                                | 3.3        |
| <b>Gross</b>      | <b>\$2,086,250,000</b>                | <b>\$2,147,379,000</b> | <b>\$61,129,000</b>                       | <b>2.9</b> |
| <b>FTEs</b>       | 13,206.0                              | 13,227.0               | 21.0                                      | 0.2        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Department of Corrections (MDOC) is responsible for operation and maintenance of the state's 26 correctional facilities that house felony offenders sentenced to prison. This includes provision of physical and mental health care, education, food service, transportation, and reintegration programming. The department is also responsible for supervision of all parolees and probationers under the department's jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of September 1, 2024, the department was responsible for 74,258 offenders: 32,898 prisoners; 32,228 probationers; and 9,132 parolees. From 1 year prior, the total number of offenders decreased by 585, or by 0.8%. The number of prisoners increased by 45, or 0.1%. The number of probationers decreased by 725, or 2.2%. The number of parolees increased by 95, or 1.1%.

**Major Budget Changes from FY 2023-24 Enacted Appropriations****1. Prisoner Health Care Services Contract Adjustment**

Includes \$16.2 million GF/GP to cover increased costs of the prisoner health care services contract. In addition to standard inflationary adjustments and increased medical costs, funding will support the increase in usage resulting from an increase in the prisoner population. The contract covers onsite medical and behavioral health care, specialty care, and pharmaceutical services.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| <b>Gross</b> | NA                                      | <b>\$16,228,600</b>             |
| GF/GP        | NA                                      | \$16,228,600                    |

**2. Nursing Cost Variance from Civil Service to Contracted Nursing**

Includes \$10.4 million GF/GP to cover increased costs associated with utilizing contracted nursing staff. Due to the number of vacant civil service nursing positions, the department has been forced to contract for nursing providers. Contracted RNs are about 31% more expensive than the average civil service RN, and contracted LPNs are about 17% more expensive.

|              |    |                     |
|--------------|----|---------------------|
| <b>Gross</b> | NA | <b>\$10,443,300</b> |
| GF/GP        | NA | \$10,443,300        |

**CORRECTIONS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>3. Thumb Correctional Facility Education Center</b>   |              |  |  |
| Includes authorization for 15.0 new FTE positions, includes an additional \$3.4 million in state restricted funding, and reinvests \$483,600 of existing GF/GP to support costs of expanding educational programming and vocational training at the Thumb Correctional Facility. The \$3.4 million will be one-time funding, appropriated from the Program and Special Equipment Fund, and will be used to support construction costs for converting an old MSI factory located on the property into additional classroom space. The \$483,600 will be reallocated from the Offender Success Services line item to cover costs of additional staff and operations. |              | FTE 0.0  | 15.0                                     |
|  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$3,400,000</b>                       |
|  | Restricted   | 0  | 3,400,000                                |
|  | GF/GP        | \$0  | \$0                                      |
| <b>4. Detroit Detention Center Increased Authorization</b>   |              |  |  |
| Includes authorization to receive an additional \$1.6 million in local revenue from the City of Detroit to support higher than anticipated costs for operations of the Detroit Detention Center. Various costs have increased including contracted nursing costs and contracted janitorial costs.  |              | <b>Gross</b>                                     | <b>\$9,530,100</b>                       |
|  | Local        | 9,530,100  | 1,600,000                                |
|  | GF/GP        | \$0  | \$0                                      |
| <b>5. Peer-Led Reentry Services</b>  |              |  |  |
| Reinvests \$1.5 million of existing GF/GP from the Offender Success Services line item and includes an additional \$500,000 in one-time GF/GP to support peer-led reentry services. Regional offender success services providers will utilize former offenders to work with eligible parolees. Peer-led services will include mentoring, peer recovery coaching, navigating resources, and assisting with transportation.  |              | <b>Gross</b>                                     | <b>\$0</b>                               |
|  | GF/GP        | \$0  | \$500,000                                |
| <b>6. In-Reach Services Expansion</b>  |              |  |  |
| Reinvests \$900,000 of existing GF/GP from the Offender Success Services line item, includes an additional \$500,000 in one-time GF/GP, and authorizes an additional 6.0 FTE positions to expand the department's ability to provide in-reach parole planning services to more parolees prior to release from prison. Planning for parole includes addressing housing needs and other needs such as clothing, bus passes, scheduling medical appointments, etc.  |              | FTE 0.0  | 6.0                                      |
|  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$500,000</b>                         |
|  | GF/GP        | \$0  | \$500,000                                |
| <b>7. City of Jackson Water and Sewer Rate Increases</b>   |              |  |  |
| Includes \$232,700 GF/GP to cover costs of an 8% increase in water rates and a 6% increase in sewer rates at the 4 correctional facilities located in Jackson effective October 2024. The City of Jackson indicates that much of the cost is attributable to lead service line replacements along with capital improvement projects and general upkeep.  |              | <b>Gross</b>                                     | <b>NA</b>                                |
|  | GF/GP        | NA   | \$232,700                                |
| <b>8. Higher Education in Prison</b>   |              |  |  |
| Includes \$500,000 in one-time GF/GP for the department to expand their collaboration with 4-year state universities and colleges to provide prisoners with the opportunity to participate in bachelor's degree programs. Funding will be used for eligible expenses including staffing, supplies, and tuition.  |              | <b>Gross</b>                                     | <b>NA</b>                                |
|  | GF/GP        | NA   | \$500,000                                |
| <b>9. Nation Outside</b>   |              |  |  |
| Includes \$1.0 million in one-time GF/GP to support a statewide peer-led reentry program that assists parolees with housing, education, employment, and access to healthcare and insurance.  |              | <b>Gross</b>                                     | <b>NA</b>                                |
|  | GF/GP        | NA   | \$1,000,000                              |



**CORRECTIONS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>10. Breast Milk Program</b>  | FTE          | NA   | 1.0                                      |
| Includes \$500,000 in one-time GF/GP and authorization for 1.0 FTE position for the department to continue working with the Mama's Mobile Milk program to get post-partum prisoners' breast milk transported to their newborns.   | <b>Gross</b> | <b>NA</b>  | <b>\$500,000</b>                         |
|   | GF/GP        | NA   | \$500,000                                |
| <b>11. Technical Adjustments</b>  | FTE          | NA   | 0.0                                      |
| Makes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to reflect employee counts more accurately and to align funding authorization with revenue received and department operations and activities.   | <b>Gross</b> | <b>NA</b>  | <b>\$0</b>                               |
|   | GF/GP        | NA   | \$0                                      |
| <b>12. Removal of FY 2023-24 One-Time Appropriations</b>  | FTE          | 1.0  | (1.0)                                    |
| Removes \$20.7 million Gross (\$8.7 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:   | <b>Gross</b> | <b>\$20,700,000</b>                              | <b>(\$20,700,000)</b>                    |
| <ul style="list-style-type: none"> <li>• Body-worn Cameras (\$3.3 million GF/GP)</li> <li>• Breast Milk Program (\$1.0 million GF/GP)</li> <li>• Come Out Stay Out (\$400,000 GF/GP)</li> <li>• Corrections Officer Signing/Retention Bonuses (\$12.0 million federal)</li> <li>• Eastern Michigan University Pilot Program (\$250,000 GF/GP)</li> <li>• Goodwill Flip the Script (\$1.4 million GF/GP)</li> <li>• Nation Outside (\$2.0 million GF/GP)</li> <li>• Silent Cry (\$400,000 GF/GP).</li> </ul> | Federal      | 12,000,000                                       | (12,000,000)                             |
|   | GF/GP        | \$8,700,000                                      | (\$8,700,000)                            |
| <b>13. Economic Adjustments</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$46,924,400</b>                      |
| Reflects a net increase in costs of \$46.9 million Gross (\$46.3 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), overtime costs, insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, food, fuel, and utilities.  | Federal      | NA   | 37,000                                   |
|   | Local        | NA   | 288,900                                  |
|   | Restricted   | NA   | 288,900                                  |
|   | GF/GP        | NA   | \$46,309,600                             |

Major Boilerplate Changes from FY 2023-24

**Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Section numbers listed for new and revised language are as they appear in the enacted bill. Section numbers may be different from section numbers included in current law and in the House and Senate passed versions of the Corrections bill.**

**GENERAL SECTIONS**

**Sec. 206. Disciplinary Action Against State Employees and Prisoners – RETAINED (UNENFORCEABLE)**

Prohibits MDOC from taking disciplinary action against classified civil service employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and MDOC is exercising its authority. (Governor's signing letter states this section is unenforceable.)

**Sec. 210. Contingency Authorization – REVISED**

Authorizes up to \$2.5 million in federal and up to \$1.0 million in local contingency funds to be appropriated should funds become available; authorizes expenditure of funds after legislative transfer to specific line items. Revises local contingency authorization amount from \$1.0 million to \$2.0 million.

**Sec. 214. Website for Information – DELETED**

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

**Sec. 218. In-Person Work Priority – DELETED**

Expresses legislative intent that MDOC maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires MDOC to post its in-person, remote, or hybrid work policy on its website.

## **CORRECTIONS**

### Major Boilerplate Changes from FY 2023-24

#### **Sec. 218. Report on Policy Changes Made to Implement Public Acts – REVISED**

Requires MDOC to report on each specific policy change made by the department to implement a public act affecting the department. Revises to require that report also be submitted to the House Standing Committee on Criminal Justice and the Senate Standing Committee on Civil Rights, Judiciary, and Public Safety.

#### **Sec. 219. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Prohibits appropriations that have unexpended work project authorization associated with them, to the extent possible, from being expended until all existing work project authorization for the same purpose is exhausted. (*Governor's signing letter states this section is unenforceable.*)

#### **Sec. 220. State Fiscal Recovery Fund (SFRF) – NEW**

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

#### **Sec. 222. Severance Pay for Department Officials – DELETED**

Requires MDOC to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires the report to include the name of the official and the amount of severance pay; requires a report on the total amount of severance pay remitted and the total number of former employees that were remitted severance pay during the prior fiscal year; defines "severance pay" to mean compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

#### **Sec. 223. State Administrative Board Transfers – DELETED**

Authorizes the legislature, by a concurrent resolution adopted by a majority of members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

### **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

#### **Sec. 302. Allowing Staff to Reach Highest Pay Levels in Shorter Amount of Time – REVISED**

Requires MDOC to submit a report that assesses the cost of allowing corrections officers and corrections medical officers to reach their highest level of pay within 3 years of service instead of reaching it within 5 years of service. Revises to require report to include the effects on staffing.

#### **Sec. 314. Staff Overtime Hours – REVISED**

Requires MDOC to report on number of overtime hours worked by all custody staff, by facility, including number of mandatory overtime hours worked, number of voluntary overtime hours worked, reasons for overtime hours worked, and average number of overtime hours worked by active employees. Revises by striking requirement to report on number of mandatory overtime hours worked and number of voluntary overtime hours worked.

#### **Sec. 316. Corrections Officer Training Academy – DELETED**

Requires MDOC to report on the status of the corrections officer training academy, including a history of appropriations, anticipated costs of the project, by phase, actual expenditures, and any other information MDOC considers necessary.

#### **Sec. 320. County Jail Reimbursement Program – REVISED**

Requires MDOC to administer the County Jail Reimbursement program, which offers counties per diem payments for housing certain offenders in jail; specifies reimbursement criteria and rates; requires counties receiving funding to report on annual average jail capacity and annual average jail occupancy; requires MDOC to report on number of inmates sentenced to custody of the sheriff and eligible for the County Jail Reimbursement program, amount paid to counties, number of days inmates were in custody, number of inmates sentenced by specified category, amount paid by specified category of inmate, number of days inmates were in custody by specified category, and estimated cost of housing inmates sentenced to custody of the sheriff and eligible for the County Jail Reimbursement program as inmates of a state prison. Revises to include a \$5.00 rate increase to each per diem rate specified in the language (i.e., \$40 rate increased to \$45; \$55 rate increased to \$60; \$65 rate increased to \$70).

Major Boilerplate Changes from FY 2023-24

**Sec. 321. Offender Population Data Reports – REVISED**

Requires MDOC to provide monthly electronic mail reports on prisoner populations by security levels by facility; net operating capacities of facilities; number of closed housing units; prisoners serving life sentences and classified as past their earliest release dates; prisoner intakes, returns, and exits; populations for community residential services, electronic monitoring, parole, and probation; requires MDOC to provide notification immediately upon knowing it will not meet reporting requirements, including reasons for not meeting reporting requirements. Revises to categorize information that is to be reported monthly and information that is to be reported quarterly.

**OFFENDER SUCCESS ADMINISTRATION**

**Sec. 401. Offender Success Expenditures and Allocations – REVISED**

Requires MDOC to report on actual prior-year offender success expenditures and allocations; authorizes MDOC to collect cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete academic- and job skills-related programs. Revises to require regions to report on specified performance factors and to authorize unexpended or unencumbered donations to be carried forward.

**Sec. 402. Partnering for Providing Offender Success Services – DELETED**

Requires MDOC to partner with nonprofit faith-based, business and professional, civic, and community organizations for purpose of providing offender success services, including counseling, information on housing and job placement, and money management assistance.

**Sec. 405. Probation Residential Services Per Diem Reimbursement – REVISED**

Limits probation residential services per diem reimbursement rate to \$65. Revises per diem reimbursement rate from \$65 to \$70 and includes an initial client assessment reimbursement of \$200.

**Sec. 415. Academic and Vocational Programs for Prisoners – REVISED**

Requires MDOC to report on academic and vocational programs, including number of instructors and instructor vacancies; number of prisoners enrolled in, completing, transferring from, and repeating each program; number of prisoners on waiting lists for programs; racial demographics of prisoners enrolled in each program; number of prisoners paroled without a high school diploma; program outcomes for each program; number of prisoners not paroled at their earliest release dates due to lack of high school equivalency. Revises by striking reporting on prisoners not subsequently reenrolled, reason for not completing the program, number of prisoners transferred to another facility while enrolled in a program and not subsequently reenrolled, number of prisoners enrolled who are repeating the program, reporting information itemized by facility, and identifying program outcomes for each academic and vocational program.

**Sec. 418. Program and Special Equipment Fund – NEW**

Requires Program and Special Equipment Fund revenues to be used for prisoner programming, special equipment, and security projects; authorizes unexpended funds to be carried forward and made available for expenditure in subsequent fiscal years.

**HEALTH CARE**

**Sec. 602. Standard Medical Release Form – REVISED**

Requires MDOC to give all prisoners the opportunity to sign a medical release of information form, effective for one year, designating a family member or other individual to whom MDOC is authorized to release information; requires MDOC to assure forms follow prisoners if and when they are transferred to other facilities or released from prison. Revises by adding requirement that MDOC provide prisoners with a brochure that explains the purpose and importance of signing a medical release of information form and strikes that the release form is effective for only one year.

**Sec. 606. Medication Assisted Therapies – REVISED**

Requires MDOC to report on number of prisoners that received medication assisted therapies, length of time on therapies, and number of prisoners who discontinued treatment while incarcerated. Revises to require report on medications used and number of prisoners prescribed each medication.

**Sec. 607. Medication Assisted Treatment Clinics – REVISED**

Requires appropriation to be used for establishing at least 3 clinics at facilities that will allow for treatment of the highest number of prisoners; requires participating prisoners to be treated while incarcerated and to be given an injection immediately before being released from prison; requires status reports on staffing levels, expenditures, and number of prisoners treated. Revises to reflect "maintaining" clinics instead of "establishing" clinics.

## **CORRECTIONS**

### Major Boilerplate Changes from FY 2023-24

#### **CORRECTIONAL FACILITIES AND ADMINISTRATION**

##### ***Sec. 705. Reporting Critical Incidents in Prisons – REVISED***

Requires MDOC to report within 72 hours of occurrence, any critical incident occurring at a correctional facility; requires MDOC to report annually on number of critical incidents occurring each month by type and severity; defines "critical incidents" to mean prisoner assaults on staff that result in serious physical injury to staff, escapes and attempted escapes, prisoner disturbances that cause facility operation concerns, and unexpected deaths of prisoners. Revises to include "drug overdose or suspected overdose that results in inpatient hospitalization" as part of the definition of critical incident.

##### ***Sec. 710. Administrative Segregation Report – REVISED***

Requires MDOC to report on use of administrative segregation for prisoners with serious mental illness or developmental disorders, including number of days each prisoner was confined to administrative segregation. Revises to require that report include a chart listing numbers of prisoners housed in administrative segregation for specified time periods and an explanation of the circumstances surrounding placement of prisoners in segregation for 12 months or longer.

##### ***Sec. 713. Report on Restricted Visiting Privileges – REVISED***

Requires MDOC to report on number of prisoners that lose visiting privileges, number of prisoners that apply to have visiting privileges restored, number of prisoners that have had visiting privileges restored, and number of prisoners that have had visiting restrictions extended. Revises to add reporting on the race of prisoners losing visiting privileges and the number of cumulative days visitation days were lost.

##### ***Sec. 714. Intelligence Unit – REVISED***

Requires MDOC to establish an intelligence unit to conduct investigatory and intelligence operations; requires intelligence unit to provide telephone intelligence activities previously provided by contractor; requires savings resulting from in-house telephone intelligence activities to be passed on to prisoners through reduced phone call rates. Revises to reflect "maintaining" unit instead of "establishing"; revises by striking requirement to renegotiate phone contract; revises by adding that MDOC continue to pursue all opportunities for reducing further the cost of phone calls for prisoners and their families.

##### ***Sec. 717. Information Packet for Families of Prisoners – REVISED***

Requires MDOC to make an information packet for families of incoming prisoners available on MDOC website; specifies information to be included in packet (e.g., prisoner accounts, phone calls, email accounts, visiting, filing complaints or grievances, accessing physical and mental health care, parole process); requires information packet to be reviewed annually and updated as necessary. Revises to require MDOC to also provide information on the purpose and importance of prisoners signing a medical release of information form.

##### ***Sec. 718. Reduce Fees and Copays – NEW***

Requires MDOC to pursue all opportunities to reduce costs for prisoners and their families of financial deposit fees and commissary fees when negotiating or renewing contracts for these services.

#### **ONE-TIME APPROPRIATIONS**

##### ***Sec. 802. Come Out Stay Out – DELETED***

Requires funding to be granted to Come Out Stay Out for providing education, employment, and housing services to offenders upon release from prison; requires a report on expenditure of funds, program performance measures, number of participants served, and outcomes of participants completing the program.

##### ***Sec. 802. In-Reach Services Expansion – NEW***

Requires MDOC to allocate \$500,000 in one-time funding, in addition to \$900,000 in ongoing funding, to expand provision of in-reach parole planning services to all parolees prior to release from prison.

##### ***Sec. 803. Corrections Officer Signing and Retention Bonuses – DELETED***

Requires funding to be used to grant signing bonuses for new corrections officers and retention bonuses for current corrections officers; lists criteria to be followed for paying bonuses; requires expenditure of funds to be agreed to by the Office of the State Employer and the Michigan Corrections Organization and approved by the Civil Service Commission.

##### ***Sec. 804. Eastern Michigan University Pilot Program – DELETED***

Requires funding to be used for MDOC to collaborate with EMU to provide prisoners with the opportunity to participate in a comprehensive bachelor's degree program; requires funding to be used for eligible expenses including staffing, supplies, and tuition; requires a report on expenditure of funds, number of participants served, enrollments by race and gender, number of participants completing the program, and program outcomes; subjects the program to metrics.

Major Boilerplate Changes from FY 2023-24

**Sec. 804. Peer-Led Reentry Services – NEW**

Requires MDOC to allocate \$500,000 in one-time funding, in addition to \$1.5 million in ongoing funding, to expand provision of peer-led reentry services to parolees.

**Sec. 805. Goodwill Flip the Script – DELETED**

Requires the one-time appropriation to be used only for expanding the program and serving participants outside of participants currently being served by the ongoing appropriation; requires alternative sentencing programs, educational recovery programs, and career development and continuing education programs; requires a report on the expanded areas of the program and on program outcomes; subjects the program to metrics.

**Sec. 805. Thumb Correctional Facility Education Center – NEW**

Designates funding for the Thumb education center as a work project appropriation; the purpose of the project is to provide educational programming and vocational training at the facility.

**Sec. 807. Outcomes and Performance Metrics for Various Programs – DELETED**

Lists specific outcomes and performance measures for Eastern Michigan University, one-time Goodwill Flip the Script, and Nation Outside programs; requires data collected to be provided to the legislature and to accredited universities for research purposes.

**Sec. 808. Silent Cry – DELETED**

Requires funding to be used to support a contract with Silent Cry to provide trauma services to referred parolees upon release from prison; requires a report on expenditure of funds, program performance measures, number of participants served, and outcomes of participants completing the program.

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Appropriation  
Change**

**1. Coronavirus Relief Funds for Payroll**

Includes \$36.0 million in federal Coronavirus State Fiscal Recovery Funds and reduces GF/GP by a like amount. Funding will be allocated to support payroll costs for frontline workers throughout the department, but primarily at correctional facilities.

| <b>Gross</b> | <b>\$0</b>     |
|--------------|----------------|
| Federal      | 36,000,000     |
| GF/GP        | (\$36,000,000) |

**2. Employee Lump Sum Payments**

Includes \$12.1 million 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 staff employed full-time as of December 23, 2023.

| <b>Gross</b> | <b>\$12,077,000</b> |
|--------------|---------------------|
| GF/GP        | \$12,077,000        |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 501. Program and Special Equipment Fund Revenue**

Requires program and special equipment fund revenue to be used for prisoner programming, special equipment, and security projects; requires 75% of funds to be used for prisoner programming; authorizes unexpended funds to be carried forward and made available for appropriation in subsequent fiscal years.

**DEPARTMENT OF EDUCATION**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 3)**

**Analyst: Noel Benson**

| IDG/IDT           | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |               |
|-------------------|-------------------------|----------------------|---------------------------|---------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %             |
|                   | \$0                     | \$0                  | \$0                       | --            |
| <b>Federal</b>    | 458,009,100             | 82,550,500           | (375,458,600)             | (82.0)        |
| <b>Local</b>      | 5,856,000               | 5,868,500            | 12,500                    | 0.2           |
| <b>Private</b>    | 2,791,300               | 2,542,200            | (249,100)                 | (8.9)         |
| <b>Restricted</b> | 50,072,000              | 10,117,800           | (39,954,200)              | (79.8)        |
| <b>GF/GP</b>      | 130,652,500             | 63,896,100           | (66,756,400)              | (51.1)        |
| <b>Gross</b>      | <b>\$647,380,900</b>    | <b>\$164,975,100</b> | <b>(\$482,405,800)</b>    | <b>(74.5)</b> |
| <b>FTEs</b>       | 640.5                   | 574.5                | (66.0)                    | (10.3)        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations and libraries, providing technical assistance to school districts and libraries, and providing early education and child day care support for low-income and other qualifying families.

| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>   |  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|--|
| <b>1. Transfer of Office of Great Start</b>  |  | FTE  | 77.0 (77.0)                              |
| Transfers out \$430.4 million Gross (including \$54.4 million GF/GP) and authorizations for 77.0 FTE positions for the Office of Great Start to the new Department of Lifelong Education, Advancement, and Potential (MiLEAP). Transfer includes changes for defined calculations. |  | <b>Gross</b>                                     | <b>\$430,162,400 (\$430,364,700)</b>     |
|  |  | Federal  | 375,480,600 (375,606,500)                |
|  |  | Private  | 250,000 (250,000)                        |
|  |  | Restricted                                       | 64,600 (64,600)                          |
|  |  | GF/GP  | \$54,367,200 (\$54,443,600)              |
|  |  | <b>Gross</b>                                     | <b>\$5,020,800 (\$390,300)</b>           |
| <b>2. Transfer of Information Technology</b>   |  | Federal  | 2,634,400 (222,500)                      |
| Transfers \$390,300 Gross (\$167,800 GF/GP) from Information Technology to MiLEAP. Transfer includes changes for defined calculations.   |  | Restricted                                       | 948,500 0                                |
|  |  | GF/GP  | \$1,437,900 (\$167,800)                  |
|  |  | <b>Gross</b>                                     | <b>\$3,972,900 (\$161,200)</b>           |
| <b>3. Transfer of Departmental Administration and Support</b>  |  | Federal  | 1,251,700 (161,200)                      |
| Transfers \$161,200 Federal for property management from Departmental Administration and Support to MiLEAP. Transfer includes changes for defined calculations.  |  | Restricted                                       | 274,500 0                                |
|  |  | GF/GP  | \$2,446,700 \$0                          |
|  |  | <b>Gross</b>                                     | <b>\$15,567,700 \$1,000,000</b>          |
| <b>4. State Aid to Libraries</b>   |  | GF/GP  | \$15,567,700 \$1,000,000                 |
| Increases by \$1.0 million GF/GP for a total of \$16.6 million GF/GP to provide increased per-capita reimbursements to libraries.  |  |  |  |

**EDUCATION (DEPARTMENT)**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**FY 2023-24  
Enacted  
(as of 2/7/24)**      **FY 2024-25  
Enacted  
Change**

**5. Summer EBT Food Benefits**

Provides \$500,000 GF/GP and authorizes 2.0 FTE positions to administer a summer food benefit program for low-income children and to meet the state's administrative match requirement for an associated federal grant program, which would provide an estimated \$108.0 million in federally funded benefits. Additional administration and food assistance appropriations are included in the Department of Health and Human Services.

|              |                     |                  |
|--------------|---------------------|------------------|
| FTE          | 78.6                | 2.0              |
| <b>Gross</b> | <b>\$14,826,400</b> | <b>\$500,000</b> |
| Federal      | 12,829,300          | 0                |
| Restricted   | 150,000             | 0                |
| GF/GP        | \$1,847,100         | \$500,000        |

**6. Grants Management**

Provides \$500,000 GF/GP and authorizes 3.0 FTE positions to support the administration of grant funds to districts and to ensure that all state and federal requirements are met. Includes \$200,000 and 1.0 FTE position for central support operations and \$320,000 and 2.0 FTE positions for school support services operations.

|              |                    |                  |
|--------------|--------------------|------------------|
| FTE          | 48.6               | 3.0              |
| <b>Gross</b> | <b>\$8,159,400</b> | <b>\$500,000</b> |
| Federal      | 4,421,700          | 0                |
| Restricted   | 294,400            | 0                |
| GF/GP        | \$3,443,300        | \$500,000        |

**7. Community Health Worker Career Center**

Provides \$325,000 GF/GP in one-time funding to districts or intermediate districts to develop an ongoing community health worker certification program.

|              |            |                  |
|--------------|------------|------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$325,000</b> |
| GF/GP        | \$0        | \$325,000        |

**8. Comprehensive Mental Health Administration**

Provides \$318,900 GF/GP and authorizes 2.0 FTE positions to expand behavioral health supports and assist schools with mental health programs.

|              |                     |                  |
|--------------|---------------------|------------------|
| FTE          | 78.6                | 2.0              |
| <b>Gross</b> | <b>\$14,826,400</b> | <b>\$318,900</b> |
| Federal      | 12,829,300          | 0                |
| Restricted   | 150,000             | 0                |
| GF/GP        | \$1,847,100         | \$318,900        |

**9. Office of Financial Management Support**

Provides \$291,600 GF/GP and authorization for 2.0 FTE positions to support the Office of Financial Management.

|              |                    |                  |
|--------------|--------------------|------------------|
| FTE          | 38.6               | 2.0              |
| <b>Gross</b> | <b>\$6,142,700</b> | <b>\$291,600</b> |
| Federal      | 3,281,500          | 0                |
| Restricted   | 283,800            | 0                |
| GF/GP        | \$2,577,400        | \$291,600        |

**10. Mental Health Training**

Provides \$275,000 GF/GP in one-time funding to provide training to mental health providers, administrators, and superintendents in eligible districts.

|              |            |                  |
|--------------|------------|------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$275,000</b> |
| GF/GP        | \$0        | \$275,000        |

**11. Career and Technical Education Administration**

Provides \$159,500 GF/GP and authorizes 1.0 FTE position for additional support for career and technical programs.

|              |                    |                  |
|--------------|--------------------|------------------|
| FTE          | 24.0               | 1.0              |
| <b>Gross</b> | <b>\$5,440,300</b> | <b>\$159,500</b> |
| Federal      | 4,052,300          | 0                |
| GF/GP        | \$1,388,000        | \$159,500        |

**12. Infrastructure and Consolidation Administration**

Retains one-time funding but reduces by \$600,000 GF/GP for a total of \$150,000 GF/GP and retains authorizations for 2.0 FTE positions to administer funding for school consolidation, infrastructure, and the Healthy Schools Program that was appropriated in the School Aid budget in FY 2023-24.

|              |                  |                    |
|--------------|------------------|--------------------|
| FTE          | 2.0              | 0.0                |
| <b>Gross</b> | <b>\$750,000</b> | <b>(\$600,000)</b> |
| GF/GP        | \$750,000        | (\$600,000)        |

**13. Charter School Transparency Database**

Provides \$150,000 one-time GF/GP and authorizes 1.0 FTE position to administer a charter school transparency database for parents to learn about their school.

|              |            |                  |
|--------------|------------|------------------|
| FTE          | 0.0        | 1.0              |
| <b>Gross</b> | <b>\$0</b> | <b>\$150,000</b> |
| GF/GP        | \$0        | \$150,000        |

**14. Michigan Test for Teacher Certification Reimbursement**

Maintains one-time funding and increases by \$100,000 for a total of \$1.1 million GF/GP to reimburse first-time test takers of the Michigan Test for Teacher Certification.

|              |                    |                  |
|--------------|--------------------|------------------|
| <b>Gross</b> | <b>\$1,000,000</b> | <b>\$100,000</b> |
| GF/GP        | \$1,000,000        | \$100,000        |

**EDUCATION (DEPARTMENT)**

| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>15. Poet Laureate</b>   |              | <b>Gross</b>                                     | <b>\$100,000</b>                         |
| Maintains and revises \$100,000 one-time GF/GP in the current year to be ongoing to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.   | GF/GP        | \$100,000  | \$0                                      |
| <b>16. Department Reorganization</b>   |              | FTE  | 167.6                                    |
| Transfers \$783,900 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations from Departmental Administration and Support and \$39,600 Federal from the Office of Great Start as follows:  | <b>Gross</b> | <b>\$33,841,400</b>                              | <b>\$0</b>                               |
| <ul style="list-style-type: none"> <li>\$781,800 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations to Systems, Evaluation, and Technology</li> <li>\$41,700 Federal to School Support Services</li> </ul>   | Federal      | 27,883,100                                       | 0  |
|  | Private      | 250,000  | 0  |
|  | Restricted   | 318,900  | 0  |
|  | GF/GP        | \$5,389,400                                      | \$0                                      |
| <b>17. Toolkit Development</b>   |              | <b>Gross</b>                                     | <b>\$150,000</b>                         |
| Eliminates one-time funding used to create a professional development toolkit to teach American history.   | GF/GP        | \$150,000  | (\$150,000)                              |
| <b>18. Removal of FY 2023-24 One-Time Appropriations</b>   |              | <b>Gross</b>                                     | <b>\$56,725,000</b>                      |
| Removes \$56.7 million Gross (\$16.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:   | Federal      | 100,000  | (100,000)                                |
| <ul style="list-style-type: none"> <li>E-rate Special Construction Matching Fund (\$4.8 million GF/GP)</li> <li>Family and Community Engagement (\$200,000 GF/GP)</li> <li>Head Start Background Checks (\$100,000 Federal)</li> <li>Michigan School for the Deaf Dorm (\$40.0 million School Aid Fund)</li> <li>Toolkit Development (\$150,000 GF/GP)</li> <li>PRIME Schools (\$6.0 million GF/GP)</li> <li>Wonderschool (\$5.5 million GF/GP)</li> </ul> | Restricted   | 40,000,000                                       | (40,000,000)                             |
|  | GF/GP        | \$16,625,000                                     | (\$16,625,000)                           |
| <b>19. Economic Adjustments</b>  |              | <b>Gross</b>                                     | <b>NA</b>                                |
| Reflects increased costs of \$2.1 million Gross (\$710,000 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   | 1,311,600                                |
|  | Local        | NA   | 12,500                                   |
|  | Private      | NA   | 900                                      |
|  | Restricted   | NA   | 110,400                                  |
|  | GF/GP        | NA   | \$710,000                                |



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

***Boilerplate Restructuring***

Restructures boilerplate sections to match standard department boilerplate numbering conventions and remove department-specific boilerplate from the general boilerplate sections. The list below includes changes to boilerplate but is not a comprehensive list of all sections revised to new section numbers.

- Purchase of foreign goods (Sec. 206; moved to Sec. 205)
- Out-of-state travel (Sec. 208; moved to Sec. 207)
- Hire of outside legal counsel (Sec. 209; moved to Sec. 208)
- Lapse report (Sec. 210; moved to Sec. 209)
- Contingency Funds (Sec. 211; moved to Sec. 210)
- Access to state and local government services (Sec. 212; moved to Sec. 214)
- State board information (Sec. 216; moved to Sec. 301)
- FTE vacancies (Sec. 217; moved to Sec. 216)
- Federal Medicaid program (Sec. 218; moved to Sec. 302)
- Early literacy best practices clearinghouse (Sec. 220; moved to Sec. 303)
- Education initiatives regarding trauma, human trafficking, and sexual abuse prevention (Sec. 228; moved to Sec. 305)
- In-demand occupation report (Sec. 232; moved to Sec. 306)
- Per Diem Payments (Sec. 301; moved to Sec. 351)
- Special education reform task force guidelines (Sec. 350; moved to Sec. 401)
- Michigan Schools for the Deaf and Blind employees (Sec. 401; moved to Sec. 451)
- Payment for Instruction at the Michigan Schools for the Deaf and Blind (Sec. 402; moved to Sec. 452)
- Residential programs at the Michigan Schools for the Deaf and Blind (Sec. 406; moved to Sec. 456)
- Gifts, bequests, and donations (Sec. 407; moved to Sec. 457)
- Carry forward of programmatic service funds (Sec. 408; moved to Sec. 458)
- Due process hearings (Sec. 409; moved to Sec. 459)
- ASL literacy (Sec. 410; moved to Sec. 460)

***Sec. 203. Definitions – REVISED***

Defines "standard report recipients" as the Senate and House Appropriation Subcommittees on the department budget, the Senate and House Fiscal Agencies, the Senate and House Policy Office, and the State Budget Office.

***Sec. 205. Submission of Reports – DELETED***

Deletes requirement for MDE to submit reports to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy office, and the state budget office.

***Sec. 206. Communication With the Legislature – RETAINED (UNENFORCEABLE)***

Prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. (*Governor's signing letter states this section is unenforceable.*)

***Sec. 215. Department Information – DELETED***

Deletes requirement for MDE to maintain on a publicly accessible website information that identifies, tracks, and updates key metrics used to monitor and improve department performance.

***Sec. 215. Geographically Disadvantaged Business Enterprises – REVISED***

Revises definition of geographically disadvantaged business enterprises to definition included in Executive Directive 2023-1.

***Sec. 222. Expand Available Work Project Authorization – RETAINED (UNENFORCEABLE)***

Prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. (*Governor's signing letter states this section is unenforceable.*)

***Sec. 225. Severance Pay Reporting – DELETED***

Deletes requirement for MDE to report on any amounts of severance pay for high-ranking department officials within 14 days of the severance agreement signing, maintain a website that posts severance pay in excess of 6 weeks of wages, and reports the total amount of severance pay for FY 2022-23.

***Sec. 231. Prioritize In-Person Work – DELETED***

Deletes section expressing that it is the intent of the legislature that MDE prioritize in-person work and requiring each department, agency, board, or commission that receives funding to post its in-person, remote work, or hybrid policy on its website.

## **EDUCATION (DEPARTMENT)**

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

#### **Sec. 240. Department Transparency – DELETED**

Deletes requirement for MDE to develop a standard application and review process for grants to ensure transparency.

#### **Sec. 304. Interdepartmental Coordination of Services – REVISED**

Revises to require MDE to coordinate with MiLEAP instead of the Department of Licensing and Regulatory Affairs (LARA). Removes requirement to coordinate overseeing child care providers.

#### **Sec. 602. School Board Member Training – REVISED**

Requires MDE to approve and reimburse districts for one or more eligible training programs for school board members, covering conflicts of interest, labor relations, education law, school finance, board governance, and implicit bias training. Adds rater reliability training as an eligible expense.

#### **Sec. 604. Medicaid Technical Assistance – NEW**

Requires funds appropriated for school support services to be used to provide technical assistance to eligible districts and superintendents to make them more effective at using Medicaid dollars for mental health.

#### **Sec. 703. Michigan Core Curriculum – REVISED**

Revises to require MDE to continuously design, implement, and evaluate professional learning and optional curriculum modules.

#### **Sec. 1002. CDC Provider Reimbursement Rate – DELETED**

Transfers requirement for the department to publish reimbursement rates on its webpage to MiLEAP boilerplate.

#### **Sec. 1003. Early Childhood Investment Corporation Annual Report – DELETED**

Transfers requirement for the department to submit an annual report on all funding appropriated to contracts for the early childhood comprehensive systems learning to MiLEAP boilerplate.

#### **Sec. 1007. CDC Joint Annual Report – DELETED**

Transfers requirement for the department to collaborate with LARA and the Michigan Department of Health and Human Services (DHHS) to create a joint annual report for the program's external support to MiLEAP boilerplate.

#### **Sec. 1008. Home Visit Program Coordination – DELETED**

Transfers requirement for the department to provide services to families for home visits to MiLEAP boilerplate.

#### **Sec. 1009. CDC Increase to Eligibility Entrance Threshold – DELETED**

Transfers requirement for the department to set the entrance income threshold for the CDC program to 200% of the federal poverty guidelines to MiLEAP boilerplate.

#### **Sec. 1011. CDC Payments Based on Enrollment – DELETED**

Transfers requirement for the department to implement payments to providers based on enrollment rather than attendance to MiLEAP boilerplate.

#### **Sec. 1012. Child Mental Health – DELETED**

Transfers requirement for the department to collaborate with DHHS to continue the network of infant and early childhood mental health consultation to MiLEAP boilerplate.

#### **Sec. 1014. Family and Community Engagement – DELETED**

Transfers requirement for the department to partner with family engagement centers to increase parent and guardian involvement in their child's education to MiLEAP boilerplate.

#### **Sec. 1100. Charter School Transparency Database – NEW**

Requires MDE to develop and maintain a website containing information about charter schools, including members of the charter board, managing organization, managing organizational leadership, authorizer, authorizer's board members, and the organizational structure.

#### **Sec. 1101. Poet Laureate – REVISED**

Revises to Sec. 805 to reflect ongoing nature of funding.

#### **Sec. 1101. Mental Health Training – NEW**

Requires MDE to allocate funds to DHHS to deliver training to mental health providers, administrators, and superintendents in eligible districts. Remaining funding for mental health training shall be used to support the activities included in Sec. 604. Provides for a work project appropriation through September 30, 2029.

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

**Sec. 1102. Toolkit Development – DELETED**

Deletes requirement for MDE to develop a toolkit to provide professional development regarding the teaching of the full and complex American history across subject areas.

**Sec. 1102. Community Health Worker Career Center Program – NEW**

Requires funds appropriated for the community health worker career center program to be distributed to districts or intermediate districts to develop an ongoing community health worker program.

**Sec. 1103. School Consolidation and Infrastructure Administration – REVISED**

Revises to allocate \$150,000 for MDE to administer funding for school consolidation, infrastructure, and the MI Healthy Climate plan.

**Sec. 1104. Michigan Test for Teacher Certification Reimbursement – REVISED**

Requires MDE to reimburse first-time test takers of the Michigan Test for Teacher Certification and develop an application process for reimbursement. Revises to provide for a work project appropriation through September 30, 2029.

**Sec. 1105. PRIME Schools – DELETED**

Deletes requirement for funds to be used to support the SME Education Foundation's partnership response initiative to provide high schools with engineering and manufacturing programs.

**Sec. 1106. Wonderschool – DELETED**

Deletes requirement for funds to be used to recruit and coach potential providers for the child development and care program through initial business planning and a two-year mentorship program.

**Sec. 1107. Michigan School for the Deaf Dorm – DELETED**

Deletes requirement for funds to be used for planning and constructing a new dorm for the school to serve students.

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, 2024 PA 121**

**1. Child Development and Care Public Assistance**

Authorizes \$34.8 million in additional federal funds to support a caseload adjustment based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

|              |  | <b>Appropriation<br/>Change</b> |
|--------------|--|---------------------------------|
| <b>Gross</b> |  | <b>\$34,812,000</b>             |
| Federal      |  | 34,812,000                      |
| GF/GP        |  | \$0                             |

**2. Employee Lump Sum Payments**

Includes \$309,200 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 staff employed full-time as of December 23, 2023.

|              |  |                  |
|--------------|--|------------------|
| <b>Gross</b> |  | <b>\$309,200</b> |
| GF/GP        |  | \$309,200        |

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 4)**

**Analyst: Austin Scott**

|                   | FY 2023-24              | FY 2024-25             | Difference: FY 2024-25    |              |
|-------------------|-------------------------|------------------------|---------------------------|--------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                | From FY 2023-24<br>Amount | %            |
| <b>IDG/IDT</b>    | \$4,035,100             | \$4,085,900            | \$50,800                  | 1.3          |
| <b>Federal</b>    | 441,297,200             | 463,788,900            | 22,491,700                | 5.1          |
| <b>Local</b>      | 0                       | 0                      | 0                         | --           |
| <b>Private</b>    | 1,360,700               | 1,364,200              | 3,500                     | 0.3          |
| <b>Restricted</b> | 358,966,800             | 309,149,300            | (49,817,500)              | (13.9)       |
| <b>GF/GP</b>      | 245,952,100             | 260,710,300            | 14,758,200                | 6.0          |
| <b>Gross</b>      | <b>\$1,051,611,900</b>  | <b>\$1,039,098,600</b> | <b>(\$12,513,300)</b>     | <b>(1.2)</b> |
| <b>FTEs</b>       | 1,616.0                 | 1,652.0                | 36.0                      | 2.2          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Environment, Great Lakes, and Energy (EGLE) is responsible for managing Michigan's air, land, water, and energy resources. Departmental functions include improving resource quality, reducing waste, and mitigating threats to Michigan's environment.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|   |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|---|--------------|---|---------------------------------|
| <b>1. Renew Michigan Program</b>  | FTE          | 131.0                                   | 15.0                            |
| Appropriates an additional 15.0 FTE positions for non-petroleum cleanups, solid waste management, and recycling programs.   | <b>Gross</b> | <b>\$70,211,500</b>                     | <b>\$0</b>                      |
|   | Restricted   | 70,211,500                              | 0                               |
|   | GF/GP        | \$0                                     | \$0                             |
| <b>2. GF/GP Match for Federal Lead Line Replacement Funding</b>   | <b>Gross</b> | <b>NA</b>                               | <b>\$40,300,000</b>             |
| Provides \$40.3 million GF/GP (\$5.0 million ongoing, \$35.3 million one-time) to access available federal funding for lead service line replacement projects.  | GF/GP        | NA                                      | \$40,300,000                    |
| <b>3. Clean Fuel and Charging Infrastructure (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$30,000,000</b>             |
| Includes \$30.0 million GF/GP for electric vehicle charging stations and hydrogen fueling facilities.   | GF/GP        | \$0                                     | \$30,000,000                    |
| <b>4. Water State Revolving Funds – Federal Infrastructure Act I/JA</b>   | FTE          | NA                                      | 2.0                             |
| Provides \$25.0 million Gross (\$3.5 million GF/GP) and 2.0 FTE positions for local water infrastructure projects. The GF/GP funding is to be used as match to access federal Infrastructure Act funding. | <b>Gross</b> | <b>NA</b>                               | <b>\$24,956,000</b>             |
|   | Federal      | NA                                      | 21,456,000                      |
|   | GF/GP        | NA                                      | \$3,500,000                     |
| <b>5. Stormwater Grants</b>   | FTE          | 0.0                                     | 2.0                             |
| Includes \$10.3 million GF/GP (\$300,200 ongoing, \$10.0 million one-time) and 2.0 FTE positions for grants to local governments for stormwater projects that mitigate climate change.                    | <b>Gross</b> | <b>\$0</b>                              | <b>\$10,300,200</b>             |
|   | GF/GP        | \$0                                     | \$10,300,200                    |
| <b>6. Permitting Outreach Staff</b>   | FTE          | NA                                      | 0.0                             |
| Appropriates \$3.3 million GF/GP to improve permit application processes.   | <b>Gross</b> | <b>NA</b>                               | <b>\$3,300,000</b>              |
|   | GF/GP        | NA                                      | \$3,300,000                     |

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>7. Information Technology Services and Projects</b>  | <b>Gross</b> | <b>\$9,240,100</b>                               | <b>\$1,008,100</b>                       |
| Provides \$1.0 million Gross (\$226,100 GF/GP) for increasing costs related to computer operations, systems development, and design projects.   | IDG          | 49,900   | 4,900                                    |
|   | Federal      | 1,793,000  | 241,500                                  |
|   | Restricted   | 5,308,100  | 535,600                                  |
|   | GF/GP        | \$2,089,100                                      | \$226,100                                |
| <b>8. Drinking Water and Environmental Health – Healthy Hydration</b>   | FTE          | 157.0  | 3.0                                      |
| Includes \$450,300 GF/GP and 3.0 FTE positions to support the acquisition of drinking water filtration devices in schools and childcare centers located in areas of need.   | <b>Gross</b> | <b>\$36,803,500</b>                              | <b>\$450,300</b>                         |
|   | Federal      | 13,619,200                                       | 0  |
|   | Restricted   | 7,763,500  | 0  |
|   | GF/GP        | \$15,420,800                                     | \$450,300                                |
| <b>9. Environmental Investigations</b>  | FTE          | 12.0   | 0.0                                      |
| Appropriates \$384,000 GF/GP for pay increases to conservation officers to approach compensation rates of comparable law enforcement personnel, including the Michigan State Police.  | <b>Gross</b> | <b>\$1,990,700</b>                               | <b>\$384,000</b>                         |
|   | IDG          | 13,300   | 0  |
|   | Restricted   | 1,415,400  | 0  |
|   | GF/GP        | \$562,000  | \$384,000                                |
| <b>10. Spending Authorization Alignment</b>   | <b>Gross</b> | <b>NA</b>  | <b>(\$104,500)</b>                       |
| Increases IDG funding by \$4,100 and reduces restricted funding by \$108,600 across divisions to align spending authorization with available resources.   | IDG          | NA   | 4,100                                    |
|   | Restricted   | NA   | (108,600)                                |
|   | GF/GP        | NA   | \$0                                      |
| <b>11. Underground Storage Tank Cleanup Program</b>   | FTE          | 8.0  | 4.0                                      |
| Provides 4.0 new FTE positions to administer the Underground Storage Tank Cleanup Program which provides funding for reimbursements to owners and operators who pay to clean up their respective leaking underground storage tanks. | <b>Gross</b> | <b>\$20,095,600</b>                              | <b>\$0</b>                               |
|   | Restricted   | 20,095,600                                       | 0  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>12. Drinking Water Intake Monitoring Program (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,500,000</b>                       |
| Provides \$1.5 million GF/GP for a drinking water intake monitoring program to protect drinking water from potential spills and discharges.   | GF/GP        | \$0  | \$1,500,000                              |
| <b>13. Wetlands Mapping (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,000,000</b>                       |
| Appropriates \$1.0 million GF/GP to improve or expand wetlands identification and mapping.  | GF/GP        | \$0  | \$1,000,000                              |
| <b>14. Air Quality Programs – Asbestos Inspection Program</b>   | FTE          | 218.0  | 10.0                                     |
| Includes \$2.0 million in Asbestos Inspection Fund revenue and 10.0 FTE positions for new asbestos inspection program created in 2024 PA 56.  | <b>Gross</b> | <b>\$36,111,100</b>                              | <b>\$2,000,000</b>                       |
|   | Federal      | 7,651,000  | 0  |
|   | Restricted   | 13,321,700                                       | 2,000,000                                |
|   | GF/GP        | \$15,138,400                                     | \$0                                      |
| <b>15. Lead Service Line Replacement (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$8,000,000</b>                       |
| Appropriates \$8.0 million GF/GP for lead service line replacement in Wyandotte (\$4.7 million), Douglas (\$1.3 million), and Redford Township (\$2.0 million).   | GF/GP        | \$0  | \$8,000,000                              |
| <b>16. Solar Array Project (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$3,000,000</b>                       |
| Provides \$3.0 million GF/GP to Grand Rapids for the installation of a solar array at the former Butterworth Landfill.  | GF/GP        | \$0  | \$3,000,000                              |
| <b>17. Microplastics Research (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,000,000</b>                       |
| Includes \$2.0 million GF/GP for research and recommendations to address microplastics contamination.   | GF/GP        | \$0  | \$2,000,000                              |
| <b>18. Water Use Advisory Council Recommendations (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,200,000</b>                       |
| Appropriates \$1.2 million GF/GP to support the 2022 report recommendations of the Water Use Advisory Council.  | GF/GP        | \$0  | \$1,200,000                              |

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |                        |
|---|--|--|------------------------|
| <b>19. Water Infrastructure Projects (One-Time)</b>   | <b>Gross</b>                                     | <b>\$0</b>                               | <b>\$17,000,000</b>    |
| Provides \$17.0 million GF/GP for the following water infrastructure projects:  | GF/GP  | \$0                                      | \$17,000,000           |
| <ul style="list-style-type: none"> <li>• Bingham Township (\$1.0 million) watermain extension project</li> <li>• Northville (\$1.0 million) underground storage tank replacement project</li> <li>• Redford Charter Township (\$3.0 million) wastewater project</li> <li>• Grand Ledge (\$5.0 million) wastewater and sanitary sewer infrastructure project</li> <li>• Pottersville (\$4.0 million) replace failing iron removal plant for drinking water</li> <li>• Vermontville (\$2.0 million) watermain replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements</li> <li>• Clawson (\$1.0 million) watermain replacement</li> </ul>  |  |  |                        |
| <b>20. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b>                                     | <b>\$164,585,200</b>                     | <b>(\$164,585,200)</b> |
| Removes \$164.6 million Gross (\$109.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:  | Restricted                                       | 55,000,000                               | (55,000,000)           |
|   | GF/GP  | \$109,585,200                            | (\$109,585,200)        |
| <ul style="list-style-type: none"> <li>• Carbon emissions tracking software and services (\$1.7 million Gross)</li> <li>• Contaminated site remediation and redevelopment (\$55.0 million Gross)</li> <li>• Critical mineral recycling research hub (\$5.0 million Gross)</li> <li>• Dam risk reduction program (\$1.8 million Gross)</li> <li>• Delineation of critical sand dunes (\$2.5 million Gross)</li> <li>• Environmental justice contaminated site cleanup (\$20.0 million Gross)</li> <li>• Geologic core facility (\$3.0 million Gross)</li> <li>• Groundwater data collection (\$15.0 million Gross)</li> <li>• Renewable-ready communities program (\$30.0 million Gross)</li> <li>• Reverse vending machine technology (\$2.0 million Gross)</li> <li>• Sustainable business park (\$5.0 million Gross)</li> <li>• Transfer facility (\$1.0 million Gross)</li> <li>• Water and energy nexus research (\$2.5 million Gross)</li> <li>• Water career and workforce development pilot (\$100,000 Gross)</li> <li>• Water infrastructure reserve fund (\$5.0 million Gross)</li> <li>• Water project inflation (\$15.0 million Gross).</li> </ul> |  |  |                        |
| <b>21. Economic Adjustments</b>   | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$5,777,800</b>     |
| Reflects increased costs of \$5.8 million Gross (\$2.2 million 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.   | IDG  | NA                                       | 41,800                 |
|   | Federal  | NA                                       | 794,200                |
|   | Private  | NA                                       | 3,500                  |
|   | Restricted                                       | NA                                       | 2,755,500              |
|   | GF/GP  | NA                                       | \$2,182,800            |

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

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

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

**Sec. 210. Contingency Fund Transfer Authority – REVISED**

Allows for the legislative transfer process to increase state restricted authorization by up to \$3.0 million and private authorization by up to \$10.0 million. Revises to increase federal authorization by up to \$100.0 million.

**Sec. 214. Website Scorecard – DELETED**

Requires department to maintain on a publicly accessible website a department scorecard with key metrics concerning the department's performance.

**Sec. 217. Remote Working – DELETED**

States legislative intent to prioritize in-person work for the state's workforce where possible unless they were working remotely prior to February 28, 2020.

**Sec. 219. State Administrative Board Transfers – DELETED**

Allows legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds.

**Sec. 222. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. (*Governor's signing letter states this section is unenforceable.*)

**Sec. 223. Severance Reporting – DELETED**

Requires department to report details of severance pay for certain departmental employees.

**Sec. 242. Legislator Notification – REVISED**

Requires the department to inform local state legislators within 12 hours when responding to significant incidents to protect life and property. Revised response time to "as soon as possible and within 24 hours."

**Sec. 302. Work Projects – Remediation and Redevelopment Division – REVISED**

Authorizes unexpended funds appropriated for brownfield grants, contaminated site cleanup, emergency cleanup actions, environmental cleanup and redevelopment program, environmental cleanup support, and the refined petroleum product cleanup program to be considered work project appropriations and carried forward into succeeding fiscal year; programs will perform contaminated site cleanups. Revised to add contaminated site investigations, cleanup, and revitalization and remove brownfield grants, contaminated site cleanup, environmental cleanup support, and the refined petroleum product cleanup program.

**Sec. 902. Municipal Assistance (Stormwater Grants Earmark) – DELETED**

Earmarks \$5.0 million from Municipal Assistance for grants to local governments for stormwater projects that mitigate climate change; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department.

**Sec. 1001. Work Project – Critical Mineral Recycling Research Hub – DELETED**

Authorizes unexpended funds for Critical Mineral Recycling Research Hub totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to award grants to Michigan based companies or consortiums partnered with a Michigan based university to create a critical mineral recycling research hub to research the reuse of critical materials for clean energy production.

**Sec. 1001. Work Project – Clean Fuel and Charging Infrastructure – NEW**

Earmarks funds from Clean Fuel and Charging Infrastructure for electric vehicle charging stations and hydrogen fueling facilities; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department; authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year.

**Sec. 1002. Work Project – Dam Risk Reduction Program – DELETED**

Authorizes unexpended funds for Dam Risk Reduction Program totaling \$1.8 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to develop fish-passable rapids in Republic Township.

**Sec. 1002. Work Project – Drinking Water Infrastructure – NEW**

Authorizes unexpended funds for Drinking Water Infrastructure totaling \$35.3 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the upgrade or replacement of water infrastructure.

## **ENVIRONMENT, GREAT LAKES, AND ENERGY**

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

#### **Sec. 1003. Delineation of Critical Sand Dunes – DELETED**

Requires the department to conduct a delineation of Michigan's sand dunes and assess critical dune areas.

#### **Sec. 1003. Drinking Water Intake Monitoring Program – NEW**

Awards drinking water intake monitoring program funding (\$1.5 million) to the Southeast Michigan Council of Governments for equipment, software, ongoing maintenance costs, and real-time detection and communication of drinking water threats.

#### **Sec. 1004. Earmarks and Work Project – Environmental Justice Contaminated Site Clean-up – DELETED**

Requires at least 40% of funding to be used in overburdened or significantly overburdened communities as defined in NREPA; earmarks the Environmental Justice Contaminated Site Clean-up appropriation to reduce health burdens in communities with elevated exposure to pollutants due to proximity to emitting sources as identified by the Office of Environmental Justice Public Advocate; earmarks the Environmental Justice Contaminated Site Clean-up appropriation for the remediation and redevelopment of contaminated sites identified in environmental justice communities as determined by the Office of Environmental Justice Public Advocate; authorizes unexpended funds for Environmental Justice Contaminated Site Clean-up to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to remediate and redevelop sites of contamination and improve public health impacts related to environmental pollution in environmental justice communities.

#### **Sec. 1004. Work Project – Lead Service Line Replacement (One-Time) – NEW**

Authorizes unexpended funds for lead service line replacement one-time to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be granted to Wyandotte (\$4.7 million), Douglas (\$1.3 million), and Redford Charter Township (\$2.0 million) for lead service line replacement.

#### **Sec. 1005. Work Project – Groundwater Data Collection – DELETED**

Authorizes unexpended funds for Groundwater Data Collection to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire data and perform research on groundwater resources of the State of Michigan.

#### **Sec. 1005. Work Project – Microplastics Research – NEW**

Authorizes unexpended funds for Microplastics Research to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for research and recommendations to address microplastics contamination.

#### **Sec. 1006. Work Project – Renewable Ready Communities – DELETED**

Authorizes unexpended funds for Renewable Ready Communities totaling \$40.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to provide grants to local communities to incentivize communities to host renewable energy projects that may incorporate energy storage components.

#### **Sec. 1006. Solar Array Project – NEW**

Requires funds for solar array project be expended for infrastructure improvements necessary to transport solar-produced electricity and install a solar array at the Butterworth Landfill site.

#### **Sec. 1007. Transfer Facility – DELETED**

Requires funding for Transfer Facility to be used to establish a waste and recycling transfer station in Benton Harbor, Berrien County.

#### **Sec. 1007. Work Project – Water Infrastructure Initiative (Stormwater Grants Earmark) – NEW**

Earmarks funds from Water Infrastructure Initiative for grants to local governments for stormwater projects that mitigate climate change; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department; authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year.

#### **Sec. 1008. Water and Energy Nexus Research – DELETED**

Provides matching grants to Michigan universities studying emerging responsible clean energy technologies that maximize this state's water resources including geothermal, heat pumps, pump storage, offshore wind, and small-scale hydroelectric power.



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

**Sec. 1008. Work Project – Water Infrastructure Projects – NEW**

Authorizes unexpended funds for Water Infrastructure Projects totaling \$17.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be granted as follows:

- Bingham Township (\$1.0 million) watermain extension project
- Northville (\$1.0 million) underground storage tank replacement project
- Redford Charter Township (\$3.0 million) wastewater project
- Grand Ledge (\$5.0 million) wastewater and sanitary sewer infrastructure project
- Potterville (\$4.0 million) replace failing iron removal plant for drinking water
- Vermontville (\$2.0 million) watermain replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements
- Clawson (\$1.0 million) watermain replacement

**Sec. 1009. Water Career and Workforce Development Pilot – DELETED**

Requires funding for Water Career and Workforce Development Pilot to be used to establish a water career and workforce development pilot program to train water treatment plant operators in Benton Harbor, Berrien County.

**Sec. 1009. Work Project – Water Use Advisory Council Recommendations – NEW**

Authorizes unexpended funds for Water Use Advisory Council Recommendations totaling \$1.2 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the 2022 report recommendations of the Water Use Advisory Council.

**Sec. 1010. Reverse Vending Machine Technology – DELETED**

Requires funding for Reverse Vending Machine Technology to be expended to strengthen Michigan's beverage container redemption program.

**Sec. 1010. Wetland Mapping – NEW**

Requires funds for wetlands mapping be used to improve or expand wetlands identification and mapping.

**Sec. 1011. Carbon Emissions Tracking Software and Services – DELETED**

Requires funding for Carbon Emissions Tracking Software and Services to be expended in collaboration with DTMB to develop a carbon management platform.

**Sec. 1012. Sustainable Business Park – DELETED**

Directs expenditure of funding for Sustainable Business Park to support the infrastructure necessary to develop a sustainable business park to replace the need for new landfills in Kent County.

**Sec. 1013. Water Infrastructure Reserve Fund – DELETED**

Directs expenditure of funding for Water Infrastructure Reserve Fund to be used for municipal water infrastructure needs upon legislative transfer.

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

|   | <b>Appropriation<br/>Change</b> |
|---|---------------------------------|
| <b>1. Solar Program for Low-Income Households</b>   | <b>Gross \$156,200,000</b>      |
| Includes \$156.2 million in federal IRA funds to support a solar program for low-income households. The program will be focused on increasing residential solar installation, increasing pollution abatement, and improving grid reliability. | Federal 156,200,000             |
|   | GF/GP \$0                       |
| <b>2. Standish Township Water Connection Support</b>  | <b>Gross \$1,267,000</b>        |
| Includes \$1.3 million in federal Environmental Protection Agency Small, Underserved, and Disadvantaged Communities Grant funding to support the Standish Township Water Connection Project.  | Federal 1,267,000               |
|   | GF/GP \$0                       |
| <b>3. Federal – Great Lakes Remedial Action Plan Grants</b>   | <b>Gross \$992,000</b>          |
| Includes \$992,000 in federal IJA funds to support grants to local water providers for remediation of emerging contaminants.  | Federal 992,000                 |
|   | GF/GP \$0                       |

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

|   | <b>Appropriation<br/>Change</b>                      |
|---|--|
| <b>4. Water Quality Programs</b>  | <b>Gross \$3,298,000</b>                             |
| Includes \$2.4 million in federal IJJA funds to support the Sewer Overflow and Stormwater Reuse Municipal Grants Program; reappropriates \$524,000 of expired work project Aquifer Protection Revolving Funds to continue support of aquifer protection; and appropriates \$350,000 in Water Use Reporting Fees to support the Water Withdrawal Assessment Program. | Federal 2,424,000<br>Restricted 874,000<br>GF/GP \$0 |
| <b>5. Coastal Zone Management Program</b>   | <b>Gross \$475,000</b>                               |
| Includes \$300,000 in federal IJJA funds and \$175,000 in federal IRA funds to support expanding the Coastal Zone Management Program which provides grants for coastline preservation, protection, and restoration.   | Federal 475,000<br>GF/GP \$0                         |
| <b>6. Air Quality Programs</b>  | <b>Gross \$1,587,200</b>                             |
| Includes \$1.6 million in federal IRA funds to support various air monitoring activities including fence line and multipollutant monitoring, and to deploy, integrate, and operate air quality sensors in low-income disadvantaged communities.   | Federal 1,587,200<br>GF/GP \$0                       |
| <b>7. Hydrogen Fueling Stations and Renewable Energy</b>  | FTE 2.0<br><b>Gross \$22,663,000</b>                 |
| Includes \$22.3 million in federal IJJA funds and authorization for 2.0 FTE positions to support hydrogen fueling stations for heavy duty vehicles and \$363,000 in federal IRA funds to support the Rural Energy for America Program Technical Assistance Grant.   | Federal 22,663,000<br>GF/GP \$0                      |
| <b>8. Diesel Emission Reduction Projects</b>  | <b>Gross \$693,000</b>                               |
| Includes \$693,000 Gross (\$0 GF/GP) to support replacing diesel-powered machinery with electric machinery in an effort to reduce diesel emission.  | Federal 231,000<br>Private 462,000<br>GF/GP \$0      |
| <b>9. Methane Emissions Reduction and Underground Injection Control</b>   | <b>Gross \$6,955,000</b>                             |
| Includes \$5.0 million in federal IRA funds to support the Methane Emissions Reduction Program and \$1.9 million in federal IJJA funds to support the Underground Injection Control Class VI Wells Program.   | Federal 6,955,000<br>GF/GP \$0                       |
| <b>10. Employee Lump Sum Payments</b>   | <b>Gross \$1,002,900</b>                             |
| Includes \$1.0 million 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 staff employed full-time as of December 23, 2023.   | GF/GP \$1,002,900                                    |
| <b>11. Sustainable Business Park</b>  | <b>Gross (\$5,000,000)</b>                           |
| Eliminates \$5.0 million GF/GP that was intended for supporting infrastructure for developing a sustainable business park to replace the need for new landfills in Kent County.   | GF/GP (\$5,000,000)                                  |
| <b>12. Waste Diversion Accelerator Program</b>  | <b>Gross \$5,000,000</b>                             |
| Includes \$5.0 million GF/GP for a grant to Recycle Ann Arbor to expand recycling (\$1.0 million) and for grants to support waste diversion programs such as composting (\$4.0 million).  | GF/GP \$5,000,000                                    |

**FY 2023-24 Supplemental Boilerplate Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 601. Methane Emissions Reduction**

Designates unexpended funds as a work project appropriation to be used for assistance to well operators or landowners to plug marginal conventional wells and reduce methane emissions.

**Sec. 602. Limited Term FTE Position for Methane Emissions Reduction**

Authorizes the department to hire 1.0 limited-term FTE to implement the methane emissions reduction program.

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

***Sec. 603. Underground Injection Control***

Designates unexpended funds as a work project appropriation to be used to assist the state in obtaining primacy of regulation of Class VI UIC wells and to establish and implement a program that complies with the federal Safe Drinking Water Act.

***Sec. 604. Limited Term FTE Position for Underground Injection Control***

Authorizes the department to hire 1.0 limited-term FTE to establish and implement a program that complies with the federal Safe Drinking Water Act.

***Sec. 605. Work Project – Energy Programs***

Designates unexpended funds as a work project appropriation to be used to aid Michigan's agricultural and rural small business community in improving energy efficiency as approved by the federal Department of Agriculture.

***Sec. 606. Water Quality Programs***

Designates unexpended funds as a work project appropriation to be used to address combined sewer overflows, sanitary sewer overflows, and stormwater management.

***Sec. 607. Hydrogen Fueling Stations and Renewable Energy***

Designates unexpended funds as a work project appropriation to be used for construction of hydrogen fueling stations to serve heavy-duty vehicles.

***Sec. 608. Air Quality Programs***

Designates unexpended funds as a work project appropriation to be used to develop, research, and improve air quality and reduce localized pollution and health impacts.

***Sec. 609. Solar Program for Low-Income Households***

Designates unexpended funds as a work project appropriation to be used to support a solar program for low-income households.

***Sec. 610. Waste Diversion Acceleration Program***

Requires \$1.0 million of the appropriation to be used for a grant to Recycle Ann Arbor to expand recycling; requires \$4.0 million of the appropriation to be used for grants to support waste diversion programs such as composting.

***Sec. 611. Limited Term FTE Position for Solar for All Program***

Authorizes the department to hire 3.0 limited-term FTEs to develop and manage the Solar for All program.

GENERAL GOVERNMENT TOTALS

**GENERAL GOVERNMENT TOTALS**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analysts: Michael Crossen and Austin Scott**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted  | Difference: FY 2024-25<br>From FY 2023-24 |              |
|-------------------|---------------------------------------|------------------------|---|--------------|
|                   |                                       |                        | Amount                                    | %            |
| <b>IDG/IDT</b>    | \$1,156,861,300                       | \$1,197,837,100        | \$40,975,800                              | 3.5          |
| <b>Federal</b>    | 44,035,500                            | 44,147,200             | 111,700                                   | 0.3          |
| <b>Local</b>      | 17,372,800                            | 17,541,100             | 168,300                                   | 1.0          |
| <b>Private</b>    | 684,800                               | 762,300                | 77,500                                    | 11.3         |
| <b>Restricted</b> | 2,629,280,600                         | 2,762,045,400          | 132,764,800                               | 5.0          |
| <b>GF/GP</b>      | 1,559,208,500                         | 1,169,395,200          | (389,813,300)                             | (25.0)       |
| <b>Gross</b>      | <b>\$5,407,443,500</b>                | <b>\$5,191,728,300</b> | <b>(\$215,715,200)</b>                    | <b>(4.0)</b> |
| <b>FTEs</b>       | 7,732.1                               | 7,796.0                | 63.9                                      | 0.8          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Currently, the following departmental and agency budgets are included in the General Government budget: Executive Office, Legislature, Legislative Auditor General, and the Departments of Attorney General, Civil Rights, State, Technology, Management, and Budget (including the former Departments of Civil Service and Information Technology, and State Building Authority rent costs), and Treasury (including the Bureau of State Lottery, Michigan Gaming Control Board, State Building Authority, Revenue Sharing, and Debt Service). **Budget issues are listed by department on the following pages.**

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

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits departments 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's signing letter states this section is unenforceable.)

**Sec. 210. Budget Stabilization Fund – REVISED**

Provides budget stabilization fund calculations for pay-in and pay-out as required by Section 352 of the Management and Budget Act; states that \$100.0 million is appropriated for deposit in the Countercyclical Budget and Economic Stabilization Fund in FY 2023-24. Includes an additional deposit of \$50.0 million of the unassigned GF/GP fund balance at the close of the fiscal year.

**Sec. 213. Performance Metrics Website – DELETED**

Requires department to maintain a publicly accessible website that identifies and tracks its performance against key metrics used to monitor and improve its performance.

**Sec. 216. Prioritization of In-person Work for State Workforce – DELETED**

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

**Sec. 217. 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.

**Sec. 220. Severance Pay Report – DELETED**

Requires department and agencies to report name and any amount of severance pay given to high-ranking department officials; requires department and agencies 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".

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

**Sec. 222. Work Project Expenditures – RETAINED (UNENFORCEABLE)**

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.)*

**Sec. 226. Grant and Project Funding Transparency – REVISED**

Requires departments and agencies 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. Revised to list eligibility requirements to receive a grant; provide timeframes for receiving grant money; require interest earned from grant money in excess of \$1,000 to be returned to the Treasury; include additional reporting requirements.

**Sec. 227. Posting Budget Boilerplate Reports Online – NEW**

Requires departments and agencies to post all reports required by budget boilerplate on their website by the required due date.

**Sec. 228. Initiatives and Recommendations Related to Savings Identified in Audit Reports – DELETED**

Requires departments to report on their 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.

**Sec. 228. Authorization to Reallocate State Fiscal Recovery Funds – NEW**

Requires the State Budget Director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the State Budget Director to reallocate funds to fully utilize SFRF revenues that are in jeopardy of not meeting the expenditure deadline; requires the State Budget Director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations.

**DEPARTMENT OF ATTORNEY GENERAL**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Michael Crossen**

|                   | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |              |
|-------------------|-------------------------|----------------------|---------------------------|--------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %            |
| <b>IDG/IDT</b>    | \$36,235,500            | \$39,465,600         | \$3,230,100               | 8.9          |
| <b>Federal</b>    | 10,063,800              | 10,391,600           | 327,800                   | 3.3          |
| <b>Local</b>      | 0                       | 0                    | 0                         | --           |
| <b>Private</b>    | 0                       | 0                    | 0                         | --           |
| <b>Restricted</b> | 20,773,100              | 22,480,400           | 1,707,300                 | 8.2          |
| <b>GF/GP</b>      | 75,726,000              | 57,409,100           | (18,316,900)              | (24.2)       |
| <b>Gross</b>      | <b>\$142,798,400</b>    | <b>\$129,746,700</b> | <b>(\$13,051,700)</b>     | <b>(9.1)</b> |
| <b>FTEs</b>       | 611.4                   | 627.4                | 16.0                      | 2.6          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The attorney general serves as legal counsel for state departments, agencies, boards, and commissions, and their officers; brings actions and intervenes in cases on the state's behalf; and represents legislators and judges who may be sued while acting in their official capacities. The attorney general issues opinions on questions of law submitted by members of legislature and others, serves as chief law enforcement officer of the state, issues legal opinions that have the force of law until reversed by legislative or judicial action, and has supervisory powers over all local prosecuting attorneys.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|  |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|--------------|---|---------------------------------|
| <b>1. Operation Survivor Justice (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$1,000,000</b>              |
| Includes \$1.0 million GF/GP revenue for ongoing operations and use it towards supporting prosecutorial costs of extraditing individuals with outstanding warrants for sexual assault related offenses. Funds will be used as a state match for federal grants.  | GF/GP        | \$0                                     | \$1,000,000                     |
| <b>2. Utility Consumer Representation Fund</b>   | FTE          | NA                                      | 1.0                             |
| Includes \$900,000 of state restricted revenue and authorization for 1.0 FTE position for participation in administrative and judicial proceedings in various utility rate oversight cases. The increased amount reflects the department's share of the increased assessment to certain electric and gas utilities, authorized under 2023 PA 231, and deposited into the Utility Consumer Representation Fund. The total assessment increased from \$900,000 to \$1.8 million under the act. | <b>Gross</b> | <b>\$900,000</b>                        | <b>\$900,000</b>                |
|  | Restricted   | 900,000                                 | 900,000                         |
|  | GF/GP        | \$0                                     | \$0                             |
| <b>3. Michigan State Housing Development Authority (MSHDA) COVID Funds Fraud Recovery (One-Time)</b>   | <b>Gross</b> | <b>NA</b>                               | <b>\$850,000</b>                |
| Includes \$850,000 in IDG funding to provide legal support to MSHDA in prosecuting cases of fraudulently obtained COVID relief funds and to recover those funds. Efforts will focus on funding received through the COVID Emergency Rental Assistance program (CERA) which received over 300,000 applications and provided nearly \$1.0 billion to assist individuals and landlords with unpaid back rent due to financial hardship.   | IDG          | NA                                      | 850,000                         |
|  | GF/GP        | NA                                      | \$0                             |

**GENERAL GOVERNMENT: ATTORNEY GENERAL**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>4. Cannabis Regulatory Agency Legal Services</b>   |              |  |  |
|   | FTE          | NA   | 5.0                                      |
| Includes \$780,500 in IDG funding and authorization for 5.0 FTE positions to provide additional legal services to the Cannabis Regulatory Agency within the Department of Licensing and Regulatory Affairs in response to increased caseloads related to marijuana sales.   | <b>Gross</b> | <b>\$1,681,400</b>                               | <b>\$780,500</b>                         |
|   | IDG          | 1,681,400  | 780,500                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>5. Department of Lifelong Education, Advancement, and Potential (MiLEAP) Legal Services</b>  |              |  |  |
|   | FTE          | NA   | 4.0                                      |
| Includes \$740,000 in IDG funding and authorization for 4.0 FTE positions to provide legal services to the newly created department, MiLEAP, as part of the department's role of serving as legal counsel for state departments.  | <b>Gross</b> | <b>\$253,000</b>                                 | <b>\$740,000</b>                         |
|   | IDG          | 253,000  | 740,000                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>6. Criminal Trials Services</b>  |              |  |  |
|   | FTE          | NA   | 3.0                                      |
| Includes \$515,000 GF/GP and authorization for 3.0 FTE positions for additional staffing resources for various criminal law programs and units, including the address confidentiality program, special prosecutor assignments, unemployment benefits fraud, the hate crimes and terrorism unit, and cold case homicide investigations and prosecutions. | <b>Gross</b> | <b>NA</b>  | <b>\$515,000</b>                         |
|   | GF/GP        | NA   | \$515,000                                |
| <b>7. Opioid Recovery Fund Administration</b>   |              |  |  |
|   | FTE          | 0.0  | 1.0                                      |
| Includes \$197,000 of state restricted revenues from the Michigan Opioid Healing and Recovery Fund and authorization for 1.0 FTE position to support administration of the fund and disbursements of settlement revenue to eligible local units of government.  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$197,000</b>                         |
|   | Restricted   | 0  | 197,000                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>8. Child Support Enforcement</b>   |              |  |  |
|   | FTE          | 25.0   | 1.0                                      |
| Includes \$200,000 Gross (\$67,900 GF/GP) and authorization for 1.0 FTE position for the investigation and prosecution of non-payment of court ordered child support from parents who are financially able.   | <b>Gross</b> | <b>\$3,733,400</b>                               | <b>\$200,000</b>                         |
|   | Federal      | 2,803,100  | 132,100                                  |
|   | GF/GP        | \$930,300  | \$67,900                                 |
| <b>9. Prisoner Reimbursements</b>   |              |  |  |
|   | FTE          | NA   | 1.0                                      |
| Includes \$200,000 in state restricted revenue and authorization for 1.0 FTE position to investigate whether prisoners have assets that can be secured to reimburse the state for costs of care while at a correctional facility and for the cost of investigating.   | <b>Gross</b> | <b>\$562,400</b>                                 | <b>\$200,000</b>                         |
|   | Restricted   | 562,400  | 200,000                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>10. Removal of FY 2023-24 One-Time Appropriations</b>  |              |  |  |
| Removes \$21.4 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:   | <b>Gross</b> | <b>\$21,400,000</b>                              | <b>(\$21,400,000)</b>                    |
|   | GF/GP        | \$21,400,000                                     | (\$21,400,000)                           |
| <ul style="list-style-type: none"> <li>• \$10.0 million GF/GP for prosecutorial assistance to Detroit and Wayne County for gun case backlogs</li> <li>• \$10.0 million GF/GP for local prosecutors NextGen case management system</li> <li>• \$1.4 million GF/GP for sexual assault cases and victim advocacy.</li> </ul>                               |              |  |  |
| <b>11. Economic Adjustments</b>   |              |  |  |
| Includes adjustments to reflect increased costs of \$3.0 million Gross (\$1.5 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.  | <b>Gross</b> | <b>NA</b>  | <b>\$2,965,800</b>                       |
|   | IDG          | NA   | 859,600                                  |
|   | Federal      | NA   | 195,700                                  |
|   | Restricted   | NA   | 410,300                                  |
|   | GF/GP        | NA   | \$1,500,200                              |

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

**Sec. 305. Third Circuit Court Food Stamp Fraud Cases – DELETED**

Requires AG to reimburse third circuit court of Wayne County up to \$400,000 for food stamp fraud cases initiated by AG and heard by the court.

**GENERAL GOVERNMENT: ATTORNEY GENERAL**

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

**Sec. 306. Appropriation of Proceeds from Tobacco Litigation – REVISED**

Subjects proceeds of state-initiated tobacco litigation to appropriations process. Revised to add proceeds of litigation against a manufacturer or distributor of opioid products as subject to the appropriations process; transfers section to section 320 as subsection (2).

**Sec. 314. Lawsuit Settlement Proceeds Fund – REVISED**

Allows department to use up to \$2.6 million of lawsuit settlement proceeds for associated expenses with Flint Declaration of Emergency due to drinking water contamination; requires quarterly expenditure report detailing how funds related to Flint Declaration of Emergency were spent by case, purpose, hourly rate of retained attorney, and department involved; caps hourly rate of attorneys retained for investigation at \$250 if reporting requirements are not fulfilled. Revised to delete cap of hourly rate of attorneys retained for investigation at \$250 if reporting requirements are not fulfilled.

**Sec. 319. Wrongful Imprisonment Compensation Fund – REVISED**

Requires quarterly report on Wrongful Imprisonment Compensation Fund that includes information on outgoing payments from the fund in previous quarter, settlements that have not yet received a payment, pending cases that may require a settlement from the fund, dollar amount for these potential settlements, and balance of the fund at end of quarter. Revised to require reporting on claims for settlements that were not awarded.

**Sec. 320. Lawsuit Settlement Notification and Adherence to State Laws – REVISED**

Requires notification of lawsuit settlements with a fiscal impact for the state of \$200,000 or more; prohibits department from entering into a lawsuit that is contrary to state laws. Revised to transfer revised section 306 to section 320 as subsection (2).

**Sec. 321. Opioid Settlement Website and Funding Distribution Reporting – NEW**

Requires the department to maintain a publicly available internet website dedicated to opioid settlement distributions; requires the website to include reporting on funding payable to and received by local units of government by case settlement agreement.

**Sec. 322. Department Initiatives Quarterly Expenditure Report – REVISED**

Requires department to submit quarterly expenditure reports by line item and fund source for the following initiatives and activities: Catholic Church Investigation, Elder Abuse Task Force, Conviction Integrity Unit, Opioid Litigation, Hate Crimes Unit, Payroll Fraud Enforcement Unit, PFAS contamination, Human Trafficking, Robocall Enforcement, Job Court, Organized Retail Crime Unit, reducing utility rate increases, and Boy Scouts of America investigation. Revised to add reporting on the Address Confidentiality Program.

**Sec. 330. Detroit and Wayne County Gun Case Backlog – DELETED**

Requires department to provide \$3.0 million to Detroit and \$7.0 million to Wayne County to assist prosecutors' offices with reducing backlogs of criminal gun cases.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**1. Employee Lump Sum Payments**

Includes \$563,000 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 staff employed full-time as of December 23, 2023.

**Appropriation  
Change**

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$563,000</b> |
| <b>GF/GP</b> | <b>\$563,000</b> |



**DEPARTMENT OF CIVIL RIGHTS  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Michael Cnossen**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |              |
|-------------------|---------------------------------------|-----------------------|---|--------------|
|                   |                                       |                       | Amount                                    | %            |
| <b>IDG/IDT</b>    | \$0                                   | \$0                   | \$0                                       | --           |
| <b>Federal</b>    | 2,890,900                             | 2,890,900             | 0   | 0.0          |
| <b>Local</b>      | 0                                     | 0                     | 0   | --           |
| <b>Private</b>    | 18,700                                | 18,700                | 0   | 0.0          |
| <b>Restricted</b> | 58,500                                | 58,500                | 0   | 0.0          |
| <b>GF/GP</b>      | 28,741,900                            | 26,195,400            | (2,546,500)                               | (8.9)        |
| <b>Gross</b>      | <b>\$31,710,000</b>                   | <b>\$29,163,500</b>   | <b>(\$2,546,500)</b>                      | <b>(8.0)</b> |
| <b>FTEs</b>       | 166.0                                 | 175.0                 | 9.0                                       | 5.4          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Civil Rights Commission is charged with investigating alleged discrimination against any person because of religion, race, color, national origin, sex, sexual orientation, gender identity or expression, age, marital status, height, weight, arrest record, or physical and mental disabilities. The commission is directed to "secure the equal protection of such civil rights without such discrimination." The Department of Civil Rights serves as the administrative arm charged with implementing policies of the commission. The department works to prevent discrimination through educational programs that promote voluntary compliance with civil rights laws, investigates and resolves discrimination complaints, disseminates information on the rights and responsibilities of Michigan citizens as provided by law, and provides information and services to businesses on diversity initiatives, equal employment law, procurement opportunities, feasibility studies, and joint venture/strategic alliance matchmaking.

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>1. Complaint Investigation and Enforcement Staffing</b>   | FTE          | 113.0  | 10.0                                     |
| Includes \$2.0 million GF/GP and authorization for 10.0 FTE positions to assist in reducing a backlog of discrimination complaint cases that accrued following the pandemic, to keep up with increasing new complaint cases from expansion of the Elliott-Larsen Civil Rights Act in 2023, and to reduce the average complaint investigation completion time to 6 to 9 months on an ongoing basis. | <b>Gross</b> | <b>\$16,872,200</b>                              | <b>\$2,000,000</b>                       |
|  | Federal      | 2,875,900  | 0  |
|  | Restricted   | 58,500   | 0  |
|  | GF/GP        | \$13,937,800                                     | \$2,000,000                              |
| <b>2. Transfer of Michigan Indian Tuition Waiver to MiLEAP</b>   | FTE          | 1.0  | (1.0)                                    |
| Removes \$157,000 GF/GP and authorization for 1.0 FTE position under Executive Recommendation Revision 2025-1 to reflect the transfer of all authority, powers, duties, functions, and responsibilities related to the Michigan Indian Tuition Waiver from the Michigan Department of Civil Rights to the Michigan Department of Lifelong Education, Advancement, and Potential.                   | <b>Gross</b> | <b>\$5,000,000</b>                               | <b>(\$157,000)</b>                       |
|  | GF/GP        | \$5,000,000                                      | (\$157,000)                              |

**GENERAL GOVERNMENT: CIVIL RIGHTS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b>  |
|--|--|---|
| <p><b>3. Removal of FY 2023-24 One-Time Appropriations</b><br/>Removes \$5.0 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:</p> <ul style="list-style-type: none"> <li>• \$2.8 million GF/GP for digital accessibility compliance training</li> <li>• \$2.0 million GF/GP for expenses related to expansion of the Elliott-Larsen Civil Rights Act in 2023</li> <li>• \$250,000 for outreach, community engagement, and training.</li> </ul> | <p><b>Gross</b><br/>GF/GP</p>                    | <p><b>\$5,000,000</b><br/>\$5,000,000</p> <p><b>(\$5,000,000)</b><br/>(\$5,000,000)</p> |
| <p><b>4. Economic Adjustments</b><br/>Includes adjustments to reflect increased costs of \$610,500 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.</p>   | <p><b>Gross</b><br/>GF/GP</p>                    | <p><b>NA</b><br/>NA</p> <p><b>\$610,500</b><br/>\$610,500</p>                           |

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

***Sec. 404. Complaint Investigations Reporting – REVISED***

Requires department to report on various details of complaint investigations and staffing. Revised existing requirements for clarity and adds new details to report including numbers of cases by basis of complaint, number of backlogged cases, final disposition of cases, and details on filled FTE positions.

***Sec. 405. Federal Complaint Report – REVISED***

Requires department to notify legislature and State Budget Office prior to submitting report or complaint to the U.S. Commission on Civil Rights or other federal department. Revised to require the department to submit to the legislature any report submitted to the federal government not later than one business day after submitting the report to the federal government.

***Sec. 420. Elliot-Larsen Civil Rights Act Expansion – DELETED***

Requires funds for ELCRA expansion to be used to cover expenses incurred in implementing 2023 PA 6 and lists eligible uses including information technology system or software updates, complaints investigation, complaint defendant hearings and litigation, and community outreach, education, and training; authorizes up to an additional 12.0 limited-term employees; authorizes unexpended one-time funding as a work project.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

| <b><u>1. Employee Lump Sum Payments</u></b>   | <b>Gross</b> | <b>Appropriation<br/>Change</b>       |
|---|--------------|---------------------------------------|
| Includes \$209,300 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 staff employed full-time as of December 23, 2023. | <p>GF/GP</p> | <p><b>\$209,300</b><br/>\$209,300</p> |

**EXECUTIVE OFFICE  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Austin Scott**

|              | FY 2023-24              | FY 2024-25         | Difference: FY 2024-25    |            |
|--------------|-------------------------|--------------------|---------------------------|------------|
|              | Enacted<br>as of 2/7/24 | Enacted            | From FY 2023-24<br>Amount | %          |
| IDG/IDT      | \$0                     | \$0                | \$0                       | --         |
| Federal      | 0                       | 0                  | 0                         | --         |
| Local        | 0                       | 0                  | 0                         | --         |
| Private      | 0                       | 0                  | 0                         | --         |
| Restricted   | 0                       | 0                  | 0                         | --         |
| GF/GP        | 8,905,400               | 9,337,100          | 431,700                   | 4.8        |
| <b>Gross</b> | <b>\$8,905,400</b>      | <b>\$9,337,100</b> | <b>\$431,700</b>          | <b>4.8</b> |
| FTEs         | 96.2                    | 96.2               | 0.0                       | 0.0        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Executive Office budget provides funding for the governor, the lieutenant governor, and their staffs. Major constitutionally specified responsibilities include organization and supervision of the Executive branch and annual preparation and submission of the executive budget.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Executive Office Operations**

Reflects increased costs of \$431,700 GF/GP for Executive Office staff and for other operations.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| <b>Gross</b> | <b>NA</b>                               | <b>\$431,700</b>                |
| GF/GP        | NA                                      | \$431,700                       |

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

There is no boilerplate for the Executive Office.

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Employee Lump Sum Payments**

Includes \$167,900 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 staff employed full-time as of December 23, 2023.

|              | Appropriation<br>Change |
|--------------|-------------------------|
| <b>Gross</b> | <b>\$167,900</b>        |
| GF/GP        | \$167,900               |

**LEGISLATURE**

**Summary of FY 2024-25 Enacted**

**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Austin Scott**

| IDG/IDT           | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |            |
|-------------------|-------------------------|----------------------|---------------------------|------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %          |
|                   | \$0                     | \$0                  | \$0                       | --         |
| <b>Federal</b>    | 0                       | 0                    | 0                         | --         |
| <b>Local</b>      | 0                       | 0                    | 0                         | --         |
| <b>Private</b>    | 445,400                 | 467,700              | 22,300                    | 5.0        |
| <b>Restricted</b> | 5,164,300               | 5,422,500            | 258,200                   | 5.0        |
| <b>GF/GP</b>      | 186,734,100             | 194,837,800          | 8,103,700                 | 4.3        |
| <b>Gross</b>      | <b>\$192,343,800</b>    | <b>\$200,728,000</b> | <b>\$8,384,200</b>        | <b>4.4</b> |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The budget provides funding for the Legislative branch of state government, including the Legislative Council and agencies it governs, the Legislative Retirement System, and Property Management. The legislature enacts the laws of Michigan, levies taxes, and appropriates funding from revenue collected for support of public institutions and administration of the affairs of state government. The Legislative Council provides a wide variety of essential services to members and staff of the legislature. The Michigan Legislative Retirement System provides retirement allowances, survivors' allowances, and other benefits for members of the legislature and their spouses, dependents, survivors, and beneficiaries. Property Management employees maintain, operate, and repair the Cora Anderson House of Representatives Office Building and the Binsfeld Senate Office Building. The Michigan State Capitol Historic Site includes the Capitol Building, its grounds and parking lot, and the Michigan State Capitol Commission.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|   |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|---|--------------|---|---------------------------------|
| <b>1. Legislature Operations Adjustment</b>   | <b>Gross</b> | NA                                      | <b>\$9,388,300</b>              |
| Reflects increased costs of \$9.4 million Gross (\$9.1 million GF/GP) for legislative employees, operations, and property management. The following is detail by budget area:   | Private      | NA                                      | 22,300                          |
|   | Restricted   | NA                                      | 258,200                         |
|   | GF/GP        | NA                                      | \$9,107,800                     |
| <ul style="list-style-type: none"> <li>Legislature (\$6.7 million GF/GP)</li> <li>Legislative Council (\$1.1 million GF/GP)</li> <li>Legislative Retirement (\$229,600 GF/GP)</li> <li>Property Management (\$794,800 GF/GP)</li> <li>State Capitol Historic Site (\$290,800 GF/GP).</li> </ul> |              |   |                                 |
| <b>2. House/Senate Census Tracking/Reapportionment</b>  | <b>Gross</b> | <b>\$250,000</b>                        | <b>(\$250,000)</b>              |
| Eliminates funding for House (\$125,000 GF/GP) and Senate (\$125,000 GF/GP) census tracking/reapportionment.  | GF/GP        | \$250,000                               | (\$250,000)                     |
| <b>3. Sentencing Commission</b>   | <b>Gross</b> | <b>\$1,000,000</b>                      | <b>(\$999,900)</b>              |
| Reduces funding for the Sentencing Commission by \$999,900 GF/GP, leaving a \$100 placeholder.  | GF/GP        | \$1,000,000                             | (\$999,900)                     |
| <b>4. Independent Citizens Redistricting Commission (ICRC)</b>  | <b>Gross</b> | <b>\$3,331,200</b>                      | <b>(\$338,900)</b>              |
| Reduces commission funding by \$338,900 GF/GP.  | GF/GP        | \$3,331,200                             | (\$338,900)                     |
| <b>5. Office of Tribal Legislative Liaison</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$500,000</b>                |
| Includes \$500,000 GF/GP to establish a Tribal Liaison within the Michigan Legislature.   | GF/GP        | \$0                                     | \$500,000                       |

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

**Sec. 609. Senate Census Tracking/Reapportionment – DELETED**

Requires unexpended funding for Senate census tracking/reapportionment to be designated as a work project appropriation; the purpose of the project is to purchase equipment, services, and supplies needed for tracking and reporting census and reapportionment information for the state.

**Sec. 610. House Census Tracking/Reapportionment – DELETED**

Requires unexpended funding for House census tracking/reapportionment to be designated as a work project appropriation; the purpose of the project is to purchase equipment, services, and supplies needed for tracking and reporting census and reapportionment information for the state.

**Sec. 612. Independent Citizens Redistricting Commission (ICRC) – DELETED**

Expresses legislative intent that the appropriation for ICRC is to comply with the legislature's obligation to fulfill the ICRC's request to cover additional legal costs; expresses legislative intent that the appropriation is contingent upon the ICRC submitting quarterly expenditure reports; requires unexpended funding to be returned to the state treasury within 6 months after the end of FY 2023-24.

**Sec. 612. Capitol Saturday Hours – NEW**

Expresses legislative intent that Capitol Commission open the Capitol for at least three hours on non-holiday Saturdays.

**Sec. 613. Independent Citizens Redistricting Commission Compensation – NEW**

Requires the council administrator to administer compensation, benefits, and other personnel support for the members, employees, staff, and consultants of the ICRC.

**Sec. 614. Independent Citizens Redistricting Commission Compensation – NEW**

Requires the ICRC to issue a report providing a detailed listing of commission expenditures.

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Independent Citizens Redistricting Commission**

Includes \$3.3 million GF/GP for costs of the Independent Citizens Redistricting Commission which leads Michigan's congressional and legislative redistricting processes.

|  | <b>Gross</b> | <b>\$3,331,200</b> |
|--|--------------|--------------------|
|  | GF/GP        | \$3,331,200        |

**2. Sentencing Commission**

Eliminates funding that enables the Sentencing Commission to carry out its functions, operations, and activities.

|  |              |                      |
|--|--------------|----------------------|
|  | <b>Gross</b> | <b>(\$1,000,000)</b> |
|  | GF/GP        | (\$1,000,000)        |

**3. Legislative Retirement System**

Includes \$900,000 GF/GP to support costs of the Legislative Retirement System.

|  |              |                  |
|--|--------------|------------------|
|  | <b>Gross</b> | <b>\$900,000</b> |
|  | GF/GP        | \$900,000        |

**4. Internship Program**

Includes \$50,000 GF/GP to increase support for the House of Representative Internship Program for students and others to experience work with the legislature.

|  |              |                 |
|--|--------------|-----------------|
|  | <b>Gross</b> | <b>\$50,000</b> |
|  | GF/GP        | \$50,000        |

**5. Interpreter Services**

Includes \$50,000 GF/GP to provide interpreter services to assist the legislature with serving constituents who require assistance with communicating with legislative offices.

|  |              |                 |
|--|--------------|-----------------|
|  | <b>Gross</b> | <b>\$50,000</b> |
|  | GF/GP        | \$50,000        |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 901. Interpreter Services**

Designates unexpended funds as a work project appropriation to be used to provide interpreter services to assist the legislature with serving Michigan residents who require assistance with communicating with legislative offices.

**Sec. 902. Internship Program**

Designates unexpended funds as a work project appropriation to be used to provide internship experiences for students or other Michigan residents wishing to explore a career with the legislature.

**LEGISLATIVE AUDITOR GENERAL  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Austin Scott**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|-----------------------|---|------------|
|                   |                                       |                       | Amount                                    | %          |
| <b>IDG/IDT</b>    | \$6,921,900                           | \$7,334,800           | \$412,900                                 | 6.0        |
| <b>Federal</b>    | 0                                     | 0                     | 0   | --         |
| <b>Local</b>      | 0                                     | 0                     | 0   | --         |
| <b>Private</b>    | 0                                     | 0                     | 0   | --         |
| <b>Restricted</b> | 2,421,600                             | 2,475,900             | 54,300                                    | 2.2        |
| <b>GF/GP</b>      | 20,406,700                            | 21,427,000            | 1,020,300                                 | 5.0        |
| <b>Gross</b>      | <b>\$29,750,200</b>                   | <b>\$31,237,700</b>   | <b>\$1,487,500</b>                        | <b>5.0</b> |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The legislative auditor general is responsible for conducting post financial and performance audits of state government operations. Audit reports provide a continuing flow of information to assist the legislature in its oversight of approximately 100 individual state funds. Audit reports provide citizens with a measure of accountability and assist state departments and agencies in improving financial management of their operations. The goal of the legislative auditor general is to improve accounting and financial reporting practices and to promote effectiveness, efficiency, and economy in state government. The mission is to improve the accountability of public funds and to improve the operations of state government for the benefit of the citizens of the state.

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|
| <b>1. Legislative Auditor General Operations</b>   | <b>Gross</b>                                     | <b>NA</b>                                |
| Reflects increased costs of \$1.5 million Gross (\$1.0 million GF/GP) for staff of the Office of Auditor General and for other operations. | IDG  | 412,900                                  |
|  | Restricted                                       | 54,300                                   |
|  | GF/GP  | \$1,020,300                              |

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

**Sec. 625. Access to Confidential Information – RETAINED (UNENFORCEABLE)**

The auditor general shall be authorized to access and examine confidential information of each branch, department, office, board, commission, agency, authority, and institution of the state subject to the same duty of confidentiality imposed by law on the entity providing the confidential information. (Governor's signing letter states this section is unenforceable.)

**DEPARTMENT OF STATE**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

Analyst: Michael Cnossen

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |              |
|-------------------|---------------------------------------|-----------------------|---|--------------|
|                   |                                       |                       | Amount                                    | %            |
| <b>IDG/IDT</b>    | \$20,000,000                          | \$20,000,000          | \$0                                       | 0.0          |
| <b>Federal</b>    | 1,460,000                             | 1,460,000             | 0   | 0.0          |
| <b>Local</b>      | 0                                     | 0                     | 0   | --           |
| <b>Private</b>    | 50,100                                | 50,100                | 0   | 0.0          |
| <b>Restricted</b> | 269,374,700                           | 258,360,700           | (11,014,000)                              | (4.1)        |
| <b>GF/GP</b>      | 13,324,700                            | 11,969,100            | (1,355,600)                               | (10.2)       |
| <b>Gross</b>      | <b>\$304,209,500</b>                  | <b>\$291,839,900</b>  | <b>(\$12,369,600)</b>                     | <b>(4.1)</b> |
| <b>FTEs</b>       | 1,625.0                               | 1,635.0               | 10.0                                      | 0.6          |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of State (DOS) is the oldest department in Michigan state government. It is administered by the secretary of state, an elected official who serves a four-year term of office and has constitutional and statutory duties. Services provided by the department include registering and titling automobiles, watercraft, and recreational vehicles; regulating automobile dealers and repair facilities; registering voters and administering elections; and streamlining the collection of revenue. The department operates programs designed to enhance driver safety, protect automotive consumers, and ensure the integrity of both the motor vehicle administration system and the statewide elections process.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Legal Services Operations Staffing**

Includes \$2.5 million in state restricted funding and authorization for 18.0 FTE positions for the following:

- 7.0 FTE positions for the Office of Hearings and Administrative Oversight to improve response times to customer case-related inquiries
- 5.0 FTE positions for the Business Compliance and Regulation Division to reduce case review times of auto-related business licensing to address findings of a December 2022 OAG audit
- 6.0 FTE positions for the Enforcement Division to improve detection and prevention of fraud cases.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| FTE          | 161.0                                   | 18.0                            |
| <b>Gross</b> | <b>\$22,120,900</b>                     | <b>\$2,520,000</b>              |
| Restricted   | 20,713,300                              | 2,520,000                       |
| GF/GP        | \$1,407,600                             | \$0                             |

**2. Branch Operations Staffing**

Includes \$1.5 million in state restricted funding and reduces GF/GP by \$669,300 for a net \$841,200 Gross increase. Reduces FTE position authorization by 23.0 positions to reflect transfer to other line items. Funding will be used to hire 8.0 staff at secretary of state branch offices to improve in-person services at certain locations.

|              |                     |                  |
|--------------|---------------------|------------------|
| FTE          | 926.0               | (23.0)           |
| <b>Gross</b> | <b>\$94,328,400</b> | <b>\$841,200</b> |
| IDG          | 20,000,000          | 0                |
| Restricted   | 72,881,900          | 1,510,500        |
| GF/GP        | \$1,446,500         | (\$669,300)      |

**3. Election Administration and Support Staffing**

Includes \$669,300 GF/GP and authorization for 5.0 FTE positions to help respond to a nearly 800% increase in Freedom of Information Act requests since 2021 and to help with election help desk tasks and more timely review and processing of petitions.

|              |                     |                  |
|--------------|---------------------|------------------|
| FTE          | 65.0                | 5.0              |
| <b>Gross</b> | <b>\$26,331,500</b> | <b>\$669,300</b> |
| Restricted   | 19,108,900          | 0                |
| GF/GP        | \$7,222,600         | \$669,300        |

**GENERAL GOVERNMENT: STATE (DEPARTMENT)**

|   |               | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|---------------|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |               |  |  |
| <b>4. Department Services Operations Staffing</b>   | FTE           | 100.0  | 0.0                                      |
| Includes \$599,100 in state restricted funding for 4.0 FTE positions to be allocated as follows:  | <b>Gross</b>  | <b>\$25,028,300</b>                              | <b>\$599,100</b>                         |
| <ul style="list-style-type: none"> <li>3.0 for the Bureau of Financial Services to help process reimbursement requests from local units of government as well as to expand inclusive contracting efforts of the procurement division</li> <li>1.0 for a Human resources training specialist to develop and deliver training in a timelier manner.</li> </ul>  | Restricted    | 25,028,000                                       | 599,100                                  |
|   | GF/GP         | \$300  | \$0                                      |
| <b>5. Central Operations Staffing</b>   | FTE           | 335.0  | 0.0                                      |
| Includes \$439,800 in state restricted funding for 4.0 FTE positions to reduce Information Center caller wait time and to implement computer programming changes to the CARS vehicle and driver information system in a timelier manner.  | <b>Gross</b>  | <b>\$50,501,100</b>                              | <b>\$439,800</b>                         |
|   | Federal       | 1,160,000  | 0  |
|   | Restricted    | 48,993,800                                       | 439,800                                  |
|   | GF/GP         | \$347,300  | \$0                                      |
| <b>6. Executive Direction Staffing</b>  | FTE           | 30.0   | 0.0                                      |
| Includes \$264,600 in state restricted funding for 2.0 FTE positions to support timelier community outreach and customer service with partnering organizations.   | <b>Gross</b>  | <b>\$4,813,600</b>                               | <b>\$264,600</b>                         |
|   | Restricted    | 4,793,600  | 264,600                                  |
|   | GF/GP         | \$20,000   | \$0                                      |
| <b>7. Licensing Plate Purchasing Agreement</b>  | <b>Gross</b>  | <b>NA</b>  | <b>\$1,146,500</b>                       |
| Includes \$1.1 million in state restricted funding for increased costs to continue the purchasing agreement with the Department of Corrections for manufacturing vehicle license plates and reflect increased costs to produce the new Water Wonderland license plates.   | Restricted    | NA   | 1,146,500                                |
|   | GF/GP         | NA   | \$0                                      |
| <b>8. Proposal 22-1 Financial Disclosure Reporting Implementation</b>   | FTE           | 65.0   | 8.0                                      |
| Includes \$1.1 million in state restricted revenues from the Election Administration Support Fund and authorization for 8.0 FTE positions to oversee and implement the Public Officers Financial Disclosure Act, 2023 PA 281, and the Candidate for Office Financial Disclosure Act, 2023 PA 282. These acts codify the Michigan Constitution as amended by Ballot Proposal 22-1 and require financial disclosure reporting by current elected officials and candidates for elected office. | <b>Gross\</b> | <b>\$26,331,500</b>                              | <b>\$1,145,000</b>                       |
|   | IDG           | 0  | 0  |
|   | Restricted    | 19,108,900                                       | 1,145,000                                |
|   | GF/GP         | \$7,222,600                                      | \$0                                      |
| <b>9. Automatic Voter Registration</b>  | FTE           | NA   | 2.0                                      |
| Includes \$296,000 in state restricted revenues from the Election Administration Support Fund and authorization for 2.0 FTE positions to implement modifications to automatic voter registration procedures as enacted by 2023 PAs 206-262, and 268. New responsibilities include contacting individuals to confirm their voter registration preference, compiling and submitting monthly reports, and other data management responsibilities.  | <b>Gross</b>  | <b>NA</b>  | <b>\$296,000</b>                         |
|   | IDG           | NA   | 0  |
|   | Restricted    | NA   | 296,000                                  |
|   | GF/GP         | NA   | \$0                                      |
| <b>10. Restricted Fund Replacement of GF/GP</b>   | <b>Gross</b>  | <b>NA</b>  | <b>\$0</b>                               |
| Replaces \$1.4 million GF/GP with a corresponding increase of state restricted revenue from the Transportation Administration Collection Fund for a net \$0 Gross change.   | Restricted    | NA   | 1,441,000                                |
|   | GF/GP         | NA   | (\$1,441,000)                            |
| <b>11. Postal and Mailing Service Rate Increase</b>   | <b>Gross</b>  | <b>NA</b>  | <b>\$1,115,000</b>                       |
| Includes \$1.1 million of state restricted revenue from the Transportation Administration Collection Fund to cover anticipated postage and mailing rate increases.  | Restricted    | NA   | 1,115,000                                |
|   | GF/GP         | NA   | \$0                                      |
| <b>12. Central Operations Contractual Increase</b>  | <b>Gross</b>  | <b>NA</b>  | <b>\$650,000</b>                         |
| Includes \$650,000 in state restricted funding to cover increased contract costs to produce vehicle tabs, decals, and forms.  | Restricted    | NA   | 650,000                                  |
|   | GF/GP         | NA   | \$0                                      |



**GENERAL GOVERNMENT: STATE (DEPARTMENT)**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|---|--|--|
| <b>13. Federal and State Restricted Fund Source Alignment</b>  |   | <b>Gross</b>                                     | <b>NA</b>                                |
| Shifts \$1.5 million in federal and state restricted funding authorization across 4 line items based on expected expenditures and available revenues attributable to impacts from the Clean Slate Driving Laws and increasing demand for the benefits that enhanced driver's license and personal identification cards offer residents for a net \$0 Gross change. Total fund shifts result in a reduction of \$6,100 in federal funding and a corresponding increase to state restricted funding. |   | Federal  | (6,100)                                  |
|  |   | Restricted                                       | 6,100                                    |
|  |   | GF/GP  | \$0                                      |
| <b>14. Removal of FY 2023-24 One-Time Appropriations</b>   |   | <b>Gross</b>                                     | <b>\$27,309,200</b>                      |
| Removes \$27.3 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:  |   | Restricted                                       | (27,209,200)                             |
|  |   | GF/GP  | (\$100,000)                              |
|  | <ul style="list-style-type: none"> <li>• \$27.2 million state restricted for implementation of Ballot Proposal 22-2</li> <li>• \$100,000 GF/GP for organ donor registration.</li> </ul> |  |  |
| <b>15. Economic Adjustments</b>  |   | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes adjustments to reflect increased costs of \$5.3 million Gross (\$185,400 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  | 6,100                                    |
|  |   | Restricted                                       | 5,061,600                                |
|  |   | GF/GP  | \$185,400                                |

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

**Sec. 701. Legislative Contingency Transfer Authorization – REVISED**

Allows for the legislative transfer process to increase federal authorization by up to \$500,000, state restricted authorization by up to \$500,000, local authorization by up to \$25,000, and private authorization by up to \$50,000. Revised to increase maximum amounts of contingency authorizations up to \$1.5 million in federal, \$1.5 million in state restricted.

**Sec. 703. Commercial Look-Up Fees – REVISED**

Authorizes DOS to sell copies of records for various conveyances and to use revenue to finance expenses; sets fee for record look-up services to \$15 per record sold; requires revenue balance at fiscal year-end to be credited to Transportation Administration Collection Fund; requires department to provide quarterly report on number of records sold and revenue collected. Revised to delete all but the reporting requirement.

**Sec. 704. Manufacture of License Plates – DELETED**

Authorizes DOS to enter into agreements with Department of Corrections to manufacture vehicle registration plates 15 months before registration year in which plates will be used.

**Sec. 719. State HAVA Grant Report – DELETED**

Requires a report on reimbursements to counties, cities, and townships from department's election security grant program funded by federal Help America Vote Act funding.

**Sec. 719. Local Election Funding Report – NEW**

Requires the department to report on distributions of funding for elections allocated to counties, cities, and townships.

**Sec. 723. County Clerk Training – DELETED**

Requires funds appropriated for county clerk education and training to be used only for costs associated with training local clerks in preparation for elections.

**Sec. 724. Timely Reimbursements to Local Governments – NEW**

Requires the department to reimburse cities, townships, and counties for eligible expenses not later than 60 days after receiving all necessary documentation for reimbursement from the local government.

**GENERAL GOVERNMENT: STATE (DEPARTMENT)**

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

**Sec. 750. Proposals 22-1 and 22-2 Implementation – DELETED**

Requires funds to be used to support costs related to implementing Proposal 22-1 and 22-2 and lists eligible costs; requires up to \$30.0 million to be used for incentive grants to counties to coordinate implementation of early voting by local governments within their jurisdiction and to incentivize multijurisdictional coordination that provides for efficient election administration; authorizes unexpended funds as work project.

**Sec. 751. Organ Donor Registry – DELETED**

Requires department to facilitate growth of donor registry of state anatomical gift donor registry program in accordance with methods of giving authorized under the Revised Uniform Anatomical Gift Law of the Public Health Code, 1978 PA 368.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**Appropriation  
Change**

**1. Department of Corrections Vehicle License Plate Manufacturing**

Authorizes an additional \$1.1 million in state restricted funding for the Central Operations line item to reflect a shift in spending authorization that was previously included in boilerplate. Funding will be used to continue the purchasing agreement with the Department of Corrections for manufacturing license plates for vehicles.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$1,146,500</b> |
| Restricted   | 1,146,500          |
| GF/GP        | \$0                |

**2. Help America Vote Act (HAVA) Election Security Grants**

Authorizes receipt of a total of \$5.7 million in federal funding. Of the total, \$3.6 million will be authorized under the Consolidated Appropriations Act of 2022 and Consolidated Appropriations Act of 2023 for two election security grants, and \$2.2 million of interest accrued from past and current HAVA fund balances will be authorized. Funding will support local election website domain migration, election day equipment upgrades, voting system security and testing procedures, and development and distribution of information materials to local election officials.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$5,720,000</b> |
| Federal      | 5,720,000          |
| GF/GP        | \$0                |

**3. Proposal 22-1 Financial Disclosure Reporting Implementation**

Includes \$831,900 GF/GP to support 8.0 FTE positions that will implement and oversee activities associated with the Public Officers Financial Disclosure Act, 2023 PA 281, and the Candidate for Office Financial Disclosure Act, 2023 PA 282. These acts require financial disclosure reporting by current elected officials and candidates for elected office by April 15, 2024, and codify the Michigan Constitution as amended by Ballot Proposal 22-1.

|              |                  |
|--------------|------------------|
| FTE          | 8.0              |
| <b>Gross</b> | <b>\$831,900</b> |
| GF/GP        | \$831,900        |

**4. Employee Lump Sum Payments**

Includes \$110,400 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 staff employed full-time as of December 23, 2023.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$110,400</b> |
| GF/GP        | \$110,400        |

**FY 2023-24 Supplemental Boilerplate Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 1001. Help America Vote Act Work Project**

Designates unexpended funds as a work project appropriation to be used to support election security initiatives including election equipment upgrades, security and testing of voting systems, and development and distribution of election security information materials.

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Michael Crossen**

|                   | FY 2023-24              | FY 2024-25             | Difference: FY 2024-25    |               |
|-------------------|-------------------------|------------------------|---------------------------|---------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                | From FY 2023-24<br>Amount | %             |
| <b>IDG/IDT</b>    | \$1,082,606,600         | \$1,119,848,200        | \$37,241,600              | 3.4           |
| <b>Federal</b>    | 4,699,000               | 4,393,300              | (305,700)                 | (6.5)         |
| <b>Local</b>      | 2,334,700               | 2,334,000              | (700)                     | 0.0           |
| <b>Private</b>    | 137,400                 | 189,200                | 51,800                    | 37.7          |
| <b>Restricted</b> | 134,180,400             | 130,096,500            | (4,083,900)               | (3.0)         |
| <b>GF/GP</b>      | 832,699,500             | 539,564,000            | (293,135,500)             | (35.2)        |
| <b>Gross</b>      | <b>\$2,056,657,600</b>  | <b>\$1,796,425,200</b> | <b>(\$260,232,400)</b>    | <b>(12.7)</b> |
| <b>FTEs</b>       | 3,220.0                 | 3,249.5                | 29.5                      | 0.9           |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Technology, Management, and Budget (DTMB) is the centralized service agency for the executive branch. Its responsibilities include information technology services and project support for state departments and agencies; state facility and lease management; the state motor vehicle fleet; state purchasing and procurement; state retirement systems; internal audit; state budget development and monitoring; and state accounting and financial control systems. Autonomous units within DTMB include the following: State Budget Office, Office of the State Employer, Civil Service Commission, Office of Retirement Services, State Administrative Board, and the Office of Children's Ombudsman.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|  |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|--------------|---|---------------------------------|
| <b>1. MPSCS Lifecycle Replacement Maintenance (One-Time)</b>   | FTE          | 137.0                                   | 0.0                             |
| Includes \$25.0 million GF/GP to provide ongoing funding for lifecycle replacements and maintenance of the quickly growing statewide emergency communication system that serves over 2,200 public safety agencies.   | <b>Gross</b> | <b>\$48,894,800</b>                     | <b>\$25,000,000</b>             |
|  | Local        | 2,277,800                               | 0                               |
|  | GF/GP        | \$46,617,000                            | \$25,000,000                    |
| <b>2. Annual IT IDG Baseline Adjustment</b>  | <b>Gross</b> | <b>NA</b>                               | <b>\$20,022,000</b>             |
| Increased IDG funding from Technology User Fee revenue by \$20.0 million to reflect projects and service adjustments in other executive department and agency budgets, administrative cost allocation changes, and IT budgetary requests made by departments and agencies. Technology Service appropriation lines are prorated by department based on their total IT budget. | IDG          | NA                                      | 20,022,000                      |
|  | GF/GP        | NA                                      | \$0                             |
| <b>3. State Building Authority Capital Outlay Debt Financing</b>   | <b>Gross</b> | <b>\$236,570,600</b>                    | <b>\$9,600,000</b>              |
| Includes \$9.6 million GF/GP to the annual amount set aside for payments on debt for capital construction projects financed through the State Building Authority to reflect a projected increase in payments due on bonds following recent increases in state capital outlay projects.   | GF/GP        | \$236,570,600                           | \$9,600,000                     |
| <b>4. Fleet Vehicle Travel Services Rate Increase</b>  | <b>Gross</b> | <b>\$87,709,000</b>                     | <b>\$7,900,000</b>              |
| Includes \$7.9 million in IDG funding from the Motor Transport Fund to align IDG authorization with increased travel services rates charged to departments to reflect higher projected gasoline prices.  | IDG          | 87,709,000                              | 7,900,000                       |
|  | GF/GP        | \$0                                     | \$0                             |

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>  |  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--|--|--|
| <b>5. Office of Retirement Services IT and Administrative Costs</b>   |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$5.6 million in state restricted Pension Trust Fund revenues to support higher information technology (IT) and administrative costs that support Defined Contribution retirement plants. Of the total, \$3.8 million will support IT costs and \$1.8 million will support administrative costs.   |  | Restricted                                       | NA                                       |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$5,618,300</b>                       |
|   |  |  | 5,618,300                                |
|   |  |  | \$0                                      |
| <b>6. Michigan.gov Language Accessibility</b>   |  | FTE  | NA                                       |
| Includes \$2.4 million GF/GP and authorization for 3.0 FTE positions to upgrade the Michigan.gov website to translate content in multiple languages to reduce barriers to accessing state services and information. An additional \$820,000 GF/GP is recommended for this project within the ongoing Information Technology Investment Fund (ITIF) to implement a statewide multi-lingual chatbot technology. |  | <b>Gross</b>                                     | <b>NA</b>                                |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$2,360,000</b>                       |
|   |  |  | 2,360,000                                |
|   |  |  | 3.0                                      |
| <b>7. MiLEAP Reorganization – State Archives of Michigan</b>  |  | FTE  | NA                                       |
| Transfers \$1.9 million GF/GP and authorization for 14.5 FTE positions from the Department of Natural Resources to reflect the move of the State Archives of Michigan program for a net \$0 enterprise change. The transfer is in accordance with Executive Order 2023-6 which created the Department of Lifelong Education, Advancement, and Potential (MiLEAP).   |  | <b>Gross</b>                                     | <b>NA</b>                                |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$1,915,300</b>                       |
|   |  |  | 1,915,300                                |
|   |  |  | 14.5                                     |
| <b>8. Office of Retirement Services Customer Relations</b>  |  | FTE  | 167.0                                    |
| Includes \$1.6 million in state restricted revenues and authorization for 10.0 FTE positions to improve employer reporting functions and customer relations through customer meeting, training, and outreach.   |  | <b>Gross</b>                                     | <b>\$26,139,500</b>                      |
|   |  | Restricted                                       | 26,046,500                               |
|   |  | GF/GP  | \$93,000                                 |
|   |  |  | <b>\$1,600,000</b>                       |
|   |  |  | 1,600,000                                |
|   |  |  | \$0                                      |
| <b>9. Menstrual Product Pilot Program (One-Time)</b>  |  | <b>Gross</b>                                     | <b>\$0</b>                               |
| Includes \$1.4 million GF/GP to provide free feminine hygiene products in bathrooms of state-owned, managed, and, where possible, leased buildings.   |  | GF/GP  | \$0                                      |
|   |  |  | <b>\$1,400,000</b>                       |
|   |  |  | 1,400,000                                |
| <b>10. Utility Rate Increase</b>  |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$1.3 million in IDG funding from building occupancy charges to agencies to reflect increasing utility rate costs.   |  | IDG  | NA                                       |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$1,301,000</b>                       |
|   |  |  | 1,301,000                                |
|   |  |  | \$0                                      |
| <b>11. Geographically-Disadvantaged Business Procurement</b>  |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$1.3 million in state restricted revenue to maintain current procurement service levels in Central Procurement Services and support inclusive state contracting and geographically-disadvantaged business enterprises in accordance with Executive Directives 2023-1.   |  | Restricted                                       | NA                                       |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$1,300,000</b>                       |
|   |  |  | 1,300,000                                |
|   |  |  | \$0                                      |
| <b>12. State Police Secondary Complex Expansion</b>   |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$758,000 in IDG funding for the Building Operations Division to renovate the Michigan State Police Secondary Complex in Dimondale.  |  | IDG  | NA                                       |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$758,000</b>                         |
|   |  |  | 758,000                                  |
|   |  |  | \$0                                      |
| <b>13. Vendor Risk Management Information System</b>  |  | FTE  | 0.0                                      |
| Includes \$279,900 in state restricted revenues and authorization for 2.0 FTE positions to administer a Risk Management Information System to assess vendor insurance risk and compliance for contracts that are delegated to state agencies.   |  | <b>Gross</b>                                     | <b>\$0</b>                               |
|   |  | Restricted                                       | 0  |
|   |  | GF/GP  | \$0                                      |
|   |  |  | <b>\$279,900</b>                         |
|   |  |  | 279,900                                  |
|   |  |  | \$0                                      |
| <b>14. SWCAP Adjustment</b>   |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Allocates fund sourcing associated with the annual Statewide Cost Allocation Plan (SWCAP) for a net change of \$0 Gross and increase of \$2.3 million GF/GP.  |  | IDG  | NA                                       |
|   |  | Restricted                                       | NA                                       |
|   |  | GF/GP  | NA                                       |
|   |  |  | <b>\$0</b>                               |
|   |  |  | 521,800                                  |
|   |  |  | (2,866,700)                              |
|   |  |  | \$2,344,900                              |

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>15. DMVA Accounting Services</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$146,100</b>                         |
| Includes \$146,100 in IDG funding to align departmental accounting service center funding support with funding from the Department of Military and Veterans Affairs and the Michigan Veterans' Facility Authority.  | IDG          | NA   | 146,100                                  |
|   | GF/GP        | NA   | \$0                                      |
| <b>16. Central Procurement Staff Development</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$50,000</b>                          |
| Includes \$50,000 in private funding to recognize support for staff development, training, and student intern opportunities in CPS.   | Private      | NA   | 50,000                                   |
|   | GF/GP        | NA   | \$0                                      |
| <b>17. Make it in Michigan Transfer Placeholders</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$400</b>                             |
| Includes 4 \$100 placeholders to facilitate the potential administrative transfer of federal, state restricted, local, and private funds, should they become available for Make it in Michigan Competitiveness Fund projects as described in item number two.   | Federal      | NA   | 100                                      |
|   | Local        | NA   | 100                                      |
|   | Private      | NA   | 100                                      |
|   | Restricted   | NA   | 100                                      |
|   | GF/GP        | NA   | \$0                                      |
| <b>18. Center for Data and Analytics Federal Funding</b>  | FTE          | 44.0   | 0.0                                      |
| Removes \$400,000 in federal funding to align authorization with available revenue for the Michigan Center for Data and Analytics.  | <b>Gross</b> | <b>\$7,480,200</b>                               | <b>(\$400,000)</b>                       |
|   | Federal      | 4,505,400  | (400,000)                                |
|   | Local        | 35,000   | 0  |
|   | Private      | 100  | 0  |
|   | GF/GP        | \$2,939,700                                      | \$0                                      |
| <b>19. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b> | <b>\$350,497,800</b>                             | <b>(\$350,497,800)</b>                   |
| Removes \$350.5 million Gross (\$338.7 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:  | Restricted   | 11,800,100                                       | (11,800,100)                             |
|   | GF/GP        | \$338,697,700                                    | (\$338,697,700)                          |
| <ul style="list-style-type: none"> <li>• \$286.8 GF/GP for Make it in Michigan Competitiveness Fund</li> <li>• \$25.0 million GF/GP for Enterprisewide Special Maintenance for State Facilities</li> <li>• \$17.9 million GF/GP for Information Technology Investment Fund</li> <li>• \$11.8 million state restricted for retirement IT system modernization</li> <li>• \$5.0 million GF/GP for Civil Service management training</li> <li>• \$4.0 million GF/GP for state vendor cybersecurity</li> <li>• \$100 state restricted for Make it in Michigan placeholder.</li> </ul> |              |  |  |
| <b>20. Economic Adjustments</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$11,814,400</b>                      |
| Includes adjustments to reflect increased costs of \$11.8 million Gross (\$3.3 million 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.   | IDG          | NA   | 6,592,700                                |
|   | Federal      | NA   | 94,200                                   |
|   | Local        | NA   | (800)                                    |
|   | Private      | NA   | 1,700                                    |
|   | Restricted   | NA   | 1,784,600                                |
|   | GF/GP        | NA   | \$3,342,000                              |

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

**Sec. 813. Motor Vehicle Fleet – REVISED**

Provides for motor vehicle charges and management of motor vehicle fleet; requires detailed plan for operation of fleet; authorizes department to increase its rate for fuel upon the price of unleaded gasoline exceeding certain thresholds; authorizes department to adjust spending authorization and motor transport fund IDG as needed to ensure that authorization meets total fleet expenditures. Revised to replace "unleaded gasoline" with "fuel".

**Sec. 822g. Supplier Risk Assessment Program – REVISED**

Requires not more than an additional \$300,000 appropriated to Business Support Services line item to be used to maintain a comprehensive supplier risk and information subscription used for pre-contract risk assessment. Revised to decrease cap to \$200,000.

## **GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

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

#### ***Sec. 822i. Testing Laboratories Consolidation Prohibition – DELETED***

Prohibits use of funds for consolidating testing laboratories for Department of Agriculture and Rural Development or Department of Natural Resources.

#### ***Sec. 822j. Make it in Michigan Competitiveness Fund – REVISED***

Creates Make it in Michigan Competitiveness Fund in Treasury; deposits funding appropriated in part 1 in fund; prohibits expenditures from fund without appropriation or legislative transfer; provides guidance and restrictions regarding transfers from fund; states that fund is to be used to leverage major funding opportunities available from recent federal legislation including, but not limited to, Infrastructure Investment and Jobs Act (IIJA), CHIPS and Science Act, and Inflation Reduction Act; directs formation of interagency evaluation committee to recommend appropriations or transfers; establishes reporting requirements to legislature. Revised to move section to ongoing boilerplate unit and removes deposit into the fund.

#### ***Sec. 826. Definition of Information Technology Services – REVISED***

Defines "information technology services" as services involving all aspects of managing and processing information, including certain IT management and support items and services. Revised to add "server support and management", and "information technology planning and budget management" to the definition.

#### ***Sec. 827. Michigan Public Safety Communications System (MPSCS) – REVISED***

Provides for assessment of fees and expenditure of revenues pertaining to MPSCS; requires approval of a spending plan by the state budget director before expenditure of funds; authorizes unencumbered funds to be carried forward. Revised to eliminate requirement of approval of spending plan before expending funds.

#### ***Sec. 838. Reporting on Information Technology Investment Projects – REVISED***

Requires department to develop a funding plan for use of funds for projects, including description, cost, timeframe for completion, number of employees, and contracts entered into for each project, requires report that includes the plan and spending reductions or overages for each project. Revised to require reporting of initial budgets of projects, actual costs, and any transfer of budgeted funds between projects.

#### ***Sec. 853. State Employment Education and Experience Requirements – NEW***

Requires the Civil Service Commission to review employee classifications and educational requirements necessary for state employment; requires the Civil Service Commission to substitute relevant experience for the default educational requirement of a bachelor's degree.

#### ***Sec. 866. Energy Efficiency Revolving Fund – REVISED***

Creates Energy Efficiency Revolving Fund within Treasury; authorizes Treasury to receive money or other assets for deposit into fund and to credit interest and earnings into fund; provides carry-forward authorization for unexpended funds at close of fiscal year; requires DTMB to provide oversight for fund, coordinate call for projects, and prioritize projects to be awarded funds; limits administrative costs to 10% of total project cost; describes department's responsibilities in administering the fund. Revised to add reporting requirements on details of projects funded under this section.

#### ***Sec. 890. Vendor Cybersecurity Monitoring – DELETED***

Requires department to contract with vendor to provide software that provides cybersecurity vulnerability information about companies that state does business with and state's vendor ecosystem; lists eligibility requirements for software vendor; lists metrics that contracted software must provide.

#### ***Sec. 890. Free Menstrual Products Pilot Program – NEW***

Requires funds appropriated to be used to provide free menstrual discharge absorption devices in the restrooms of state-owned and managed building and leased building where possible.

#### ***Sec. 891. MPSCS Lifecycle Replacement – NEW***

Requires the MPSCS to perform lifecycle replacement work, including, but not limited to, equipment upgrades, security, and maintenance; designates unexpended funds as a work project.

#### ***Sec. 894. Actuarial Cost of Living Study – NEW***

Requires the Office of Retirement Services to contract with the state's actuary to conduct a study to provide options related to providing cost-of-living adjustments in the State Employees' Retirement System; lists information to be included in the study.

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**Appropriation  
Change**

|   |  |  |
|---|--|--|
| <b>1. Digital Nondiscrimination Federal Compliance</b><br>Includes \$3.0 million GF/GP to support up to 7.0 limited-term FTE positions that will review, assess, and test compliance of state web and mobile-based applications to ensure accessibility for people with disabilities and compliance with federal non-discrimination standards.                      | <b>Gross</b><br>GF/GP                                | <b>\$3,000,000</b><br>\$3,000,000        |
| <b>2. Employee Lump Sum Payments</b><br>Includes \$1.3 million 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 staff employed full-time as of December 23, 2023.   | <b>Gross</b><br>GF/GP                                | <b>\$1,265,600</b><br>\$1,265,600        |
| <b>3. Make it in Michigan Contingency Placeholders</b><br>Includes 3 \$100 GF/GP placeholders for federal, local, and private funding sources to facilitate an administrative transfer process to recognize a federal award or other complementary local and/or private revenues in support of projects financed from the Make it in Michigan Competitiveness Fund. | <b>Gross</b><br>Federal<br>Local<br>Private<br>GF/GP | <b>\$300</b><br>100<br>100<br>100<br>\$0 |

**FY 2023-24 Supplemental Boilerplate Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**GENERAL SECTIONS**

**Sec. 201. State Spending and State Appropriations Paid to Local Units of Government**  
Estimates total state spending from state sources and payments to be made to local units of government.

**Sec. 202. Appropriations Subject to Management and Budget Act**  
Subjects appropriations to the Management and Budget Act, 1984 PA 431.

**Sec. 203. Appropriations Subject to Federal Rules and Regulations**  
Requires funds appropriated to be used in a manner consistent with federal rules and regulations.

**Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements**  
Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of incidences of noncompliance.

**Sec. 205. Report on Status of COVID-19 Relief Appropriations**  
Requires the state budget director to report monthly on the status of all funds appropriated related to the coronavirus relief effort until all funds are exhausted.

**Sec. 206. Employee Lump Sum Payments for Executive Branch Departments**  
Requires executive branch departments to expend funds appropriated for employee lump sum payments for costs associated with employee lump sum payments as approved by the Civil Service Commission; authorizes accounting transactions to be made to effectuate payments in SIGMA.

**Sec. 207. State Fiscal Recovery Fund (SFRF)**  
Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

**CAPITAL OUTLAY**

**Sec. 401. Public Purpose, Lease and Conveyance, and Annual Appropriation**  
States the legislature determines that the leasing of SBA-financed facilities are for a public purpose under the State Building Authority Act of 1964; approves and authorizes the leases and conveyance of property to the SBA and from the SBA to the state and educational institutions, as applicable, executed by the governor and secretary of state on behalf of the state; specifies intent of the legislature to annually appropriate sufficient amounts to pay rent obligations pursuant to the leases.

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

**FY 2023-24 Supplemental Boilerplate Items**

**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

***Sec. 402. State Public Health and Environmental Science Laboratory Project***

Authorizes a \$22.6 million cost increase for the Department of Technology, Management, and Budget – New Comprehensive State Public Health and Environmental Science Laboratory project that was approved for construction in 2022 PA 166 at a total project cost of \$260.0 million; the state, through the State Building Authority, will be responsible for funding the entire cost increase resulting in a state building authority share of \$88.6 million, coronavirus state fiscal recovery fund share of \$260.0 million, and a total project cost of \$348.6 million; the cost increase is the result of increased construction material and labor costs.

***Sec. 403. State Psychiatric Hospital Complex Project***

Authorizes a \$7.4 million cost increase for the Department of Technology, Management, and Budget – New State Psychiatric Hospital Complex project that was approved for construction in 2022 PA 166 at a total project cost of \$325.0 million; the state, through the State Building Authority, will be responsible for funding the entire cost increase resulting in a state building authority share of \$58.4 million, coronavirus state fiscal recovery fund share of \$325.0 million, and a total project cost of \$383.4 million; the cost increase is the result of increased construction material and labor costs.

**TECHNOLOGY, MANAGEMENT, AND BUDGET**

***Sec. 1301. Digital Nondiscrimination Federal Compliance***

Allocates funding to review the compatibility of state web-and mobile based applications for nondiscrimination on the basis of disability in accessing web-based information and services; authorizes DTMB to hire up to 7.0 term-limited FTEs; designates unexpended funds as a work project appropriation.



**DEPARTMENT OF TREASURY**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 5)**

**Analyst: Austin Scott**

|                   | FY 2023-24              | FY 2024-25             | Difference: FY 2024-25    |            |
|-------------------|-------------------------|------------------------|---------------------------|------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                | From FY 2023-24<br>Amount | %          |
| <b>IDG/IDT</b>    | \$11,097,300            | \$11,188,500           | \$91,200                  | 0.8        |
| <b>Federal</b>    | 24,921,800              | 25,011,400             | 89,600                    | 0.4        |
| <b>Local</b>      | 15,038,100              | 15,207,100             | 169,000                   | 1.1        |
| <b>Private</b>    | 33,200                  | 36,600                 | 3,400                     | 10.2       |
| <b>Restricted</b> | 2,197,308,000           | 2,343,150,900          | 145,842,900               | 6.6        |
| <b>GF/GP</b>      | 392,670,200             | 308,655,700            | (84,014,500)              | (21.4)     |
| <b>Gross</b>      | <b>\$2,641,068,600</b>  | <b>\$2,703,250,200</b> | <b>\$62,181,600</b>       | <b>2.4</b> |
| <b>FTEs</b>       | 2,013.5                 | 2,012.5                | (1.0)                     | (0.0)      |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Treasury is the chief fiscal agency of the state and the primary source of advice to the governor on tax and fiscal policy issues. The department's mission is to collect state taxes; to invest, control, and disburse state monies; and to protect the state's credit rating and that of its cities. The department manages one of the nation's largest pension funds, administers revenue sharing, and administers student financial aid programs. It also investigates fraudulent financial activity, provides assistance on all property tax-related issues, and advises issuers of municipal obligations. The Bureau of State Lottery, the Michigan Gaming Control Board (MGCB), and the State Building Authority (SBA) are autonomous agencies housed within the department.

|   |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|---|--------------|---|---------------------------------|
| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>  |              |   |                                 |
| <b>1. Constitutional Revenue Sharing</b>  | <b>Gross</b> | <b>\$1,100,663,100</b>                  | <b>(\$27,331,700)</b>           |
| Includes a decrease of \$27.3 million in state restricted Sales Tax revenue for constitutional revenue sharing grants.  | Restricted   | 1,100,663,100                           | (27,331,700)                    |
|   | GF/GP        | \$0                                     | \$0                             |
|   |              |   |                                 |
| <b>2. City, Village, and Township (CVT) Revenue Sharing</b>   | <b>Gross</b> | <b>\$299,126,400</b>                    | <b>\$34,420,900</b>             |
| Includes a net increase of \$34.4 million in additional state restricted Sales Tax revenue for CVT revenue sharing. The net increase reflects the removal of \$5.6 million that was considered one-time funding in FY 2023-24.    | Restricted   | 299,126,400                             | 34,420,900                      |
|   | GF/GP        | \$0                                     | \$0                             |
|   |              |   |                                 |
| <b>3. County Revenue Sharing</b>  | <b>Gross</b> | <b>\$217,489,800</b>                    | <b>\$30,041,700</b>             |
| Includes a net increase of \$30.0 million in additional state restricted Sales Tax revenue for county revenue sharing. The net increase reflects the removal of \$4.9 million that was considered one-time funding in FY 2023-24. | Restricted   | 217,489,800                             | 30,041,700                      |
|   | GF/GP        | \$0                                     | \$0                             |
|   |              |   |                                 |
| <b>4. County Incentive Program</b>  | <b>Gross</b> | <b>\$43,579,900</b>                     | <b>\$0</b>                      |
| Combines County Incentive Program with County Revenue Sharing above.  | Restricted   | 43,579,900                              | 0                               |
|   | GF/GP        | \$0                                     | \$0                             |
|   |              |   |                                 |
| <b>5. Public Safety and Violence Prevention Fund</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$75,000,000</b>             |
| Includes \$75.0 million in restricted revenue from a new Public Safety and Violence Prevention Fund for grants to cities, villages, townships, and counties for public safety and violence prevention programs.                   | Restricted   | 0                                       | 75,000,000                      |
|   | GF/GP        | \$0                                     | \$0                             |
|   |              |   |                                 |

**GENERAL GOVERNMENT: TREASURY**

|  |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|--------------|---|---------------------------------|
| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>   |              |   |                                 |
| <b>6. Recreational Marihuana Grants to Locals</b>  | <b>Gross</b> | <b>\$71,670,000</b>                     | <b>\$24,710,000</b>             |
| Includes \$24.7 million in state restricted Marihuana Regulatory Fund revenue to align grant payments to municipalities and counties with the expected increase in revenue.  | Restricted   | 71,670,000                              | 24,710,000                      |
|  | GF/GP        | \$0                                     | \$0                             |
| <b>7. Marihuana Retailers Excise Tax Form Process Change</b>   | FTE          | NA                                      | 2.0                             |
| Includes \$261,700 of state restricted Marihuana Regulatory Fund revenue to support 2.0 FTE positions that will process marihuana retailer attestation forms in a timelier manner. The attestation process was modified by LARA and required reviews are now more time sensitive.  | <b>Gross</b> | <b>NA</b>                               | <b>\$261,700</b>                |
|  | Restricted   | NA                                      | 261,700                         |
|  | GF/GP        | NA                                      | \$0                             |
| <b>8. Transfers to MiLEAP</b>  | FTE          | NA                                      | (33.0)                          |
| Reflects the transfer of \$8.9 million Gross (\$7.7 million GF/GP) and 33.0 FTE positions from Treasury to the new MiLEAP department. Of the total, \$5.9 million Gross (\$4.7 million GF/GP) and the 33.0 FTE positions are associated with the Student Financial Assistance program and \$3.0 million Gross (\$3.0 million GF/GP) is for Dual Enrollment Payments. | <b>Gross</b> | <b>NA</b>                               | <b>(\$8,924,600)</b>            |
|  | Restricted   | NA                                      | (1,253,100)                     |
|  | GF/GP        | NA                                      | (\$7,671,500)                   |
| <b>9. Debt Service Adjustments</b>   | <b>Gross</b> | <b>\$100,084,100</b>                    | <b>(\$4,997,100)</b>            |
| Reduces the budget by \$5.0 million GF/GP based on existing debt service schedules and projected new debt service issues for Clean Michigan Initiative, Quality of Life Bonds, and Great Lakes Water Quality Bonds.  | GF/GP        | \$100,084,100                           | (\$4,997,100)                   |
| <b>10. Secure Retirement for Small Businesses</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$3,000,000</b>              |
| Includes \$3.0 million in one-time GF/GP to establish a state-managed retirement plan marketplace that will allow small businesses with fewer than 100 employees to provide optional retirement savings plans.   | GF/GP        | \$0                                     | \$3,000,000                     |
| <b>11. Michigan's Achieving a Better Life Experience (MiABLE) Program</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$3,000,000</b>              |
| Includes \$3.0 million in one-time GF/GP to allow for promotion and education of the MiABLE program that allows disabled individuals to create accounts for disability-related expenses without impacting their eligibility for public benefits.   | GF/GP        | \$0                                     | \$3,000,000                     |
| <b>12. Payment in Lieu of Taxes (PILT)</b>   | <b>Gross</b> | <b>\$32,288,100</b>                     | <b>\$2,868,700</b>              |
| Includes \$2.9 million Gross (\$2.2 million GF/GP) for increased PILT payments to local units of government for state lands owned by the Department of Natural Resources. Funding will align payments with current property tax estimates.   | Private      | 33,200                                  | 3,400                           |
|  | Restricted   | 6,647,900                               | 664,900                         |
|  | GF/GP        | \$25,607,000                            | \$2,200,400                     |
| <b>13. Tax Processing Services</b>   | FTE          | 355.0                                   | 7.0                             |
| Authorizes \$800,000 in state restricted Delinquent Tax Collection revenue to be used to support 7.0 new FTE positions that will be charged with increasing tax processing efficiency, increasing the efficiency of collections, improving response times, and improving communication between taxpayers and the department.   | <b>Gross</b> | <b>\$44,645,800</b>                     | <b>\$800,000</b>                |
|  | Restricted   | 44,645,800                              | 800,000                         |
|  | GF/GP        | \$0                                     | \$0                             |
| <b>14. Unclaimed Property Compliance Responsibilities</b>  | FTE          | 28.0                                    | 4.0                             |
| Includes \$517,100 in state restricted Escheats Fund revenue to support 4.0 new FTE positions that will work to ensure the Unclaimed Property Division is able to process claims and responses within the 90-day statutory time frame.   | <b>Gross</b> | <b>\$5,070,600</b>                      | <b>\$517,100</b>                |
|  | Restricted   | 5,070,600                               | 517,100                         |
|  | GF/GP        | \$0                                     | \$0                             |
| <b>15. Treasury Information Technology</b>   | <b>Gross</b> | <b>NA</b>                               | <b>\$420,800</b>                |
| Includes \$420,800 GF/GP to support increased licensing costs associated with the department's information technology systems.   | GF/GP        | NA                                      | \$420,800                       |

**GENERAL GOVERNMENT: TREASURY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>16. Gaming Control – Internet Gaming and Sports Betting</b>   | FTE          | NA   | 14.0                                     |
| Includes \$1.9 million in state restricted funding to support an additional 14.0 FTE positions that will perform auditing, licensing and investigations, and gaming laboratory functions, ultimately expanding the agency's regulatory capacity and protections against illegal activity. Additional staff are needed because of increasing work volumes from the popularity of internet gaming and sports betting.  | <b>Gross</b> | <b>NA</b>  | <b>\$1,942,300</b>                       |
|  | Restricted   | NA   | 1,942,300                                |
|  | GF/GP        | NA   | \$0                                      |
| <b>17. Gaming Control – Increased Funding Authorization</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$795,100</b>                         |
| Authorizes an additional \$795,100 in state restricted State Services Fee Fund revenue to be used for gaming-related enforcement services.   | Restricted   | NA   | 795,100                                  |
|  | GF/GP        | NA   | \$0                                      |
| <b>18. iLottery Website and Application Design</b>   | FTE          | NA   | 4.0                                      |
| Includes \$1.1 million in state restricted State Lottery Fund revenue to support 4.0 new FTE positions that will work on Lottery IT projects. Of the total, \$510,000 will be ongoing funding that will support the new positions, ongoing maintenance costs, and costs for improving the iLottery app and website; and \$592,000 will be one-time funding used for development of disaster recovery and document management programs, one-time iLottery improvements, and network switch replacement. | <b>Gross</b> | <b>NA</b>  | <b>\$1,102,000</b>                       |
|  | Restricted   | NA   | 1,102,000                                |
|  | GF/GP        | NA   | \$0                                      |
| <b>19. Michigan State Lottery</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$1,000,000</b>                       |
| Includes \$1.0 million in State Lottery Fund revenue to support efforts to sell and promote Lottery products through online and retail outlets.  | Restricted   | NA   | 1,000,000                                |
|  | GF/GP        | NA   | \$0                                      |
| <b>20. Election Administration Support Fund</b>  | <b>Gross</b> | <b>\$27,209,200</b>                              | <b>(\$27,209,200)</b>                    |
| (a) Reflects removal of \$27.2 million in one-time funding that was appropriated in FY 2023-24.  | GF/GP        | \$27,209,200                                     | (\$27,209,200)                           |
| (b) Includes \$1.5 million GF/GP to support counties with implementation costs associated with Proposals 1 and 2 of 2022 and for financial disclosure investment grants.   | <b>Gross</b> | <b>\$18,765,400</b>                              | <b>\$1,490,100</b>                       |
|  | GF/GP        | \$18,765,400                                     | \$1,490,100                              |
| <b>21. Living Donor Tax Credit</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$750,000</b>                         |
| Includes \$750,000 GF/GP to support on ongoing living donor tax credit program.  | GF/GP        | \$0  | \$750,000                                |
| <b>22. Local Prosecutor Support Grants (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$16,750,000</b>                      |
| Includes \$17.0 million GF/GP for grants to the offices of county prosecutors to reduce the average caseload per attorney.   | GF/GP        | \$0  | \$16,750,000                             |
| <b>23. Local Unit Municipal Retirement Health Care Benefit Premium Payment Grants (One-Time)</b>   | <b>Gross</b> | <b>\$35,000,000</b>                              | <b>(\$35,000,000)</b>                    |
| Eliminates \$35.0 million in FY 2023-24 one-time GF/GP funding for local unit municipal retirement health care benefit payment grants.   | GF/GP        | \$35,000,000                                     | (\$35,000,000)                           |
| <b>24. 38th District Court Project (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,000,000</b>                       |
| Includes \$1.0 million GF/GP to build a district court and police station in Eastpointe.   | GF/GP        | \$0  | \$1,000,000                              |
| <b>25. 12th District Court Security (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,000,000</b>                       |
| Includes \$1.0 million GF/GP for security upgrades at a district court in Jackson.   | GF/GP        | \$0  | \$1,000,000                              |
| <b>26. Additional Local Prosecutor Support (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$250,000</b>                         |
| Includes \$250,000 GF/GP for a grants to the Eaton County prosecutor office to reduce the average caseload per attorney.   | GF/GP        | \$0  | \$250,000                                |

**GENERAL GOVERNMENT: TREASURY**

|  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |  |  |
| <b>27. Executive Revision 2025-1</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$266,500</b>                         |
| Reflects the inclusion of Executive Revision 2025-1 to correct an error in GF/GP funding included in Executive Order 2023-6 and to appropriate available State Building Authority revenue (restricted).  | Restricted   | NA   | 248,400                                  |
|  | GF/GP        | NA   | \$18,100                                 |
| <b>28. Removal of Other FY 2023-24 One-Time Appropriations</b>   | <b>Gross</b> | <b>\$42,150,000</b>                              | <b>(\$42,150,000)</b>                    |
| Removes \$42.2 million Gross (\$40.2 million GF/GP) of other one-time funding that was included in the FY 2023-24 budget to support the following:   | Restricted   | 2,000,000  | (2,000,000)                              |
|  | GF/GP        | \$40,150,000                                     | (\$40,150,000)                           |
| <ul style="list-style-type: none"> <li>• Beverage Container Distributor Grants (\$8.0 million GF/GP)</li> <li>• Gaming Control Information Technology (\$2.0 million restricted)</li> <li>• High Crime Community Support (\$12.0 million GF/GP)</li> <li>• Organ Donor Registry (\$150,000 GF/GP)</li> <li>• Presidential Primary (\$20.0 million GF/GP).</li> </ul> (Additional one-time appropriations are discussed elsewhere in this summary.) |              |  |  |
| <b>29. Economic Adjustments</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$6,407,300</b>                       |
| Reflects a net increase in costs of \$6.4 million Gross (\$1.1 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), overtime, longevity, insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.   | IDG/IDT      | NA   | 91,200                                   |
|  | Federal      | NA   | 89,600                                   |
|  | Local        | NA   | 169,000                                  |
|  | Restricted   | NA   | 4,923,600                                |
|  | GF/GP        | NA   | \$1,133,900                              |

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

**TREASURY**

**Sec. 935. Dual Enrollment Payments – DELETED**

Requires dual enrollment payments to be distributed as provided under the Postsecondary Enrollment Options Act, 1996 PA 160, and the Career and Technical Preparation Act, 2000 PA 258, as determined by the department. (Dual Enrollment Payments program was transferred to MiLEAP.)

**Sec. 935. Student Loan Ombudsman – NEW**

Creates student loan ombudsman to advocate for borrowers.

**Sec. 936. State Forensic Laboratory Fund – NEW**

Revenue collected in the state forensic laboratory fund is appropriated and shall be distributed in accordance with the forensic laboratory funding act.

**Sec. 939. Local Government Reimbursement Fund – NEW**

Revenue deposited in the Local Government Reimbursement fund is appropriated and must be distributed in accordance with statute.

**Sec. 947. Financial Independence Teams – RETAINED**

Expresses legislative intent that financial independence teams cooperate with the Financial Responsibility Section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

**Sec. 949n. Fostering Futures Scholarship – NEW**

Authorizes Treasury to issue payments in compliance with the Fostering Futures Scholarship Trust Fund Act.

Major Boilerplate Changes from FY 2023-24

**REVENUE SHARING**

**Sec. 952. City, Village, and Township (CVT) Revenue Sharing and County Incentive Program – REVISED**

Specifies distribution to all CVTs that received a payment under Section 108(11) of article 5 of 2022 PA 166; eligible payment is equal to 104.0% of its FY 2022-23 eligible payment; an additional 1.0% if the CVT has been expended, obligated, or declined by December 31, 2023 federal ARPA funding; includes 2.0% additional one-time funding for local public safety initiatives. Directs deposit of unexpended funds in the Financial Distressed CVTs program in Sec. 956, subject to approval of transfers; requires CVTs receiving a payment to allocate their FY 2022-23 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (CTVs are exempt if they received a local unit municipal pension principal payment grant in 2022 PA 166.) Revised distribution formula with one-third based on inverse taxable value per capita, one-third based on population, and one-third based on yield equalization.

**Sec. 954. Revenue Sharing Conditions – NEW**

Outlines conditions under which cities, villages, and townships (Sec. 952) and counties (Sec. 955) receive revenue sharing payments.

**Sec. 955. County Revenue Sharing Payments – REVISED**

Requires the county revenue sharing appropriation to be distributed so that each eligible county receives a payment (when coupled with the County Incentive Program payment) equal to 116.4592% of the amount determined pursuant to the Glenn Steil State Revenue Sharing Act which represents a 5.0% increase over FY 2022-23 ongoing payment; includes an additional 2.0% one-time funding increase for local public safety initiatives; requires counties receiving a payment to allocate their FY 2022-23 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (Counties are exempt if they received a local unit municipal pension principal payment grant in 2022 PA 166.). Revised distribution formula based on taxable value per capita.

**Sec. 959. Public Safety and Violence Prevention Fund – NEW**

Appropriates revenue collected in the Public Safety and Violence Prevention Fund if House Bills 4605 and 4606 of the 102nd Legislature are enacted.

**CASINO GAMING**

**Sec. 971. Compulsive Gaming Prevention and First Responder Presumed Coverage Fund Allocations – REVISED**

Allocates \$2.0 million of annual assessment revenue collected by MGCB, \$500,000 of Internet Sports Betting Fund revenue, and \$500,000 of Internet Gaming Fund revenue to the Compulsive Gaming Prevention Fund; allocates \$2.0 million of Internet Sports Betting Fund revenue and \$2.0 million of Internet Gaming Fund revenue to the First Responder Presumed Coverage Fund. Revised \$500,000 of Internet Sports Betting Fund revenue and \$500,000 of Internet Gaming Fund revenue to the Compulsive Gaming Prevention Fund to \$1.0 million and \$3.0 million, respectively.

**Sec. 978. Racing Commission Regulatory Changes – REVISED**

Requires MGCB to determine actual regulatory costs of conducting race dates; limits reimbursement to MGCB to actual expenses; requires funds received in excess of actual expenses to remain in the Equine Development Fund to be used to fund subsequent race dates; specifies that in the case of reduced revenues, race dates can be reduced, after notifying certified horsemen's organizations and providing an opportunity for those organizations to respond with alternatives; requires report. Revised to delete requirement that funds received in excess of actual expenses are to remain in the Equine Development Fund and that in the case of reduced revenues, race dates can be reduced, after notifying certified horsemen's organizations.

**ONE-TIME APPROPRIATIONS**

**Sec. 990. Local Unit Municipal Retirement Pension and Health Care Benefit Premium Payment Grants – DELETED**

Requires Treasury to establish and operate a grant program that provides relief to local governments with the greatest burden from qualified pension and retirement health benefit systems; requires Treasury to consult with relevant stakeholders to develop a method of distribution and program requirements.

**Sec. 990. 12th District Court Project – NEW**

Requires funding to be used for security upgrades at a district court in Jackson.

**Sec. 991. High-Crime Community Support – DELETED**

Requires funding to be used for grants to county prosecutors in 6 specific communities to address caseload backlogs; requires reports from county prosecutors receiving grants.

**GENERAL GOVERNMENT: TREASURY**

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

**Sec. 991. 38th District Court Project – NEW**

Requires funding to be used to build a district court and police station in Eastpointe.

**Sec. 992. Additional Local Prosecutor Support – NEW**

Requires funding to be used to reduce the average caseload per attorney in the office of the Eaton County prosecutor.

**Sec. 993. Beverage Container Distributor Grants – DELETED**

Requires funding to be used for grants to licensed distributors for costs associated with the beverage container deposit program; requires grants to equal 1/2 of 1 cent per returnable container for beer, ale, other malt drinks, mixed wine drinks, or mixed spirit drinks.

**Sec. 993. Local Prosecutor Support Grants – NEW**

Requires Treasury to award grants to the offices of county prosecutors to reduce the average caseload per attorney and describes program requirements.

**Sec. 994. MI Vehicle Rebate Program – NEW**

Requires appropriation to be used to provide rebate vouchers to participating auto dealers on new vehicle purchases for eligible individuals at point-of-sale; specifies rebate guidelines by category; requires a report on the number of rebates issued for each category; requires Treasury to develop guidelines and definitions for implementation of the program.

**Sec. 995. Secure Retirement for Small Businesses – NEW**

Requires appropriation to be used to create a state-managed retirement plan marketplace that small businesses with fewer than 100 employees may voluntarily enroll in as a means to provide retirement plan options to their employees; authorizes Treasury to receive and expend private funds for development and operation of the marketplace; requires a report on the number of participating employers, employees, and financial services firms; requires Treasury to develop guidelines and definitions for implementation of the program; tie barred to House Bill 5461.

**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

|   | <b>Appropriation<br/>Change</b>       |
|---|---------------------------------------|
| <b>1. Dual Enrollment Payments</b>  | <b>Gross \$500,000</b>                |
| Includes \$500,000 GF/GP to support dual enrollment payments to higher education institutions.  | GF/GP \$500,000                       |
| <b>2. Lottery Operations</b>  | <b>Gross \$540,800</b>                |
| Includes \$540,800 in restricted funding authorization for Lottery operations. Of that amount, \$405,800 will be used to support sales and promotion of Lottery games online and in retail locations, and \$135,000 will be used for building and security improvements for the Lottery headquarters building located in downtown Lansing.  | Restricted 540,800<br>GF/GP \$0       |
| <b>3. Employee Lump Sum Payments</b>  | <b>Gross \$1,210,400</b>              |
| Includes \$1.2 million Gross (\$641,200 GF/GP) to cover costs of one-time lump sum payments for eligible state employees. Of that amount, \$641,200 will support payments for Treasury employees and \$569,200 will support payments for Bureau of State Lottery employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.                                       | Restricted 569,200<br>GF/GP \$641,200 |
| <b>4. Municipal Support Grants</b>  | <b>Gross \$47,000,000</b>             |
| Includes a total of \$47.0 million GF/GP for the following:   | GF/GP \$47,000,000                    |
| <ul style="list-style-type: none"> <li>• \$1.5 million to promote public safety in Flint</li> <li>• \$3.5 million for early childhood and afterschool program facilities in Flint</li> <li>• \$5.0 million for services to unhoused individuals in Genesee County</li> <li>• \$10.0 million for affordable housing in Genesee County</li> <li>• \$27.0 million for payments to a qualified retirement system in Flint.</li> </ul> |                                       |
| <b>5. Presidential Primary Costs</b>  | <b>Gross \$10,000,000</b>             |
| Includes \$10.0 million GF/GP to cover costs of the Michigan presidential primary election and costs related to Proposal 2 of 2022.   | GF/GP \$10,000,000                    |

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Appropriation  
Change**

**6. Special Election Costs**

Includes \$750,000 GF/GP for special election costs. Funding will be used to reimburse local clerks in Warren and Westland for expenses associated with conducting special elections to fill vacancies in the 13th and 25th state House districts.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$750,000</b> |
| GF/GP        | \$750,000        |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 1501. Local Government Reimbursement Fund**

Appropriates the annual \$75.0 million in Use Tax revenue designated in statute for deposit into the Local Government Reimbursement Fund; the purpose of the fund is to compensate local municipalities for revenue lost due to revisions to the Small Business Taxpayer Personal Property Tax Exemption made in 2023; requires funding to be distributed according to statute.

**Sec. 1502. Municipal Support Grants**

Designates unexpended funds as a work project appropriation to be used to provide financial assistance to local units of government that are experiencing or have experienced periods of financial distress, and nonprofit entities that serve residents of those local units of government.

**HEALTH AND HUMAN SERVICES**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 6)**

**Analysts: Sydney Brown, Kent Dell, Cassidy Uchman, and Kevin Koorstra**

|                   | FY 2023-24              | FY 2024-25              | Difference: FY 2024-25    |            |
|-------------------|-------------------------|-------------------------|---------------------------|------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                 | From FY 2023-24<br>Amount | %          |
| <b>IDG/IDT</b>    | \$14,676,900            | \$14,707,900            | \$31,000                  | 0.2        |
| <b>Federal</b>    | 25,806,821,200          | 26,644,177,600          | 837,356,400               | 3.2        |
| <b>Local</b>      | 162,620,500             | 170,492,500             | 7,872,000                 | 4.8        |
| <b>Private</b>    | 179,694,600             | 177,599,600             | (2,095,000)               | (1.2)      |
| <b>Restricted</b> | 3,106,634,400           | 3,922,022,500           | 815,388,100               | 26.2       |
| <b>GF/GP</b>      | 6,464,135,400           | 6,717,231,000           | 253,095,600               | 3.9        |
| <b>Gross</b>      | <b>\$35,734,583,000</b> | <b>\$37,646,231,100</b> | <b>\$1,911,648,100</b>    | <b>5.3</b> |
| <b>FTEs</b>       | 15,861.5                | 15,941.5                | 80.0                      | 0.5        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs and by enforcing child support laws, and funding for behavioral health (mental health and substance use disorder), public health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|
| <b>MEDICAID – GENERAL</b>  |  |  |
| <b>1. Traditional Medicaid Cost Adjustments</b>  | <b>Gross \$18,219,346,600</b>                    | <b>\$289,403,100</b>                     |
| Includes an increase of \$289.4 million Gross (\$114.7 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments, in accordance with May Consensus, and traditional FMAP cost-sharing adjustments from FMAP increasing from 64.94% to 65.13%, less 1 quarter of 1.5% enhanced FMAP provided under the federal Consolidated Appropriations Act, 2023, for medical and behavioral health services in the traditional Medicaid program. | Federal 11,973,142,000                           | 100,514,500                              |
|  | Local 45,460,600                                 | (774,600)                                |
|  | Private 10,547,100                               | (3,382,000)                              |
|  | Restricted 2,418,234,100                         | 78,355,100                               |
|  | GF/GP \$3,771,962,800                            | \$114,690,100                            |
| <b>2. Healthy Michigan Plan Cost Adjustments</b>   | <b>Gross \$5,915,913,200</b>                     | <b>(\$360,235,900)</b>                   |
| Includes a reduction of \$360.2 million Gross (\$36.2 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments for medical and behavioral health services in the Healthy Michigan Plan (HMP), in accordance with May Consensus.   | Federal 5,311,479,200                            | (317,858,900)                            |
|  | Local 1,714,800                                  | 56,900                                   |
|  | Private 168,800                                  | 954,000                                  |
|  | Restricted 487,171,700                           | (7,228,900)                              |
|  | GF/GP \$115,378,700                              | (\$36,159,000)                           |
| <b>3. Actuarial Soundness</b>  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$496.7 million Gross (\$134.5 million GF/GP) to support an estimated 3.0% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), 3.5% for Medicaid Health plans, 5.6% for Program of All-inclusive Care for the Elderly (PACE), 4.0% for home- and community-based services, 1.0% for Integrated Care Organizations (MI Health Link), and 2.5% for Healthy Kids Dental.  | Federal  | NA                                       |
|  | GF/GP  | NA                                       |
|  |  | \$496,691,300                            |
|  |  | 362,212,000                              |
|  |  | \$134,479,300                            |



**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|
| <b>4. Federal Managed Care Rule – Hospital Rate Adjustment</b>   | <b>Gross \$2,309,438,000</b>                     | <b>\$2,548,158,300</b>                   |
| Includes an increase of \$2,548.2 million Gross (reduction of \$180.6 million GF/GP) from increased Hospital Quality Assurance Assessment Program (QAAP)-funded Hospital Rate Adjustments (HRA) payments that are able to be increased under recent federal rule changes. The corresponding GF/GP adjustments are associated with a statutory state retainer that is tied to the federal share of these QAAP-funded hospital payments.   | Federal 1,723,448,100                            | 1,905,041,200                            |
|  | Restricted 878,132,900                           | 823,738,600                              |
|  | GF/GP (\$292,143,000)                            | (\$180,621,500)                          |
| <b>5. Federal Managed Care Rule – DSH Payment Adjustments</b>  | <b>Gross \$233,500,000</b>                       | <b>(\$230,000,000)</b>                   |
| Includes a net reduction of \$230.0 million Gross (net increase of \$70.2 million GF/GP) based on the removal of Disproportionate Share Hospital (DSH) payments that hospitals would no longer be eligible for as a result of the HRA increase. Changes include:   | Federal 213,100,000                              | (213,100,000)                            |
| <ul style="list-style-type: none"> <li>• Eliminating Hospital QAAP-funded Outpatient DSH (\$185.0 million Gross (\$21.0 million GF/GP cost)).</li> <li>• Removing Certified Public Expenditure DSH GF/GP savings (\$61.5 million GF/GP).</li> <li>• Eliminating Regular DSH (\$45.0 million Gross (\$11.2 million GF/GP)) and using \$4.6 million restricted Health and Safety Fund repurposed to offset GF/GP.</li> <li>• Changing University DSH (\$3.5 million) to 100% GF/GP grant.</li> </ul> | Restricted 91,703,600                            | (87,078,600)                             |
|  | GF/GP (\$71,303,600)                             | \$70,178,600                             |
| <b>6. Medicare Buy-In Compliance Adjustments</b>   | <b>Gross NA</b>                                  | <b>(\$25,709,700)</b>                    |
| Includes a net reduction of \$25.7 million Gross (increase of \$8.8 million GF/GP) to increase \$27.3 million GF/GP associated with state costs to cover Medicare Part B premiums for individuals whose income is above 120% of federal poverty. eligible for both Medicare and Medicaid (dually-eligibles) and reduce \$53.0 million Gross (\$18.5 million GF/GP) based on assumed Medicaid savings from additional individuals being covered under Medicare Part B.                              | Federal NA                                       | (34,522,400)                             |
|  | GF/GP NA   | \$8,812,700                              |
| <b>7. Direct Care Wage Increase</b>  | <b>Gross NA</b>                                  | <b>\$28,677,900</b>                      |
| Includes \$28.7 million Gross (\$10.0 million GF/GP) to provide a \$0.20 per hour direct care wage increase.   | Federal NA                                       | 18,677,900                               |
|  | GF/GP NA   | \$10,000,000                             |
| <b>DEPARTMENT ADMINISTRATION / INFORMATION TECHNOLOGY</b>  |  |  |
| <b>8. Office of the Inspector General - Fraud Framework Grant</b>  | FTE 197.0  | 0.0                                      |
| Includes \$750,000 in additional federal authorization to realize a grant awarded to the DHHS Office of Inspector General (OIG) to improve recipient fraud prevention for Supplemental Nutrition Assistance Program (SNAP) benefits.   | <b>Gross \$25,869,800</b>                        | <b>\$750,000</b>                         |
|  | IDG/IDT 198,200                                  | 0  |
|  | Federal 13,851,000                               | 750,000                                  |
|  | GF/GP \$11,820,600                               | \$0                                      |
| <b>9. PPE Warehouse Operations</b>   | <b>Gross \$1,400,000</b>                         | <b>(\$1,400,000)</b>                     |
| Removes funding for stockpiling personal protective equipment (PPE) and other medical supplies.  | GF/GP \$1,400,000                                | (\$1,400,000)                            |
| <b>10. Economic Adjustments</b>  | <b>Gross NA</b>                                  | <b>\$57,791,200</b>                      |
| Reflects increased costs of \$57.8 million Gross (\$39.1 million 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.  | IDG/IDT NA                                       | 31,000                                   |
|  | Federal NA                                       | 17,663,600                               |
|  | Local NA   | 309,700                                  |
|  | Private NA                                       | 329,700                                  |
|  | Restricted NA                                    | 359,900                                  |
|  | GF/GP NA   | \$39,097,300                             |

**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |                     |
|---|--|--|---------------------|
| <b>COMMUNITY SERVICES AND OUTREACH</b>  |  |  |                     |
| <b>11. TANF Housing Assistance</b>  | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$8,500,000</b>  |
| Includes \$8.5 million federal TANF revenue to support short-term hoteling and to create additional spaces at family homeless shelters.   | TANF   | NA                                       | 8,500,000           |
|   | GF/GP  | NA                                       | \$0                 |
| <b>12. Diaper Assistance Grants</b>   | <b>Gross</b>                                     | <b>\$4,404,400</b>                       | <b>\$2,000,000</b>  |
| Includes \$2.0 million federal TANF revenue to expand diaper assistance grants, allow for diapering supplies to be distributed in bulk, and includes local county offices to the list of eligible recipients.   | TANF   | 2,202,200                                | 2,000,000           |
|   | GF/GP  | \$2,202,200                              | \$0                 |
| <b>13. Housing First Initiatives- Tiny Villages/Non Congregate Shelter</b>  | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$2,000,000</b>  |
| Includes \$2.0 million federal TANF revenue to support non-congregate shelters for families with children.  | TANF   | NA                                       | 2,000,000           |
|   | GF/GP  | NA                                       | \$0                 |
| <b>14. Cody Rouge Senior University</b>   | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$400,000</b>    |
| Includes \$400,000 GF/GP to Cody Rouge Senior University to improve connectivity and computer skills for seniors. In FY 2023-24, the program received \$400,000 GF/GP on a one-time basis.  | GF/GP  | NA                                       | \$400,000           |
| <b>15. Prewaterization Services (One-Time)</b>  | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$5,000,000</b>  |
| Includes \$5.0 million GF/GP to support preweatherization services.   | GF/GP  | NA                                       | \$5,000,000         |
| <b>16. Housing Supports (One-Time)</b>  | <b>Gross</b>                                     | <b>\$0</b>                               | <b>\$3,098,000</b>  |
| Includes \$3.1 million GF/GP for the following:   | GF/GP  | \$0                                      | \$3,098,000         |
| <ul style="list-style-type: none"> <li>• MiSIDE- combined housing and childcare project in Detroit (\$2.2 million GF/GP placeholder).</li> <li>• Lodge of Hope - tribal homeless shelter operations (\$500,000).</li> <li>• Oaks Village- homeless shelter operations (\$400,000).</li> </ul>   |  |  |                     |
| <b>17. Community Impact Center (One-Time)</b>   | <b>Gross</b>                                     | <b>\$0</b>                               | <b>\$2,500,000</b>  |
| Includes \$2.5 million GF/GP to Wayne Metro Community Action Agency to establish a community center and campus at the site of an old elementary school.   | GF/GP  | \$0                                      | \$2,500,000         |
| <b>18. Michigan 2-1-1 Increase (One-Time)</b>   | <b>Gross</b>                                     | <b>\$2,950,000</b>                       | <b>\$1,000,000</b>  |
| Includes \$1.0 million GF/GP on a one-time basis to support the Community Information Exchange (CIE) system administered by Michigan 2-1-1.   | GF/GP  | \$2,950,000                              | \$1,000,000         |
| <b>CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>   |  |  |                     |
| <b>19. Child Welfare Caseload Adjustments</b>   | <b>Gross</b>                                     | <b>\$791,319,100</b>                     | <b>\$30,133,500</b> |
| Increases funding by \$30.1 million Gross (\$37.5 million GF/GP) based on May caseload estimates as follows:  | TANF   | 72,896,400                               | (285,500)           |
| <ul style="list-style-type: none"> <li>• Adoption Subsidies is increased by \$3.8 million Gross (\$9.1 million GF/GP).</li> <li>• Child Care Fund is increased by \$9.1 million Gross (\$12.2 million GF/GP).</li> <li>• Foster Care Payments is increased by \$16.9 million Gross (\$15.4 million GF/GP).</li> <li>• Guardianship Assistance Program is reduced by \$282,500 Gross (\$448,200 GF/GP).</li> </ul> | Federal  | 210,841,500                              | (8,558,600)         |
|   | Local  | 33,295,400                               | (107,600)           |
|   | Private  | 1,500,000                                | 3,300               |
|   | Restricted                                       | 2,000,000                                | 1,615,800           |
| Amount includes \$291,900 GF/GP increase from changes in the FY 2024-25 FMAP up to 65.13% and a backout of the final quarter of pandemic-related E-FMAP.  | GF/GP  | \$470,785,800                            | \$37,466,100        |

**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|--|--------------|---|---|
| <b>20. Child Caring Institution Rate Restructure</b>   | FTE          | NA  | 3.0   |
| Includes \$38.0 million Gross (\$30.3 million GF/GP) to restructure contracts to private residential child placing agencies to provide a guaranteed 90% unfilled bed rate and a 10% incentive payment for filled beds. Amount includes \$464,600 Gross (\$343,100 GF/GP) to fund additional 3.0 FTE positions provided within the Department Administration and Management unit to administer the rate restructure.                                | <b>Gross</b> | <b>NA</b>   | <b>\$37,964,600</b>                             |
|  | Federal      | NA  | 121,500   |
|  | Local        | NA  | 7,500,000                                       |
|  | GF/GP        | NA  | \$30,343,100                                    |
| <b>21. TANF Swap</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$0</b>                                      |
| Includes \$40.0 million GF/GP increase to offset a \$40.0 million TANF reduction within child welfare staffing lines. Funding will be reappropriated to fund new supports to low-income families.  | TANF         | NA  | (40,000,000)                                    |
|  | GF/GP        | NA  | \$40,000,000                                    |
| <b>22. Raise the Age Fund Elimination</b>  | <b>Gross</b> | <b>\$13,150,000</b>                                     | <b>(\$13,150,000)</b>                           |
| Reduces funding by \$13.2 million GF/GP through the elimination of the Raise the Age Fund.   | GF/GP        | \$13,150,000  | (\$13,150,000)                                  |
| <b>23. Family Preservation Program Increase</b>  | FTE          | 34.0  | 0.0   |
| Includes \$8.5 million TANF revenue to support community -based family preservation and prevention programming to keep children in their homes and out of foster care.   | <b>Gross</b> | <b>\$56,987,700</b>                                     | <b>\$8,500,000</b>                              |
|  | TANF         | 43,228,500  | 8,500,000                                       |
|  | Federal      | 5,053,600   | 0   |
|  | GF/GP        | \$8,705,600   | \$0   |
| <b>24. Foster Care Administrative Rate/Maintenance Payment Increase</b>  | <b>Gross</b> | <b>NA</b>   | <b>\$11,847,000</b>                             |
| Includes \$11.8 million Gross (\$5.5 million GF/GP) to provide a \$5.00 increase to the administrative rate for private foster care agencies. The administrative rate would increase from \$55.20 to \$60.20.  | TANF         | NA  | 2,355,000                                       |
|  | Federal      | NA  | 4,003,400                                       |
|  | GF/GP        | NA  | \$5,488,600                                     |
| <b>25. Raise the Age Reimbursement Rate Reduction</b>  | <b>Gross</b> | <b>NA</b>   | <b>(\$9,000,000)</b>                            |
| Reduces funding by \$9.0 million GF/GP through the lowering of the state reimbursement rate to counties for 17-year-old juvenile offenders from 100% to 50% resulting from the statutory change implemented in PA 297 of 2023.   | GF/GP        | NA  | (\$9,000,000)                                   |
| <b>26. Juvenile Justice Investments</b>  | FTE          | NA  | 16.0  |
| Includes \$10.4 million Gross (\$9.5 million GF/GP) and authorizes an additional 16.0 FTE positions to implement recommendations from the Governor's Task Force on Juvenile Justice Reform. Funding will be used in part to support staffing at the two state residential facilities, Bay Pines and Shawono Center. Amount also includes \$5.0 million GF/GP on a one-time basis for capital improvements at the two state residential facilities. | <b>Gross</b> | <b>NA</b>   | <b>\$10,409,500</b>                             |
|  | Local        | NA  | 869,100   |
|  | GF/GP        | NA  | \$9,540,400                                     |
| <b>27. Title IV-E Payments to Unlicensed Relatives</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$0</b>                                      |
| Includes \$10.0 million GF/GP savings due to a recent federal rule change that allows federal Title IV-E funds to now be used to provide payments to unlicensed relatives. Previously, the state only received IV-E reimbursement for placements with licensed caregivers. Payments to unlicensed relatives were exclusively funded by GF/GP.  | Federal      | NA  | 10,000,000                                      |
|  | GF/GP        | NA  | (\$10,000,000)                                  |
| <b>28. Court-Appointed Special Advocates Increase</b>  | <b>Gross</b> | <b>\$1,000,000</b>                                      | <b>\$1,250,000</b>                              |
| Includes \$1.3 million GF/GP to support the court-appointed special advocates program that provides abused or neglected children with advocates who represent their best interests during legal proceedings. In FY 2023-24, the program received an additional \$1.5 million GF/GP in the one-time unit.   | GF/GP        | \$1,000,000   | \$1,250,000                                     |

**HEALTH AND HUMAN SERVICES**

|  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |  |  |
| <b>29. Foster Care Clothing Allowance Increase</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$1,549,000</b>                       |
| Includes \$1.5 million Gross (\$1.2 million GF/GP) to increase the semiannual clothing allowance and holiday allowance for foster youth.   | Federal      | NA   | 344,300                                  |
|  | GF/GP        | NA   | \$1,204,700                              |
| <b>30. Parent-to-Parent Increase</b>   | <b>Gross</b> | <b>\$250,000</b>                                 | <b>\$250,000</b>                         |
| Includes \$250,000 GF/GP to support the Parent-to-Parent program (also known as Adoptive Parent Support Network).  | GF/GP        | \$250,000  | \$250,000                                |
| <b>31. Foster Care Suitcase</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$500,000</b>                         |
| Includes \$500,000 federal TANF revenue to provide suitcases to children entering foster or who are already in foster care to keep their personal belongings in as they move to a new placement.   | TANF         | NA   | \$500,000                                |
|  | GF/GP        | NA   | \$0                                      |
| <b>32. Child Welfare Lapse Reductions</b>  | <b>Gross</b> | <b>NA</b>  | <b>(\$2,912,300)</b>                     |
| Recognizes a savings of \$2.9 million GF/GP related to historical lapses of funding at the end of the fiscal year.   | GF/GP        | NA   | (\$2,912,300)                            |
| <b>33. Modified Implementation, Sustainability, and Exit Plan (MISEP) Strategy and Improvements (One-Time)</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$10,000,000</b>                      |
| Includes \$10.0 million GF/GP for provide program and staffing supports in order to meet identified MISEP benchmarks.  | GF/GP        | NA   | \$10,000,000                             |
| <b>34. Juvenile Justice Deferred Maintenance (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$5,000,000</b>                       |
| Includes \$5.0 million GF/GP to support capital improvements for non-state-owned juvenile justice facilities. Amount includes \$1.0 million GF/GP for Spectrum Human Services, \$2.0 million for Vista Maria, and \$2.0 million allocated as grants for non-state-owned juvenile justice facilities. | GF/GP        | \$0  | \$5,000,000                              |

**PUBLIC ASSISTANCE / LOCAL OFFICE OPERATIONS**

|  |              |                        |                          |
|--|--------------|------------------------|--------------------------|
| <b>35. Public Assistance Caseloads</b>   | <b>Gross</b> | <b>\$5,404,101,000</b> | <b>(\$1,257,118,200)</b> |
| Includes a net reduction of \$1,257.1 million Gross (increase of \$5.5 million GF/GP) for current year and FY 2024-25 caseload adjustments for the Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI). The reduction primarily results from a decrease in FAP caseloads, in accordance with May Consensus. Caseload changes include: | TANF         | 60,988,000             | (7,617,800)              |
|  | Federal      | 5,268,764,400          | (1,255,104,400)          |
|  | Restricted   | 14,659,600             | 122,400                  |
|  | GF/GP        | \$59,689,000           | \$5,481,600              |
| <ul style="list-style-type: none"> <li>FIP – net reduction of \$2.1 million Gross (increase of \$5.5 million GF/GP).</li> <li>FAP – reduction of \$1.255 million federal.</li> <li>SDA – increase of \$1.1 million Gross (\$902,400 GF/GP).</li> <li>SSI – reduction of \$968,500 GF/GP.</li> </ul>  |              |                        |                          |

**HEALTH AND HUMAN SERVICES**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**36. Assistance Programs – Increase TANF Support**

Includes \$62.5 million Temporary Assistance for Needy Families (TANF) block grant revenues to support a new program and supplement various other public assistance programs. Appropriations include:

- \$20.0 million TANF to increase FIP standards and extend lifetime limits.
- \$20.0 million TANF for a Prenatal and Infant Support program.
- \$10.0 million TANF to increase the Family Independence Program – Young Child Supplement pool for annual, lump-sum payments for each child under the age of 6.
- \$7.0 million TANF to include a new FIP supplement for children between the ages of 6 and 14, similar to the young-child supplement.
- \$5.5 million TANF to increase the pool for local office emergency relief grants.

|              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--------------|--|--|
| <b>Gross</b> | <b>\$5,661,734,400</b>                           | <b>\$62,500,000</b>                      |
| TANF         | 67,196,600                                       | 62,500,000                               |
| Federal      | 5,451,670,200                                    | 0  |
| Restricted   | 64,659,600                                       | 0  |
| GF/GP        | \$78,208,000                                     | \$0                                      |

**37. Indigent Burial Payment Increase**

Includes \$500,000 GF/GP to increase indigent burial SER grants by 12%. and allows for up to \$6,000 in private donations.

|              |                    |                  |
|--------------|--------------------|------------------|
| <b>Gross</b> | <b>\$3,869,100</b> | <b>\$500,000</b> |
| TANF         | 300,000            | 0                |
| GF/GP        | \$3,569,100        | \$500,000        |

**38. Food Assistance Error Penalty**

Includes a reduction of \$3.7 million GF/GP for the federally required corrective action and fine funding for Supplemental Nutrition Assistance Program administrative errors in distribution.

|              |                    |                      |
|--------------|--------------------|----------------------|
| <b>Gross</b> | <b>\$7,438,300</b> | <b>(\$3,719,200)</b> |
| GF/GP        | \$7,438,300        | (\$3,719,200)        |

**39. SSI Advocacy Grant Increase**

Includes \$600,000 GF/GP to increase the annual grant amount to the Legal Services Association of Michigan to support Supplemental Security Income (SSI) application services for low-income residents.

|              |                  |                  |
|--------------|------------------|------------------|
| <b>Gross</b> | <b>\$375,000</b> | <b>\$600,000</b> |
| GF/GP        | \$375,000        | \$600,000        |

**40. Elder Law Services Grant Increase**

Includes \$100,000 Gross (\$50,000 GF/GP) to increase the MiCAFE annual grant amount to support legal services for low-income older adults.

|              |                  |                  |
|--------------|------------------|------------------|
| <b>Gross</b> | <b>\$350,000</b> | <b>\$100,000</b> |
| Federal      | 175,000          | 50,000           |
| GF/GP        | \$175,000        | \$50,000         |

**41. Water Affordability (One-Time)**

Includes \$10.0 million GF/GP, on a one-time basis, for water affordability efforts, including paying water arrearages, shut off notices, and subsidizing other water affordability programs.

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$10,000,000</b> |
| GF/GP        | \$0        | \$10,000,000        |

**42. Food Desert Project (One-Time)**

Includes \$3.0 million GF/GP to the Michigan Independent Retailer Association to aid grocers and retail merchants to combat food deserts.

|              |            |                    |
|--------------|------------|--------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$3,000,000</b> |
| GF/GP        | \$0        | \$3,000,000        |

**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|---|--------------|---|---|
| <b>BEHAVIORAL HEALTH</b>  |              |   |   |
| <b>43. Certified Community Behavioral Health Clinics</b>  | FTE          | NA  | 12.0  |
| Includes \$161.8 million Gross (a net increase of \$30.1 million GF/GP) and authorizes 12.0 FTE positions to expand Certified Community Behavioral Health Clinics (CCBHCs) into additional counties to provide services to an estimated 35,000 additional individuals. Amount assumes \$9.9 million of GF/GP savings from current Medicaid mental health programming that would be provided through CCBHCs and would be eligible for enhanced FMAP reimbursements of 75.59% rather than 65.13%. Amount also includes \$1.8 million Gross (\$1.0 million GF/GP) for DHHS administration and actuarial costs and includes \$250,000 for a change in participant volume due to marginal expansions in the same relative geographic area study. Sec. 1002, 1006, and 1929 are related, new boilerplate. | <b>Gross</b> | <b>\$386,381,700</b>                                    | <b>\$161,768,800</b>                            |
|   | Federal      | 300,479,500   | 131,639,800                                     |
|   | GF/GP        | \$85,902,200  | \$30,129,000                                    |
| <b>44. Autism Services</b>  | <b>Gross</b> | <b>\$279,257,100</b>                                    | <b>\$17,206,800</b>                             |
| Includes \$17.2 million Gross (\$6.0 million GF/GP) to increase autism behavioral technician hourly rates up to \$66.00 per hour.   | Federal      | 183,813,700   | 11,206,800                                      |
|   | GF/GP        | \$95,443,400  | \$6,000,000                                     |
| <b>45. Michigan Crisis and Access Line (MICAL)</b>  | <b>Gross</b> | <b>\$16,348,000</b>                                     | <b>\$2,250,000</b>                              |
| Includes a net increase of \$2.3 million Gross (\$3.3 million GF/GP) to support increased costs of the 988 Suicide and Crisis Lifeline and to backfill reduction of federal grant funding. Amount would also move a \$5.0 million FY 2023-24 one-time grant into the ongoing allocation. \$2.2 million Gross (\$1.9 million GF/GP) is allocated on a one-time basis for marketing and outreach.   | Federal      | 8,348,000   | (1,036,400)                                     |
|   | GF/GP        | \$8,000,000   | \$3,286,400                                     |
| <b>46. Opioid Healing and Recovery Fund</b>   | <b>Gross</b> | <b>\$23,200,000</b>                                     | <b>\$25,000,000</b>                             |
| Requires \$4.0 million ongoing be allocated for peer recovery support services and adds \$25.0 million on a one-time basis for regional community mental health entities (PIHPs) (\$10.0 million), Great Lakes Recovery women's recovery center (\$3.6 million one-time), Andy's Place (\$3.0 million one-time), Families Against Narcotics (\$2.5 million), ARC Michigan Sober Living (\$2.0 million), tribal communities (\$2.0 million), and recovery community organizations (\$1.9 million one-time).  | Restricted   | 23,200,000  | 25,000,000                                      |
|   | GF/GP        | \$0   | \$0   |
| <b>47. Behavioral Health Access</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$1,600,000</b>                              |
| Includes \$1.6 million GF/GP to Altarum for primary care training and protected health information tool, with \$1.0 million allocated on a one-time basis.  | GF/GP        | NA  | \$1,600,000                                     |
| <b>48. Autism Navigator Program</b>   | <b>Gross</b> | <b>\$1,025,000</b>                                      | <b>\$1,000,000</b>                              |
| Adds \$1.0 million GF/GP to the ongoing autism navigator program.   | GF/GP        | \$1,025,000   | \$1,000,000                                     |
| <b>49. National Association of Yemeni Americans</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$400,000</b>                                |
| Includes \$400,000 GF/GP to the National Association of Yemeni Americans to provide community services that are suited to the community regardless of religion, culture, or ethnic background.  | GF/GP        | NA  | \$400,000                                       |
| <b>50. Mosaic Counseling</b>  | <b>Gross</b> | <b>NA</b>   | <b>\$200,000</b>                                |
| Includes \$200,000 GF/GP for Mosaic Counseling to provide counseling services regardless of the client's ability to pay, with \$100,000 GF/GP allocated on a one-time basis.  | GF/GP        | NA  | \$200,000                                       |

**HEALTH AND HUMAN SERVICES**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>51. Family Support Subsidy</b>   | <b>Gross</b> | <b>\$12,654,900</b>                              | <b>\$3,016,000</b>                       |
| Adds \$3.0 million federal TANF based on estimated costs of the family support subsidy program, which provides \$300.36 per month to eligible families with a child who is severely mentally impaired, severely developmentally impaired, or autistic.  | TANF         | 12,654,900                                       | 3,016,000                                |
|   | GF/GP        | \$0  | \$0                                      |
| <b>52. Gambling Addiction</b>   | FTE          | 1.0  | 3.0                                      |
| Adds \$4.0 million Compulsive Gaming Prevention Fund and authorizes 3.0 FTE positions to provide additional gambling prevention and treatment services. Revenue comes from increased statutory earmarks from the State Lottery Fund, Internet Gaming Fund, and Internet Sports Betting Fund.          | <b>Gross</b> | <b>\$5,517,400</b>                               | <b>\$4,000,000</b>                       |
|   | Restricted   | 5,517,400  | 4,000,000                                |
|   | GF/GP        | \$0  | \$0                                      |
| <b>53. Waskul Settlement</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$11,471,200</b>                      |
| Includes \$11.5 million Gross (\$4.0 million GF/GP) for estimated costs related to Waskul v. Washtenaw County Community Mental Health and DHHS that would raise the community living support services for Habilitation Supports Waiver recipients that use self-determination up to \$31.00 per hour. | Federal      | NA   | 7,471,200                                |
|   | GF/GP        | NA   | \$4,000,000                              |
| <b>54. Nursing Home PAS/ARR-OBRA</b>  | FTE          | 7.0  | 0.0                                      |
| Adds \$2.0 million Gross (\$500,000 GF/GP) to the nursing home pre-admission screening and evaluation program for individuals who have a serious mental illness and are being admitted to a nursing facility.   | <b>Gross</b> | <b>\$13,970,100</b>                              | <b>\$2,000,000</b>                       |
|   | Federal      | 10,491,700                                       | 1,500,000                                |
|   | GF/GP        | \$3,478,400                                      | \$500,000                                |
| <b>55. Multicultural Integration (One-Time)</b>   | <b>Gross</b> | <b>\$8,600,000</b>                               | <b>\$0</b>                               |
| Continues \$8.6 million GF/GP on a one-time basis to multicultural integration agencies that provide physical and behavioral health services to multicultural populations. Program received \$8.6 million GF/GP in FY 2023-24, on a one-time basis.   | GF/GP        | \$8,600,000                                      | \$0                                      |
| <b>56. First Responder Mental Health Service (One-Time)</b>   | <b>Gross</b> | <b>\$5,000,000</b>                               | <b>(\$2,500,000)</b>                     |
| Continues \$2.5 million GF/GP on a one-time basis for first responder mental health services to support first responders suffering from post-traumatic stress and other mental health conditions. Program received \$5.0 million GF/GP in FY 2023-24, on a one-time basis.                            | GF/GP        | \$5,000,000                                      | (\$2,500,000)                            |
| <b>57. One-Time Behavioral Health Services Funding</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$21,092,000</b>                      |
| Includes \$21.1 million GF/GP for the following behavioral health-related one-time funding:   | GF/GP        | \$0  | \$21,092,000                             |
| • \$3.5 million Team Wellness Community Clinic.   |              |  |  |
| • \$3.5 million KEYS.   |              |  |  |
| • \$3.0 million Kooth adolescent behavioral health tool.  |              |  |  |
| • \$2.4 million Hegira walk-in crisis center.   |              |  |  |
| • \$2.0 million ACCESS substance use treatment center.  |              |  |  |
| • \$1.7 million GF/GP for Common Ground.  |              |  |  |
| • \$1.5 million for Addiction Workforce Medicine Curriculum.  |              |  |  |
| • \$1.5 million Paladin Community mental health and community outreach.   |              |  |  |
| • \$1.0 million Tecumseh FQHC.  |              |  |  |
| • \$500,000 Vital data platform.  |              |  |  |
| • \$250,000 Living and Learning Center.   |              |  |  |
| • \$250,000 Six Feet Over – Lemon-aid.  |              |  |  |

**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>PUBLIC HEALTH</b>  |              |  |  |
| <b>58. Racial Disparity Task Force Initiatives</b>  | <b>Gross</b> | <b>\$46,000,000</b>                              | <b>(\$28,500,000)</b>                    |
| Includes \$7.5 million GF/GP to continue community health services targeted to assist high health disparity regions within the state, including community-based health clinics, mobile health units, and Healthy Community Zone sites. Of the FY 2023-24 amount, \$36.0 million Gross (\$31.0 million GF/GP) was allocated on a one-time basis. | Federal      | 5,000,000  | (5,000,000)                              |
|   | GF/GP        | \$41,000,000                                     | (\$23,500,000)                           |
| <b>59. Smoking Prevention and Cessation Increase</b>  | FTE          | 15.0   | 0.0                                      |
| Includes \$2.5 million GF/GP to expand tobacco cessation and prevention programming across the state.   | <b>Gross</b> | <b>\$4,621,900</b>                               | <b>\$2,500,000</b>                       |
|   | Federal      | 2,531,100  | 0  |
|   | Restricted   | 1,646,800  | 0  |
|   | GF/GP        | \$444,000  | \$2,500,000                              |
| <b>60. Oral Health Assessment for Children</b>  | <b>Gross</b> | <b>\$3,260,000</b>                               | <b>\$2,500,000</b>                       |
| Includes \$2.5 million GF/GP to fulfill the statutorily required expansion of the oral health assessment program for school children.   | Local        | 1,500,000  | 0  |
|   | Private      | 1,500,000  | 0  |
|   | GF/GP        | \$260,000  | \$2,500,000                              |
| <b>61. Sexual Assault Victim Services</b>   | FTE          | 0.5  | 0.0                                      |
| Includes \$2.0 million GF/GP to expand sexual assault treatment services and maintain sexual assault examiner program. Funding includes \$1.0 million GF/GP to restore one-time funding from FY 2019-20 for comprehensive sexual assault services and \$1.0 million GF/GP to backfill the sexual assault victim's prevention fund.              | <b>Gross</b> | <b>\$5,097,300</b>                               | <b>\$2,000,000</b>                       |
|   | TANF         | 1,094,000  | 0  |
|   | Federal      | 978,300  | 0  |
|   | Restricted   | 3,000,000  | 0  |
|   | GF/GP        | \$25,000   | \$2,000,000                              |
| <b>62. Community Violence Prevention-Community Grant Program</b>  | FTE          | 8.9  | 0.0                                      |
| Includes \$500,000 GF/GP to support the community violence intervention central office.   | <b>Gross</b> | <b>\$18,518,800</b>                              | <b>\$500,000</b>                         |
|   | Federal      | 12,585,900                                       | 0  |
|   | GF/GP        | \$5,932,900                                      | \$500,000                                |
| <b>63. Mi Coalition to End Domestic Violence/United Three Fires</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$1,000,000</b>                       |
| Includes \$1.0 million GF/GP to Michigan Coalition to End Sexual and Domestic Violence and Uniting Three Fires Against Domestic Violence to support domestic violence and sexual assault programming.   | GF/GP        | NA   | \$1,000,000                              |
| <b>64. MIHP Newborn Car Seats</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$500,000</b>                         |
| Includes \$500,000 TANF revenue to purchase and distribute newborn infant car seats as part of the Maternal Infant Health Program.  | TANF         | NA   | 500,000                                  |
|   | GF/GP        | NA   | \$0                                      |
| <b>65. Public Health Lapse Reduction</b>  | <b>Gross</b> | <b>\$20,346,400</b>                              | <b>(\$1,000,000)</b>                     |
| Recognizes a savings of \$1.0 million GF/GP related to historical lapses of funding in the PFAS and Environmental Contamination Response line at the end of the fiscal year.  | GF/GP        | \$20,346,400                                     | (\$1,000,000)                            |
| <b>66. Public Health Program Eliminations</b>   | <b>Gross</b> | <b>\$3,000,000</b>                               | <b>(\$3,000,000)</b>                     |
| Recognizes a savings of \$3.0 million GF/GP related to the elimination of ongoing funding for the following programs:   | GF/GP        | \$3,000,000                                      | (\$3,000,000)                            |
| <ul style="list-style-type: none"> <li>Cherry Health FQHC (\$1.5 million GF/GP).</li> <li>Strong Beginnings Grant (\$1.0 million GF/GP).</li> <li>Healthy Exercise Pilot (\$500,000 GF/GP).</li> </ul>  |              |  |  |
| <b>67. Ground Emergency Medical Transport (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$500,000</b>                         |
| Includes \$500,000 GF/GP to support start-up costs for a system of recording and accepting Medicaid reimbursement for emergency medical transport services.   | GF/GP        | \$0  | \$500,000                                |



**HEALTH AND HUMAN SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>68. Family Planning and Local Agreements (One-Time)</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$5,600,000</b>                       |
| Includes \$5.6 million GF/GP, in a one-time basis, to support statewide family planning services such as planning births, preventing unplanned pregnancies, and preventive health screenings. Ongoing appropriation is \$15.8 million Gross (\$7.3 million GF/GP) for FY 2023-24.   | GF/GP        | NA   | \$5,600,000                              |
| <b>69. Nursing Loan Repayment Program (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$9,165,000</b>                       |
| Includes \$9.2 million GF/GP, on a one-time basis, to provide student loan repayment for eligible nurses employed by public and private health facilities in the state.   | GF/GP        | \$0  | \$9,165,000                              |
| <b>70. Perinatal Quality Collaboratives (One-Time)</b>  | <b>Gross</b> | <b>\$5,000,000</b>                               | <b>\$0</b>                               |
| Continues \$5.0 million GF/GP for the continuation of Perinatal Quality Collaboratives one-time basis grant in order to improve maternal and infant health.   | GF/GP        | \$5,000,000                                      | \$0                                      |
| <b>71. Nurse Family Partnership Increase (One-Time)</b>   | <b>Gross</b> | <b>\$420,000</b>                                 | <b>\$0</b>                               |
| Continues \$420,000 GF/GP for the Nurse Family Partnership Program. In FY 2023-24, the program received \$420,000 GF/GP on a one-time basis.  | GF/GP        | \$420,000  | \$0                                      |
| <b>72. Firearm Injury and Violence Prevention Grant (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$5,500,000</b>                       |
| Includes \$5.5 million GF/GP allocated as grants to University of Michigan violence for the following:  | GF/GP        | \$0  | \$5,500,000                              |
| <ul style="list-style-type: none"><li>• \$2.7 million GF/GP for technical training, assistance, and program evaluation associated with safe storage laws.</li><li>• 2.1 million GF/GP for technical training, assistance, and program evaluation the implementation of statutory changes to extreme risk protection orders.</li><li>• \$750,000 GF/GP to support data collection about fatal and non-fatal firearm injuries in the state.</li></ul> |              |  |  |
| <b>73. Firearm Safety and Violence Prevention (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,800,000</b>                       |
| Includes \$1.8 million GF/GP to community-based organizations that provide training and programming on statutory changes to extreme risk protection orders and new safe storage laws.   | GF/GP        | \$0  | \$1,800,000                              |
| <b>74. Firefighter Health Care (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$3,500,000</b>                       |
| Includes \$3.5 million GF/GP to provide health screenings for firefighters.   | GF/GP        | \$0  | \$3,500,000                              |
| <b>75. Nursing Workforce Initiative (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$4,000,000</b>                       |
| Includes \$4.0 million GF/GP to Wayne State University to support efforts to reduce nurse turnover and improve retention.   | GF/GP        | \$0  | \$4,000,000                              |
| <b>76. Level 1 Trauma Recovery Center (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$4,000,000</b>                       |
| Includes \$4.0 million GF/GP, on a one-time basis, to fund a three-year Level 1 trauma recovery center pilot program with sites in Grand Rapids and Detroit. In FY 2023-24 the program received \$4.0 million GF/GP in the ongoing Health Policy unit.  | GF/GP        | \$0  | \$4,000,000                              |
| <b>77. Child Advocacy Centers (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,000,000</b>                       |
| Includes \$2.0 million GF/GP to support child advocacy centers.   | GF/GP        | \$0  | \$2,000,000                              |
| <b>78. Other One-Time Public Health Funding</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,625,000</b>                       |
| Includes \$1.6 million GF/GP for the following public health related one-time items:  | GF/GP        | \$0  | \$1,625,000                              |
| <ul style="list-style-type: none"><li>• \$1.0 million GF/GP to HYPE Athletics.</li><li>• \$500,000 million GF/GP for YWCA WISH program.</li><li>• \$125,000 GF/GP for Maggie's Wigs for Kids.</li></ul>   |              |  |  |

**HEALTH AND HUMAN SERVICES**

|  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>   |              |  |  |
| <b>AGING SERVICES</b>  |              |  |  |
| <b>79. Non-GF/GP Authorization Increases</b>   | <b>Gross</b> | <b>\$110,029,800</b>                             | <b>\$4,950,000</b>                       |
| Includes \$5.0 million Gross (\$0 GF/GP) to increase community services federal authorization by \$2.2 million, nutrition services by \$2.0 million, and senior care respite fund by \$800,000.  | Federal      | 60,137,400                                       | 4,150,000                                |
|  | Private      | 300,000  | 0  |
|  | Restricted   | 6,068,700  | 800,000                                  |
|  | GF/GP        | \$43,523,700                                     | \$0                                      |
| <b>80. Long-Term Care Ombudsman Program</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$3,000,000</b>                       |
| Adds \$3.0 million GF/GP to the long-term care ombudsman program to investigate resident concerns, respond to involuntary discharges, and provide trainings on long-term care topics.  | GF/GP        | NA   | \$3,000,000                              |
| <b>HEALTH SERVICES</b>   |              |  |  |
| <b>81. Medicaid Behavioral Health Provider Rate Increase</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$22,695,200</b>                      |
| Includes \$22.7 million Gross (\$6.4 million GF/GP) to increase Medicaid behavioral health non-physician reimbursement rates for both health plans and fee-for-service (FFS).  | Federal      | NA   | 16,285,500                               |
|  | GF/GP        | NA   | \$6,409,700                              |
| <b>82. Hospital Peer Support Substance Use Disorder Services</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$8,333,300</b>                       |
| Includes \$8.3 million Gross (\$2.5 million GF/GP) to provide Medicaid reimbursements for services provided by hospital-based, peer-support recovery services for individuals with substance use disorders.  | Federal      | NA   | 5,833,300                                |
|  | GF/GP        | NA   | \$2,500,000                              |
| <b>83. Federally Qualified Health Centers – Scope Change</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$40,000,000</b>                      |
| Includes \$40.0 million Gross (\$11.3 million GF/GP) for costs estimates related to a Medicaid scope change/expansion for FQHCs; and consolidates appropriations into a separate line item.  | Federal      | NA   | 28,700,000                               |
|  | GF/GP        | NA   | \$11,300,000                             |
| <b>84. Medicaid Health Plan Procurement Reforms</b>  | FTE          | NA   | 32.0                                     |
| Includes \$12.2 million Gross (\$5.2 million GF/GP) and authorizes 32.0 FTE positions to implement a new Medicaid Health Plan Procurement program including:   | <b>Gross</b> | <b>NA</b>  | <b>\$12,248,000</b>                      |
| • \$7.0 million Gross (\$2.5 million GF/GP) to increase reimbursements to providers participating in the Vaccines for Children program to \$23.03 per vaccine.   | Federal      | NA   | 7,049,000                                |
| • \$5.2 million Gross (\$2.7 million GF/GP) for DHHS administrative costs.   | GF/GP        | NA   | \$5,199,000                              |
| <b>85. Medicaid Birth Expense Recovery Program Elimination</b>   | <b>Gross</b> | <b>(\$13,700,000)</b>                            | <b>\$13,700,000</b>                      |
| Adds \$13.7 million Gross (\$4.8 million GF/GP) to eliminate the requirement that a father of a child born out of wedlock, and to a mother who is a Medicaid beneficiary, must pay for a portion of the birth expenses.  | Federal      | (8,922,800)                                      | 8,922,800                                |
|  | GF/GP        | (\$4,777,200)                                    | \$4,777,200                              |
| <b>86. Maternal Infant Health Program</b>  | FTE          | NA   | 1.0                                      |
| Includes \$3.3 million Gross (\$918,700 GF/GP) and authorizes 1.0 FTE position to created additional, specialized reimbursement rates for providers participating in the Maternal Infant Health Program.   | <b>Gross</b> | <b>NA</b>  | <b>\$3,335,000</b>                       |
|  | Federal      | NA   | 2,416,300                                |
|  | GF/GP        | NA   | \$918,700                                |
| <b>87. Medicaid Doula Care</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$6,848,700</b>                       |
| Includes \$6.8 million Gross (\$2.6 million GF/GP), of which \$2.9 million Gross (\$1.5 million GF/GP) are one-time basis, to increase Medicaid reimbursement rates for doula services, increase number of to doula care visits from 6 to 12, and provide educational and training services to doulas. | Federal      | NA   | 4,293,800                                |
|  | GF/GP        | NA   | \$2,554,900                              |

**HEALTH AND HUMAN SERVICES**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**FY 2023-24  
Enacted  
(as of 2/7/24)**      **FY 2024-25  
Enacted  
Change**

|   |              |                      |                       |
|---|--------------|----------------------|-----------------------|
| <b>88. CenteringPregnancy (One-Time)</b>  | <b>Gross</b> | <b>\$10,000,000</b>  | <b>(\$2,500,000)</b>  |
| Continues \$2.5 million GF/GP, on a one-time basis, for CenteringPregnancy. FY 2023-24 included \$10.0 million Gross (\$5.0 million GF/GP), with half appropriated on a one-time basis.   | Federal      | 5,000,000            | (2,500,000)           |
|   | GF/GP        | \$5,000,000          | \$0                   |
| <b>89. MIChild Premiums</b>   | <b>Gross</b> | <b>\$2,600,000</b>   | <b>(\$800,000)</b>    |
| Includes \$1.8 million GF/GP to eliminate the \$10 monthly MIChild premium for MIChild beneficiaries under the age of 19. A gross reduction of \$800,000 results from associated reduction of restricted authorization for premium revenue.   | Restricted   | 2,600,000            | (2,600,000)           |
|   | GF/GP        | \$0                  | \$1,800,000           |
| <b>90. Long-Term Care Direct Care Wages</b>   | <b>Gross</b> | <b>NA</b>            | <b>\$0</b>            |
| Includes \$35.0 million GF/GP for a net-zero replacement of the federal reimbursement rate reduction related to long-term care direct care worker wages that were eligible for federal reimbursement under the federal public health emergency declaration but now have to be financed with 100% state funds. | Federal      | NA                   | (35,028,100)          |
|   | GF/GP        | NA                   | \$35,028,100          |
| <b>91. MI Choice Structured Family Caregiving</b>   | <b>Gross</b> | <b>\$464,832,100</b> | <b>\$5,000,000</b>    |
| Includes \$5.0 million Gross (\$1.7 million GF/GP) for training supports and stipends for live-in family members that provide caregiving supports to Home and Community-Based Services waiver beneficiaries.  | Federal      | 303,112,700          | 3,256,500             |
|   | Private      | 500,000              | 0                     |
|   | GF/GP        | \$161,219,400        | \$1,743,500           |
| <b>92. Private Duty Nursing Rate Increase</b>   | <b>Gross</b> | <b>NA</b>            | <b>\$8,115,900</b>    |
| Includes \$8.1 million Gross (\$2.8 million GF/GP) to increase Medicaid reimbursement rates for private duty nursing services by 25%.   | Federal      | NA                   | 5,285,900             |
|   | GF/GP        | NA                   | \$2,830,000           |
| <b>93. PACE Program Site Expansion</b>  | <b>Gross</b> | <b>\$247,864,500</b> | <b>\$3,153,300</b>    |
| Includes \$3.2 million Gross (\$1.1 million GF/GP) to expand PACE sites in Huron Valley, Traverse City, Genesee and Wayne Counties, and the Central Michigan location.  | Federal      | 161,899,100          | 2,053,700             |
|   | GF/GP        | \$85,965,400         | \$1,099,600           |
| <b>94. Office of Inspector General Double Billing Savings</b>   | FTE          | NA                   | 14.0                  |
| Recognizes a net savings of \$17.1 million Gross (\$3.5 million GF/GP) related to OIG actions to reduce Medicaid double-billings. Amount includes \$1.8 million Gross (\$900,000 GF/GP) and authorizes 14.0 FTE positions to expand OIG Medicaid program oversight capacity.                                  | <b>Gross</b> | <b>NA</b>            | <b>(\$17,094,600)</b> |
|   | Federal      | NA                   | (13,594,600)          |
|   | GF/GP        | NA                   | (\$3,500,000)         |
| <b>95. Medicaid Orthodontic Benefit</b>   | <b>Gross</b> | <b>NA</b>            | <b>\$4,301,700</b>    |
| Includes \$4.3 million Gross (\$1.5 million GF/GP) to establish a Medicaid orthodontic services benefit for persons under the age of 21 in Wayne and Kent counties.   | Federal      | NA                   | 2,801,700             |
|   | GF/GP        | NA                   | \$1,500,000           |
| <b>96. Medicaid Speech Therapy Rates</b>  | <b>Gross</b> | <b>NA</b>            | <b>\$5,472,800</b>    |
| Includes \$5.5 million Gross (\$1.5 million GF/GP) to provide for increases to Medicaid reimbursement rates for speech therapy services.  | Federal      | NA                   | 3,972,800             |
|   | GF/GP        | NA                   | \$1,500,000           |
| <b>97. Orthotic and Prosthetic Provider Rate Increase</b>   | <b>Gross</b> | <b>NA</b>            | <b>\$605,400</b>      |
| Includes \$605,400 Gross (\$181,600) to bring select Medicaid provider code reimbursement rates for orthotic and prosthetic services up to approximately 74% of comparable Medicare reimbursement rates.  | Federal      | NA                   | 423,800               |
|   | GF/GP        | NA                   | \$181,600             |
| <b>98. Poison Control</b>   | <b>Gross</b> | <b>\$6,212,900</b>   | <b>\$1,120,000</b>    |
| Includes \$1.1 million GF/GP to increase GF/GP boilerplate appropriations to the Poison Control Center at Wayne State University to \$2.6 million.  | Federal      | 4,704,400            | 0                     |
|   | GF/GP        | \$1,508,500          | \$1,120,000           |

**HEALTH AND HUMAN SERVICES**

|  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |  |  |
| <b>99. Rural Obstetric Pool – Memorial Health</b>  | <b>Gross</b> | <b>\$7,995,200</b>                               | <b>\$475,000</b>                         |
| Includes \$475,000 GF/GP to support the inclusion of Memorial Health within the rural obstetric support grants pool.   | GF/GP        | \$7,995,200                                      | \$475,000                                |
| <b>100. MiDOCS Enhancement (One-Time)</b>  | <b>Gross</b> | <b>\$20,200,000</b>                              | <b>\$9,200,000</b>                       |
| Includes \$9.2 million Gross (\$4.6 million GF/GP), on a one-time basis, to increase grant base to support medical doctors through tuition loan relief for services provided in underserved and impoverished communities in this state.  | Federal      | 10,100,000                                       | 4,600,000                                |
|  | Restricted   | 3,700,000  | 0  |
|  | GF/GP        | \$6,400,000                                      | \$4,600,000                              |
| <b>101. One-Time Health Services Funding</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$23,020,100</b>                      |
| Includes \$23.0 million Gross (\$14.0 million GF/GP) for the following:  | Federal      | NA   | 9,000,000                                |
| <ul style="list-style-type: none"> <li>• \$10.0 million for adult home help caregiver registry and council.</li> <li>• \$3.5 million for Native American FQHC infrastructure.</li> <li>• \$2.0 million for Hurley surgical robot.</li> <li>• \$2.0 million for Munising Memorial critical access hospital.</li> <li>• \$1.0 million for Hackley Community Care.</li> <li>• \$1.0 million for Hospice Caregiver Support Center.</li> <li>• \$745,100 for ALS Association.</li> <li>• \$700,000 for McLaren mobile unit.</li> <li>• \$500,000 for Children's Healing Center.</li> <li>• \$500,000 for health equity statewide curriculum.</li> <li>• \$500,000 for National Kidney Foundation Medicaid outreach.</li> <li>• \$250,000 for Midwestern Medicaid reimbursement rate study.</li> <li>• \$200,000 for a fitness campaign for seniors.</li> <li>• \$125,000 for adolescent hair loss.</li> </ul> | GF/GP        | NA   | \$14,020,100                             |
| <b>102. Medicaid Restricted Fund Adjustments</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$0</b>                               |
| Includes net-zero Gross funding adjustments, in accordance with May Consensus, to offset revenue shortfalls within the Medicaid Benefits Trust Fund (MBFT) - \$18.7 million; Healthy Michigan Fund (HMF) - \$1.6 million; and the Merit Award Trust Fund - \$2.5 million.  | Restricted   | NA   | (22,700,000)                             |
|  | GF/GP        | NA   | \$22,700,000                             |

**ONE-TIME APPROPRIATIONS**

|   |              |                      |                        |
|---|--------------|----------------------|------------------------|
| <b>103. Removal of FY 2023-24 One-Time Appropriations</b>   | FTE          | 6.0                  | (6.0)                  |
| Removes \$347.4 million Gross (\$317.5 million GF/GP) of one-time funding for 81 items that was included in the FY 2023-24 budget. Any funding retained into FY 2024-25 is noted elsewhere. | <b>Gross</b> | <b>\$347,413,400</b> | <b>(\$347,413,400)</b> |
|   | TANF         | 16,500,000           | (16,500,000)           |
|   | Federal      | 13,463,400           | (13,463,400)           |
|   | GF/GP        | \$317,450,000        | (\$317,450,000)        |

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

**GENERAL SECTIONS**

**Sec. 210. Legislative Contingency Transfer Authorization – REVISED**

Allows for the legislative transfer process to increase federal authorization by up to \$20 million, state restricted authorization by up to \$20 million, local authorization by up to \$5 million, and private authorization by up to \$12 million; prohibits increasing TANF authorization through the legislative contingency transfer process. Revises to \$100.0 million federal, \$50.0 million state restricted, \$30.0 million local, and \$45.0 million private.

**Sec. 250. Single Recipient Grants – REVISED**

Requires that for any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this section and outline departmental process for review and execution of grants outlined. Revises to make technical updates, add a second reporting date, permits SBO to compile and submit reports, and lists out types of eligible recipients.

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

**Sec. 240. Use of Existing Work Project Authorization – RETAINED (UNENFORCEABLE)**

Establishes that appropriations in part 1 shall, to the extent possible, not be expended until all existing work project authorization available for the same expenditures is fully expended. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 264. DHHS Employee Communication with Legislature – RETAINED (UNENFORCEABLE)**

Prohibits DHHS from taking disciplinary action against an employee for communicating with a member of the Legislature or his/her staff, unless the communication is prohibited by law and disciplinary action is lawful. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 298. State Fiscal Recovery Fund (SFRF) – NEW**

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

**COMMUNITY SERVICES AND OUTREACH**

**Sec. 458. Homeless Shelter Data – NEW**

Directs the department to require entities receiving state funds to provide report data to a Homeless Management Information System that satisfies the baseline data collection requirements.

**Sec. 464. Diaper Assistance Grant – REVISED**

Allocates \$4.4 million as grants to diaper assistance programs, maternity homes, and other nonprofit agencies that distribute diapers free of charge; states requirements of eligibility; states requirements of distribution; requires report; designates unexpended funds as work project appropriation. Revises by making the department the buyer and distributor of diapering supplies and adds local county offices to list of eligible recipients of diapering supplies.

**Sec. 466. Runaway and Homeless Youth Grants – REVISED**

Allocates \$5.3 million to support program expansion; distributes \$3.2 million to 18 counties that are currently unserved by a runaway and homeless youth program, \$1.1 million to 19 counties for infrastructure expansion, \$1.1 million to 19 counties to upgrade technology and facilities. Revises by deleting language directing specific allocations for specific projects and directs funds to be distributed based on a methodology that includes geographic coverage, population demographics, scope of services provided, and need; requires report.

**CHILDREN'S SERVICES AGENCY – CHILD WELFARE / JUVENILE JUSTICE**

**Sec. 503. Child Welfare Performance-Based Funding – REVISED**

Directs DHHS to review actuarially sound case rates for child welfare services by DHHS and private providers; requires annual reports. Revises by eliminating reporting requirements on the status of the performance-based model.

**Sec. 509. Adoption Placement Rate Increase – REVISED**

Requires DHHS to maintain the increase of adoption placement rates, including the \$23.00 per diem for all foster youth; per diem rate is to be separate from the outcome-based reimbursement and may not be deducted from total reimbursement an agency receives. Revises by implementing a rate restructure that pays for cases based on average length of time it takes to reach adoption finalization and requires DHHS to maintain current rates for cases accepted prior to the implementation of the new structure.

**Sec. 510. Alternative Payment Methods – REVISED**

Requires the department to allocate funds for a capacity model to fund beds based on projected program needs for private residential facilities; establishes conditions for payments to private providers; requires report. Revises by deleting language requiring DHHS to explore an alternative payment model and revises report to require DHHS to report on the number of incentive payments that were awarded to residential facilities, the number of incentive payments that were denied, and the rationale for denial.

**Sec. 519. West Michigan Partnership for Children Consortium Evaluation – NEW**

Requires DHHS to complete an evaluation of the effectiveness of the performance-based funding model that was piloted in Kent County; requires report.

## **HEALTH AND HUMAN SERVICES**

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

#### **PUBLIC ASSISTANCE**

##### ***Sec. 613. Indigent Burial – REVISED***

Provides reimbursements for final disposition of indigent persons; establishes maximum allowable reimbursements; accounts for religious preferences that prohibits cremation; and requires a report. Revises to increase grant amounts and includes a provision allowing for private donations to funeral homes to supplement state emergency relief.

##### ***Sec. 678. FIP Child Supplemental Payments – REVISED***

Provides for a supplement per-child under the age of 6 to applicable FIP cases; requires annual supplement total to be no less than \$400 per-child. Revises to increase specified appropriation amount; specify TANF as the fund source; remove gross annual distribution requirement; allow for the department to distribute per case based on point-in-time eligible population and available appropriations; include additional supplement for children aged 6-13; and include a February 1 reporting requirement.

#### **BEHAVIORAL HEALTH**

##### ***Sec. 907. Community Substance Use Disorder Prevention, Education, and Treatment – REVISED***

Requires that appropriations for community substance use disorder prevention, education, and treatment be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses; requires DHHS to approve the managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay; requires the managing entity to continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner. Revises by deleting requirement that DHHS approve managing entity fee schedules.

##### ***Sec. 917. Michigan Opioid Healing and Recovery Fund and Report – REVISED***

Allocates \$23.2 million from the Michigan Opioid Healing and Recovery Fund, MCL 12.253, to supplement other opioid-related programs and services and requires a semiannual report. Revises to require \$4.0 million be allocated for peer recovery supports.

##### ***Sec. 924. Autism Services Fee Schedule – REVISED***

Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$53.20 per hour and not more than \$58.20 per hour. Revises by increase the behavioral technician rate to not less than \$66.00 per hour.

##### ***Sec. 960. Autism Services Provision and Cost Containment – REVISED***

Requires DHHS to continue to cover all autism services that were covered on January 1, 2019; to restrain costs required DHHS to develop written guidance for standardization; and requires 3-year reevaluations, unless a clinician recommended an earlier reevaluation, and require maintenance of statewide provider trainings, limits practitioners who can perform a diagnostic evaluation and requires evaluations performed by a master's level practitioner to be reviewed by a second practitioner, provide fidelity reviews and secondary approvals, and prohibit specific providers from providing both evaluation and treatment; requires a report. Revises by removing specific listing of qualified licensed practitioners and for master's level evaluations to be reviewed by another practitioner.

##### ***Sec. 1002. Certified Community Behavioral Health Clinic (CCBHC) Demonstration Criteria – NEW***

Establishes criteria organizations need to meet to be part of the CCBHC expansion including be a CMHSP or other eligible organization as outlined in federal law and be able to achieve CCBHC certification by September 1, 2024, and requires administrative funds be used for outreach to encourage CCBHC expansion into new counties.

##### ***Sec. 1059. State Psychiatric Hospital and Center for Forensic Psychiatry Performance Report – REVISED***

Establishes outcomes and performance measures for the Center for Forensic Psychiatry and state psychiatric hospitals, and requires a report. Revises to include outcome measures by adults and children, total number of admission requests, and number and reasons for individuals removed from the waiting lists.

#### **PUBLIC HEALTH**

##### ***Sec. 1157. Child Advocacy Centers – Supplemental Grants – REVISED***

Requires \$2.0 million funding for child advocacy centers be allocated as supplemental grants for operations and to increase services to victims and their families. Revises by requiring DHHS to distribute funds using a formula set in consultation with Children's Advocacy Centers of Michigan (CAC-MI), requires base funding, and considers factors such as the number of children in the service area, square miles of the service area, and prior service levels.

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

***Sec. 1158. Crime Victims' Rights Sustaining Grants – REVISED***

Allocates \$25.9 million to supplement the loss of federal victims of crime act and state crime victim rights funding; directs DHHS to distribute funds consistent with the regular allocation formula used for crime victim justice assistance grants and crime victim rights service grants. Revises by updating allocation amount to \$29.9 million.

***Sec. 1159. Community Health Access and Outcome Disparity Programming – REVISED***

Allocates funding for the creation and operation of community-based health clinics to provide preventative health services and healthy community zones to address access to healthy food, affordable housing, and safety networks; requires report. Revises by adding mobile health units to list of initiatives funded.

**HEALTH SERVICES**

***Sec. 1616. Community Health Workers – DELETED***

Requires DHHS to seek federal authority to enroll and recognized Community Health Workers as Medicaid providers; seek federal matching funds for services; requires any expansion be geographically broad-based, evidence-based, and commensurate with applicable training; details the extent of the authority request; and requires a report.

***Sec. 1620. Pharmacy Dispensing Fee and Prescription Drug Co-Payments – REVISED***

Establishes the pharmacy dispensing fees based on the medication's standing on the DHHS preferred drug list; requires prescription co-payments for Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level of \$1 for generic drugs and \$3 for brand-name drugs; requires prescription co-payments for Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level of \$4 for generic drugs and \$8 for brand-name drugs. Revises to remove higher co-payments Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level.

***Sec. 1625. Medicaid Managed Care Pharmacy Benefits Managers – DELETED***

Prohibits DHHS from entering into any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: (1) utilize a pharmacy reimbursement methodology of the National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees for pharmacies with not more than 7 retail outlets (and lists reimbursements when an ingredient does not have a National Average Drug Acquisition Cost listed); (2) reimburse for valid claims at the rate in effect at the time of original claim; (3) agree to transparent "pass-through" pricing, (4) agree to not create new fees or increase fees above inflation, and (5) agree to not terminate existing contracts for the sole reason of the additional professional dispensing fee.

***Sec. 1631. Medical Services Co-Payments – REVISED***

Requires co-payments on dental, podiatric, and vision services; requires copayments for Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level of \$2 for a physician office visit, \$6 for a hospital emergency room visit, \$50 for the first day of an in-patient hospital stay, and \$2 for an out-patient hospital visit; requires co-payments for Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level of \$4 for a physician office visit, \$8 for a hospital emergency room visit, \$100 for the first day of an in-patient hospital stay, and \$4 for an out-patient hospital visit. Revises to remove higher co-payments Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level and includes a \$1.00 price for generic drugs.

***Sec. 1673. MI Child Premiums – DELETED***

Allows DHHS to establish premiums of \$10 per month for eligible individuals in families with income at or below of 212% of poverty level.

***Sec. 1699. Disproportionate Share Hospital and Graduate Medical Education Payments – DELETED***

Authorizes separate payments of \$45.0 million for hospitals serving a disproportionate share of indigent patients and hospitals providing GME training programs; requires distribution to be based on methodology used in FY 2003-04.

***Sec. 1786. Vaccine Reimbursements – REVISED***

Requires DHHS to maintain the Medicaid reimbursement increase for injectable and oral vaccines and provides intent. Revises to increase reimbursements to \$23.03.

***Sec. 1805. Long-Term Care Dual Certification – NEW***

Requires the department to seek authorization for a Medicaid state plan amendment that allows for the dual certification of Medicare-eligible beds as Medicaid-eligible concurrently, and details stipulations of the certification requirements.

***Sec. 1832. HRA Receive and Expend – DELETED***

Authorizes the department to expend funds without prior appropriation for specific, federally required program changes to CHIP detailed in 2023 42 CFR.

**HEALTH AND HUMAN SERVICES**

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

**Sec. 1854. PACE Enrollment Cap – REVISED**

Requires the department to maintain an enrollment cap of 7,553 for the Program for All-Inclusive Care for the Elderly (PACE). Revises to increase enrollment cap to 8,543.

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Traditional Medicaid Cost Adjustments**

Includes an increase of \$460.7 million Gross (\$188.9 million GF/GP) for traditional Medicaid caseload, cost, utilization, and financing adjustments based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Over half of the GF/GP cost is from revised cost estimates of the long-term care services program.

|              |                      |
|--------------|----------------------|
| <b>Gross</b> | <b>\$460,721,000</b> |
| Federal      | 206,825,900          |
| Local        | 716,000              |
| Private      | 1,759,000            |
| Restricted   | 62,507,900           |
| GF/GP        | \$188,912,200        |

**2. Healthy Michigan Plan (HMP) Cost Adjustments**

Includes a reduction of \$268.1 million Gross (\$27.1 million GF/GP) for Healthy Michigan Plan caseload, cost, and utilization adjustments based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

|              |                        |
|--------------|------------------------|
| <b>Gross</b> | <b>(\$268,090,400)</b> |
| Federal      | (235,279,900)          |
| Local        | 44,900                 |
| Private      | 1,039,600              |
| Restricted   | (6,791,200)            |
| GF/GP        | (\$27,103,800)         |

**3. Medicaid Managed Care Payments Rule Change**

Includes a net increase of \$2,321.2 million Gross (net reduction of \$105.9 million GF/GP) from increased Hospital Quality Assurance Assessment Program (QAAP)-funded Hospital Rate Adjustments (HRA) payments that are able to be increased under recent federal rule changes based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Net amount includes a reduction of \$230.0 million Gross (increase of \$13.3 million GF/GP) from the removal of Disproportionate Share Hospital (DSH) payments that hospitals would no longer be eligible for as a result of the HRA increase. The corresponding GF/GP adjustments are associated with a statutory state retainer that is tied to the federal share of these QAAP-funded hospital payments.

|              |                        |
|--------------|------------------------|
| <b>Gross</b> | <b>\$2,321,166,200</b> |
| Federal      | 1,695,317,200          |
| Restricted   | 731,787,100            |
| GF/GP        | (\$105,938,100)        |

**4. Medicare Buy-In Compliance Adjustments**

Includes a net reduction of \$13.1 million Gross (\$4.5 million GF/GP) to increase \$154,100 GF/GP associated with state costs to cover Medicare Part B premiums for individuals eligible for both Medicare and Medicaid (dually-eligibles) and reduce \$13.3 million Gross (\$4.6 million GF/GP) based on assumed Medicaid savings from additional individuals being covered under Medicare Part B.

|              |                       |
|--------------|-----------------------|
| <b>Gross</b> | <b>(\$13,098,700)</b> |
| Federal      | (8,629,100)           |
| GF/GP        | (\$4,469,600)         |

**5. Medicaid Electronic Visit Verification**

Includes \$14.7 million GF/GP from federal financial FMAP penalties from noncompliance with electronic home visit verification implementation requirements.

|              |              |
|--------------|--------------|
| <b>Gross</b> | <b>\$0</b>   |
| Federal      | (14,680,500) |
| GF/GP        | \$14,680,500 |

**6. Child Welfare Caseload Adjustments**

Includes a net increase of \$16.5 million Gross (\$31.5 million GF/GP) for child welfare programs based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$16,507,700</b> |
| TANF         | (4,228,800)         |
| Federal      | (9,297,900)         |
| Local        | (1,445,500)         |
| GF/GP        | \$31,479,900        |

**7. Public Assistance Caseload Adjustment**

Includes a net reduction of \$1,252.5 million Gross (increase of \$5.4 million GF/GP) for caseload and cost adjustments for the Family Independence Program, Food Assistance Program, State Disability Assistance, and State Supplementation based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. The Gross reduction is primarily from a decrease in Food Assistance Program authorization.

|              |                          |
|--------------|--------------------------|
| <b>Gross</b> | <b>(\$1,252,475,700)</b> |
| TANF         | (4,809,200)              |
| Federal      | (1,250,161,600)          |
| Restricted   | (2,894,100)              |
| GF/GP        | \$5,389,200              |



**FY 2023-24 Supplemental Appropriation Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

|   | <b>Appropriation<br/>Change</b>                               |
|---|---|
| <b>8. Low-Income Energy Assistance Program (LIHEAP)</b>   | <b>Gross \$46,339,800</b>                                     |
| Includes \$46.3 million Gross (\$30.0 million federal TANF) to accept additional LIHEAP funds signed into law in the current fiscal year and to ensure funds are available outside of the heating crisis season.  | TANF 30,000,000<br>Federal 16,339,800<br>GF/GP \$0            |
| <b>9. Certified Community Behavioral Health Clinic Demonstration</b>  | <b>Gross \$39,340,400</b>                                     |
| Includes \$39.3 million Gross (\$19.4 million GF/GP) to account for costs related to FY 2022-23 settlements, increases to the prospective payment rate, and a higher than anticipated caseload from clinic's daily visits.  | Federal 19,896,400<br>GF/GP \$19,444,000                      |
| <b>10. Family Support Subsidy</b>   | <b>Gross \$2,940,400</b>                                      |
| Includes \$2.9 million in federal TANF based on estimated costs of the family support subsidy program which provides \$300.36 per month to eligible families with a child who is severely mentally impaired, severely developmentally impaired, or autistic.  | TANF 2,940,400<br>GF/GP \$0                                   |
| <b>11. Nursing Home PAS/ARR-OBRA</b>  | <b>Gross \$2,000,000</b>                                      |
| Includes \$2.0 million Gross (\$500,000 GF/GP) for the nursing home pre-admission screening and evaluation program for individuals who have a serious mental illness and are being admitted to a nursing facility.  | Federal 1,500,000<br>GF/GP \$500,000                          |
| <b>12. Revenue Recapture</b>  | <b>Gross \$53,829,200</b>                                     |
| Includes \$53.8 million GF/GP for costs related to multiple years' worth of federal cost settlements for the state's psychiatric hospitals. The cost settlement process has not been completed since FY 2017-18 due to issues with migrating facility cost reporting and settlement system to the CHAMPS system. Funds will also cover the cost settlement with the federal Centers for Medicare and Medicaid Services (CMS) on remaining outstanding amounts owed due to billing overstatements. | GF/GP \$53,829,200  |
| <b>13. Child and Adolescent Health Care and Centers</b>   | <b>Gross \$45,000,000</b>                                     |
| Includes \$45.0 million in local funds to align local authorization within DHHS appropriations with appropriations provided in the State School Aid Act. Funding is used to support school-based health center programs.  | Local 45,000,000<br>GF/GP \$0                                 |
| <b>14. Dental Oral Assessment Program</b>   | <b>Gross \$2,500,000</b>                                      |
| Includes \$2.5 million GF/GP for anticipated costs from the statutory expansion of the dental oral assessment program for children entering kindergarten or first grade under 2023 PA 316.  | GF/GP \$2,500,000   |
| <b>15. MICHild Premiums</b>   | <b>Gross (\$600,000)</b>                                      |
| Includes \$1.4 million GF/GP to eliminate the \$10 monthly MICHild premium for beneficiaries under the age of 19. A gross reduction of \$600,000 results from associated reduction of restricted authorization for premium revenue.   | Restricted (1,950,000)<br>GF/GP \$1,350,000                   |
| <b>16. Medicaid Restricted Fund Adjustments</b>   | <b>Gross \$0</b>  |
| Includes net-zero Gross funding adjustments (net GF/GP increase of \$1.6 million) to offset revenue shortfalls and surpluses within the Insurance Provider Assessment (IPA), Medicaid Benefits Trust Fund (MBFT), and Healthy Michigan Fund (HMF).  | Restricted (1,630,700)<br>GF/GP \$1,630,700                   |
| <b>17. Non-GF/GP Funding Adjustments</b>  | <b>Gross \$37,535,400</b>                                     |
| Includes \$37.5 million Gross for 13 federal and state restricted funding authorization adjustments primarily across community services, child welfare, family and maternal health, and aging services based on anticipated federal grant funding and available restricted revenue.   | Federal 36,735,400<br>Restricted 800,000<br>GF/GP \$0         |
| <b>18. Net \$0 Financing Adjustments</b>  | FTE 0.0   |
| Includes net \$0 financing adjustments to interdepartmental grant authorization, federal funding, and GF/GP across multiple sections and includes a net 0.0 transfer of 7.0 FTE positions across 3 line items.  | <b>Gross \$0</b><br>IDG 0<br>TANF 0<br>Federal 0<br>GF/GP \$0 |

**HEALTH AND HUMAN SERVICES**

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**19. Federal COVID Public Health Response Grants**

Includes \$21.9 million in federal COVID response grant funding for epidemiology, public health infrastructure, influenza hospitalizations, emerging infections, and immunization grants.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$21,867,100</b> |
| Federal      | 21,867,100          |
| GF/GP        | \$0                 |

**20. Home and Community Based Supportive Housing**

Includes \$20.0 million Gross (\$10.0 million federal ARP funds) for employment and stability services for individuals living in supportive housing or who are homeless and moving into supportive housing.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$20,000,000</b> |
| Federal      | 10,000,000          |
| GF/GP        | \$10,000,000        |

**21. Child Support Enforcement and Navigator Pilot**

Includes \$8.5 million Gross (\$0 GF/GP) to assist families within the child support program with navigating the program and to connect and provide families with information on other community resources.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$8,513,900</b> |
| Federal      | 7,813,900          |
| Private      | 700,000            |
| GF/GP        | \$0                |

**22. CMHSP Supplemental Retroactive Payment**

Includes \$5.4 million Gross (net increase of \$3.8 million GF/GP) to provide retroactive payments to Medicaid methadone service providers that were not reimbursed at the bundled rate of not less than \$19.00.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$5,374,300</b> |
| Restricted   | 1,600,000          |
| GF/GP        | \$3,774,300        |

**23. Jail Diversion Fund**

Includes \$2.5 million in restricted funds to be granted to locals and used to establish or expand the behavioral health jail diversion program in coordination with community and law enforcement agencies.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$2,500,000</b> |
| Restricted   | 2,500,000          |
| GF/GP        | \$0                |

**24. Maternal-Fetal Medicine Programming**

Includes a net \$0 reappropriation of funding in order to revise boilerplate to require the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality.

|              |            |
|--------------|------------|
| <b>Gross</b> | <b>\$0</b> |
| GF/GP        | \$0        |

**25. Mobile Mammography**

Includes a net \$0 reappropriation of funding in order to revise boilerplate to authorize funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.

|              |            |
|--------------|------------|
| <b>Gross</b> | <b>\$0</b> |
| GF/GP        | \$0        |

**26. Reproductive Health Access Expansion**

Includes \$5.0 million GF/GP for state costs associated with state statute, program policy, or administrative rule changes related to reproductive health access.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$5,000,000</b> |
| GF/GP        | \$5,000,000        |

**27. Substance Use Rehabilitation Services**

Includes a net \$0 reappropriation to Sacred Heart Rehabilitation Center to replace current boilerplate that allocates the funds for the purchase of a new building to instead allocate the funds for the construction, renovation, and refurbishing costs of a building.

|              |            |
|--------------|------------|
| <b>Gross</b> | <b>\$0</b> |
| GF/GP        | \$0        |

**28. Employee Lump Sum Payments**

Includes \$25.8 million Gross (\$14.6 million 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 staff employed full-time as of December 23, 2023.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$25,828,800</b> |
| Federal      | 11,180,800          |
| GF/GP        | \$14,648,000        |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 701. ARP – Home and Community-Based Services Projects**

Designates unexpended funds as a work project appropriation to be used to provide grants for eligible entities to provide permanent supportive housing services for eligible households.

**Sec. 702. Child Support Navigator Pilot**

Allocates funding to provide supports, services, and resources to families utilizing child support systems; designates unexpended funds as a work project appropriation.

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

***Sec. 703. Child Support Enforcement Enhancements***

Allocates funding to provide enhanced services and resources to child support enforcement operations; designates unexpended funds as a work project appropriation.

***Sec. 704. ARP – Strengthening U.S. Public Health Infrastructure – Expand Health Equity Strategies***

Designates unexpended funds as a work project appropriation to be used to expand health equity strategies and communication coordination.

***Sec. 705. ARP – Strengthening U.S. Public Health Infrastructure – Public Health Administration and Data Visualization***

Designates unexpended funds as a work project appropriation to be used to improve efficiency and capabilities of public health administration and data visualization systems.

***Sec. 706. Federal COVID Immunization and Vaccine Grant***

Designates unexpended funds as a work project appropriation to be used to support maintenance and operations of the Michigan Care Improvement Registry.

***Sec. 707. Federal COVID Emerging Infections Programs***

Designates unexpended funds as a work project appropriation to be used to modernize public health research and laboratory surveillance activities and to support staffing and operation costs for the emerging infections programs.

***Sec. 708. COVID-19 National Wastewater Surveillance System***

Designates unexpended funds as a work project appropriation to be used to develop the capacity of state and local units of government to conduct and coordinate wastewater surveillance.

***Sec. 709. COVID Influenza Population-Based Hospitalization***

Designates unexpended funds as a work project appropriation to be used to invest in staffing and equipment and supplies to support the Michigan Influenza Hospitalization Surveillance Project.

***Sec. 710. ARP – Epidemiology and Lab Capacity Genomic Sequencing***

Designates unexpended funds as a work project appropriation to be used to support the purchase, implementation, and use of new technologies to combat emerging and persistent disease threats throughout the state.

***Sec. 711. Substance Use Rehabilitation Services***

Authorizes funding to be used for construction, renovation, and refurbishing costs of a building to continue to provide addiction treatment programming.

***Sec. 712. Reproductive Health Access Expansion***

Designates unexpended funds as a work project appropriation to be used to support costs associated with changes in statute or policy to remove barriers for reproductive health services.

***Sec. 713. Child and Adolescent Health Care and Centers***

Designates unexpended funds as a work project appropriation to be used to support school-based health center programs.

***Sec. 714. Jail Diversion Fund***

Designates unexpended funds as a work project appropriation to be granted to locals and used to establish or expand behavioral health jail diversion programs in coordination with community and law enforcement agencies.

***Sec. 715. Maternal-Fetal Medicine Programming***

Requires the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality; designates unexpended funds as a work project appropriation.

***Sec. 716. Mobile Mammography***

Authorizes funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.

**HEALTH AND HUMAN SERVICES**

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**REPEALERS**

***Sec. 1601. DHHS – Mobile Mammography***

Repeals section 1956 included in Article 6 of 2023 PA 19 and replaces it with section 716 of this bill; new language authorizes funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.

***Sec. 1602. DHHS – Sacred Heart Rehabilitation Center***

Repeals section 1966 included in Article 6 of 2023 PA 19 and replaces it with section 711 of this bill; new language authorizes funding to be used for construction, renovation, and refurbishing costs of a building to continue to provide addiction treatment programming.

***Sec. 1603. DHHS – Maternal-Fetal Medicine Programming***

Repeals section 2005 included in Article 6 of 2023 PA 19 and replaces it with section 715 of this bill; new language requires the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality.

**HIGHER EDUCATION  
Summary of FY 2024-25 Enacted  
Public Act 120 of 2024 (House Bill 5507, Article 3)**

Analyst: Perry Zielak

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted  | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|------------------------|---|------------|
|                   |                                       |                        | Amount                                    | %          |
| IDG/IDT           | \$0                                   | \$0                    | \$0                                       | --         |
| <b>Federal</b>    | 131,026,400                           | 3,200,000              | (127,826,400)                             | (97.6)     |
| <b>Local</b>      | 0                                     | 0                      | 0   | --         |
| <b>Private</b>    | 0                                     | 0                      | 0   | --         |
| <b>Restricted</b> | 482,268,300                           | 461,668,300            | (20,600,000)                              | (4.3)      |
| <b>GF/GP</b>      | 1,677,754,100                         | 1,859,424,300          | 181,670,200                               | 10.8       |
| <b>Gross</b>      | <b>\$2,291,048,800</b>                | <b>\$2,324,292,600</b> | <b>\$33,243,800</b>                       | <b>1.5</b> |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Higher Education budget, contained in Article 3 of the compiled School Aid Act, provides funding for operational support of the state's 15 public universities, the AgBioResearch and Extension programs operated by Michigan State University; some retirement costs for employees who participate in the state public school employee retirement system; various financial aid programs for students attending public and independent colleges and universities in the state; and several other smaller higher education-related programs.

**Major Budget Changes from FY 2023-24 YTD Appropriations**

**1. University Operations Increase**

Includes a net increase of \$41.7 million GF/GP for university operations, a 2.5% increase. This includes:

- \$24.4 million GF/GP ongoing increase to operations grants for universities, with all universities receiving a 1.5% increase.
- \$16.3 million GF/GP one-time increase to operations grants for universities, with all universities receiving a 1.0% one-time increase.
- \$1.0 million GF/GP increase based on FY 2022-23 North American Indian Tuition Waiver program costs reported by institutions and incorporating Bay Mills Community College into the ITW program.

Attainment of the ongoing and one-time operations increase will be conditioned on restraining resident undergraduate tuition and fee increases to the greater of 4.5% or \$703 (set at 4.5% or \$676 in the current year), and certification to following at least 2 of 5 institutional best practices, one of which must be the institutional best practice on transfers. Projected funding changes for universities will range from 2.1% to 5.2%. Total funding for operations will be \$1.7 billion Gross (\$1.2 billion GF/GP).

|              | FY 2023-24<br>Year-to-Date<br>(as of 2/8/23) | FY 2024-25<br>Enacted<br>Change |
|--------------|--|---------------------------------|
| <b>Gross</b> | <b>\$1,642,043,900</b>                       | <b>\$41,749,800</b>             |
| Restricted   | 443,168,300                                  | 0                               |
| GF/GP        | \$1,198,875,600                              | \$41,749,800                    |

**HIGHER EDUCATION**

| <b><u>Major Budget Changes from FY 2023-24 YTD Appropriations</u></b>  |  | <b>FY 2023-24<br/>Year-to-Date<br/>(as of 2/8/23)</b>   | <b>FY 2024-25<br/>Enacted<br/>Change</b>                           |
|--|--|---|--|
| <p><b>2. Michigan State University Extension and AgBioResearch Programs Increase</b></p> <p>Includes a net increase of \$1.8 million GF/GP for MSU's AgBioResearch and Extension program funding. This includes:</p> <ul style="list-style-type: none"> <li>• \$577,800 GF/GP ongoing operations increase for the MSU AgBioResearch program, a 1.5% increase.</li> <li>• \$385,200 GF/GP one-time operations increase for the MSU AgBioResearch program, a 1.0% one-time increase.</li> <li>• \$498,400 GF/GP ongoing operations increase for the MSU Extension program, a 1.5% increase.</li> <li>• \$332,200 GF/GP one-time operations increase for the MSU Extension program, a 1.0% one-time increase.</li> </ul> <p>Total funding for AgBioResearch and Extension programs will be \$73.5 million GF/GP.</p>  | <p><b>Gross</b></p> <p>GF/GP</p>                   | <p><b>\$71,743,400</b></p> <p>\$71,743,400</p>          | <p><b>\$1,793,600</b></p> <p>\$1,793,600</p>                       |
| <p><b>3. Michigan Public School Employee Retirement System (MPERS) Normal Cost Offset</b></p> <p>Decreases reimbursement funding provided to universities by \$600,000 SAF, a 6.6% decrease, due to maintaining the assumed rate of return for MPERS at 6.0%. Total funding for the MPERS Normal Cost Offset will be \$8.5 million SAF. <i>Note: There are seven universities with MPERS employees (Central Michigan, Eastern Michigan, Ferris State, Lake Superior State, Michigan Technological, Northern Michigan, and Western Michigan).</i></p>   | <p><b>Gross</b></p> <p>Restricted</p> <p>GF/GP</p> | <p><b>\$9,100,000</b></p> <p>9,100,000</p> <p>\$0</p>   | <p><b>(\$600,000)</b></p> <p>(600,000)</p> <p>\$0</p>              |
| <p><b>4. Michigan Achievement Scholarship/Postsecondary Scholarship Fund Deposit</b></p> <p>Includes an increase of \$30.0 million GF/GP of one-time funding for deposit into the Postsecondary Scholarship Fund, a 10.0% increase, which is the funding source for Michigan Achievement Scholarships. The scholarships are awarded to eligible in-state students that graduate high school or achieve an equivalency certificate in 2023 or after and attend an eligible Michigan public university, community college, tribal college or independent nonprofit college or university full-time. Includes the Community College Guarantee, which will expand last-dollar aid up to the in-district cost of community college tuition and fees and includes a \$1,000 additional award for Pell-eligible community college students. Revises last dollar awards covering up to the cost of attendance for public and private university students. Increases award level for private/independent university students from \$4,000 to \$5,500. After a total \$330.0 million GF/GP deposit into the Postsecondary Scholarship Fund, total funding for Michigan Achievement Scholarships for FY 2024-25 will be \$330.0 million restricted.</p> | <p><b>Gross</b></p> <p>GF/GP</p>                   | <p><b>\$300,000,000</b></p> <p>\$300,000,000</p>        | <p><b>\$30,000,000</b></p> <p>\$30,000,000</p>                     |
| <p><b>5. Tuition Incentive Program</b></p> <p>Includes a net increase of \$20.0 million Gross (\$93.8 million GF/GP) for the Tuition Incentive Program (TIP), a 27.1% Gross increase. This includes adding GF/GP to replace federal Temporary Assistance for Needy Families (TANF) funding that will instead be used to increase supports for low-income families including cash assistance rate increases, emergency relief, and child care rate increases in other budget areas. TIP pays Medicaid-eligible students' tuition costs for associate degrees under Phase I and bachelor's degrees under Phase II. The increase addresses increased student participation and increased tuition and fees. Total funding for TIP will be \$93.8 million GF/GP.</p>  | <p><b>Gross</b></p> <p>Federal</p> <p>GF/GP</p>    | <p><b>\$73,800,000</b></p> <p>73,800,000</p> <p>\$0</p> | <p><b>\$20,000,000</b></p> <p>(73,800,000)</p> <p>\$93,800,000</p> |

**HIGHER EDUCATION**

**Major Budget Changes from FY 2023-24 YTD Appropriations**

|   | <b>FY 2023-24<br/>Year-to-Date<br/>(as of 2/8/23)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b>   |
|---|---|--|
| <b>6. Michigan Reconnect Program</b>  |   |  |
| Transfers \$52.0 million GF/GP from the Michigan Department of Labor and Economic Opportunity (LEO) for the Michigan Reconnect Program. The program provides last-dollar scholarships primarily to individuals 25 or older (temporarily expanded to 21-24 year-olds through November 2024) with a high school diploma or equivalency certificate to complete a Pell-eligible associate degree or skills-based certificate. Total funding for the Michigan Reconnect Program will be \$52.0 million GF/GP.   | <b>Gross</b><br>GF/GP                                 | <b>NA</b><br>NA<br><b>\$52,000,000</b><br>\$52,000,000   |
| <b>7. Tuition Grant Program</b>   |   |  |
| Includes a net decrease of \$498,800 Gross (increase of \$29.6 million GF/GP) for the Tuition Grant Program, a 1.2% Gross decrease. This includes adding GF/GP to replace federal TANF funding that will instead be used to increase supports for low-income families including cash assistance rate increases, emergency relief, and child care rate increases in other budget areas. The program provides need-based tuition assistance to students at Michigan independent (i.e., private, non-profit) colleges and universities. The reduction is due to the anticipated phase-out of the scholarship program as student awards increase under the Michigan Achievement Scholarship program but specifies that current students receiving an award will continue to do so under current program rules. Total funding for Tuition Grants will be \$41.5 million GF/GP. | <b>Gross</b><br>Federal<br>GF/GP                      | <b>\$42,021,500</b><br>30,095,600<br>\$11,925,900<br><b>(\$498,800)</b><br>(30,095,600)<br>\$29,596,800  |
| <b>8. Michigan Competitive Scholarships</b>   |   |  |
| Includes a net decrease of \$6.9 million Gross (increase of \$19.9 million GF/GP) for Michigan Competitive Scholarships, a 25.8% Gross decrease. This includes adding GF/GP to replace federal TANF funding that will instead be used to increase supports for low-income families including cash assistance rate increases, emergency relief, and child care rate increases in other budget areas. The scholarships are awarded to students with a qualifying SAT score and demonstrated financial need. The reduction is due to the anticipated phase-out of the scholarship program as student awards increase under the Michigan Achievement Scholarship program. Total funding for Michigan Competitive Scholarships will be \$19.9 million GF/GP.   | <b>Gross</b><br>Federal<br>GF/GP                      | <b>\$26,861,700</b><br>23,930,800<br>\$2,930,900<br><b>(\$6,930,800)</b><br>(23,930,800)<br>\$17,000,000 |
| <b>9. Children of Veterans and Officer's Survivor Tuition Grant Programs</b>  |   |  |
| Increases funding by \$600,000 GF/GP for Children of Veterans and Officer's Survivor Tuition Grant programs, a 42.9% increase. The grants are awarded to children of deceased or permanently disabled military veterans or to surviving spouses and children of Michigan police officers and firefighters killed in the line of duty. The increases are due to increased student participation in the programs and increased tuition and fee costs. Total funding for the Children of Veterans and Officer's Survivor Tuition Grant programs will be \$2.0 million GF/GP.   | <b>Gross</b><br>GF/GP                                 | <b>\$1,400,000</b><br>\$1,400,000<br><b>\$600,000</b><br>\$600,000                                       |
| <b>10. MPSERS One-Time UAAL Payment</b>   |   |  |
| Adds \$10.0 million SAF of one-time funding for MPSERS unfunded actuarial accrued liability contributions to the system for the seven universities with MPSERS employees (Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western.). The payment is anticipated to address the current estimated remaining UAAL balance.  | <b>Gross</b><br>Restricted<br>GF/GP                   | <b>\$0</b><br>0<br>\$0<br><b>\$10,000,000</b><br>10,000,000<br>\$0                                       |

**HIGHER EDUCATION**

| <b><u>Major Budget Changes from FY 2023-24 YTD Appropriations</u></b>   |              | <b>FY 2023-24<br/>Year-to-Date<br/>(as of 2/8/23)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|---|--|
| <b>11. Michigan Transfer Pathways</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                       |
| Adds \$1.0 million GF/GP of one-time funding to the Department of Lifelong Education, Advancement, and Potential (MiLEAP) to work with the Michigan Transfer Network, community colleges, public universities, and other Michigan institutions of higher education to assist with the transfer of students and acceptance of credits between all Michigan institutions of higher education.   | GF/GP        | \$0   | \$1,000,000                              |
| <b>12. Free Application for Federal Student Aid (FAFSA) Completion Incentive</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$980,000</b>                         |
| Adds \$980,000 GF/GP of one-time funding to MiLEAP for an incentive program for first time applicants to complete the FAFSA.  | GF/GP        | \$0   | \$980,000                                |
| <b>13. Western Michigan University Project Clean Program</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$750,000</b>                         |
| Adds \$750,000 GF/GP of one-time funding for Western Michigan's Project Clean program.  | GF/GP        | \$0   | \$750,000                                |
| <b>14. Educational Performance Study</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$200,000</b>                         |
| Adds \$200,000 GF/GP of one-time funding for an educational performance study conducted by the Michigan Department of Education and at least one Michigan-based educational research institution based on the charter school authorizing body report findings required in section 275k and section 217c of the Community College FY 2024-25 budget.   | GF/GP        | \$0   | \$200,000                                |
| <b>15. City of Kalamazoo Campus Safety Grant</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$70,000</b>                          |
| Adds \$70,000 GF/GP of one-time funding to improve campus safety for the City of Kalamazoo.   | GF/GP        | \$0   | \$70,000                                 |
| <b>16. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b> | <b>\$117,870,000</b>                                  | <b>(\$117,870,000)</b>                   |
| Removes \$117.9 million Gross (\$87.9 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:   | Restricted   | 30,000,000  | (30,000,000)                             |
|   | GF/GP        | \$87,870,000  | (\$87,870,000)                           |
|   |              |   |  |
| <ul style="list-style-type: none"> <li>• Infrastructure, Technology, Equipment, Maintenance, and Safety (\$79.0 million GF/GP)</li> <li>• MSU Engineering and Digital Innovation Center (\$30.0 million SAF)</li> <li>• Critical Incident Mapping (\$5.0 million GF/GP)</li> <li>• Michigan Geological Survey (\$3.0 million GF/GP)</li> <li>• Michigan Technological University Bachelor of Science in Nursing Program Creation (\$870,000 GF/GP)</li> </ul> |              |   |  |

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

**Sec. 236d. One-Time Operations Payment Detail – NEW**

Adds language detailing the one-time operations payment allocations for each university, along with one-time appropriations for MSU AgBioResearch and Extension programs.

**Sec. 236f. Michigan Geological Survey FY 2023-24 Appropriation Detail Revision – NEW**

Adds language allowing the \$3.0 million GF/GP appropriation for the Michigan Geological Survey to address renovation costs for a new or existing facility.

**Sec. 236h. MPERS One-Time Payment Detail – DELETED**

Deletes language that details the \$200.0 million one-time payment for MPERS unfunded actuarial accrued liability contributions to the system for the seven universities with MPERS employees (Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western) and states payments will be distributed no later than September 30, 2023.



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

***Sec. 236j. Postsecondary Scholarship Fund Detail – REVISED***

Creates the Postsecondary Scholarship Fund in the Department of Treasury. States money in the fund would require an appropriation to be expended; provides that money in the fund at the end of a fiscal year does not lapse. Revises language to include a \$300.0 million ongoing and \$30.0 million one-time deposit into the fund for FY 2024-25 and deletes legislative intent language to increase annual deposits into the fund by \$50.0 million each year. Adds language to allow the state budget director to appropriate funds to fully cover awards of other state scholarship programs from the Postsecondary Scholarship Fund with written notification to the Legislature.

***Sec. 236k. Fiscal Year Equated Student (FYES) Funding Floor – DELETED***

Deletes language that details the one-year implementation of a \$4,500 FYES funding floor for each university below the per-student funding calculation.

***Sec. 236m. Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS) Appropriation Detail – DELETED***

Deletes language that details infrastructure, technology, equipment, maintenance, safety and debt categories that ITEMS funding could be used for by universities and language on program eligibility and distribution of funding.

***Sec. 236n. Tuition Incentive Program FY 2022-23/FY 2023-24 Supplemental Appropriation Detail – REVISED***

Revises language to increase FY 2023-24 funding for the Tuition Incentive Program by \$8.0 million federal TANF funding.

***Sec. 236o. Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS) Certification and Payment Detail – DELETED***

Deletes language that details the certification process public universities must complete and have approved by the state budget director in order to receive an ITEMS payment.

***Sec. 236r. Education Performance Study of Charter School Authorizing Bodies – NEW***

Adds language that specifies funding for the education performance study must be used by the Michigan Department of Education and at least one Michigan-based educational research institution to analyze and provide recommendations based on the charter school authorizing body report findings required in section 275k and section 217c of the Community College FY 2024-25 budget.

***Sec. 241c. University Tuition and Fee Restraint and Annual Rate Reporting Requirements – REVISED***

Requires tuition and fee data to be submitted to the HEIDI database and a report of any revisions to tuition and fees within 15 days of adoption, and specifies tuition and fee restraint requirements in order to receive the operations increase and FYES student floor funding for FY 2023-24, set at 4.5% or \$676, whichever is greater. Revises language that limits FY 2024-25 resident tuition and fee increases to 4.5% or \$703, whichever is greater and limits FY 2025-26 resident tuition and fee increases to the greater of 4.5% and \$735. Subjects one-time operations payments under section 236d to the tuition and fee restraint conditions.

***Sec. 241d. Michigan Office of Postsecondary Educational Attainment – DELETED***

Deletes language that created the Michigan Office of Postsecondary Educational Attainment in LEO, which would review, evaluate and recommend improvements to all state financial aid programs within the Executive branch, serve as the coordinating office for agencies responsible for state financial aid programs, survey stakeholders on improving financial aid program administration, consolidate reports and make them available to the Executive and legislature, and provide data analysis to assist prospective students on postsecondary options.

***Sec. 241e. Institutional Best Practices Detail – NEW***

Adds language that details public universities must certify to following at least 2 of 5 institutional best practices in order to receive both ongoing and one-time operations increases, one of which must be the best practice on transfers and working to increase the number of reverse transfer or articulation agreements. The remaining best practices include: providing an academic degree or certificate course map, adopting a co-requisite model for remedial courses and providing the courses at a reduced cost to students, requiring students to meet with an academic advisor once a semester or term, and providing employees to assist prospective and current students with completing the Free Application for Federal Student Aid.

***Sec. 247. Michigan Reconnect Program – NEW***

Adds language that details the Michigan Reconnect program is administered by MiLEAP, and authorizes the department to use remaining program funds for outreach, enrollment support, program administration, and Reconnect-eligible student support in connection with higher education institutions or nonprofit organizations to increase degree or credential completion.

## **HIGHER EDUCATION**

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

#### ***Sec. 248. Michigan Achievement Scholarship Program Detail – REVISED***

Provides for distribution of funds appropriated for Michigan Achievement Scholarships. Specifies criteria for scholarship eligibility. Details award amounts of up to \$2,750 for students at a community college or tribal institution, up to \$4,000 for students at an independent nonprofit college or university, and up to \$5,500 for students at public universities or baccalaureate programs at community colleges. Revises language to add Student Aid Index eligible student definition and revises criteria to account for recent changes to the Free Application for Federal Student Aid (FAFSA). Revises residency definition from institutional criteria to as determined by the FAFSA. Revises community college or tribal institution award amounts to cover last-dollar in-district tuition and fees minus gift aid and a \$1,000 additional payment to Pell-eligible community college students. Adds cost of attendance definition, revises last-dollar awards to include cost of attendance minus all gift aid received for public and private universities, and increases awards for independent colleges and universities from \$4,000 to \$5,500. Revises department reporting due date to February 15, scholarship reporting requirements for institutions, and adds language that allows the state budget director to declare institutions ineligible for program funding if tuition restraint requirements are exceeded for two consecutive years with a reevaluation of ineligible institutions after one academic year.

#### ***Sec. 250. Free Application for Federal Student Aid (FAFSA) Filing Requirement – REVISED***

States students must file a FAFSA to be considered for any grant or scholarship program administered by the Department of Treasury. Revises reference from Treasury to MiLEAP and adds clarification that some scholarships may not require annual FAFSA filing as a scholarship condition.

#### ***Sec. 251. Michigan Competitive Scholarship Program Detail – REVISED***

Provides for distribution of funds appropriated for State Competitive Scholarships. Specifies grant amount of \$1,500, unless insufficient funds are available, in which case a report is required. Students enrolled less than full-time in a semester or term will receive a proportional scholarship amount. Deletes reference to the Michigan Educational Trust program and revises references from the Department of Treasury to MiLEAP.

#### ***Sec. 252. Tuition Grant Program Detail – REVISED***

Provides for distribution of funds appropriated for Tuition Grants; specifies grant amount of \$3,000, unless insufficient funds are available, in which case a report is required. Adds language directing MiLEAP that students who are newly eligible for the Tuition Grant program in the 2024-25 academic year and beyond will be ineligible for Tuition Grants due to potential eligibility for the Michigan Achievement Scholarship. Specifies that students awarded Tuition Grants prior to the 2024-25 academic year can continue to receive awards contingent on following all other program criteria, and updates references from the Department of Treasury to MiLEAP.

#### ***Sec. 256. Tuition Incentive Program Detail – REVISED***

Specifies criteria for Tuition Incentive Program (TIP) eligibility. Provides for award conditions and limits under Phase I dealing with associate degree and certificate programs and Phase II, third and fourth years toward bachelor's degree. Revises residency definition from institutional criteria to as determined by the FAFSA and updates references from the Department of Treasury to MiLEAP.

#### ***Sec. 263b. Michigan State University's SEEDSS Initiative/Agricultural Climate Resiliency Program – REVISED***

Allows funds from MSU's AgBioResearch and Extension appropriations to be used for the SEEDSS Initiative (Solving Emerging Environmental Developments and Securing Sustainability), which addresses sustainability issues in Michigan agriculture and educates agricultural workers on improving sustainability. Revises language to include the updated name of the program, the Agricultural Climate Resiliency Program, and updates dates.

#### ***Sec. 269. Saginaw Chippewa Tribal College North American Indian Tuition Waiver Funding – REVISED***

Specifies a \$63,200 pass-through payment from Central Michigan's North American Indian Tuition Waiver appropriation to Saginaw Chippewa Tribal College for costs of the Indian Tuition Waiver Program. Requires the tribal college to report waiver information specified under Sec. 268 to the Department of Civil Rights. Revises payment from \$63,200 to \$76,300 and updates references from the Department of Civil Rights to MiLEAP.

#### ***Sec. 270. Bay Mills Community College North American Indian Tuition Waiver Funding – NEW***

Adds language that specifies a \$498,800 pass-through payment from Lake Superior State's North American Indian Tuition Waiver appropriation to Bay Mills Community College for costs of the Indian Tuition Waiver Program. Requires the tribal college to report waiver information specified under Sec. 268 to MiLEAP.

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

***Sec. 270c. Keweenaw Bay Ojibwa Community College North American Indian Tuition Waiver Funding – REVISED***

Specifies an \$90,200 pass-through payment from Northern Michigan's North American Indian Tuition Waiver appropriation to Keweenaw Bay Ojibwa Community College for costs of the Indian Tuition Waiver Program. Requires the tribal college to report waiver information specified under Sec. 268 to the Department of Civil Rights. Revises payment from \$90,200 to \$155,200 and updates references from the Department of Civil Rights to MiLEAP.

***Sec. 275k. University Charter School Authorization Reporting Requirement – REVISED***

Requires universities that serve or have served as an authorizer of charter schools to submit a report to the legislature and the Department of Education that contains various details about the charter schools authorized, the academic performance of the schools, enrollment data, fees, board members, and university actions in regards to compliance for each authorized school. Revises reporting language to include partnership agreements, aggregated student enrollment data for individualized education program students, and a financial report on revenues and expenses for authorizing bodies. Requires universities to post the report on the university's website.

***Sec. 275m. University On-Campus Housing Reporting Requirement – NEW***

Adds language that requires each public university that has an on-campus housing residency requirement for any length of time to report if the university requires students to reside on-campus as a condition of enrollment, a summary of policies relating to on-campus residency requirements, the average charge for room and board for the most commonly selected room accommodation and meal plan, and the average charge for room and board for the prior five academic years.

***Sec. 287. Average Cost of Attendance Report – NEW***

Adds language that requires the Center for Educational Performance and Information to work with MiLEAP to collect and publish the average cost of attendance for full-time, first time students from the federal Integrated Postsecondary Education Data System for each Michigan community college, tribal institution, public university, and independent nonprofit college or university.

**HIGHER EDUCATION**

**FY 2024-25 University Operations Appropriations  
Enacted Summary**

| University     | Total<br>FY 2023-24<br>Appropriation | FY 2023-24<br>Indian<br>Tuition<br>Waiver<br>Payment | FY 2023-24<br>Base<br>Appropriation | Total<br>Ongoing<br>Operations<br>Increase | Total<br>One-Time<br>Operations<br>Increase | FY 23 Indian<br>Tuition<br>Waiver Cost | Indian<br>Tuition<br>Waiver<br>Pass-<br>Through<br>Payments | Indian<br>Tuition<br>Waiver<br>Adjustment | Total FY 25<br>Indian<br>Tuition<br>Waiver<br>Payment | Total<br>FY 2024-25<br>Appropriation | Percent<br>Change | Change<br>From<br>FY 2023-24<br>Total |
|----------------|--------------------------------------|--|-------------------------------------|--|---|--|---|---|---|--------------------------------------|-------------------|---------------------------------------|
| Central        | \$95,413,800                         | \$1,594,200  | \$93,819,600                        | \$1,407,300                                | \$938,200                                   | \$1,530,500                            | \$76,300  | \$12,600                                  | \$1,606,800   | \$97,771,900                         | 2.5%              | \$2,358,100                           |
| Eastern        | 83,144,700                           | 406,000  | 82,738,700                          | 1,241,100                                  | 827,400                                     | 401,200                                | 0   | (4,800)                                   | 401,200   | 85,208,400                           | 2.5%              | 2,063,700                             |
| Ferris         | 59,646,500                           | 714,200  | 58,932,300                          | 884,000                                    | 589,300                                     | 732,100                                | 0   | 17,900                                    | 732,100   | 61,137,700                           | 2.5%              | 1,491,200                             |
| Grand Valley   | 97,365,000                           | 1,253,800  | 96,111,200                          | 1,441,700                                  | 961,100                                     | 1,323,200                              | 0   | 69,400                                    | 1,323,200   | 99,837,200                           | 2.5%              | 2,472,200                             |
| Lake Superior  | 15,190,300                           | 938,500  | 14,251,800                          | 213,800                                    | 142,500                                     | 874,400                                | 498,800   | 434,700                                   | 1,373,200   | 15,981,300                           | 5.2%              | 791,000                               |
| Michigan State | 318,709,200                          | 1,943,800  | 316,765,400                         | 4,751,500                                  | 3,167,700                                   | 2,143,100                              | 0   | 199,300                                   | 2,143,100   | 326,827,700                          | 2.5%              | 8,118,500                             |
| Michigan Tech  | 54,525,700                           | 866,900  | 53,658,800                          | 804,900                                    | 536,600                                     | 781,600                                | 0   | (85,300)                                  | 781,600   | 55,781,900                           | 2.3%              | 1,256,200                             |
| Northern       | 53,320,000                           | 1,250,700  | 52,069,300                          | 781,000                                    | 520,700                                     | 1,257,500                              | 155,200   | 162,000                                   | 1,412,700   | 54,783,700                           | 2.7%              | 1,463,700                             |
| Oakland        | 72,288,800                           | 331,800  | 71,957,000                          | 1,079,400                                  | 719,600                                     | 291,200                                | 0   | (40,600)                                  | 291,200   | 74,047,200                           | 2.4%              | 1,758,400                             |
| Saginaw Valley | 33,894,500                           | 203,900  | 33,690,600                          | 505,400                                    | 336,900                                     | 198,500                                | 0   | (5,400)                                   | 198,500   | 34,731,400                           | 2.5%              | 836,900                               |
| UM-Ann Arbor   | 356,568,800                          | 1,290,500  | 355,278,300                         | 5,329,000                                  | 3,552,800                                   | 1,521,300                              | 0   | 230,800                                   | 1,521,300   | 365,681,400                          | 2.6%              | 9,112,600                             |
| UM-Dearborn    | 31,233,500                           | 185,500  | 31,048,000                          | 465,700                                    | 310,500                                     | 208,800                                | 0   | 23,300                                    | 208,800   | 32,033,000                           | 2.6%              | 799,500                               |
| UM-Flint       | 26,404,700                           | 391,200  | 26,013,500                          | 390,200                                    | 260,100                                     | 291,900                                | 0   | (99,300)                                  | 291,900   | 26,955,700                           | 2.1%              | 551,000                               |
| Wayne State    | 224,354,500                          | 403,600  | 223,950,900                         | 3,359,300                                  | 2,239,500                                   | 425,700                                | 0   | 22,100                                    | 425,700   | 229,975,400                          | 2.5%              | 5,620,900                             |
| Western        | 119,983,900                          | 543,700  | 119,440,200                         | 1,791,600                                  | 1,194,400                                   | 613,600                                | 0   | 69,900                                    | 613,600   | 123,039,800                          | 2.5%              | 3,055,900                             |
| <b>TOTAL:</b>  | <b>\$1,642,043,900</b>               | <b>\$12,318,300</b>                                  | <b>\$1,629,725,600</b>              | <b>\$24,445,900</b>                        | <b>\$16,297,300</b>                         | <b>\$12,594,600</b>                    | <b>\$730,300</b>  | <b>\$1,006,600</b>                        | <b>\$13,324,900</b>                                   | <b>\$1,683,793,700</b>               | <b>2.5%</b>       | <b>\$41,749,800</b>                   |

Requirements to receive ongoing and one-time operations increase for FY 2024-25:

1. Restrain FY 2024-25 resident undergraduate tuition/fee rate increase to 4.5% or \$703 (whichever is greater).
2. Participate in at least three reverse transfer agreements with community colleges.
3. Maintain a dual enrollment credit policy that does not consider whether credits were used toward high school graduation, the course location, the course delivery method, or the student enrollment composition within the course.
4. Actively participate in and submit timely updates to the Michigan Transfer Network.
5. Certify to following the Institutional Best Practice on transfers and at least one additional Institutional Best Practice.

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 7)**

**Analysts: Marcus Coffin and Una Jakupovic**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|-----------------------|---|------------|
|                   |                                       |                       | Amount                                    | %          |
| <b>IDG/IDT</b>    | \$732,100                             | \$753,500             | \$21,400                                  | 2.9        |
| <b>Federal</b>    | 1,017,100                             | 700,000               | (317,100)                                 | (31.2)     |
| <b>Local</b>      | 0                                     | 0                     | 0   | --         |
| <b>Private</b>    | 0                                     | 0                     | 0   | --         |
| <b>Restricted</b> | 72,398,700                            | 77,167,900            | 4,769,200                                 | 6.6        |
| <b>GF/GP</b>      | 0                                     | 0                     | 0   | --         |
| <b>Gross</b>      | <b>\$74,147,900</b>                   | <b>\$78,621,400</b>   | <b>\$4,473,500</b>                        | <b>6.0</b> |
| <b>FTEs</b>       | 394.5                                 | 404.5                 | 10.0                                      | 2.5        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Insurance and Financial Services (DIFS) is responsible for regulating and promoting the insurance and financial services industries operating within this state. The department also provides consumer protection by managing consumer information and inquiries and investigating consumer complaints. DIFS administers and enforces state statutes pertaining to state-chartered banks and credit unions; mortgage brokers, lenders, and servicers; consumer finance entities; insurance companies, agents, and products; and health maintenance organizations.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Staffing Increase**

Includes \$1.3 million Gross (\$0 GF/GP) and authorization for 7.0 FTE positions to hire additional staff to address increased work volumes due to insurance sector growth. This increase impacts two line items and the additional staff are expected to include 2 analyst positions, 2 management positions, 1 licensing technician, 1 enforcement attorney, and 1 communications representative. The funding will support salaries and benefits associated with the FTE positions, as well as necessary IT licenses.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| FTE          | 225.0                                   | 7.0                             |
| <b>Gross</b> | <b>\$38,672,500</b>                     | <b>\$1,314,100</b>              |
| IDG/IDT      | 61,600                                  | 2,800                           |
| Federal      | 1,017,100                               | 0                               |
| Restricted   | 37,593,800                              | 1,311,300                       |
| GF/GP        | \$0                                     | \$0                             |

**2. Pharmacy Benefit Manager Licensure and Registration Act**

Includes \$660,000 of state restricted funding authorization from the Insurance Bureau Fund to support regulatory activities related to pharmacy benefit managers required under 2022 PA 11.

|              |           |                  |
|--------------|-----------|------------------|
| <b>Gross</b> | <b>NA</b> | <b>\$660,000</b> |
| Restricted   | NA        | 660,000          |
| GF/GP        | NA        | \$0              |

**3. Customer Service**

Includes \$600,000 of state restricted funding authorization from the Insurance Bureau Fund and authorization for 3.0 FTE positions to provide customer service outreach or education related to financial services and insurance, including auto insurance and accident care claims.

|              |           |                  |
|--------------|-----------|------------------|
| FTE          | NA        | 3.0              |
| <b>Gross</b> | <b>NA</b> | <b>\$600,000</b> |
| Restricted   | NA        | 600,000          |
| GF/GP        | NA        | \$0              |

**4. Auto Insurance Reform Study**

Includes \$250,000 of state restricted funding authorization from Insurance Licensing and Regulation Fees (one-time) to contract with a university or research institute to study the effects of the 2019 auto no-fault insurance reforms.

|              |            |                  |
|--------------|------------|------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$250,000</b> |
| Restricted   | 0          | 250,000          |
| GF/GP        | \$0        | \$0              |

**INSURANCE AND FINANCIAL SERVICES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |                    |
|--|--|--|--------------------|
| <b>5. Insurance Complaints and Healthcare Appeals Outreach Campaign</b>  | <b>Gross</b>                                     | <b>\$0</b>                               | <b>\$250,000</b>   |
| Includes \$250,000 of state restricted funding authorization from Insurance Licensing and Regulation Fees (one-time) to support an outreach campaign to raise awareness of consumer rights regarding filing insurance complaints and seeking appeals of health insurance denials. These rights are established under the Insurance Code of 1956 (1956 PA 218) and the Patient's Right to Independent Review Act (2000 PA 251). It is anticipated that funding will be used for media purchases (billboards, TV, radio, social media, etc.) and contracted production services. | Restricted                                       | 0  | 250,000            |
|  | GF/GP  | \$0                                      | \$0                |
| <b>6. Technical Adjustments</b>  | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$0</b>         |
| Includes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments were made to reflect employee counts more accurately and to align funding authorization with revenue and department operations and activities.   | Federal  | NA                                       | (317,100)          |
|  | Restricted                                       | NA                                       | 317,100            |
|  | GF/GP  | NA                                       | \$0                |
| <b>7. Economic Adjustments</b>   | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$1,399,400</b> |
| Reflects increased costs of \$1.4 million Gross (\$0 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.  | IDG/IDT  | NA                                       | 18,600             |
|  | Restricted                                       | NA                                       | 1,380,800          |
|  | GF/GP  | NA                                       | \$0                |

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

**Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the public act.**

**Sec. 206. Communication With the Legislature – RETAINED (UNENFORCEABLE)**

Prohibits DIFS from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 214. Department Website Information – DELETED**

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

**Sec. 215. Work Project Usage – RETAINED (UNENFORCEABLE)**

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. *(Governor's signing letter states this section is unenforceable.)*

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

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds.

**Sec. 221. Severance Pay Reporting – DELETED**

Requires DIFS to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires report on total amount of severance pay remitted and number of DIFS employees receiving severance pay in FY 2022-23.

**Sec. 222. In-Person Work – DELETED**

Expresses legislative intent that DIFS maximize the efficiency of the state workforce, prioritize in-person work where possible, and post its in-person, remote, or hybrid work policy on its website.

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

***Sec. 222. State Fiscal Recovery Fund (SFRF) – NEW***

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

***Sec. 225. Television and Radio Production Expenditure Report – DELETED***

Requires DIFS to report any expenditure of funds to a third-party vendor for television or radio productions; delineates information to be included.

***Sec. 301. Health Insurance Rate Change Report – REVISED***

Requires DIFS to electronically transmit the annual health insurance rate change report prepared pursuant to 45 CFR 154.301(b). Revised to include an additional reporting requirement regarding the number of objections issued by DIFS for health insurance filings.

***Sec. 306. Auto Insurance Rate Filings Report – NEW***

Requires DIFS to report on auto insurance rate filings, including the number of rate filings received, processing times, the weighted average aggregated personal protection insurance rate change, and the number of objections issued.

***Sec. 307. Auto Insurance and Auto Accident Care Customer Service – NEW***

Requires DIFS to expend \$600,000 to add up to 3.0 FTEs to provide customer service outreach or education related to financial services and insurance, including auto insurance and auto accident care claims; requires at least 1.0 FTE be trained to assist catastrophic accident survivors.

***Sec. 308. Outreach, Education, and Support Services – NEW***

Requires DIFS to create a plan to increase outreach, education, and support services to the public; allows DIFS to partner with other state agencies.

***Sec. 401. Auto Insurance Reform Study – NEW***

Requires DIFS to study and report on the effects of the 2019 auto no-fault insurance reforms; allows DIFS to consult or contract with a university, research institute, or other policy research entity.

***Sec. 402. Insurance Complaints and Health Care Appeals Outreach Campaign – NEW***

Requires DIFS to provide an outreach campaign to raise awareness with respect to filing complaints and consumer rights regarding health insurance denial appeals; allows for paid advertising and outreach; requires a report detailing expenditures for the outreach campaign.

**JUDICIARY  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 8)**

**Analyst: Robin R. Risko**

|                   | FY 2023-24              | FY 2024-25           | Difference: FY 2024-25    |            |
|-------------------|-------------------------|----------------------|---------------------------|------------|
|                   | Enacted<br>as of 2/7/24 | Enacted              | From FY 2023-24<br>Amount | %          |
| <b>IDG/IDT</b>    | \$1,902,300             | \$2,402,300          | \$500,000                 | 26.3       |
| <b>Federal</b>    | 6,751,300               | 7,132,600            | 381,300                   | 5.6        |
| <b>Local</b>      | 0                       | 0                    | 0                         | --         |
| <b>Private</b>    | 1,903,900               | 1,905,300            | 1,400                     | 0.1        |
| <b>Restricted</b> | 95,152,600              | 95,887,300           | 734,700                   | 0.8        |
| <b>GF/GP</b>      | 250,218,100             | 266,113,900          | 15,895,800                | 6.4        |
| <b>Gross</b>      | <b>\$355,928,200</b>    | <b>\$373,441,400</b> | <b>\$17,513,200</b>       | <b>4.9</b> |
| <b>FTEs</b>       | 598.0                   | 643.5                | 45.5                      | 7.6        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Article VI of the State Constitution of 1963 forms the basis for Michigan's judicial branch of government. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, the State Appellate Defender Office, and other judicial agencies. The budget funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the number of judgeships.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|  | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|---|---------------------------------|
| <b>1. Additional Retirement Contribution for Judges</b>  | <b>Gross</b>                            | <b>\$0</b>                      |
| Includes \$1.9 million GF/GP to cover costs associated with House Bill 5328. If enacted, the bill will require an additional state-funded 2% retirement contribution for judges.   | GF/GP                                   | \$0                             |
|  |   | <b>\$1,900,000</b>              |
|  |   | \$1,900,000                     |
| <b>2. Statewide Case Management System</b>   | FTE                                     | NA                              |
| Includes \$1.6 million GF/GP and authorization for 7.0 new FTE positions for continued support of the statewide judicial case management system. Funding will be used to support staff, operating, and maintenance costs, to purchase hardware and software, and to fund increasing cloud hosting capacity, maintenance and security services, and various licenses. | <b>Gross</b>                            | <b>NA</b>                       |
|  | GF/GP                                   | NA                              |
|  |   | 7.0                             |
|  |   | <b>\$1,600,000</b>              |
|  |   | \$1,600,000                     |
| <b>3. Conversion of Contracted Positions to State Positions</b>  | FTE                                     | NA                              |
| Includes \$934,700 GF/GP to cover costs of converting 9.5 positions from contracted positions to state employees, as recommended by the IRS in a recent payroll audit on the use of independent contractors. Following is detail for affected budget areas:  | <b>Gross</b>                            | <b>NA</b>                       |
| • SADO - \$390,000 and 3.5 FTE positions   | GF/GP                                   | NA                              |
| • Supreme Court - \$296,600 and 3.0 FTE positions  |   | 9.5                             |
| • Court of Appeals - \$142,900 and 2.0 FTE positions   |   | <b>\$934,700</b>                |
| • Michigan Judicial Institute - \$105,200 and 1.0 FTE position.  |   | \$934,700                       |



**JUDICIARY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>4. Judicial Security</b>   | FTE          | 0.0  | 1.0                                      |
| Includes \$475,000 GF/GP and authorization for 1.0 FTE position for judicial security. Funding will be used by SCAO to enter a contract with a vendor that will assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses).   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$475,000</b>                         |
|   | GF/GP        | \$0  | \$475,000                                |
| <b>5. Judgeship Changes</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$305,500</b>                         |
| Includes \$305,500 Gross (\$171,700 GF/GP) to cover partial year costs of two new judgeships – one probate court judgeship in Macomb County and one district court judgeship in Kent County.  | Restricted   | NA   | 133,800                                  |
|   | GF/GP        | NA   | \$171,700                                |
| <b>6. Federal Funds Adjustment for Drug Treatment Courts</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$305,000</b>                         |
| Includes authorization to receive an additional \$305,000 in federal grant funding from the Office of Highway Safety Planning. Funding will be used to support drug treatment courts.   | Federal      | NA   | 305,000                                  |
|   | GF/GP        | NA   | \$0                                      |
| <b>7. Behavioral Health Administrator</b>   | FTE          | 0.0  | 1.0                                      |
| Includes \$245,000 GF/GP to establish 1.0 behavioral health administrator position within SCAO. The administrator will help analyze, develop, and implement improved court responses and services and best practices for addressing mental health issues and substance use disorder.  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$245,000</b>                         |
|   | GF/GP        | \$0  | \$245,000                                |
| <b>8. Commission Staffing</b>   | FTE          | 0.0  | 1.0                                      |
| Includes \$170,000 GF/GP and authorization for 1.0 FTE position to support the Justice for All Commission and the newly created Commission on Well-Being in the Law. The Justice for All Commission was established to simplify the court system, court rules, processes, and forms to increase court and community engagement and access to justice. The Commission on Well-Being in the Law was created by the Supreme Court and the State Bar to address the high rates of depression, anxiety, and substance use disorder among professionals in the legal community. | <b>Gross</b> | <b>\$0</b>                                       | <b>\$170,000</b>                         |
|   | GF/GP        | \$0  | \$170,000                                |
| <b>9. SOCC Recommendations for Supreme Court Justices</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$166,600</b>                         |
| Includes \$166,600 GF/GP to support recommendations made by SOCC in May 2023 to provide 7% salary increases for Supreme Court justices in 2025 and 2026, and \$10,000 expense allowances for each Supreme Court Justice. For SOCC recommendations to take effect for 2025, recommendations need legislative approval via a concurrent resolution prior to the November 2024 general election.   | GF/GP        | \$0  | \$166,600                                |
| <b>10. Legal Assistant Position for the Supreme Court</b>   | FTE          | 0.0  | 1.0                                      |
| Includes \$110,000 GF/GP to support 1.0 legal assistant position that will be shared by the Office of General Counsel and the Office of Administrative Counsel within the Supreme Court. The position was requested because of an increased administrative workload that is currently being managed by legal staff.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$110,000</b>                         |
|   | GF/GP        | \$0  | \$110,000                                |
| <b>11. Increased Costs for Facility Security</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$50,400</b>                          |
| Includes \$50,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased.  | GF/GP        | NA   | \$50,400                                 |

**JUDICIARY**

|   |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|---|--------------|---|---------------------------------|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              |   |                                 |
| <b>12. Appellate Indigent Defense Workload Standards</b>  | FTE          | 0.0                                     | 23.0                            |
| Includes \$3.3 million GF/GP to support costs of 23.0 new attorney and support staff positions for the State Appellate Defender's Office (SADO) for a three-year, phased implementation of workload standards, based on a workload assessment from the National Center for State Courts. Standards are developed in parallel with separate workload standards for trial-level public defenders through the Michigan Indigent Defense Commission.  | <b>Gross</b> | <b>\$0</b>                              | <b>\$3,259,000</b>              |
|   | GF/GP        | \$0                                     | \$3,259,000                     |
| <b>13. SADO Collective Bargaining Agreement</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$856,100</b>                |
| Includes \$856,100 GF/GP to cover costs of negotiated pay increases for UAW-represented employees of SADO under the first-ever collective bargaining agreement between SADO and the union. Represented positions include assistant defenders, reentry specialists, mitigation specialists, investigators, administrative positions (finance and IT), and program positions (Criminal Defense Resource Center and MAACS).  | GF/GP        | \$0                                     | \$856,100                       |
| <b>14. SADO Non-Exclusively Represented Employees</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$205,600</b>                |
| Includes \$205,600 to cover costs of a 5% base increase for non-represented employees to bring them in line with similar civil service positions and to keep pace with adjustments provided to union-represented employees.   | GF/GP        | \$0                                     | \$205,600                       |
| <b>15. MAACS Youth Defense Manager</b>  | FTE          | 0.0                                     | 1.0                             |
| Includes \$157,000 GF/GP and authorization for 1.0 FTE position to shift the SADO-MAACS youth defense roster manager position from a federally funded position to a state funded position. Currently, the position is funded with a one-time three-year federal grant through the DOJ, Office of Juvenile Justice and Delinquency Prevention, but the grant expires at the end of FY 2024.  | <b>Gross</b> | <b>\$0</b>                              | <b>\$157,000</b>                |
|   | GF/GP        | \$0                                     | \$157,000                       |
| <b>16. MAACS Financial Oversight and Support Attorney</b>   | FTE          | 0.0                                     | 1.0                             |
| Includes \$150,000 GF/GP and authorization for 1.0 FTE position to support a financial oversight and support attorney for MAACS. The attorney will be responsible for developing and implementing a review and audit procedure for attorney fee vouchers.   | <b>Gross</b> | <b>\$0</b>                              | <b>\$150,000</b>                |
|   | GF/GP        | \$0                                     | \$150,000                       |
| <b>17. Operation Drive</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$1,000,000</b>              |
| Includes \$1.0 million of one-time GF/GP to support the Operation Drive program. Of the total, \$500,000 will be allocated to the 52nd District Court in Oakland County and \$500,000 will be allocated to district courts statewide that want to establish a program. The program will assist individuals with regaining driving privileges by providing guidance on how to address underlying issues that led to driver license suspension, guidance on how to maintain responsibility, and guidance on how to address traffic tickets, warrants, court appearances, and payment of fees and fines. | GF/GP        | \$0                                     | \$1,000,000                     |
| <b>18. Prescription Compliance through Oral Fluid Testing</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$500,000</b>                |
| Includes \$500,000 of one-time GF/GP for SCAO to continue the prescription compliance through oral fluid testing program in veterans, mental health, and drug treatment courts that want to participate.  | GF/GP        | \$0                                     | \$500,000                       |
| <b>19. Eviction Diversion Pilot Program</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$500,000</b>                |
| Includes \$500,000 of one-time GF/GP to support an eviction diversion pilot program in 14A District Court in Washtenaw County. Funds will be used to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness.  | GF/GP        | \$0                                     | \$500,000                       |

| <u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>  | FY 2023-24<br>Enacted<br>(as of 2/7/24)  | FY 2024-25<br>Enacted<br>Change  |
|---|--|--|
| <p><b>20. Status Offender Pilot Program</b><br/>Includes authorization for SCAO to receive and expend \$500,000 of one-time federal funding through an IDG from the Department of Health and Human Services for the Status Offender Pilot program. Funding will be awarded by the Office of Juvenile Justice Delinquency and Prevention and will be used by eligible courts to provide services for diverted youth.</p> | <p><b>Gross</b>                                 <b>\$0</b><br/>IDG   0<br/>GF/GP   \$0</p>   | <p><b>\$500,000</b><br/>500,000<br/>\$0</p>                                |
| <p><b>21. Removal of FY 2023-24 One-Time Appropriations</b><br/>Removes \$5.5 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:</p> <ul style="list-style-type: none"> <li>• Statewide Court Data Transparency Project (\$4.5 million GF/GP)</li> <li>• Expungement Initiative (\$700,000 GF/GP)</li> <li>• Judicial Institute (\$300,000 GF/GP).</li> </ul>       | <p><b>Gross</b>                                 <b>\$5,500,000</b><br/>GF/GP   \$5,500,000</p>   | <p><b>(\$5,500,000)</b><br/>(\$5,500,000)</p>                              |
| <p><b>22. Economic Adjustments</b><br/>Reflects a net increase in costs of \$9.6 million Gross (\$8.9 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and rent.</p>  | <p><b>Gross</b>                                 <b>NA</b><br/>Federal   NA<br/>Private   NA<br/>Restricted                                     NA<br/>GF/GP   NA</p> | <p><b>\$9,623,300</b><br/>76,300<br/>1,400<br/>600,900<br/>\$8,944,700</p> |

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

**Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Section numbers listed for new and revised language are as they appear in the enacted bill. Section numbers may be different from section numbers included in current law and in the House and Senate passed versions of the Judiciary bill.**

**Sec. 211. Website for Information – DELETED**

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

**Sec. 211. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 215. Linking Swift and Sure Sanctions Program to DHHS, LEO, and MDOC Programming – DELETED**

Authorizes SCAO to identify programs within the Departments of Health and Human Services, Labor and Economic Opportunity, and Corrections that have programmatic connections with Swift and Sure Sanctions program participants for the purpose of leveraging collaborations and determining avenues of success for offenders who are eligible for state-provided programs; requires SCAO to provide guidance to courts participating in the Swift and Sure Sanctions program of available DHHS, LEO, and MDOC programming.

**Sec. 306. Report on Problem-Solving Courts – REVISED**

Requires SCAO to provide a statistical report on drug treatment, mental health, and veterans court programs, including information on the number and types of programs established, the number of program participants in each jurisdiction, program impacts on offender criminal involvement and recidivism, and an accounting of prior year expenditures, including grant amounts requested by courts, grant amounts awarded to courts, and grant amounts expended by courts. Revises to specify that information is required to be submitted for each individual court by program and revises the reporting date.

## JUDICIARY

### Major Boilerplate Changes from FY 2023-24

#### **Sec. 308. Swift and Sure Sanctions Program – REVISED**

Requires SCAO to administer the Swift and Sure Sanctions program and distribute grants to qualifying courts; authorizes SCAO to expend \$150,000 of the appropriation to pay for employee costs associated with administration of the program; reserves \$500,000 for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year; requires SCAO to work with the Department of Corrections to report on courts receiving funding, number of offenders participating in the program, criminal history of offenders, recidivism rates, parameters of the program, courts participating in the program, and an accounting of prior year expenditures, including grant amounts requested by courts, grant amounts awarded to courts, and grant amounts expended by courts. Revises to specify that information is required to be submitted for each individual court by program and revises the reporting date.

#### **Sec. 309. Prescription Compliance through Oral Fluid Testing Program – DELETED**

Requires SCAO to continue the Prescription Compliance through Oral Fluid Testing program; requires SCAO to report on the number of programs established, the number of program participants in each jurisdiction, program testing and results, program treatment, and program outcomes, including rearrest rate of participants while participating in the program.

#### **Sec. 312. Allocation of Funding for Statewide Judicial Case Management System – DELETED**

Requires not more than \$6.5 million to be used to offset loss of local user fee revenue previously paid by trial courts that have already transitioned to the new system and \$5.4 million to support staff and other operating costs as trial courts continue to transition to the new system.

#### **Sec. 312. Prohibit Charging Fees for Use of Statewide Case Management – NEW**

Prohibits SCAO from imposing or collecting local user fees from trial courts that use the statewide judicial case management system.

#### **Sec. 401. Expungement Initiative – DELETED**

Requires allocation of \$650,000 to Legal Aid Defender Association, Inc. in Detroit for providing expungement services and \$50,000 to Allegan County for providing legal aid services.

#### **Sec. 401. Eviction Diversion Pilot Program – NEW**

Requires one-time appropriation to be used to support an eviction diversion pilot program in 14A District Court in Washtenaw County; requires funds to be used to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness; requires SCAO to report on the number of program participants, the number of disputes settled, the number of evictions avoided, and other program outcomes, including the benefit of the program to participants and the benefit of the program to the state; designates unexpended funding as a work project appropriation.

#### **Sec. 402. Court Administration Bench Book – DELETED**

Designates unexpended funding as a work project appropriation; states purpose of the project is to develop and maintain a court administration bench book.

#### **Sec. 402. Status Offender Pilot Program – NEW**

Requires SCAO to establish a grant program to award 5 eligible courts with grants of up to \$100,000 for innovative, community-based diversion programs and services that work solely with youth for who the court receives a complaint, referral, or petition for what is alleged to be a status offense; authorizes SCAO to partner with DHHS; designates unexpended funding as a work project account.

#### **Sec. 403. Statewide Court Data Transparency Project – DELETED**

Designates unexpended funding as a work project appropriation; states purpose of the project is to collect and analyze court data, publish court data in a data portal, and develop data-driven criminal justice policies and goals.

#### **Sec. 403. Operation Drive – NEW**

Requires \$500,000 to be allocated to the 52nd District Court in Oakland County and \$500,000 to be allocated to district courts statewide that want to establish a program; requires courts receiving funding to work with the 44th District Court in Royal Oak on establishing a program; requires program to provide individuals with guidance on how to address underlying issues that led to driver license suspension, guidance on how to maintain the individual's responsibility, and guidance on how to address traffic tickets, warrants, court appearances, and payment of fees and fines; designates unexpended funding as a work project appropriation.

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

***Sec. 404. Prescription Compliance through Oral Fluid Testing Program – NEW***

Requires \$500,000 to be used to continue the program in veterans, mental health, and drug treatment courts that want to participate; requires SCAO to report on the number of programs, the number of program participants in each jurisdiction, the number of tests completed, program testing and results, program treatment, and program outcomes, including rearrest rate of participants, and the benefit of the program to the state; designates unexpended funding as a work project appropriation.

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Appropriation  
Change**

***1. Judicial Security***

Includes \$237,500 GF/GP and authorization for 0.5 FTE position for judicial security. Funding will be used by SCAO to enter a contract with a vendor that will assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses, etc.).

|              |                  |
|--------------|------------------|
| FTE          | 0.5              |
| <b>Gross</b> | <b>\$237,500</b> |
| GF/GP        | \$237,500        |

***2. Court of Appeals Facility Renovations***

Includes \$765,000 GF/GP for the Court of Appeals to complete renovating existing space in Cadillac Place so judges can be moved from private leased space in Troy to state owned space.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$765,000</b> |
| GF/GP        | \$765,000        |

***3. Employee Lump Sum Payments***

Includes \$1.1 million GF/GP to cover costs of one-time lump sum payments for eligible employees.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$1,068,900</b> |
| GF/GP        | \$1,068,900        |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

***Sec. 751. Employee Lump Sum Payments for Judicial Branch***

Requires judiciary to expend funds appropriated for employee lump sum payments for costs associated with employee lump sum payments of up to the same amounts approved by the Civil Service Commission for non-exclusively represented employees; authorizes accounting transactions to be made to effectuate payments in SIGMA.

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**  
**Summary of FY 2024-25 Enacted with Vetoes**  
**Public Act 121 of 2024 (Senate Bill 747, Article 9)**

**Analyst: Marcus Coffin**

|                   | FY 2023-24              | FY 2024-25             | Difference: FY 2024-25    |               |
|-------------------|-------------------------|------------------------|---------------------------|---------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                | From FY 2023-24<br>Amount | %             |
| <b>IDG/IDT</b>    | \$0                     | \$0                    | \$0                       | --            |
| <b>Federal</b>    | 1,183,654,200           | 1,191,165,800          | 7,511,600                 | 0.6           |
| <b>Local</b>      | 10,700,000              | 10,700,000             | 0                         | 0.0           |
| <b>Private</b>    | 12,539,200              | 12,584,600             | 45,400                    | 0.4           |
| <b>Restricted</b> | 358,863,400             | 413,774,700            | 54,911,300                | 15.3          |
| <b>GF/GP</b>      | 1,301,508,000           | 793,569,400            | (507,938,600)             | (39.0)        |
| <b>Gross</b>      | <b>\$2,867,264,800</b>  | <b>\$2,421,794,500</b> | <b>(\$445,470,300)</b>    | <b>(15.5)</b> |
| <b>FTEs</b>       | 2,648.9                 | 2,671.5                | 22.6                      | 0.9           |

Note: Appropriation figures for FY 2024-25 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 promotion; 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).

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Housing Programs – PARTIALLY VETOED**

Includes \$100.0 million GF/GP (one-time), with funding allocations made to both specific housing initiatives and to general housing programs. (Governor vetoed Sections 1019 (8) and 1019 (14), which cumulatively appropriated \$5.5 million.)

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| <b>Gross</b> | <b>\$0</b>                              | <b>\$94,500,000</b>             |
| GF/GP        | \$0                                     | \$94,500,000                    |

**2. Executive Order 2023-6 Transfers**

Includes the following transfers to effectuate Executive Order 2023-6:

- 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.
- Transfers in \$697,400 GF/GP and authorization for 1.0 FTE to reflect the shift of the Office of Rural Prosperity from MDARD to LEO.

|              |                     |                       |
|--------------|---------------------|-----------------------|
| FTE          | 12.0                | (11.0)                |
| <b>Gross</b> | <b>\$68,674,200</b> | <b>(\$67,976,800)</b> |
| GF/GP        | \$68,674,200        | (\$67,976,800)        |

**3. Michigan Innovation Fund**

Includes \$60.0 million of state restricted funding authorization from the 21st Century Jobs Trust Fund for deposit into a new innovation fund, with program details to be refined after passage of pending legislation (see boilerplate Sec. 1026).

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$60,000,000</b> |
| Restricted   | 0          | 60,000,000          |
| GF/GP        | \$0        | \$0                 |

**LABOR AND ECONOMIC OPPORTUNITY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>4. Talent and Growth</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$45,500,000</b>                      |
| Includes \$45.5 million GF/GP (one-time) to address current and future workforce needs and population growth through operation of the talent action teams fast track system; grants to support industry-led collaboratives, USDOL-approved apprenticeships, and other innovative strategies; and growth programs and activities.   | GF/GP        | \$0  | \$45,500,000                             |
| <b>5. Pure Michigan</b>  | <b>Gross</b> | <b>\$25,000,000</b>                              | <b>\$15,000,000</b>                      |
| Includes an additional \$15.0 million Gross for the Pure Michigan promotional campaign, with \$14.0 million (one-time) included from federal Coronavirus State Fiscal Recovery Fund and \$1.0 million GF/GP (ongoing).   | Federal      | 0  | 14,000,000                               |
|  | Local        | 5,000,000  | 0  |
|  | Private      | 5,000,000  | 0  |
|  | GF/GP        | \$15,000,000                                     | \$1,000,000                              |
| <b>6. Federal Vocational Rehabilitation State Match</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$5,852,600</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   | 4,602,600                                |
|  | GF/GP        | NA   | \$1,250,000                              |
| <b>7. Office of Global Michigan</b>  | FTE          | 15.0   | 0.0                                      |
| Includes an additional \$5.0 million GF/GP (\$4.0 million ongoing; \$1.0 million one-time) for the Office of Global Michigan, which coordinates state policies and programs related to immigration.  | <b>Gross</b> | <b>\$39,874,600</b>                              | <b>\$5,000,000</b>                       |
|  | Federal      | 38,369,000                                       | 0  |
|  | GF/GP        | \$1,505,600                                      | \$5,000,000                              |
| <b>8. 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 for the Bureau of Services for Blind Persons.  | <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>9. Community and Worker Economic Transition Office</b>  | FTE          | 0.0  | 10.0                                     |
| Includes \$2.5 million GF/GP and authorization for 10.0 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 while 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. | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,500,000</b>                       |
|  | GF/GP        | \$0  | \$2,500,000                              |
| <b>10. 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 will improve shovel-ready projects that meet statewide priorities, including enhancing or elevating broadband, housing, infrastructure, education, and workforce development. Funds will also support building and enhancing regional and statewide coordination of services and programming in rural communities.   | GF/GP        | \$0  | \$2,500,000                              |
| <b>11. Workers' Disability Compensation Agency Fee Proposal</b>  | <b>Gross</b> | <b>\$8,316,100</b>                               | <b>\$1,500,000</b>                       |
| Includes \$1.5 million of state restricted funding authorization from the 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 will be needed to effectuate the fee increase and expansion.)   | Restricted   | 4,823,000  | 1,500,000                                |
|  | GF/GP        | \$3,493,100                                      | \$0                                      |

**LABOR AND ECONOMIC OPPORTUNITY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|---|--------------|---|---|
| <b>12. Arts and Cultural Grants</b>   | <b>Gross</b> | <b>\$11,050,000</b>                                     | <b>\$1,300,000</b>                              |
| Includes an additional \$1.3 million Gross (\$1.3 million GF/GP) to augment the current appropriation used to provide arts and cultural grants. Of the total increase, \$50,000 reflects an increase of private funding to align with anticipated revenues; \$1.25 million GF/GP is included, with \$250,000 allocated for the Michigan Traditional Arts Program and \$1.0 million allocated for the Concert of Colors. | Federal      | 1,050,000   | 0   |
|   | Private      | 150,000   | 50,000  |
|   | GF/GP        | \$9,850,000   | \$1,250,000                                     |
| <b>13. Prosperity Bureau</b>  | FTE          | NA  | 4.0   |
| Includes \$1.1 million GF/GP (\$600,000 ongoing; \$500,000 one-time) and authorization for 4.0 FTE positions to build staffing capacity and improve program delivery.   | <b>Gross</b> | <b>NA</b>   | <b>\$1,100,000</b>                              |
|   | GF/GP        | NA  | \$1,100,000                                     |
| <b>14. Centers for Independent Living</b>   | <b>Gross</b> | <b>\$19,718,600</b>                                     | <b>\$1,000,000</b>                              |
| Includes an additional \$1.0 million GF/GP (one-time) to augment ongoing funding for grants to regional centers for independent living for services they provide to persons with disabilities.  | Federal      | 8,451,600   | 0   |
|   | Private      | 10,000  | 0   |
|   | GF/GP        | \$11,257,000  | \$1,000,000                                     |
| <b>15. Volunteer Income Tax Assistance Grants</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$1,000,000</b>                              |
| Includes \$1.0 million GF/GP for a volunteer income tax assistance grants program for tax preparation services.   | GF/GP        | NA  | \$1,000,000                                     |
| <b>16. Radiation Safety Fees</b>  | FTE          | 21.4  | 4.6   |
| Includes authorization for an additional \$582,000 of restricted radiological health fees and authorization for 4.6 FTE positions to reflect increased revenues from a FY 2022-23 fee increase. Funds will support increased staffing and equipment updates within the Radiation Safety Section.  | <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>17. 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>18. Personal Assistance Services Reimbursement for Employment Program (PASREP)</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$400,000</b>                                |
| Includes \$400,000 GF/GP for PASREP, which reimburses eligible persons with disabilities for personal assistance costs incurred to gain or maintain employment.   | GF/GP        | NA  | \$400,000                                       |
| <b>19. State Historic Preservation Office</b>   | <b>Gross</b> | <b>NA</b>   | <b>\$300,000</b>                                |
| Includes \$300,000 of state restricted funding authorization to align the State Historic Preservation Office Fees and Charges fund source with anticipated revenues.  | Federal      | NA  | 0   |
|   | Restricted   | NA  | 300,000   |
|   | GF/GP        | NA  | \$0   |
| <b>20. MSHDA Technical Assistance Field Staff</b>   | FTE          | 303.0   | 15.0  |
| Includes authorization for 15.0 additional 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>21. Community Enhancement Grants – PARTIALLY VETOED</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$137,177,000</b>                            |
| Includes \$140.9 million GF/GP (one-time) for 106 community enhancement grants (see Table 6). (Governor vetoed Sections 1050b (18), 1050d (14), and 1050e, which cumulatively appropriated \$3.7 million).  | GF/GP        | \$0   | \$137,177,000                                   |
| <b>22. Infrastructure Grants</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$102,460,000</b>                            |
| Includes \$102.5 million GF/GP (one-time) for 51 infrastructure grants (see Table 7).   | GF/GP        | \$0   | \$102,460,000                                   |



**LABOR AND ECONOMIC OPPORTUNITY**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|--|--------------|---|---|
| <b>23. Public Safety Grants</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$45,800,000</b>                             |
| Includes \$45.8 million GF/GP (one-time) for 23 public safety grants (see Table 8).  | GF/GP        | \$0   | \$45,800,000                                    |
| <b>24. Healthcare Grants</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$43,025,000</b>                             |
| Includes \$43.0 million GF/GP (one-time) for 14 healthcare grants (see Table 9).   | GF/GP        | \$0   | \$43,025,000                                    |
| <b>25. Housing Grants</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$3,850,000</b>                              |
| Includes \$3.9 million GF/GP (one-time) for 5 housing grants (see Table 10).   | GF/GP        | \$0   | \$3,850,000                                     |
| <b>26. FY 2024-25 One-Time Grant Programs</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$86,000,000</b>                             |
| Includes \$86.0 million GF/GP (one-time) for 44 one-time grant programs (see Table 11).  | GF/GP        | \$0   | \$86,000,000                                    |
| <b>27. Removal of FY 2023-24 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 one-time appropriations.   | 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>28. 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>29. Economic Adjustments</b>  | <b>Gross</b> | <b>NA</b>   | <b>\$11,034,300</b>                             |
| Reflects increased costs of \$11.0 million Gross (\$1.6 million 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**

***Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the public act.***

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

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's signing letter states this section is unenforceable.)*

**Sec. 210. 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. Revised to reflect authorizations of \$30.0 million federal and \$560.0 million state restricted.

**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. 216. Prioritization of In-person Work for State Workforce – DELETED**

States intent of the 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.

## **LABOR AND ECONOMIC OPPORTUNITY**

### **Major Boilerplate Changes from 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.

#### **Sec. 218. Work Project Expenditures – RETAINED (UNENFORCEABLE)**

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.*)

#### **Sec. 221. State Fiscal Recovery Fund (SFRF) – NEW**

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

#### **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".

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

#### **Sec. 308. 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.

## **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

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

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. Revised to include reporting on efforts to raise affordable multifamily and single-family housing goals.

#### **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.

#### **Sec. 403. Housing Rental Assistance – NEW**

Requires that at least 2.0 FTE positions must work with MDHHS on transition and supportive housing to support the transition to permanent housing with MSHDA.

## **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 limit Pure Michigan funding for use promoting Michigan as a travel and tourist destination, limit how funds may be expended, and cap administrative spending at 4.25%.

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

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

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

***Sec. 509. Land Purchase Provisions – REVISED***

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 land or options for land. Revised to allow the purchase of land options if the land is obtained from the State Land Bank or a local land bank authority.

***Sec. 513. Fundraising Activity – REVISED***

Prohibits MEDC staff involved in fundraising from being party to grant award, incentives, or tax abatement decisions with respect to MSF, MEDC, and MEGA. Revised to include the Critical Industry Program and the Michigan Strategic Site Readiness Program in the prohibition.

***Sec. 515. Film Tax Incentive Program Report – REVISED***

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. Revised to consolidate the reporting requirements of Sec. 516 into this section.

***Sec. 516. 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. 517. Michigan Arts and Culture Council Grants – REVISED***

Requires Michigan Arts and Culture Council to administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline; requires council to publish application criteria; authorizes council to charge a non-refundable application fee to be used for expenses necessary to administer the programs; requires report. Revised to cap administrative spending at 3%, to allocate \$250,000 to the Michigan Traditional Arts Program, and to allocate \$1.0 million to the Concert of Colors.

***Sec. 525. Job Creation Services Report – REVISED***

Requires department to provide a biannual report that includes expenditures by division and program unit within the job creation services line item. Revised to an annual reporting frequency and to include reporting on State Historic Preservation Office expenditures and programs.

***Sec. 528. Revitalization and Placemaking Program – NEW***

Requires LEO to use \$25.0 million to administer the Revitalization and Placemaking Program and to use remaining funds for the Michigan Talent Partnership; requires the Michigan Talent Partnership Program to be used to implement transformational public space development projects and to leverage interdepartmental and cross-sector coordination; provides requirements for qualified plan proposals; stipulates department's implementation responsibilities; establishes eligibility criteria and plan requirements; allows LEO to retain 3% for implementation costs; establishes criteria for evaluating applications; outlines award requirements; establishes reporting requirements; designates unexpended funds as a work project appropriation.

**WORKFORCE DEVELOPMENT**

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

Requires funding to be used to continue the Tri-Share Child Care program; allows funding of new childcare 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.

***Sec. 705. 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. 706. Going Pro Administration – REVISED***

Establishes requirements for administration of the Going Pro program and the department's responsibilities. Revised to require scoring criteria that incentivize Going Pro awards for new and diverse program applicants; cap the administrative allocation at 2%; and require at least 5% of available funding to be reserved for businesses in talent fund priority industry sectors that submit competitive applications, including training plans exclusively focused on research and development or the operation, implementation, and development of emerging technologies.

## **LABOR AND ECONOMIC OPPORTUNITY**

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

#### **Sec. 714. 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. 714. Office of Rural Prosperity – NEW**

Directs the Office of Rural Prosperity 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; requires a report on the office's activities, programs, and accomplishments.

#### **Sec. 715. Community and Worker Economic Transition Office – NEW**

Authorizes 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; requires annual report.

#### **Sec. 716. Volunteer Income Tax Assistance Grants – NEW**

Requires funds to be allocated to a nonprofit trade association to provide and expand free tax preparation services; caps administrative allocation at 5%.

## **REHABILITATION SERVICES**

#### **Sec. 905. Centers for Independent Living – REVISED**

Requires all funds appropriated for independent living to be used to support Centers for Independent Living in underserved areas and to build capacity; outlines program requirements; requires report. Revised to designate unexpended funds as a work project appropriation.

#### **Sec. 906. Personal Assistance Service Reimbursement for Employment Program – NEW**

Requires funds for PASREP to be allocated to support administration of the PASREP program; requires an annual report on the number of recipients receiving services, obtaining goals, and exiting the program.

## **ONE-TIME APPROPRIATIONS**

#### **Sec. 1001. Agricultural Tourism Hub Redevelopment – NEW**

Requires LEO to award \$2.0 million for the redevelopment of a former corrections facility in Grand Traverse County into an agricultural tourism hub.

#### **Sec. 1002. Auto Show Public Safety – NEW**

Requires allocation of \$225,000 to the 501(c)(6) nonprofit entity that operates the North American International Detroit Auto Show for the purpose of paying cities, counties, municipalities, or regional authorities for security, police, fire, traffic or parking services or for facility rentals associated with the auto show.

#### **Sec. 1003. Brownstown Municipal Infrastructure – NEW**

Requires allocation of \$1.5 million for renovation costs of a township hall in Brownstown Township.

#### **Sec. 1004. Center for Social Enterprise Development – NEW**

Requires allocation of \$1.0 million to create a Center for Social Enterprise Development, which would involve a collaboration between a small business foundation and an association of comprehensive human services providers; requires the Center to administer direct grants to small businesses and nonprofit organizations that seek to establish or expand a social enterprise with an emphasis on employing individuals who are marginalized or economically disadvantaged.

#### **Sec. 1005. Chinatown Development – NEW**

Requires allocation of \$1.0 million for the development of a culturally and historically significant midtown in Detroit; allows funds to be used for revitalization of the streetscape to be more pedestrian-friendly, incorporation of cultural art and aesthetics, installation of cultural greenspaces, and development of culturally significant buildings.

#### **Sec. 1006. Community Development – NEW**

Requires \$100,000 to be awarded to a nonprofit organization that supports underserved populations and is headquartered in Brownstown Township.

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

***Sec. 1007. Community Development Financial Institutions Grants – NEW***

Requires funds to be transferred to the Michigan Community Development Financial Institutions Fund for grants to eligible CDFIs; requires the MSF to develop a grant application; establishes grant award amounts for which CDFIs are eligible; establishes requirements for administration of the program and reporting; allows the MSF to use 4% of the appropriation for administration; designates unexpended funding as a work project appropriation.

***Sec. 1008. Community Museum Grants – NEW***

Requires LEO to allocate \$5.0 million to the Motown Museum, \$2.0 million to the Lakeshore Museum Center, \$1.0 million to the Chaldean Cultural Center, and \$1.0 million to the Michigan Flight Museum; allocates \$9.0 million for statewide grants to museums, which are to be distributed on a competitive basis, subject to a \$1.0 million cap.

***Sec. 1009. Workforce Development Grants – NEW***

Requires \$4.0 million to be awarded to a state federation for labor 501(c)(3) organization workforce development institute.

***Sec. 1010. Developing Kids – NEW***

Requires allocation of \$1.0 million to a nonprofit organization in Detroit that provides afterschool and summer programs for the renovation of a permanent headquarters.

***Sec. 1011. Downtown Development – NEW***

Requires \$150,000 to be awarded to a downtown development authority in Redford Charter Township.

***Sec. 1013. Forest Products Workforce Training and Development – NEW***

Requires allocation of \$750,000 to a nonprofit forest industry council based in Lansing; requires funds to be used to provide quality training to advance skill sets, grow operational knowledge, and advance careers in the forest products industry.

***Sec. 1014. Foster Care Aging-Out Services – NEW***

Requires \$100,000 to be awarded to a Detroit-based nonprofit organization to support wraparound services for individuals aging out of the foster care system.

***Sec. 1015. Health and Healing Center – NEW***

Requires \$1.5 million to be awarded to a health and healing center located in a neighborhood community center that provides medical and mental health services in Detroit; requires funds to be used to support medical, mental health, childcare, and community services to citizens of the community.

***Sec. 1016. High-Impact Tutoring Pilot Program – NEW***

Requires allocation of \$500,000 to a program that provides high-impact, high-dosage, data-driven tutoring programs focused on improving educational outcomes of students in need.

***Sec. 1017. Hispanic Community Center – NEW***

Requires \$750,000 to be awarded to a minority council in Kalamazoo; requires funds to be used to support a permanent facility for the organization and to serve other organizations in the community.

***Sec. 1018. Holistic Workforce Development – NEW***

Requires \$1.0 million to be awarded to Empowerment Plan, an entity operating in Detroit that provides full-time employment and services to individuals recovering from homelessness and produces sleeping bag coats for global distribution.

## **LABOR AND ECONOMIC OPPORTUNITY**

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

#### **Sec. 1019. Housing Programs – NEW (PARTIALLY VETOED)**

Requires appropriated funding to be allocated as follows: \$15.0 million to Ingham County for direct financing support programs, including homeowner down payment assistance, foreclosure prevention programs, community improvement programs, and, specific to Lansing, affordable or workforce housing projects; \$5.0 million to the intermediate school district in Grand Traverse County for construction of 1 or more housing developments with units set aside for pre-K to 12 teachers and support staff; \$5.0 million to Portage to support development of mixed-income housing; \$4.0 million to Dundee Village to support an affordable housing development project; \$3.3 million to a nonprofit organization in Lansing to support development of long-term housing for recovering patients and their families; \$3.0 million to an economic development organization in Lansing to support mixed-use housing; \$3.0 million to a nonprofit organization in Sterling Heights for capital costs resulting from construction of an affordable housing apartment complex; \$3.0 million to a development firm in Muskegon for rehabilitation of a historic manufacturing site to support housing; \$3.0 million to a nonprofit corporation in Detroit for a new multi-use housing project; \$2.0 million to DeWitt Charter Township for upgrades, renovations, acquisitions, installations, and activations of new units for a manufactured housing complex; \$2.0 million to Delta Charter Township to support an affordable workforce housing development project; \$1.5 million to a nonprofit organization in Grand Rapids for an affordable housing project; \$360,000 to a nonprofit organization in Grand Rapids for permanent or shared housing for individuals experiencing homelessness; \$2.5 million for a competitive grant program for eligible nonprofit faith-based organizations for affordable housing, including senior housing; and \$5.0 million to implement housing industry and supply chain competitive grants. Requires remaining funds to be used for a statewide competitive housing grant program; authorizes the department to utilize \$1.0 million for activities necessary to implement the section; requires the department to develop grant program guidelines and criteria where applicable; requires grant recipients to report annually on their progress; designates unexpended funds as a work project appropriation. *(Governor vetoed subsections (8) and (14), which appropriated \$3.0 million to a development firm in Muskegon for rehabilitation of a historic manufacturing site to support housing and \$2.5 million for a competitive grant program for eligible nonprofit faith-based organizations for affordable housing, respectively.)*

#### **Sec. 1020. Housing Readiness Incentive Grants – NEW**

Requires LEO to expend funds to provide grants to cities, villages, townships, and counties to offset costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

#### **Sec. 1021. Housing Stock and Homeowner Affordability – NEW**

Requires funds to be used to increase the housing stock and affordability for prospective homeowners through construction on new housing units, renovation of existing housing units, and completion of energy efficiency improvements; authorizes funds to also be used to leverage federal resources for the same purposes.

#### **Sec. 1022. Jewish Family Services – NEW**

Requires \$1.2 million to be awarded to a refugee resettlement agency located in Washtenaw County; requires funds to be used to support refugee housing and resettlement through family services.

#### **Sec. 1023. Junior Achievement – NEW**

Requires allocation of \$1.0 million to Junior Achievement, a nonprofit organization that provides young people with practical economic education programs and experiences in the competitive private enterprise system through business and education communities located in Detroit and Grand Rapids; requires funding to be used for program resources and staffing; requires each location to receive \$500,000.

#### **Sec. 1024. Life Leaders – NEW**

Requires allocation of \$750,000 to a workforce development program serving the metro Detroit area that works with youth on confidence, skills, knowledge, and opportunities to achieve goals and build futures.

#### **Sec. 1025. Math and Reading Academies – NEW**

Requires allocation of \$1.0 million for implementation of My Math Academy or My Reading Academy for grades pre-K through 5; allows programs to include professional learning for educators or a guardian care center for parental involvement.

#### **Sec. 1026. Michigan Innovation Fund – NEW**

Requires funds to be expended for activities as described in House Bill Nos. 5651, 5652, and 5653 and a Senate bill, introduced from legislative service bureau request no. 06366'24, of the 102nd legislature, if those bills are enacted into law.

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

***Sec. 1027. Michigan Women Forward – NEW***

Requires allocation of \$1.5 million to an organization that supports entrepreneurship and mentorship programs focused on women in Detroit; requires funds to be used to support programming and expansion of the organization.

***Sec. 1028. Michigan Works! Reports – NEW***

Requires allocation of \$1.0 million to support youth career exploration initiatives with a focus on health care.

***Sec. 1029. Michigan's High-Tech Talent Initiative – NEW***

Requires \$2.0 million to be awarded to MICHauto, an entity in Detroit whose mission is to promote, retain, and grow the state's automotive industry; prohibits funds from being used for digital or social media platforms.

***Sec. 1030. Minority-Owned Business Support – NEW***

Requires LEO to award grants to minority-owned businesses or non-profit business organizations to implement small business development initiatives for minority-owned businesses; allows funds awarded to nonprofit business organizations to be used for activities that support or develop small businesses; requires LEO to award funds in a geographically diverse manner and stipulates other allocation requirements; requires reporting on the grants; allows LEO to retain 2% of the appropriation for administration; designates unexpended funds as a work project appropriation.

***Sec. 1031. Nutritional Support Program – NEW***

Requires \$2.0 million to be awarded to Meals on Wheels of Western Michigan for costs of capital improvements, renovations, infrastructure expansion, or related expenses.

***Sec. 1032. Office of Rural Prosperity Grants – NEW***

Requires LEO to operate a grant program to support community activities, including enhancing or elevating broadband, housing, infrastructure, education, workforce development, and addressing other needs unique to rural areas.

***Sec. 1033. Police Athletic League – NEW***

Requires \$250,000 to be awarded for renovations and additions at a nonprofit organization that partners with a police department and community volunteers to assist youth through athletic, academic, and leadership development programs in Detroit.

***Sec. 1034. Post-Incarceration Employment – NEW***

Requires \$1.0 million to be awarded to the Center for Employment Opportunities, a nonprofit organization that operates a program that provides services to parolees and probationers assessed by the Department of Corrections as moderate- or high-risk to recidivate, and provides job readiness training, transitional employment, job coaching and placement, and postplacement retention services.

***Sec. 1035. PsyGenics – NEW***

Requires \$250,000 to be awarded to a community mental health provider in Wayne County; requires funds to be used to support mental health services including case management, psychological and psychiatric care, counseling, peer mentoring, and nursing services.

***Sec. 1036. Reignite – NEW***

Requires allocation of \$250,000 to a nonprofit organization that helps women consider careers in and connect with technology industries; requires funds to be used to support programs aimed at connecting women in K-12 through post-university with careers in technology.

***Sec. 1037. Right to Counsel – NEW***

Requires allocation of \$1.5 million to Detroit to implement a right-to-counsel program for city tenants involved in eviction proceedings.

***Sec. 1038. School Psychologists Programming – NEW***

Requires allocation of \$1.0 million to expand access to school psychology education or preparation programs maintained by institutions of higher education that offer designations, focus, or special certifications in the provision of school psychology services; requires funds to be used to hire faculty members to initiate or expand enrollment and to develop distance education in existing programs; requires a plan for internally funding the school psychologist program after the grant period ends; prohibits grants for initiating enrollment from exceeding \$350,000 per year for 1, 2, or 3 years; prohibits grants for expanding enrollment and developing distance education in existing programs from exceeding \$150,000 per year for 1, 2, or 3 years.

***Sec. 1039. SER Metro – NEW***

Requires \$750,000 to be awarded to a youth engagement and adult re-engagement nonprofit center in Detroit.

**LABOR AND ECONOMIC OPPORTUNITY**

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

**Sec. 1040. Short-Term Loan Grants – NEW**

Requires LEO to operate a grant program for short-term lenders; requires LEO to develop program guidelines, criteria, and an application process; specifies that to be eligible for the grant, entities must have a deferred presentment service transactions license or be a bank, credit union, community development financial institution, or nonprofit organization licensed or regulated under state or federal law with a physical location in Michigan; specifies that lenders must use the grants to provide short-term loans of not more than \$1,200 to individuals with financial hardship or need at not more than a 36% APR; allows LEO to use 2% of the appropriation for administration and 5% for marketing and outreach; requires reporting on the grant program; designates unexpended funds as a work project appropriation.

**Sec. 1041. Small Business Development – NEW**

Requires allocation of \$3.0 million to higher education institutions that serve as small business development center regional hosts to offset operations costs and federal match requirements.

**Sec. 1042. Starfish Family Services – NEW**

Requires \$2.0 million to be awarded to an early childhood education service provider in Detroit to provide high quality services and to support facility infrastructure improvements.

**Sec. 1043. Symphony Orchestra Grants – NEW**

Requires \$750,000 to be allocated to the Detroit Symphony Orchestra for infrastructure improvements; allocates \$5.3 million for a need-based grant program to distribute grants to symphonies that have a demonstrated financial need for state support; requires development of guidelines and a grant application process; requires grants to be awarded on a proportional basis if applications exceed the allocation.

**Sec. 1044. Talent Solutions/Talent and Growth – NEW**

Requires funds to be used for the operation of the talent action teams fast track system, grants to support apprenticeships and strategies to support job creation, collaboration with partner entities, and growth programs and activities; allows LEO to retain up to 5% of the appropriation for administration.

**Sec. 1045. Walkabouts Multisensory Movement-Based Learning – NEW**

Requires \$500,000 to be awarded to a program that provides supplemental learning tools that integrate physical movement and multisensory lessons to complement traditional classroom instruction.

**Sec. 1046. Wayne Metro – NEW**

Requires allocation of \$2.5 million to a nonprofit organization headquartered in Detroit that operates a community center in Highland Park to be used for structural improvements.

**Sec. 1047. Winter Sports Muskegon – NEW**

Requires allocation of \$1.5 million to a nonprofit, community-based organization in Muskegon County to be used for facility and park upgrades and other operational costs.

**Sec. 1048. Women of Tomorrow – NEW**

Requires allocation of \$200,000 to a women's mentoring and scholarship program headquartered in Oakland County.

**Sec. 1049. Young Adult Wellbeing and Success – NEW**

Requires \$1.0 million to be awarded to Discover You, a Midland-based program that provides evidence-informed workshops to build mental and emotional well-being, increase academic and life outcomes, and develop skills for 21st century jobs in individuals that are in grades 6 through 12 or in early postsecondary education.

**Sec. 1050. Youth Career Development Program – NEW**

Requires LEO to allocate \$450,000 to Starr Commonwealth for an initiative that serves emancipated youth and emerging adults ages 16-24 who experience circumstances that prevent them from engaging in education, professional training, and living wage employment opportunities.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

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

Includes \$5.0 million in federal funds 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.

**Appropriation  
Change**

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$5,000,000</b> |
| Federal      | 5,000,000          |
| GF/GP        | \$0                |



**FY 2023-24 Supplemental Appropriation Items  
Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**2. First Responder Presumed Coverage Claims**

Includes authorization to expend an additional \$2.0 million of First Responders Presumed Coverage Fund revenue to align with projected benefit payments. Payments from the fund are made for wage loss and medical care expenses for certain categories of first responders who have been diagnosed with cancers specified in statute, 1969 PA 317, as amended.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$2,000,000</b> |
| Restricted   | 2,000,000          |
| GF/GP        | \$0                |

**3. Office of Global Michigan**

Includes \$28.1 million in federal funds 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                 |

**4. Radiological Health Fees**

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

|              |                  |
|--------------|------------------|
| FTE          | 4.6              |
| <b>Gross</b> | <b>\$582,000</b> |
| Restricted   | 582,000          |
| GF/GP        | \$0              |

**5. Housing and Community Development Fund**

Includes \$50.0 million in federal funding to expand access to affordable and attainable housing for households that the federal government considers eligible for state fiscal recovery fund assistance.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$50,000,000</b> |
| Federal      | 50,000,000          |
| GF/GP        | \$0                 |

**6. Missing Middle Gap Program**

Includes \$110.0 million in federal funding to be used by the Michigan State Housing Development Authority to increase the supply of housing stock by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties targeted to missing middle households.

|              |                      |
|--------------|----------------------|
| <b>Gross</b> | <b>\$110,000,000</b> |
| Federal      | 110,000,000          |
| GF/GP        | \$0                  |

**7. Community and Worker Economic Transition Fund Pilot**

Includes a total of \$8.6 million GF/GP for the Community and Worker Economic Transition Fund Pilot. The program will provide resources to support communities, workers, and businesses navigating the transition. Activities will include technical assistance and capacity building, training and education, and other supportive services.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$8,600,000</b> |
| GF/GP        | \$8,600,000        |

**8. Critical Industry Program**

Includes \$68.0 million of Strategic Outreach and Attraction Reserve Fund revenues to support creation of a new manufacturing facility in Richland Township, (Saginaw County), which will manufacture a range of solar components.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$68,000,000</b> |
| Restricted   | 68,000,000          |
| GF/GP        | \$0                 |

**9. Digital Equity Capacity Grant**

Includes \$20.6 million in federal IJA funds to be used to implement the state's digital equity plan which will lay out strategies to ensure every resident of the state has access to affordable, reliable, and high-speed internet.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$20,586,000</b> |
| Federal      | 20,586,000          |
| GF/GP        | \$0                 |

**10. 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.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$727,000</b> |
| GF/GP        | \$727,000        |

**11. 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 will 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.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$1,000,000</b> |
| GF/GP        | \$1,000,000        |

**12. State Manufacturing Leadership Program**

Includes \$2.0 million in federal grant funds 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. Expanded funding will be focused on supporting minority-owned small- and medium-sized manufacturing firms and those located in disadvantaged communities.

|              |                    |
|--------------|--------------------|
| <b>Gross</b> | <b>\$2,000,000</b> |
| Federal      | 2,000,000          |
| GF/GP        | \$0                |

**LABOR AND ECONOMIC OPPORTUNITY**

**FY 2023-24 Supplemental Appropriation Items  
Public Act 121 of 2024 (Senate Bill 747, Article 16)**

|  | <b>Gross</b>        | <b>Appropriation<br/>Change</b> |
|--|---------------------|---------------------------------|
| <b>13. Michigan Strategic Site Readiness Program</b>   |                     | <b>\$29,000,000</b>             |
| Includes \$29.0 million of Strategic Outreach and Attraction Reserve Fund revenues to support water, sewer, and wastewater upgrades, including an extension of Thomas Township's water and sewer lines into Richland Township. These upgrades are necessary to provide adequate service to the new manufacturing plant funded through the Critical Industry Program (see item #8). | Restricted<br>GF/GP | 29,000,000<br>\$0               |
| <b>14. Mobility Hub Project</b>  |                     | <b>\$11,000,000</b>             |
| Includes \$11.0 million in federal funds to support developing a demonstration model that would enable companies to transition fleets to electric vehicles and test new technologies, digital services, and business models.   | Federal<br>GF/GP    | 11,000,000<br>\$0               |
| <b>15. Saunders v Unemployment Insurance Agency</b>  |                     | <b>\$55,000,000</b>             |
| Includes \$55.0 million in restricted Contingent Fund, Penalty and Interest funds to pay on the Saunders v UIA settlement according to terms of the settlement agreement. The class action lawsuit was related to COVID-19 pandemic jobless benefits.  | Restricted<br>GF/GP | 55,000,000<br>\$0               |
| <b>16. Symphony Economic Recovery Grants</b>   |                     | <b>\$1,599,900</b>              |
| Includes \$1.6 million GF/GP to support symphonies in Lansing, Ann Arbor, and Grand Rapids. Each symphony will receive a grant of \$533,300.   | GF/GP               | \$1,599,900                     |
| <b>17. Targeted Energy Investment</b>  |                     | <b>\$150,000,000</b>            |
| Includes \$150.0 million GF/GP to support efforts to restart the Palisades nuclear power generation reactor. Funding augments \$150.0 million GF/GP appropriated in 2023 PA 119. Expenditure of funds is contingent on conditional commitments from the U.S. Department of Energy for the support of efforts to restart the facility.  | GF/GP               | \$150,000,000                   |

**FY 2023-24 Supplemental Boilerplate Items  
Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**Sec. 801. Housing Readiness Incentive Grant Program**  
Requires appropriation to be used to provide grants to cities, villages, townships, and counties to cover costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

**Sec. 802. Community and Worker Economic Transition Fund Pilot**  
Authorizes the Community and Worker Economic Transition Office to establish pilot programs to address transition activities not addressed by existing state programs; authorizes funds to be used for initiatives including temporary wage gap coverage, wraparound support services, technical assistance for developing economic diversification strategies, and incumbent training programs; designates unexpended funds as a work project appropriation.

**Sec. 803. Mobility Hub Project**  
Designates unexpended funds as a work project appropriation to be used to develop real world prototype enabling companies to transition their fleets to electric and future-proof their business by testing new technologies, digital services, and business models.

**Sec. 804. Office of Global Michigan**  
Designates unexpended funds as a work project appropriation to be used to support the Office of Global Michigan and its grant programs.

**Sec. 805. Missing Middle Gap Program**  
Requires funds to be used by MSHDA to increase supply of housing stock, in response to the negative economic impacts of the pandemic, by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties targeted to missing middle households; requires at least 30% of awards to go to rural community projects; requires that not more than 15% of awards go to projects in any single city, village, or township; designates unexpended funds as a work project appropriation.

**FY 2023-24 Supplemental Boilerplate Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

***Sec. 806. Housing and Community Development Fund***

Requires funds to be used by MSHDA to expand access to affordable and attainable housing for households that the federal government considers eligible for state fiscal recovery fund assistance; requires MSHDA to develop program guidelines and eligibility criteria and to post that information on its website; designates unexpended funds as a work project appropriation.

***Sec. 807. Digital Equity Capacity Grant***

Designates unexpended funds as a work project appropriation to be used to implement the state's digital equity plan to ensure residents have access to affordable, reliable, and high-speed internet.

***Sec. 808. Critical Industry Program***

Requires funding to be used to provide qualified investments to qualified businesses for deal-closing, gap financing, or other economic assistance to create or retain qualified jobs through a technological product shift or certain capital investments.

***Sec. 809. Michigan Strategic Site Readiness Program***

Requires funding to be used to provide grants, loans, and other economic assistance for eligible applicants to create investment-ready sites to attract investments for the development of strategic sites and mega-strategic sites.

***Sec. 810. Critical Industry and Michigan Strategic Site Readiness Programs for Public Purpose***

Legislature declares that appropriations for the Critical Industry and Michigan Strategic Site Readiness Programs are to be used for a public purpose and to serve the health, safety, and general welfare of the residents of the state.

***Sec. 811. Targeted Energy Investment***

Requires funds to be used to support efforts to restart the Palisades nuclear power plant; funding would be contingent on federal commitments of support to restart the facility; requires LEO to execute a grant agreement with the facility and stipulates terms of disbursement; requires LEO to report on status of investment, federal funding committed, recipient and amount of funded expended, and timeline of facility restart; designates unexpended funds as a work project appropriation.

***Sec. 812. Symphony Economic Recovery Grants***

Requires the department to award funding to symphonies located in Lansing, Ann Arbor, and Grand Rapids.

**LABOR AND ECONOMIC OPPORTUNITY**

**Table 6: Community Enhancement Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|            |    |   |                    |
|------------|----|---|--------------------|
| Sec. 1050a | 1  | "Small Talk" Program                                  | \$1,500,000        |
|            | 2  | Building 21 Teen Center                               | 320,000            |
|            | 3  | LMTS Community Center                                 | 500,000            |
|            | 4  | First Presbyterian Church of Lansing                  | 500,000            |
|            | 5  | Lansing Schools Infrastructure                        | 2,500,000          |
|            | 6  | Holt Schools Feasibility Study                        | 150,000            |
|            | 7  | Potter Park Zoo                                       | 10,000,000         |
|            | 8  | Lansing Lignuts Infrastructure Improvements           | 1,000,000          |
|            | 9  | Plaza Roosevelt Park Improvements                     | 5,000,000          |
|            | 10 | Grand Rapids Civic Theater Sidewalk Reconstruction    | 527,000            |
|            | 11 | Wyoming Veterans Park Improvements                    | 500,000            |
|            | 12 | NAYA  | 500,000            |
|            | 13 | GRABB   | 500,000            |
|            | 14 | Downtown Boxing Gym (Detroit)                         | 2,000,000          |
|            | 15 | Hazel Park Library Infrastructure                     | 200,000            |
|            | 16 | Berston Fieldhouse Infrastructure                     | 3,000,000          |
|            | 17 | Sylvester Broome EV                                   | 250,000            |
|            | 18 | Communities First (Marian Hall)                       | 1,500,000          |
|            | 19 | St. Luke Community Center                             | 3,000,000          |
|            | 20 | Taylor Historical Society                             | 100,000            |
|            | 21 | City of Ecorse Park Improvements                      | 200,000            |
|            | 22 | City of Algonac Community Infrastructure Improvements | 1,000,000          |
|            | 23 | Mount Clemens Downtown Redevelopment                  | 5,000,000          |
|            | 24 | Ecumenical Senior Center                              | 1,000,000          |
|            | 25 | Eastside Soup Kitchen (Saginaw)                       | 1,000,000          |
| Sec. 1050b | 1  | Northfield Township Park Development                  | \$2,000,000        |
|            | 2  | MI Minority Supplier Developer                        | 2,000,000          |
|            | 3  | Detroit Rescue Mission                                | 1,500,000          |
|            | 4  | 100k Ideas  | 1,500,000          |
|            | 5  | MSU Apple App Development Academy                     | 1,000,000          |
|            | 6  | YMCA State Alliance                                   | 3,500,000          |
|            | 7  | Communities in Schools                                | 1,000,000          |
|            | 8  | Council of Women in Technology                        | 250,000            |
|            | 9  | Downriver Community Conference                        | 6,500,000          |
|            | 10 | Family Learning Institute                             | 150,000            |
|            | 11 | Inkster Community Center                              | 900,000            |
|            | 12 | Canton Township Municipal Building                    | 1,000,000          |
|            | 13 | City of Jackson Downtown Development Project          | 4,500,000          |
|            | 14 | Residents in Action Non-Profit                        | 1,000,000          |
|            | 15 | Durand Union Station, Inc                             | 1,000,000          |
|            | 16 | City of Warren Park and Recreation Improvements       | 1,000,000          |
|            | 17 | Arts & Scraps   | 150,000            |
|            | 18 | <del>Tatiana Grant</del> – VETOED                     | <del>250,000</del> |
|            | 19 | GABA  | 1,000,000          |
|            | 20 | West Michigan Teacher Collaborative                   | 2,000,000          |
|            | 21 | Anchor Bay School (Early Childhood Center)            | 750,000            |
|            | 22 | Grand Rapids Public Museum                            | 1,000,000          |
|            | 23 | Muskegon Public Access Point                          | 1,000,000          |
|            | 24 | Indoor Sports Facility (Shelby Township)              | 2,500,000          |
| Sec. 1050c | 1  | Mackinac Island Land Acquisition                      | \$3,200,000        |
|            | 2  | West Michigan Sport Complex                           | 3,000,000          |
|            | 3  | Van Andel Institute                                   | 1,000,000          |
|            | 4  | Hillsdale Hospital                                    | 3,500,000          |
|            | 5  | Rochester Community House                             | 2,000,000          |
|            | 6  | Jimmy John's Field (Utica)                            | 1,500,000          |
|            | 7  | Troy Fire Ladder Truck                                | 1,900,000          |
|            | 8  | Isabella County/Mt Pleasant Road Projects             | 2,000,000          |
|            | 9  | Mason County Road Repairs                             | 1,000,000          |

**Table 6: Community Enhancement Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|            |    |  |                        |
|------------|----|--|------------------------|
|            | 10 | The New Foster Care  | 1,900,000              |
|            | 11 | Gogebic Labor and Delivery Hospital  | 1,200,000              |
|            | 12 | Fish Pass  | 1,000,000              |
|            | 13 | Sault Ste. Marie Tribe of Chippewa Indians Emergency Shelter                   | 750,000                |
|            | 14 | Sault Ste. Marie I-500 Snowmobile Track  | 250,000                |
|            | 15 | Election Centers (East Lansing, Ann Arbor, Grand Rapids, Lansing)              | 4,000,000              |
|            | 16 | Jim Crow Museum  | 4,000,000              |
|            | 17 | Hospitality Industry Training Program  | 2,000,000              |
|            | 18 | MSU Child Development Lab  | 2,000,000              |
|            | 19 | Sherwood Pool Renovations – Saginaw  | 1,900,000              |
|            | 20 | St. Mark's Community Outreach Center   | 1,500,000              |
|            | 21 | Zekelman Holocaust Center  | 1,500,000              |
|            | 22 | Marquette Regional History Center Mortgage Payoff                              | 1,000,000              |
|            | 23 | Detroit Blight Busters Neighborhood Block Grants                               | 1,000,000              |
|            | 24 | Flint Blight Elimination   | 1,000,000              |
|            | 25 | Beyond Basics  | 1,000,000              |
| Sec. 1050d | 1  | Fisher Building  | \$1,000,000            |
|            | 2  | College Career & Beyond  | 1,000,000              |
|            | 3  | 7 Mile House Detroit   | 1,000,000              |
|            | 4  | WDET Detroit Public Radio  | 1,000,000              |
|            | 5  | WISE (Women's Innovative Social Enterprise Partnership)                        | 1,000,000              |
|            | 6  | St. Vincent and Sarah Fischer Center in Detroit                                | 700,000                |
|            | 7  | PartnerShift Network Workforce Success Initiative (WSI)                        | 600,000                |
|            | 8  | Berrien County Workforce Innovation Center                                     | 500,000                |
|            | 9  | Blandford Nature Center  | 500,000                |
|            | 10 | Chaldean American Social Service Advocates                                     | 500,000                |
|            | 11 | Greater Pontiac Community Coalition  | 500,000                |
|            | 12 | Prince Hall Most Worshipful Grand Lodge  | 500,000                |
|            | 13 | Great Lakes Center for the Arts  | 500,000                |
|            | 14 | <del>Bridgeport Gun Range – VETOED</del>                                       | <del>425,000</del>     |
|            | 15 | Voces Latinx Community Hall  | 300,000                |
|            | 16 | Faith Foundation Resources in Flint  | 300,000                |
|            | 17 | Women and Men Working for Change   | 250,000                |
|            | 18 | Violet T. Lewis Senior Home  | 250,000                |
|            | 19 | South Haven Region Business Hub  | 160,000                |
|            | 20 | Mosaic Career Pathways Institute   | 150,000                |
|            | 21 | Caring Connection – Benton Harbor  | 100,000                |
|            | 22 | LA SED Detroit   | 100,000                |
|            | 23 | Malcolm X House Historic Renovation in Inkster                                 | 80,000                 |
|            | 24 | Royal Oak Twp Recreation Activities for Youths and Seniors                     | 50,000                 |
|            | 25 | New Level Sports Youth Village Early Childhood Development Center              | 50,000                 |
|            | 26 | Kingdom Builders Worldwide Facility Improvements                               | 50,000                 |
|            | 27 | Washington Heights United Methodist Church & Community, Apprenticeship Program | 50,000                 |
|            | 28 | Pinkney Youth Community Development Center                                     | 40,000                 |
|            | 29 | Krause Memorial Library Expansion  | 1,000,000              |
|            | 30 | Gladstone Senior Center  | 500,000                |
|            | 31 | Stephenson Area Public Schools   | 400,000                |
| Sec. 1050e | 1  | <del>Ethanol Rebates for Retailers – VETOED</del>                              | <del>\$3,000,000</del> |
|            |    | <b>TOTAL</b>   | <b>\$140,852,000</b>   |
|            |    |  | <b>\$137,177,000</b>   |

**LABOR AND ECONOMIC OPPORTUNITY**

**Table 7: Infrastructure Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|            |    |   |                      |
|------------|----|---|----------------------|
| Sec. 1053a | 1  | Sea Wall Project (GP Shores)                                | \$1,000,000          |
|            | 2  | City of New Baltimore (Break Wall Project)                  | 2,000,000            |
|            | 3  | City of Ypsilanti (Community Infrastructure Projects)       | 3,000,000            |
|            | 4  | Bay City (Bridge Cost Reimbursement)                        | 1,600,000            |
|            | 5  | Clawson (Water Infrastructure)                              | 1,000,000            |
|            | 6  | Oak Park (Water and Road Infrastructure)                    | 2,000,000            |
|            | 7  | Garden City (Sidewalk Improvements)                         | 2,500,000            |
|            | 8  | Brooklyn (School Routes)                                    | 450,000              |
|            | 9  | CATA (Facility Improvements)                                | 5,000,000            |
|            | 10 | Invest Detroit (Senior Housing)                             | 2,000,000            |
|            | 11 | Taylor / Wayne Co (Community Infrastructure)                | 5,000,000            |
|            | 12 | Kalamazoo Co (Tornado Relief)                               | 2,000,000            |
|            | 13 | Lathrup Village (Community Infrastructure)                  | 2,000,000            |
|            | 14 | Warrendale Business Association (Corridor Improvements)     | 2,500,000            |
|            | 15 | MI Assn of Municipal Clerks                                 | 1,035,000            |
|            | 16 | BWL Steam Conversion Project                                | 5,000,000            |
|            | 17 | Eaton County Bank Intercounty Drain Project                 | 5,000,000            |
|            | 18 | Frankenmuth Youth Sports Complex                            | 10,000,000           |
|            | 19 | Detroit Zoo Infrastructure                                  | 7,000,000            |
|            | 20 | Bonstelle Theatre Detroit                                   | 5,000,000            |
|            | 21 | Wyoming Non-Motorized Trail                                 | 3,000,000            |
|            | 22 | Washtenaw Huron Waterloo Pathways Border-to-Border Trail    | 3,000,000            |
|            | 23 | Canton Township Summit Renovation                           | 2,500,000            |
|            | 24 | City of Hamtramck Public Works                              | 2,000,000            |
|            | 25 | Hamtramck Negro League Field/Veterans Park                  | 2,000,000            |
| Sec. 1053b | 1  | Dimondale Water Hookup to BWL                               | \$2,000,000          |
|            | 2  | Mount Clemens Riverfront Revitalization                     | 2,000,000            |
|            | 3  | Wyandotte Downriver Arts Center Historic Rehab              | 2,000,000            |
|            | 4  | Saginaw Memorial Cup Upgrades                               | 1,600,000            |
|            | 5  | Mount Clemens Septic Station Project                        | 1,500,000            |
|            | 6  | Oak Hill Cemetery - Battle Creek                            | 1,200,000            |
|            | 7  | Ironwood Ski Jump - Pine Mountain Ski Jump at Veterans Park | 1,000,000            |
|            | 8  | Oak Valley Park in Pittsfield Twp                           | 1,000,000            |
|            | 9  | Oak Park Community/Recreation Center                        | 1,000,000            |
|            | 10 | Judson Center Royal Oak Campus Renovations                  | 1,000,000            |
|            | 11 | Dickinson County Road Replacement: County 573 Rd            | 1,000,000            |
|            | 12 | Detroit Parks Coalition Infrastructure & Accessibility      | 1,000,000            |
|            | 13 | City of Detroit Public Parks and Greenway Infrastructure    | 1,000,000            |
|            | 14 | Detroit/Wayne County Port Authority                         | 1,000,000            |
|            | 15 | Grand Rapids Ford Airport Control Tower Local Match         | 2,000,000            |
|            | 16 | West Bloomfield Twp Greer Road Bridge Replacement           | 800,000              |
|            | 17 | Waterford Twp Senior Center                                 | 500,000              |
|            | 18 | Wayne County School Infrastructure                          | 500,000              |
|            | 19 | Public WiFi in Greektown Area Detroit                       | 300,000              |
|            | 20 | Innovate Albion Elevator Installation                       | 250,000              |
|            | 21 | Buena Vista Twp Township Administrative Offices             | 1,000,000            |
|            | 22 | Bridgman City Hall Rehabilitation                           | 150,000              |
|            | 23 | City of Benton Harbor DDA - State Street Theatre Study      | 30,000               |
|            | 24 | Sumpter Twp Park Improvements                               | 25,000               |
|            | 25 | Hamburg Twp Museum  | 20,000               |
|            | 26 | Scio Twp Road Improvements                                  | 1,000,000            |
|            |    | <b>TOTAL</b>  | <b>\$102,460,000</b> |

**Table 8: Public Safety Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|           |    |   |                     |
|-----------|----|---|---------------------|
| Sec. 1054 | 1  | Ingham JJ Facility  | \$12,500,000        |
|           | 2  | Hamtramck (Firetruck)                                       | 800,000             |
|           | 3  | City of Eastpointe (38th District Court)                    | 7,000,000           |
|           | 4  | Westland (Fire Department Infrastructure)                   | 3,500,000           |
|           | 5  | Livonia (Fire Equipment)                                    | 1,000,000           |
|           | 6  | City of Dearborn (Health and Security Infrastructure)       | 6,000,000           |
|           | 7  | Jewish Federation (Security)                                | 4,000,000           |
|           | 8  | Macomb Community College Public Safety Institute            | 2,000,000           |
|           | 9  | Northville Twp Fire Truck                                   | 1,500,000           |
|           | 10 | Romulus Public Safety Building                              | 1,000,000           |
|           | 11 | Kalamazoo Twp Police & Fire Infrastructure                  | 1,000,000           |
|           | 12 | Oshtemo Twp Fire Station                                    | 1,000,000           |
|           | 13 | Sterling Heights Police Command Vehicle                     | 750,000             |
|           | 14 | Eaton County Fire Training Center                           | 700,000             |
|           | 15 | Madison Heights Police Dept HVAC                            | 500,000             |
|           | 16 | Utica Ambulance Replacement                                 | 450,000             |
|           | 17 | Utica Fire & EMT Radios                                     | 300,000             |
|           | 18 | Bloomfield Twp First Responders & Fire Communications       | 300,000             |
|           | 19 | Grand Ledge Emergency Disaster Relief                       | 250,000             |
|           | 20 | Casco Twp (Allegan County) Firehouse Garage                 | 200,000             |
|           | 21 | Utica Police Equipment                                      | 200,000             |
|           | 22 | AmeriCorps Urban Safety Program/Detroit Youth Service Corps | 100,000             |
|           | 23 | Scio Twp Fire Truck   | 750,000             |
|           |    | <b>TOTAL</b>  | <b>\$45,800,000</b> |

**Table 9: Healthcare Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|           |    |   |                     |
|-----------|----|---|---------------------|
| Sec. 1051 | 1  | Eaton Rapids Hospital Infrastructure Modernization      | \$5,000,000         |
|           | 2  | Michigan Medicine                                       | 5,000,000           |
|           | 3  | Cristo Rey (Lansing)                                    | 1,000,000           |
|           | 4  | Pine Rest (Pediatric Center)                            | 12,500,000          |
|           | 5  | Cherry Health   | 1,650,000           |
|           | 6  | City of Grand Rapids (Mental Health Crisis Co-Response) | 250,000             |
|           | 7  | BAMF Detroit  | 5,000,000           |
|           | 8  | CEDAM VITA Grants                                       | 3,300,000           |
|           | 9  | Oakland Health Network                                  | 1,000,000           |
|           | 10 | East Warren Development Corp Infrastructure             | 2,000,000           |
|           | 11 | Sacred Heart Rehabilitation Center                      | 2,200,000           |
|           | 12 | Mundy Township (Senior Center)                          | 2,000,000           |
|           | 13 | LatinX Community Center                                 | 2,000,000           |
|           | 14 | SRSLY Dexter  | 125,000             |
|           |    | <b>TOTAL</b>  | <b>\$43,025,000</b> |

**Table 10: Housing Grants Public Act 121 of 2024 (Senate Bill 747, Article 9)**

|           |   |                                      |                    |
|-----------|---|--------------------------------------|--------------------|
| Sec. 1052 | 1 | Lansing Rescue Mission               | \$1,000,000        |
|           | 2 | AYA Youth Collective                 | 450,000            |
|           | 3 | Michigan Advocacy Program            | 1,000,000          |
|           | 4 | Emergency Shelter Grants (Washtenaw) | 1,000,000          |
|           | 5 | Home Builders Booklets               | 400,000            |
|           |   | <b>TOTAL</b>                         | <b>\$3,850,000</b> |

**LABOR AND ECONOMIC OPPORTUNITY**

**Table 11: FY 2024-25 One-Time Grant Programs**

|         |    |  |                     |
|---------|----|--|---------------------|
| Item 26 | 1  | Agricultural Tourism Hub Redevelopment                     | \$2,000,000         |
|         | 2  | Auto Show Public Safety                                    | 225,000             |
|         | 3  | Brownstown Municipal Infrastructure                        | 1,500,000           |
|         | 4  | Center for Social Enterprise Development                   | 1,000,000           |
|         | 5  | Chinatown Development                                      | 1,000,000           |
|         | 6  | Community Development                                      | 100,000             |
|         | 7  | Community Development Financial Institutions Fund Grants   | 5,000,000           |
|         | 8  | Community Museum Grants                                    | 18,000,000          |
|         | 9  | Developing Kids  | 1,000,000           |
|         | 10 | Downtown Development                                       | 150,000             |
|         | 11 | Forest Products Workforce Training and Development Program | 750,000             |
|         | 12 | Foster Care Aging-Out Services                             | 100,000             |
|         | 13 | Health and Healing Center                                  | 1,500,000           |
|         | 14 | High Impact Tutoring Pilot Program                         | 500,000             |
|         | 15 | Hispanic Community Center                                  | 750,000             |
|         | 16 | Holistic Workforce Development                             | 1,000,000           |
|         | 17 | Housing Readiness Incentive Grant Program                  | 2,325,000           |
|         | 18 | Jewish Family Services                                     | 1,200,000           |
|         | 19 | Junior Achievement   | 1,000,000           |
|         | 20 | Life Leaders   | 750,000             |
|         | 21 | Math and Reading Academies                                 | 1,000,000           |
|         | 22 | Michigan Women Forward                                     | 1,500,000           |
|         | 23 | Michigan Works! Skills Scholarships                        | 1,000,000           |
|         | 24 | Michigan's High-Tech Talent Initiative                     | 2,000,000           |
|         | 25 | Minority-Owned Business Support                            | 10,000,000          |
|         | 26 | Nutritional Support Program Grant                          | 2,000,000           |
|         | 27 | Police Athletic League                                     | 250,000             |
|         | 28 | Post-Incarceration Employment                              | 1,000,000           |
|         | 29 | PsyGenics  | 250,000             |
|         | 30 | Reignite   | 250,000             |
|         | 31 | Right to Counsel   | 1,500,000           |
|         | 32 | School Psychologists Programming                           | 1,000,000           |
|         | 33 | SER Metro  | 750,000             |
|         | 34 | Short-Term Loan Grants                                     | 2,500,000           |
|         | 35 | Small Business Development                                 | 3,000,000           |
|         | 36 | Starfish Family Services                                   | 2,000,000           |
|         | 37 | Symphony Orchestra Grants                                  | 6,000,000           |
|         | 38 | Walkabouts Multisensory Movement-Based Learning            | 500,000             |
|         | 39 | Wayne Metro  | 2,500,000           |
|         | 40 | Winter Sports Muskegon                                     | 1,500,000           |
|         | 41 | Women of Tomorrow  | 200,000             |
|         | 42 | Workforce Development Grants                               | 4,000,000           |
|         | 43 | Young Adult Wellbeing and Success                          | 1,000,000           |
|         | 44 | Youth Career Development Program                           | 450,000             |
|         |    | <b>TOTAL</b>   | <b>\$86,000,000</b> |

|                     |                      |
|---------------------|----------------------|
| <b>TOTAL OF ALL</b> | <b>\$335,987,000</b> |
|                     | <b>\$332,312,000</b> |



**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 10)**

Analysts: Marcus Coffin and Una Jakupovic

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|-----------------------|---|------------|
|                   |                                       |                       | Amount                                    | %          |
| <b>IDG/IDT</b>    | \$46,897,200                          | \$27,682,800          | (\$19,214,400)                            | (41.0)     |
| <b>Federal</b>    | 50,004,200                            | 30,471,300            | (19,532,900)                              | (39.1)     |
| <b>Local</b>      | 0                                     | 0                     | 0   | --         |
| <b>Private</b>    | 0                                     | 0                     | 0   | --         |
| <b>Restricted</b> | 259,708,400                           | 281,979,200           | 22,270,800                                | 8.6        |
| <b>GF/GP</b>      | 271,331,100                           | 308,605,700           | 37,274,600                                | 13.7       |
| <b>Gross</b>      | <b>\$627,940,900</b>                  | <b>\$648,739,000</b>  | <b>\$20,798,100</b>                       | <b>3.3</b> |
| <b>FTEs</b>       | 1,893.9                               | 1,821.0               | (72.9)                                    | (3.8)      |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Licensing and Regulatory Affairs (LARA) is the state's primary regulatory entity. The department oversees regulation across a variety of sectors, including commercial and occupational activities, construction and fire safety, health care and human services, public utilities, liquor control, and cannabis. Units within LARA also conduct and adjudicate administrative hearings, oversee rules promulgation, provide support for the Michigan Indigent Defense Commission and the Unarmed Combat Commission, and administer multiple grant programs, including Michigan Indigent Defense Commission grants.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Michigan Indigent Defense Commission (MIDC) Grants**

Includes an increase of \$37.4 million GF/GP to support grant distributions to district and circuit court funding units to fund the state's projected share of FY 2024-25 costs associated with MIDC standards 1-8 and the indigency standard. Of the total, \$24.6 million is included for compliance with standards 1, 2, 3, 4, 5, and 8, which pertain to the education and training of defense counsel, timing and location of attorney-client interviews, defense investigations and experts, presence of counsel at first appearance and other trial stages, independence of indigent criminal defense services from the judiciary, and attorney compensation, contracting, and payments; \$12.9 million is included for costs incurred for compliance with MIDC standards 6 and 7, which pertain to indigent defense workloads and attorney qualification and review.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| <b>Gross</b> | <b>\$220,917,400</b>                    | <b>\$37,427,900</b>             |
| Restricted   | 300,000                                 | 0                               |
| GF/GP        | \$220,617,400                           | \$37,427,900                    |

**2. Executive Order 2023-6 Implementation**

Removes \$25.6 million Gross (\$4.4 million GF/GP) and 147.0 FTE positions to effectuate the reorganization of various childcare and educational functions within the Department of Lifelong Education, Advancement, and Potential, required under EO 2023-6. This adjustment will result in the complete removal of functions related to childcare and child camps licensing from LARA.

|              |           |                       |
|--------------|-----------|-----------------------|
| FTE          | NA        | (147.0)               |
| <b>Gross</b> | <b>NA</b> | <b>(\$25,586,500)</b> |
| IDG/IDT      | NA        | (20,653,100)          |
| Restricted   | NA        | (544,600)             |
| GF/GP        | NA        | (\$4,388,800)         |

**LICENSING AND REGULATORY AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--|--|
| <b>3. Renewable Energy and Electrification Infrastructure Enhancement and Development</b>   |  |  |
|   | FTE  | 2.0 (2.0)                                |
|   | <b>Gross</b>                                     | <b>\$21,300,000 (\$21,300,000)</b>       |
| (a) Removes \$21.3 million Gross (\$20.0 million one-time Coronavirus State Fiscal Recovery Fund; \$1.3 million one-time GF/GP) included in the FY 2023-24 budget for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects.   | Federal  | 20,000,000 (20,000,000)                  |
|   | GF/GP  | \$1,300,000 (\$1,300,000)                |
| <br>  |  |  |
| (b) Includes \$5.0 million GF/GP (one-time) and authorization for 1.0 FTE position for FY 2024-25 grants to businesses, nonprofit organizations, and units of local and state government for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects, which include renewable natural gas facilities and electric vehicle fast-charging infrastructure on publicly owned land within 1/2 mile of a U.S. highway or state trunkline roadway. From the gross funding total, \$125,000 is provided to the Public Service Commission for administration of the grant program.  | FTE  | 0.0 1.0                                  |
|   | <b>Gross</b>                                     | <b>\$0 \$5,000,000</b>                   |
|   | GF/GP  | \$0 \$5,000,000                          |
| <br>  |  |  |
| <b>4. Clean Energy Implementation</b>   |  |  |
| Includes \$5.8 million of state restricted funding authorization from Public Utility Assessments and authorization for 31.0 FTE positions to support the implementation and administration of responsibilities under 2023 PAs 229, 231, 233, 234, and 235, colloquially referred to as the "clean energy package". Funding will be utilized to support staffing costs within the Public Service Commission (PSC), Michigan Office of Administrative Hearings and Rules, and Administrative Services line items. Departmental responsibilities under the acts include reviewing renewable energy plans, expanding reviews of Integrated Resource Plan and Energy Waste Reduction filings, and PSC oversight of renewable energy facility siting. | FTE  | NA 31.0                                  |
|   | <b>Gross</b>                                     | <b>NA \$5,822,700</b>                    |
|   | Restricted                                       | NA 5,822,700                             |
|   | GF/GP  | NA \$0                                   |
| <br>  |  |  |
| <b>5. Michigan Saves</b>  |  |  |
| (a) Removes \$5.5 million GF/GP (one-time) that was included in the FY 2023-24 budget for Michigan Saves, a non-profit green bank.  | <b>Gross</b>                                     | <b>\$5,500,000 (\$5,500,000)</b>         |
|   | GF/GP  | \$5,500,000 (\$5,500,000)                |
| <br>  |  |  |
| (b) Includes \$5.0 million GF/GP (one-time) for Michigan Saves for FY 2024-25. Funding will be used to offer credit enhancement tools intended to incentivize lending at lower rates and under better terms for clean energy improvement and on-site wastewater system replacement and repair loans to commercial and residential entities.   | <b>Gross</b>                                     | <b>\$0 \$5,000,000</b>                   |
|   | GF/GP  | \$0 \$5,000,000                          |
| <br>  |  |  |
| <b>6. Elevator Inspections</b>  |  |  |
| Includes \$4.4 million of state restricted funding authorization from Elevator Fees and authorization for 10.0 FTE positions to hire additional elevator inspectors within the Bureau of Construction Codes to address significant inspection backlogs. Additional funding is available because of administrative rule changes that increased certain elevator fees effective June 2023.  | FTE  | NA 10.0                                  |
|   | <b>Gross</b>                                     | <b>NA \$4,400,000</b>                    |
|   | Restricted                                       | NA 4,400,000                             |
|   | GF/GP  | NA \$0                                   |

**LICENSING AND REGULATORY AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>7. Cannabis Regulatory Agency (CRA)</b>  | FTE          | 173.0  | 9.0                                      |
| Includes \$3.4 million of additional state restricted funding authorization from marihuana funds and authorization for 9.0 FTEs to hire additional CRA staff and to support the statewide marihuana monitoring system, which tracks marihuana inventory and sales. Approximately \$2.0 million of the increase will be allocated for costs associated with the monitoring system; this increase will allow for the elimination of monthly user license fees which currently support the system. The remaining \$1.4 million will be allocated for increased staffing. Additional staff are projected to include 4.0 positions within the Legal Section, 2.0 positions within the License Maintenance Section, 2.0 fire inspectors, and 1.0 auditor within the Financial Compliance Section. | <b>Gross</b> | <b>\$28,004,600</b>                              | <b>\$3,448,500</b>                       |
|   | Restricted   | 28,004,600                                       | 3,448,500                                |
|   | GF/GP        | \$0  | \$0                                      |
| <b>8. Cannabis Regulatory Agency – Attorney General</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$2,049,600</b>                       |
| Includes \$2.0 million of state restricted funding authorization from marihuana funds to support costs incurred by the Department of Attorney General for increased enforcement activities conducted in the cannabis sector.  | Restricted   | NA   | 2,049,600                                |
|   | GF/GP        | NA   | \$0                                      |
| <b>9. Nursing Home Surveys and Investigations</b>   | FTE          | NA   | 12.0                                     |
| Includes \$1.9 million GF/GP and authorization for 12.0 FTE positions to hire additional staff to offset increased workloads associated with health and long-term care facilities and to conduct surveys and investigations of nursing homes. The increased staffing will assist with federal performance measure compliance.   | <b>Gross</b> | <b>NA</b>  | <b>\$1,855,000</b>                       |
|   | GF/GP        | NA   | \$1,855,000                              |
| <b>10. Bureau of Professional Licensing (BPL) Authorization Increase</b>  | FTE          | 202.0  | 0.0                                      |
| Includes an additional \$1.5 million of state restricted funding authorization from 4 separate funds for the BPL line item. This authorization increase will allow LARA to properly align staff costs with the relevant fund to support the specific work being completed. This alignment will assist the department with auditing and is expected to prevent expenditures from funds with insufficient revenue.  | <b>Gross</b> | <b>\$40,966,500</b>                              | <b>\$1,500,000</b>                       |
|   | Restricted   | 40,587,800                                       | 1,500,000                                |
|   | GF/GP        | \$378,700  | \$0                                      |
| <b>11. Bureau of Construction Codes (BCC) Authorization Increase</b>  | FTE          | 172.0  | 2.0                                      |
| Includes \$1.5 million of state restricted funding authorization from the Construction Code Fund and authorization for 2.0 FTE positions to hire additional regulation agents within the BCC to address a backlog of builder-related complaints.  | <b>Gross</b> | <b>\$26,634,900</b>                              | <b>\$1,486,300</b>                       |
|   | Restricted   | 25,335,600                                       | 1,486,300                                |
|   | GF/GP        | \$1,299,300                                      | \$0                                      |
| <b>12. Utility Consumer Representation</b>  | <b>Gross</b> | <b>\$850,000</b>                                 | <b>\$1,250,000</b>                       |
| Includes an additional \$1.3 million in state restricted funding authorization from the Utility Consumer Representation Fund for Utility Consumer Representation to reflect base contribution adjustments that were made via 2023 PA 231. These adjustments increase the amount available from the fund. The increase brings total funding for Utility Consumer Representation to \$2.1 million, which supports grants administered by the Utility Consumer Participation Board and awarded to nonprofit organizations and local units of government (upon application and approval) for representation and advancement of residential utility customers' interests in administrative and judicial proceedings.   | Restricted   | 850,000  | 1,250,000                                |
|   | GF/GP        | \$0  | \$0                                      |

**LICENSING AND REGULATORY AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b>             | <b>FY 2024-25<br/>Enacted<br/>Change</b>   |
|--|--|--|--|
| <b>13. Medication Aide Program Implementation</b>  |  |  |  |
| Includes \$1.1 million of state restricted funding authorization from the Nurse Aide and Medication Aide Registration Fund and authorization for 7.0 FTE positions to hire additional staff to administer medication aide training and certification requirements created by 2023 PA 273. Funding will also be used to develop and implement a medication aide training curriculum, testing requirements, and to improve regulatory compliance.                          |  | FTE<br>NA<br><b>Gross</b><br>NA<br>Restricted<br>NA<br>GF/GP | 7.0<br><b>\$1,062,200</b><br>1,062,200<br>\$0  |
| <b>14. Juvenile Indigent Defense Grants</b>  |  |  |  |
| Includes \$1.0 million GF/GP (one-time) to provide a grant to the University of Michigan law school for the purpose of providing financial assistance to unrepresented juvenile defendants who are charged with a felony offense, so that the defendants can secure competent legal counsel.   |  | <b>Gross</b><br>GF/GP  | <b>\$0</b><br>\$0<br><b>\$1,000,000</b><br>\$1,000,000   |
| <b>15. PSC 5-Year Energy Waste Reduction and Demand Response Study</b>   |  |  |  |
| Includes \$1.0 million of state restricted funding authorization (one-time) to support consulting services that are necessary for PSC to fulfill a requirement for 5-year studies on statewide energy waste reduction and demand response potential. The requirement for studies is established within 2016 PA 341.  |  | <b>Gross</b><br>Restricted<br>GF/GP                          | <b>\$0</b><br>0<br>\$0<br><b>\$1,000,000</b><br>1,000,000<br>\$0   |
| <b>16. Sign Language Qualified Interpreters</b>  |  |  |  |
| Includes \$800,000 GF/GP to support the Qualified Interpreter Program (QIP) within the Bureau of Community and Health Systems. The QIP is responsible for certifying, credentialing, and endorsing qualified American Sign Language (ASL) interpreters. The funding will support 3.0 new full-time staff positions, updates to database systems, and evaluation of testing methodologies for ASL interpreters.   |  | <b>Gross</b><br>GF/GP  | <b>NA</b><br>NA<br><b>\$800,000</b><br>\$800,000   |
| <b>17. PSC Authorization Increase</b>  |  |  |  |
| Includes \$562,600 of additional state restricted funding authorization from Public Utility Assessments to allow the PSC to hire personnel to fill currently vacant FTE positions. The FTEs will assist with call center and customer outreach activities. PSC activity levels are expected to increase due to statutory changes and new programs that the PSC is responsible for implementing and administering, including changes made under the clean energy package. |  | FTE<br><b>Gross</b><br>Federal<br>Restricted<br>GF/GP        | 195.0<br><b>\$34,941,000</b><br>3,078,600<br>31,862,400<br>\$0<br>0.0<br><b>\$562,600</b><br>0<br>562,600<br>\$0 |
| <b>18. Corporations, Securities, and Commercial Licensing Bureau (CSCLB) Authorization Increase</b>  |  |  |  |
| Includes an additional \$550,000 of state restricted funding authorization from Corporation Fees to allow the CSCLB to fill vacant FTE positions and to reinstate senior-level positions. These positions will be used to address increased work volumes resulting from growth in the number of active business entities regulated by the CSCLB.   |  | FTE<br><b>Gross</b><br>Restricted<br>GF/GP                   | 109.0<br><b>\$15,854,400</b><br>15,854,400<br>\$0<br>0.0<br><b>\$550,000</b><br>550,000<br>\$0                   |
| <b>19. Regulatory Effectiveness Office</b>   |  |  |  |
| Includes \$400,000 of additional state restricted funding authorization from 6 fund sources to support the creation of a Regulatory Effectiveness Office within the department. This office will provide educational outreach and consultation to licensees and stakeholders, consolidate educational resources, and promote careers in the professions that LARA regulates.   |  | <b>Gross</b><br>Restricted<br>GF/GP                          | <b>\$0</b><br>0<br>\$0<br><b>\$400,000</b><br>400,000<br>\$0   |

**LICENSING AND REGULATORY AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>20. Michigan Office of Administrative Hearings and Rules IDG Increase</b>   | FTE          | 194.0  | 0.0                                      |
|  | <b>Gross</b> | <b>\$38,840,500</b>                              | <b>\$385,000</b>                         |
| Includes a \$385,000 increase from IDG/IDT authorization for the MOAHR line item to reflect an increased IDG amount from the Michigan Department of Corrections (MDOC) for administrative hearings administered on behalf of MDOC.   | IDG/IDT      | 26,671,100                                       | 385,000                                  |
|  | Restricted   | 11,478,700                                       | 0  |
|  | GF/GP        | \$690,700  | \$0                                      |
| <b>21. Fire Safety Inspectors</b>  | FTE          | NA   | 2.0                                      |
|  | <b>Gross</b> | <b>NA</b>  | <b>\$271,800</b>                         |
| Includes \$271,800 of state restricted funding authorization from Fire Services Fees and authorization for 2.0 FTEs to hire additional fire safety inspectors to address growing childcare licensing volumes.  | Restricted   | NA   | 271,800                                  |
|  | GF/GP        | NA   | \$0                                      |
| <b>22. PSC IT Systems</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$261,000</b>                         |
| Includes \$261,000 of additional state restricted funding authorization from Public Utility Assessments to support the gas safety data management system and the geospatial data system, which are both utilized by the PSC. The gas safety data management system contains thousands of records and supports numerous programs within PSC's Gas Safety and Operations Division through tracking, monitoring, and report generation functionalities. Funding for the geospatial data system will be used to expand current energy system geospatial data collection. | Restricted   | NA   | 261,000                                  |
|  | GF/GP        | NA   | \$0                                      |
| <b>23. Health Professions Implicit Bias Study</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$250,000</b>                         |
| Includes \$250,000 of state restricted funding authorization from the Health Professions Regulatory Fund (one-time) to allow LARA to collaborate with an external research entity to evaluate the effect of required implicit bias training for health professionals on access to and delivery of health care services.  | Restricted   | 0  | 250,000                                  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>24. IT Software Licensing</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$100,000</b>                         |
| Includes an additional \$100,000 of state restricted funding authorization from 3 fund sources to support the department's portion of a contract increase with the Microsoft corporation.  | Restricted   | NA   | 100,000                                  |
|  | GF/GP        | NA   | \$0                                      |
| <b>25. FTE Authorization Increases</b>   | FTE          | 234.9  | 2.1                                      |
| Increases authorization in the Bureau of Fire Services (BFS) and Bureau of Survey and Certification (BSC) line items by 2.1 FTE positions. The additional BFS authorization will be utilized to fill an IT specialist position to work on geographic information systems and a departmental analyst position to coordinate external events and control inventory. The 0.1 FTE position for BSC will allow the department to maximize the use of a fractional FTE position that is currently appropriated.  |              |  |  |
| <b>26. Removal of FY 2023-24 One-Time Appropriations</b>   | <b>Gross</b> | <b>\$9,050,000</b>                               | <b>(\$9,050,000)</b>                     |
| Removes \$9.1 million Gross (\$3.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:   | Restricted   | 5,500,000  | (5,500,000)                              |
|  | GF/GP        | \$3,550,000                                      | (\$3,550,000)                            |
| <ul style="list-style-type: none"> <li>• Bureau of Survey and Certification (\$1.2 million Gross)</li> <li>• CRA Reference Laboratory (\$2.8 million Gross)</li> <li>• Child Care Licensing Bureau Background Check Program (\$200,000 Gross)</li> <li>• Corporations Online Filing Modernization (\$2.7 million Gross)</li> <li>• Premanufactured Unit Plan Review Upgrades (\$350,000 Gross)</li> <li>• Utility Consumer Representation Grants (\$1.8 million Gross).</li> </ul>   |              |  |  |

**LICENSING AND REGULATORY AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|--|
| <b>27. Technical Adjustments</b>   |  |  |  |
| Includes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to reflect employee counts more accurately and to align funding authorization with revenue received and department operations and activities. |  | FTE  | NA                                       |
|  |  | <b>Gross</b>                                     | <b>NA</b>                                |
|  |  | Restricted                                       | NA                                       |
|  |  | GF/GP  | NA                                       |
|  |  |  | 0.0                                      |
|  |  |  | <b>\$0</b>                               |
|  |  |  | 0  |
|  |  |  | \$0                                      |
| <b>28. Economic Adjustments</b>  |  | <b>Gross</b>                                     | <b>NA</b>                                |
| Reflects increased costs of \$6.4 million Gross (\$930,500 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.  |  | IDG/IDT  | NA                                       |
|  |  | Federal  | NA                                       |
|  |  | Restricted                                       | NA                                       |
|  |  | GF/GP  | NA                                       |
|  |  |  | \$6,352,000                              |
|  |  |  | 1,053,700                                |
|  |  |  | 467,100                                  |
|  |  |  | 3,900,700                                |
|  |  |  | \$930,500                                |

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

**Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the public act.**

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits LARA from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 214. Department Website Information – DELETED**

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

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

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds.

**Sec. 218. Work Project Usage – RETAINED (UNENFORCEABLE)**

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 221. Severance Pay Reporting – DELETED**

Requires LARA to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires report on total amount of severance pay remitted and number of LARA employees receiving severance pay in FY 2022-23.

**Sec. 222. In-Person Work – DELETED**

Expresses legislative intent that LARA maximize the efficiency of the state workforce and prioritize in-person work where possible, and post its in-person, remote, or hybrid work policy on its website.

**Sec. 226. Grants Transparency – NEW**

Provides process requirements for grants or projects awarded to single recipient organizations or local governments.

**Sec. 227. State Fiscal Recovery Fund (SFRF) – NEW**

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

**Sec. 231. Employee Performance Monitoring Process – DELETED**

Expresses legislative intent that LARA establish a consistent employee performance monitoring process; requires report on planned or implemented changes to that process and the number of evaluations performed.

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

***Sec. 232. Television and Radio Production Expenditure Report – DELETED***

Requires LARA to report any expenditure of funds to a third-party vendor for television or radio productions; delineates information to be included.

***Sec. 302. Public Service Commission Hearings – REVISED***

Requires the PSC to conduct at least 1 public hearing in each of the 4 judicial districts described under section 302 of the Revised Judicature Act; requires any hearing conducted within district 4 to be conducted outside of Ingham County; requires the hearing to be conducted in Grand Rapids or Detroit for their respective district. Revised to eliminate the requirements related to the Revised Judicature Act and Ingham County, instead requiring that 4 public hearings be conducted in Michigan, with one each in Detroit and Grand Rapids; includes a new reporting requirement regarding the outcomes of the 4 public hearings.

***Sec. 401. Investigation of Direct Shipments of Wine and Report – REVISED***

Requires MLCC to use funds appropriated from Direct Shipper Enforcement Fund, as required under Section 203(11) of the Michigan Liquor Control Code, 1998 PA 58, to investigate illegal direct shipments of wine; requires notice to be sent to entities found to have illegally shipped wine into the state; requires MLCC to submit report detailing activities to investigate illegal shipping of wine. Revised to eliminate certain reporting metrics and to align requirements.

***Sec. 507. Elevator Inspectors' Compensation – DELETED***

Expresses intent of the legislature that at least \$900,000 be used by BCC to cooperate with the Office of the State Employer, relevant collective bargaining units, and other stakeholders to increase compensation rates for elevator inspectors employed by LARA.

***Sec. 507. Carnival-Amusement and Ski Area Safety Inspections – REVISED***

Stipulates that at least \$900,000 of the Bureau of Construction Codes appropriation must be allocated for additional inspections and enforcement activities for the Carnival-Amusement Safety Act of 1966 and the Ski Area Safety Act of 1962. Revised to require a report on carnival-amusement and ski area safety expenditures.

***Sec. 508. Skilled Trades Inspectors' Compensation Market Analysis – DELETED***

Allows LARA to cooperate with the Office of the State Employer, relevant collective bargaining units, and other stakeholders to conduct a market analysis of compensation rates for skilled trades inspectors employed by LARA, to identify any disparity in compensation between LARA-employed inspectors and inspectors employed by other governmental entities and in the private sector.

***Sec. 510. Bureau of Survey and Certification Report – NEW***

Requires LARA to report on Bureau of Survey and Certification activities, including surveys and investigations of nursing homes.

***Sec. 511. Premanufactured Unit Plan Review Report – NEW***

Requires biannual reports from BCC providing metrics related to premanufactured unit plan submissions and reviews.

***Sec. 804. Michigan Indigent Defense Commission Adopted Standard Report – REVISED***

Requires MIDC to provide notification within 7 days after the adoption of any new indigent defense standard; requires notification to include an estimated cost projection for funding the adopted standard. Revised to extend notification deadline from 7 days to 60 days.

***Sec. 1003. Juvenile Indigent Defense Grants – NEW***

Requires funding to be provided as a grant to the University of Michigan Law School to provide financial assistance to unrepresented juvenile defendants, or the legal guardians of juvenile defendants, who are charged with a felony offense so the defendants can secure competent legal counsel; designates unexpended funding as a work project appropriation.

***Sec. 1004. Premanufactured Unit Plan Review Upgrades – DELETED***

Requires BCC to utilize appropriated funds to decrease the average length of time to process and review premanufactured unit plan submissions; requires biannual reports with metrics related to premanufactured unit plan submissions and reviews.

***Sec. 1004. Michigan Saves Appropriation Use – REVISED***

Allows PSC to award a \$5.5 million grant to a nonprofit green bank to make loans more affordable for families, businesses, and public entities in Michigan; stipulates grant funds may be used for a loan loss reserve fund or similar financial instrument. Revised to reflect \$5.0 million grant amount; expand allowable purposes to include on-site wastewater system replacements or repairs; and limit loan recipients to families, small businesses, and microbusinesses.

**LICENSING AND REGULATORY AFFAIRS**

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

**Sec. 1005. Renewable Energy and Electrification Infrastructure Enhancement and Development – REVISED**

(1) Requires funding to be expended, aside from administration, only for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects; (2) requires 25% of the total amount of funding for grants awarded for electric vehicle fast-charging infrastructure to be allocated for infrastructure that provides charging at a power level of 350 kW or less and 75% of the total to be allocated for infrastructure that provides charging at a power level of at least 350 kW; (3) requires PSC to develop guidelines and implement a grant application process within 6 months and requires prioritization for grants that meet the goals of the MI Healthy Climate Plan; (4) requires grant applicants to perform an impact study that provides sufficient detail to allow the proposed project to be evaluated; (5) establishes further requirements for grant applicants for renewable natural gas infrastructure projects; (6) provides a 45-day review period for affected entities to review and comment on an application and a 15-day period for an applicant to modify their initial proposal; (7) requires PSC to award grants to applicants who have met the grant criteria; (8) requires grant recipients to report to PSC on how the money was used within 30 days after a project's completion; (9) designates unexpended funding as a work project appropriation; (10) prohibits grant funding from being used to expand the use of conventional natural gas; (11) allows the PSC to expend up to \$500,000 for administration expenses; (12) defines "renewable energy and electrification infrastructure projects" and "renewable natural gas". Revised to allow units of state government to qualify for the grants under item (1); prioritize that grants for electric vehicle fast-charging infrastructure should be awarded with a goal of distributing 50% for charging ports that provide charging a power level of at least 200 kW and 50% for charging ports that provide charging at a power level of at least 350 kW; require under item (7) that grants be awarded on a competitive basis with priority given to applicants in a distressed area; delete item (9); reduce the allowable expenditure for administration under item (11) to \$125,000; and revise the definitions in item (12) so that "renewable energy and electrification infrastructure projects" includes fast-charging infrastructure upgrades on publicly owned land within 1/2 mile of a U.S. highway or state trunkline roadway and so "renewable natural gas" includes septage feedstock.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**Appropriation  
Change**

**1. Employee Lump Sum Payments**

Includes \$511,200 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 staff employed full-time as of December 23, 2023.

|              |                  |
|--------------|------------------|
| <b>Gross</b> | <b>\$511,200</b> |
| <b>GF/GP</b> | <b>\$511,200</b> |



# DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

## Summary of FY 2024-25 Enacted

### Public Act 121 of 2024 (Senate Bill 747, Article 11)

Analysts: Noel Benson and Perry Zielak

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | <i>Difference: FY 2024-25<br/>From FY 2023-24</i> |           |
|-------------------|---------------------------------------|-----------------------|---|-----------|
|                   |                                       |                       | <i>Amount</i>                                     | <i>%</i>  |
| <b>IDG/IDT</b>    | \$0                                   | \$0                   | \$0   | NA        |
| <b>Federal</b>    | 0                                     | 505,391,000           | 505,391,000                                       | NA        |
| <b>Local</b>      | 0                                     | 0                     | 0   | NA        |
| <b>Private</b>    | 0                                     | 250,000               | 250,000   | NA        |
| <b>Restricted</b> | 0                                     | 1,863,900             | 1,863,900   | NA        |
| <b>GF/GP</b>      | 0                                     | 136,489,300           | 136,489,300                                       | NA        |
| <b>Gross</b>      | <b>\$0</b>                            | <b>\$643,994,200</b>  | <b>\$643,994,200</b>                              | <b>NA</b> |
| <b>FTEs</b>       | 0.0                                   | 343.0                 | 343.0   | NA        |

*Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."*

#### Overview

The Department of Lifelong Education, Advancement, and Potential (MiLEAP), created under Executive Order 2023-6, is responsible for administering and coordinating statewide education efforts outside of the K-12 school system, including child care, child care worker and facility licensing, early childhood education, out of school time, and higher education related programs. The department combines offices from the Department of Education, Department of Licensing and Regulatory Affairs, Department of Labor and Economic Opportunity, and the Department of Treasury to oversee these programs.

#### Major Budget Changes from FY 2023-24 Enacted Appropriations

##### **1. Departmental Administration and Support**

Provides \$8.7 million Gross (\$7.8 million GF/GP) and authorizes 30.0 classified and 6.0 unclassified FTE positions for departmental administration and support, including executive direction and operations and property management.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| FTE          | 0.0                                     | 36.0                            |
| <b>Gross</b> | <b>\$0</b>                              | <b>\$8,691,900</b>              |
| Federal      | 0                                       | 911,200                         |
| GF/GP        | \$0                                     | \$7,780,700                     |

##### **2. Information Technology**

Provides \$990,300 Gross (\$767,800 GF/GP) for information technology services and projects.

|              |            |                  |
|--------------|------------|------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$990,300</b> |
| Federal      | 0          | 222,500          |
| GF/GP        | \$0        | \$767,800        |

#### **OFFICE OF EARLY CHILDHOOD EDUCATION**

##### **3. Child Development and Care Subsidy Transfer**

Transfers in \$364.5 million Gross (\$50.8 million GF/GP) from the Michigan Department of Education (MDE) for the Child Development and Care subsidy, which provides support for low-income and other qualifying families in need of child care to work or participate in training or educational activities.

|              |            |                      |
|--------------|------------|----------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$364,500,000</b> |
| Federal      | 0          | 313,659,800          |
| GF/GP        | \$0        | \$50,840,200         |

##### **4. Child Development and Care Public Assistance Adjustment**

Increases Child Development and Care Public Assistance by \$69.4 million federal Child Care and Development Fund (CCDF) to reflect revised estimates from the May 2024 Consensus Revenue Estimating Conference.

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$69,444,000</b> |
| Federal      | 0          | 69,444,000          |
| GF/GP        | \$0        | \$0                 |

**LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |  | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|---|--|---|---|
| <b>5. Child Care Provider Rate Increase</b>   |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Provides \$65.1 million Gross (\$19.0 million GF/GP) to increase hourly child care provider reimbursement rates by 15%.   |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$65,091,800</b>                             |
| <b>6. Child Care Licensing Bureau Transfer</b>  |  | FTE   | 0.0   |
| Transfers in \$24.3 million Gross (\$3.1 million GF/GP) and authorization for 140.0 FTE positions from the Department of Licensing and Regulatory Affairs (LARA) for the Child Care Licensing Bureau and additional licensing staff.  |  | <b>Gross</b>  | <b>\$0</b>                                      |
|   |  | Federal   | 0   |
|   |  | Restricted  | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$24,286,200</b>                             |
| <b>7. Child Development and Care Contracted Services Transfer</b>   |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Transfers in \$18.9 million Federal from MDE for the Early Childhood Investment Corporation, which administers child care quality initiatives, License Exempt Monitoring, and the T.E.A.C.H. Early Childhood Michigan Scholarship program for child care providers.   |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$18,900,000</b>                             |
| <b>8. Office of Great Start Operations</b>  |  | FTE   | 0.0   |
| Transfers in \$14.4 million Gross (\$2.5 million GF/GP) and authorization for 70.0 FTE positions from MDE for operations of the Office of Great Start, which administers early childhood education programs for general and special education students and the Child Development and Care public assistance programs. |  | <b>Gross</b>  | <b>\$0</b>                                      |
|   |  | Federal   | 0   |
|   |  | Private   | 0   |
|   |  | Restricted  | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$14,388,100</b>                             |
| <b>9. Child Development and Care External Support Transfer</b>  |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Transfers in \$11.0 million Federal from MDE for an interdepartmental grant to the Michigan Department of Health and Human Services (DHHS) to support Child Development and Care related activities, including program eligibility determinations and responding to administrative hearings.                          |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$11,028,100</b>                             |
| <b>10. Child Care Facility Inspections</b>  |  | FTE   | 0.0   |
| Provides \$4.8 million Federal and authorizes 30.0 FTE positions to increase staff support for child care facility inspections.   |  | <b>Gross</b>  | <b>\$0</b>                                      |
|   |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$4,840,100</b>                              |
| <b>11. Family Child Care Networks</b>   |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Provides \$4.0 million Federal to maintain family child care networks that provide support to home-based child care providers, such as language skills. The networks were originally funded using COVID-19 stimulus funds.  |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$4,000,000</b>                              |
| <b>12. Tri-Share Child Care Program</b>   |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Transfers in \$3.4 million GF/GP from the Department of Labor and Economic Opportunity (LEO) for the Tri-Share Child Care program, which helps partner private and public organizations to increase access to high-quality and affordable child care for working families.  |  | GF/GP   | \$0   |
|   |  |   | <b>\$3,400,000</b>                              |
| <b>13. Office of Great Start Quality Improvements</b>   |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Provides \$3.3 million Federal for various quality of care improvements for the Child Development and Care program.   |  | Federal   | 0   |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$3,259,900</b>                              |
| <b>14. Child Care Centers Drinking Water Quality</b>  |  | FTE   | 0.0   |
| Provides \$500,000 GF/GP and authorizes 2.0 FTE positions to provide specialty water bottles to test the quality of drinking water at child care facilities.  |  | <b>Gross</b>  | <b>\$0</b>                                      |
|   |  | GF/GP   | \$0   |
|   |  |   | <b>\$500,000</b>                                |

**LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>15. Head Start Collaboration Office</b>   |              |  |  |
|  | FTE          | 0.0  | 1.0                                      |
| Transfers in \$425,100 Gross (\$64,500 GF/GP) and authorization for 1.0 FTE position from MDE for the Head Start Collaboration Office, which coordinates between Head Start agencies and state and local entities that provide services for all low-income children from birth to age 5 and pregnant women.  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$425,100</b>                         |
|  | Federal      | 0  | 360,600                                  |
|  | GF/GP        | \$0  | \$64,500                                 |
| <b>16. Tri-Share Child Care Program Administration</b>   |              |  |  |
|  | FTE          | 0.0  | 1.0                                      |
| Provides \$176,500 GF/GP and authorizes 1.0 FTE position for the administration of the Tri-Share Child Care program.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$176,500</b>                         |
|  | GF/GP        | \$0  | \$176,500                                |
| <b>17. Child Care Development and Care Fund Federal Medical Assistance Percentage (FMAP) Rate Adjustment</b>   |              |  |  |
|  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$0</b>                               |
| Includes a net \$0 adjustment that provides \$293,200 Federal with a corresponding decrease of GF/GP due to revised annual cost sharing adjustments from the FMAP rate.  | Federal      | 0  | 293,200                                  |
|  | GF/GP        | \$0  | (\$293,200)                              |
| <b>OFFICE OF EDUCATION PARTNERSHIPS</b>  |              |  |  |
| <b>18. Office of Education Partnerships Program Transfers</b>  |              |  |  |
|  | FTE          | 0.0  | 6.0                                      |
| Transfers in \$1.1 million GF/GP and authorization for 6.0 FTE positions from MDE for the new Office of Education Partnerships to support the Family and Community Engagement program, the Governor's Educator Advisory Council, and the Michigan PreK-12 Literacy Commission.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,062,500</b>                       |
|  | GF/GP        | \$0  | \$1,062,500                              |
| <b>19. Camp Licensing Unit</b>   |              |  |  |
|  | FTE          | 0.0  | 7.0                                      |
| Transfers \$700,300 Gross (\$657,400 GF/GP) and authorization for 7.0 FTE positions from LARA for the Camp Licensing Unit originally located in Child Care Licensing and Regulation appropriation.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$700,300</b>                         |
|  | Restricted   | 0  | 42,900                                   |
|  | GF/GP        | \$0  | \$657,400                                |
| <b>20. Out-of-School Time Administration</b>   |              |  |  |
|  | FTE          | 0.0  | 2.0                                      |
| Provides \$366,500 GF/GP and authorizes 2.0 FTE positions to provide support for the Michigan Out-of-School Time program in the School Aid budget, which provides grants for before and after school programs along with summer school activities.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$366,500</b>                         |
|  | GF/GP        | \$0  | \$366,500                                |
| <b>OFFICE OF HIGHER EDUCATION</b>  |              |  |  |
| <b>21. Student Financial Assistance Program Transfers</b>  |              |  |  |
|  | FTE          | 0.0  | 33.0                                     |
| Transfers in \$8.9 million Gross (\$7.7 million GF/GP) and authorization for 33.0 FTE positions from the Department of Treasury for the administration of student financial assistance programs, Dual Enrollment payments, and the Michigan Student Scholarship and Grants portal. Increases Dual Enrollment payments by \$500,000 GF/GP due to revised adjustment from the May 2024 Consensus Revenue Estimating Conference for a total of \$9.4 million Gross (\$8.2 million GF/GP). | <b>Gross</b> | <b>\$0</b>                                       | <b>\$9,408,100</b>                       |
|  | Restricted   | 0  | 1,254,700                                |
|  | GF/GP        | \$0  | \$8,153,400                              |
| <b>22. Michigan Reconnect Administration and Office of Higher Education Program Transfers</b>  |              |  |  |
|  | FTE          | 0.0  | 12.0                                     |
| Transfers in \$3.3 million GF/GP and authorization for 12.0 FTE positions from LEO for the new Office of Higher Education to provide administrative support for the Sixty by 30 Initiative, Michigan Reconnect, and Future for Frontliners.  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$3,276,000</b>                       |
|  | GF/GP        | \$0  | \$3,276,000                              |
| <b>23. Michigan Indian Tuition Waiver</b>  |              |  |  |
|  | FTE          | 0.0  | 1.0                                      |
| Transfers in \$157,000 GF/GP and authorization for 1.0 FTE position from the Department of Civil Rights for administration of the North American Indian Tuition Waiver program as part of Executive Revision 2025-1.   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$157,000</b>                         |
|  | GF/GP        | \$0  | \$157,000                                |

**LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|---|--------------|---|---|
| <b>ONE-TIME APPROPRIATIONS</b>  |              |   |   |
| <b>24. Child Care Stabilization Grants</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$24,000,000</b>                             |
| Provides \$24.0 million GF/GP one-time for additional supports to eligible licensed child care providers in the Child Development and Care program.   | GF/GP        | \$0   | \$24,000,000                                    |
| <b>25. Wonderschool</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$5,000,000</b>                              |
| Provides \$5.0 million GF/GP one-time for a program to increase the supply of child care family homes, group homes, and centers through recruiting, coaching, and mentoring efforts.  | GF/GP        | \$0   | \$5,000,000                                     |
| <b>26. Michigan Center for Adult College Success</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$1,833,400</b>                              |
| Provides \$1.8 million GF/GP one-time for operations costs for the Michigan Center for Adult College Success. The center works with adult students returning to postsecondary education through the Michigan Reconnect Program.   | GF/GP        | \$0   | \$1,833,400                                     |
| <b>27. One-Time Administration Supports</b>   | FTE          | 0.0   | 2.0   |
| Provides \$1.2 million GF/GP one-time and authorization for 2.0 FTE positions for an administrator of the Michigan Transfer Network and a financial resource navigator that will provide information on completing the Free Application for Federal Student Aid (FAFSA), state-administered scholarships, and student loan information.   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,200,000</b>                              |
|   | GF/GP        | \$0   | \$1,200,000                                     |
| <b>28. Adult Education Outreach Project</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million GF/GP one-time for an adult learners pilot program created by MiLEAP and the Goodwill Association of Michigan that will provide an accelerated high school accreditation program, on-site child care, career certifications and credentials, individualized wrap-around supports, and public-private partnerships. | GF/GP        | \$0   | \$1,000,000                                     |
| <b>29. Foster Care Supports</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$500,000</b>                                |
| Provides \$500,000 GF/GP one-time for a nonprofit organization that is focused on postsecondary access and success with foster care and homeless youth to build a support network for postsecondary success for at-risk youth.  | GF/GP        | \$0   | \$500,000                                       |
| <b>30. Hunger-Free Campus Grant Pilot Program</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$500,000</b>                                |
| Provides \$500,000 GF/GP one-time for a one-year pilot program at Michigan State University, Northern Michigan University, Grand Rapids Community College, and Macomb Community College to reduce hunger on campuses through establishment of campus food pantries, campus meal plan credit donations, and various additional policies.   | GF/GP        | \$0   | \$500,000                                       |
| <b>31. Youth Mentorship</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$500,000</b>                                |
| Provides \$500,000 GF/GP one-time for a nonprofit organization to mentor and help provide successful strategies for Lansing Public School students in grades 6 through 12.  | GF/GP        | \$0   | \$500,000                                       |
| <b>32. After School Programming Extension</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$300,000</b>                                |
| Provides \$300,000 GF/GP one-time for grants to MI-ALMA and the Exito Educativo program, an after-school program that teaches Latino parents and children on the requirements and support for high school graduation, and college pathways.   | GF/GP        | \$0   | \$300,000                                       |
| <b>33. Postsecondary Enrollment</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$166,600</b>                                |
| Provides \$166,600 GF/GP one-time for a company to re-engage adult learners to complete a postsecondary degree or credential.   | GF/GP        | \$0   | \$166,600                                       |

LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

| <u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>   | <u>FY 2023-24 Enacted (as of 2/7/24)</u> | <u>FY 2024-25 Enacted Change</u> |                  |
|--|--|----------------------------------|------------------|
| <b>34. Economic Adjustments</b>  | <b>Gross</b>                             | <b>NA</b>                        | <b>\$101,800</b> |
| Reflects increased costs of \$101,800 Gross (\$8,500 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 (Note: This item does not reflect all economics adjustments because some economics adjustments were applied to appropriations prior to the transfer to MiLEAP.) | Federal                                  | NA                               | 93,300           |
|  | GF/GP                                    | NA                               | \$8,500          |

Major Boilerplate Changes from FY 2023-24

STANDARD BOILERPLATE

**Sec. 201. State Spending and Payments to Local Units of Government – NEW**

Adds language that provides total state spending from state sources and payments to be made to local units of government.

**Sec. 202. Applicability of Management and Budget Act – NEW**

Adds language that subjects appropriations to Management and Budget Act, 1984 PA 431.

**Sec. 203. Terms and Acronyms – NEW**

Adds language that defines "Department," "DHHS," "Director," "FTE", "IDG," and "Standard report recipients" as they appear in the article.

**Sec. 204. Internet Report Requirements – NEW**

Adds language that requires MiLEAP to use internet to fulfill reporting requirements; requires transmission of reports via email.

**Sec. 205. Purchase of Foreign Goods – NEW**

Adds language that prohibits purchase of foreign goods or services if competitively price and comparable quality American goods or services are available; gives preference to goods and services from Michigan businesses and Michigan businesses owned and operated by veterans.

**Sec. 206. Communication with the Legislature – NEW (UNENFORCEABLE)**

Adds language that prohibits MiLEAP from taking disciplinary action against an employee for communicating with a legislator or staff. (Governor's signing letter states this section is unenforceable.)

**Sec. 207. Out-of-State Travel – NEW**

Adds language that requires MiLEAP to report on out-of-state travel expenses in the prior year that were paid for, in whole or in part, with state appropriations.

**Sec. 208. Hire of Outside Legal Counsel – NEW**

Adds language that prohibits MiLEAP from hiring a person to provide legal services that are the responsibility of the Attorney General but exempts legal services for bonding or other activities authorized by the Attorney General.

**Sec. 209. General Fund Lapse Report – NEW**

Adds language that requires the state budget office to report on the projected year-end General Fund Lapse amounts by major departmental program area by December 15.

**Sec. 210. Contingency Authorization – NEW**

Adds language that appropriates up to \$10.0 million in federal, \$500,000 in state restricted, \$350,000 in local, and \$2.0 million in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items.

**Sec. 211. Department Financial Information Website – NEW**

Adds language that requires MiLEAP to work with DTMB to maintain a searchable website accessible to the public at no cost, which includes expenditures by category; expenditures by appropriation unit; payments to vendors by vendor, date, amount, and description; the number of active employees by job classification; and job specifications and wage rates.

## **LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL**

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

#### **Sec. 212. Restricted Funds Report – NEW**

Adds language that requires MiLEAP to work with the State Budget Office to provide a report to the legislature on estimated restricted fund revenues, expenditures, and fund balances for the prior two fiscal years.

#### **Sec. 213. Submission of Reports – NEW**

Adds language that requires the department to submit reports to the senate and house appropriation subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, list the statutory or bill section requiring the report and compile, post, and maintain the reports on a public website.

#### **Sec. 214. Access to State and Local Government Services – NEW**

Adds language that prohibits appropriated funds from being used to restrict or impede a marginalized community's access to government resources, programs, or facilities; requires local governments to report any action or policy that interferes with the duties of the local health officer.

#### **Sec. 215. Geographically Disadvantaged Business Enterprises – NEW**

Adds language that requires MiLEAP director to make an effort to contract with geographically disadvantaged business enterprises.

#### **Sec. 216. FTE Report – NEW**

Requires MiLEAP to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts.

#### **Sec. 219. Department Records Retention – NEW**

Adds language that requires MiLEAP to retain all reports funded from appropriations according to federal and state guidelines for short-term and long-term retention of records.

#### **Sec. 220. Department Policy Changes Made to Implement Public Acts Report – NEW**

Adds language that requires MiLEAP to report by April 1 on each specific policy change made to implement a public act affecting MiLEAP that took effect during the prior calendar year.

#### **Sec. 222. Expend Available Work Project Authorization – NEW (UNENFORCEABLE)**

Adds language that prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. *(Governor's signing letter states this section is unenforceable.)*

#### **Sec. 224. State Fiscal Recovery Funds Reallocation Authorization – NEW**

Adds language directing the state budget director to reallocate state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline of December 31, 2026, and must notify the Legislature within 10 days after making the reallocation.

#### **Sec. 250. Individual Grant Recipient Transparency – NEW**

Adds language that requires MiLEAP to follow a standard grant distribution process; establish a process to review, complete, and execute a grant agreement with a grant recipient; verify that a grant recipient will utilize funds for a public purpose; review and verify all necessary information to ensure the grant recipient is able to execute the grant agreement; and establish a timeline to review all grant elements. Requires either the department or a legislator to sponsor grants before distribution, sets a grant agreement deadline of June 1, 2025, and a grant expenditure deadline of September 30, 2029.

## **OFFICE OF EDUCATION PARTNERSHIPS**

#### **Sec. 401. Family and Community Engagement – NEW**

Adds language that requires MiLEAP to establish or partner with family engagement centers across the state to increase parent and guardian involvement in children's education, ensure translation and interpretation services are available, partner with intermediate school districts (ISDs) to distribute information and resources to their constituent districts, and develop an early literacy engagement plan. Transfers language with minor technical revisions from Sec. 1014 in MDE.

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

**OFFICE OF HIGHER EDUCATION**

***Sec. 701. Office of Higher Education Duties and Transparency – NEW***

Adds language that states the department, through the Office of Higher Education, shall evaluate all state financial aid programs, serve as the coordinating office for all state financial aid programs, survey stakeholders to improve financial aid administration, inform prospective students of the cost of postsecondary institutions, provide analysis to assist students and families on postsecondary options, provide recommendations on improving the delivery of financial aid, support the administration of the Michigan Transfer Network, coordinate to increase utilization of postsecondary opportunities, and promote and provide resources for the completion of the Free Application for Federal Student Aid. The office must also collect data, create a dashboard on participation levels in various postsecondary and financial aid options, submit all required reports to the legislature, and post the reports on a public website. Requires the department to work in conjunction with the Center for Educational Performance and Information (CEPI) on compiling and posting postsecondary data.

***Sec. 705. Dual Enrollment Payments – NEW***

Adds language that requires dual enrollment payments to be distributed as provided under the Postsecondary Enrollment Options Act, 1996 PA 160, and the Career and Technical Preparation Act, 2000 PA 258, as determined by the department. Transfers in language with minor technical revisions from Sec. 935 in Treasury.

**OFFICE OF EARLY CHILDHOOD EDUCATION**

***Sec. 1002. CDC Provider Reimbursement Rates – NEW***

Requires MiLEAP to publish reimbursement rates on its website and the Great Start to Quality webpage. Allows MiLEAP, with the approval of the state budget director, to receive and expend federal child care development block grant funds at risk of being lapsed back to the federal government. If the average caseload falls below the caseload agreement from the Consensus Revenue Estimating Conference for three consecutive months, allows MiLEAP, with the approval of the state budget director, to increase the hourly reimbursement rate for child care providers. Increases reimbursement rates for child care providers by 15% from the rates established in FY 2023-24. Requires the department to publish reimbursement rates on the department webpage and the Great Start to Quality webpage. Transfers in language with revisions from Sec. 1002 in MDE.

***Sec. 1007. CDC Annual Report – NEW***

Requires MiLEAP to create an annual report to track the affordability, availability, health and safety, and quality of child care; actions taken to improve the quality, health, and safety of child care; the child care workforce; actions taken by the child care licensing bureau; and total funding appropriated to contracts for the early childhood comprehensive systems planning during the previous fiscal year. Requires the report to be issued by April 1 of the current fiscal year reflecting data for the previous fiscal year. Transfers in language with revisions from Sec. 1007 and consolidates reporting requirements from Sec. 1003 in MDE.

***Sec. 1008. Home Visit Program Coordination – NEW***

Requires MiLEAP to provide services to families for home visits and work with DHHS as necessary. Transfers in language with minor technical revisions from MDE.

***Sec. 1009. CDC Increase to Eligibility Entrance Threshold – NEW***

Requires MiLEAP to set the entrance threshold for the CDC program to 200% of the federal poverty guidelines. Transfers in language from MDE.

***Sec. 1011. CDC Payments Based on Enrollment – NEW***

Requires MiLEAP to implement payments to providers based on enrollment rather than attendance. Transfers in language from MDE.

***Sec. 1012. CDC Provider Rate Increase – NEW***

Requires MiLEAP to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers; requires \$3.0 million to be used for this purpose. Transfers in language from MDE.

***Sec. 1030. Administration of Tri-Share Program – NEW***

Requires funding to be used to continue the Tri-Share Child Care program; allows 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. Transfers in language with minor technical revisions from Sec. 701 in LEO.

## LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

### Major Boilerplate Changes from FY 2023-24

#### ONE-TIME APPROPRIATIONS

##### **Sec. 1101. Adult Learners Pilot Program – NEW**

Adds language that states MiLEAP must distribute grants for an adult learners pilot program to no more than four nonprofit organizations in coordination with the Goodwill Association of Michigan. The nonprofit organizations that receive grant funding must offer an accelerated high school accreditation program and provide on-site child care, with preference given to organizations that assist with career certifications and wrap-around support programs; provides work project authorization.

##### **Sec. 1102. After School Programming Extension – NEW**

Adds language that states MiLEAP must allocate funding to the Michigan Alianza Latina para Mejoramiento y Avance (MI-ALMA) and the Exito Educativo program for an afterschool program for Latino parents and students to learn about high school graduation requirements and supports and college pathways; and designates unexpended funds as a work project.

##### **Sec. 1103. Michigan Center for Adult College Success – NEW**

Adds language that states the center shall use funds to continue improving adult postsecondary enrollment through the Michigan Reconnect program.

##### **Sec. 1104. Child Care Program Stabilization Grants – NEW**

Adds language that states MiLEAP would use grants to support licensed child care providers.

##### **Sec. 1105. One-Time Administration Supports – NEW**

Adds language that provides 2.0 FTE authorizations and funding to support the Michigan Transfer Network and provide a financial resource navigator to assist the public about FAFSA completion, state scholarships and student loan options; and designates unexpended funds as a work project.

##### **Sec. 1106. Hunger-Free Campus Grant Pilot Program – NEW**

Adds language that states the purposes of the Hunger-Free Campus grant program, awards Michigan State University, Northern Michigan University, Grand Rapids Community College, and Macomb Community College \$125,000 of grant funding and requires the universities to establish a hunger task force, designate a staff member to inform students on supplemental nutrition assistance program (SNAP) enrollment opportunities, provide at least one campus food pantry, and develop a meal credit donation or food voucher program. Includes reporting requirements for program participants.

##### **Sec. 1107. Wonderschool – NEW**

Adds language that states MiLEAP must allocate funds to increase the supply of child care family homes, group homes, and centers through a recruiting, coaching, and mentorship process.

##### **Sec. 1108. Healthcare Grants/Foster Care Supports – NEW**

Adds language that states MiLEAP must allocate funds to a nonprofit organization that is focused on postsecondary access and success with foster care and homeless youth to build a support network for postsecondary success for at-risk youth. Specifies grant funding is to provide a formal infrastructure to improve postsecondary access and success for foster care and homeless youth.

##### **Sec. 1109. Postsecondary Enrollment – NEW**

Adds language that states MiLEAP must allocate funds for a company to re-engage adult learners to complete a postsecondary degree or credential.

##### **Sec. 1110. Youth Mentorship – NEW**

Adds language that states MiLEAP must allocate funds for a nonprofit organization to mentor and help provide successful strategies for Lansing Public School students in grades 6 through 12.



**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**  
**Summary of FY 2024-25 Enacted**  
**Public Act 121 of 2024 (Senate Bill 747, Article 12)**

**Analysts: Michael Cnossen and Aaron Meek**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |             |
|-------------------|---------------------------------------|-----------------------|---|-------------|
|                   |                                       |                       | Amount                                    | %           |
| IDG/IDT           | \$101,800                             | \$101,800             | \$0                                       | 0.0         |
| <b>Federal</b>    | 135,035,900                           | 144,786,800           | 9,750,900                                 | 7.2         |
| <b>Local</b>      | 0                                     | 0                     | 0   | --          |
| <b>Private</b>    | 100,000                               | 100,000               | 0   | 0.0         |
| <b>Restricted</b> | 14,213,400                            | 13,221,400            | (992,000)                                 | (7.0)       |
| <b>GF/GP</b>      | 98,889,300                            | 117,694,100           | 18,804,800                                | 19.0        |
| <b>Gross</b>      | <b>\$248,340,400</b>                  | <b>\$275,904,100</b>  | <b>\$27,563,700</b>                       | <b>11.1</b> |
| FTEs              | 1,060.0                               | 1,060.0               | 0.0                                       | 0.0         |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Military and Veterans Affairs (DMVA) provides for the operations of the Michigan National Guard in support of military and security needs of the state and federal government. The department, through the Michigan Veterans Affairs Agency, oversees state programs for veterans, grants to veterans service organizations, the County Veteran Service Fund, and the Michigan Veterans Trust Fund. The department also houses the independent Michigan Veterans Facility Authority, which manages and operates the state's three veterans homes.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Veteran Homes Operating Expenses Adjustment**

Includes \$16.4 million Gross (\$10.2 million GF/GP) to support operating cost increases for contracted nursing services, state healthcare employee wages, medical supplies and services, utilities, and DTMB accounting services fees at the state's 3 veteran homes. Gross funding increases to each of the 3 homes will be:

- \$9.7 million for the Grand Rapids Home for Veterans
- \$5.0 million for the Chesterfield Township Home for Veterans
- \$1.6 million for the D.J. Jacobetti Home for Veterans.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| FTE          | 553.0                                   | 0.0                             |
| <b>Gross</b> | <b>\$92,561,400</b>                     | <b>\$16,398,100</b>             |
| Federal      | 41,843,100                              | 7,218,600                       |
| Restricted   | 6,850,100                               | (991,300)                       |
| GF/GP        | \$43,868,200                            | \$10,170,800                    |

**2. Michigan Veterans' Facility Authority Administrative Operating Expenses Adjustment**

Includes \$941,900 GF/GP to cover total increased costs related to Auditor General service fees, DTMB accounting services, and increased costs for medical billing services, telecommunications, and other services.

|              |                    |                  |
|--------------|--------------------|------------------|
| <b>Gross</b> | <b>\$4,981,300</b> | <b>\$941,900</b> |
| GF/GP        | \$4,981,300        | \$941,900        |

**3. Selfridge Air National Guard Base (One-Time)**

Includes an additional \$5.0 million GF/GP, for a total of \$15.0 million GF/GP, for capital improvements and infrastructure projects necessary to shift the runway placement at Selfridge Air National Guard Base to help attract new aircraft flying missions. Projects will include roadway repair, vehicle access to the base and museum, stormwater drainage system repairs, force protection, and airfield features. A one-time appropriation of \$10.0 million was included in the FY 2023-24 budget and is retained in the FY 2024-25 budget.

|              |                     |                    |
|--------------|---------------------|--------------------|
| <b>Gross</b> | <b>\$10,000,000</b> | <b>\$5,000,000</b> |
| GF/GP        | \$10,000,000        | \$5,000,000        |

**MILITARY AND VETERANS AFFAIRS**

|  |              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|--------------|---|---------------------------------|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |   |                                 |
| <b>4. Veteran Homelessness Grants (One-Time)</b>   | <b>Gross</b> | <b>\$2,000,000</b>                      | <b>\$500,000</b>                |
| Includes an additional \$500,000 GF/GP, for a total of \$2.5 million GF/GP to continue a pilot program that awards grants to non-profit organizations to provide, or assist in providing, housing for homeless veterans and their families in an effort to eliminate veteran homelessness. A one-time appropriation of \$2.0 million was included in the FY 2023-24 budget and is retained in the FY 2024-25 budget. | GF/GP        | \$2,000,000                             | \$500,000                       |
| <b>5. DMVA Military Retirement</b>   | <b>Gross</b> | <b>\$1,351,000</b>                      | <b>\$1,419,600</b>              |
| Includes \$1.4 million GF/GP for the Military Retirement System to reflect an increase in anticipated retirement obligations based on annual actuarial valuation of military retirement benefits.  | GF/GP        | \$1,351,000                             | \$1,419,600                     |
| <b>6. Veterans of Foreign Wars National Home (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$1,500,000</b>              |
| Includes \$1.5 million GF/GP for the Veterans of Foreign Wars (VFW) National Home for maintenance of its roads and grounds. The VFW National Home is a small-town community that assists military, veterans and their families by providing housing and resources for up to four years during times of difficulty.   | GF/GP        | \$0                                     | \$1,500,000                     |
| <b>7. SSG Parker Gordon Fox Suicide Prevention Federal Grant Program</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$750,000</b>                |
| Includes \$750,000 in federal funds authorized under the VA Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program. Grants are awarded to eligible entities that provide outreach for suicide prevention services. Funding will build off current work for suicide prevention outreach being done through the governor's challenge initiative.  | Federal      | 0                                       | 750,000                         |
|  | GF/GP        | \$0                                     | \$0                             |
|  |              |   |                                 |
| <b>8. Contracted Armed Security</b>  | <b>Gross</b> | <b>NA</b>                               | <b>\$445,000</b>                |
| Includes \$445,000 GF/GP to support the department's contract for armed security at its Joint Forces Headquarters in Lansing and National Guard sites in Grayling, Battle Creek (Fort Custer), and Grand Ledge.  | GF/GP        | NA                                      | \$445,000                       |
| <b>9. National Guard Soldier Referral Program</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$0</b>                      |
| Includes \$300,000 GF/GP and makes a corresponding reduction from the annual deposit into the Michigan National Guard Tuition Assistance Fund for a net \$0 change. Funding will be used to create a Joint Enlistment Enhancement Program that will provide \$1,000 referral bonuses to individuals who refer soldiers who enlist in the National Guard.   | Restricted   | 0                                       | 0                               |
|  | GF/GP        | \$0                                     | \$0                             |
|  |              |   |                                 |
| <b>10. National Guard Facilities Services Contract Increases</b>   | <b>Gross</b> | <b>\$0</b>                              | <b>\$287,000</b>                |
| Includes \$287,000 Gross (\$9,000 GF/GP) to support contract cost increases for National Guard facilities and for janitorial services at Selfridge Air National Guard Base.  | Federal      | 0                                       | 278,000                         |
|  | GF/GP        | \$0                                     | \$9,000                         |
|  |              |   |                                 |
| <b>11. Department Emergency Manager</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$157,000</b>                |
| Includes \$157,000 GF/GP to provide state funding for the department's emergency manager, who is responsible for emergency planning and coordination as well as developing and maintaining threat response plans for the department. The position was previously supported though federal funds up until 2021. Federal funds are no longer available for this expense.   | GF/GP        | \$0                                     | \$157,000                       |
| <b>12. Air National Guard User ID Funding</b>  | <b>Gross</b> | <b>\$0</b>                              | <b>\$50,000</b>                 |
| Includes \$50,000 GF/GP for the cost of user IDs in recognition that this cost is a non-reimbursable expense under the National Guard Bureau's cooperative agreement.  | GF/GP        | \$0                                     | \$50,000                        |

**MILITARY AND VETERANS AFFAIRS**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b>13. Removal of FY 2023-24 One-Time Appropriations</b>   | <b>Gross</b> | <b>\$3,000,000</b>                               | <b>(\$3,000,000)</b>                     |
| Removes \$3.0 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support funding for the Grand Rapids Home for Veterans as it transitioned to its new facility.   | GF/GP        | \$3,000,000                                      | (\$3,000,000)                            |
| <b>14. Economic Adjustments</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$3,115,100</b>                       |
| Includes adjustments to reflect increased costs of \$3.1 million Gross (\$1.6 million 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   | 1,504,300                                |
|  | Restricted   | NA   | (700)                                    |
|  | GF/GP        | NA   | \$1,611,500                              |

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

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

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's signing letter states this section is unenforceable.)*

**Sec. 214. Performance Metrics Website – DELETED**

Requires department to maintain a publicly accessible website that identifies and tracks its performance against key metrics used to monitor and improve its performance.

**Sec. 217. Prioritization of In-person Work for State Workforce – DELETED**

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

**Sec. 220. 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. 222. Work Project Expenditures – RETAINED (UNENFORCEABLE)**

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.)*

**Sec. 226. 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.

**Sec. 230. Authorization to Reallocate State Fiscal Recovery Funds – NEW**

Requires the state budget director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the state budget director to reallocate funds to fully utilize SFRF that are in jeopardy of not meeting the expenditure deadline; requires the state budget director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations.

**Sec. 306. Billeting Fund – REVISED**

Requires annual report of operations and expenditures regarding Billeting Fund account, which supports program operations of Chargeable Transient Quarters program at National Guard training facilities. Revised to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes.

## **MILITARY AND VETERANS AFFAIRS**

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

#### **Sec. 307. National Guard Tuition Assistance Program – REVISED**

Requires DMVA to establish and maintain tuition assistance program for members of Michigan National Guard and other eligible members as defined in 2014 PA 259; states program's objectives, performance metrics, and reporting requirements. Revised to add reporting on spouses and children as beneficiaries of the program and the balance of the fund at the close of the fiscal year.

#### **Sec. 309. Test Project Fees – REVISED**

Creates test project fees revolving account to be under control of department to collect fees generated by test project program; requires funds appropriated from account to support operations of test project program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year. Revised to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes.

#### **Sec. 311. Commander's Cottage Rental Fees – REVISED**

Creates rental fees revolving account to be under control of department to collect rental fees for Commander's Cottage, the commander's residence; requires funds appropriated from account to support operations of program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year. Revised to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes.

#### **Sec. 312. Michigan Volunteer Defense Force – REVISED**

Requires department to maintain guidelines for membership goals in the Michigan Volunteer Defense Force (MVDF) and to carry out those guidelines; requires department to provide report required under the Michigan Military Act, MCL 32.561, which includes regulations on MVDF missions, training and equipment needs, requirements and procedures for membership in MVDF, and procedures for coordinating MVDF operations with law enforcement agencies and relief authorities. Revised to delete requirement to maintain guidelines as established under the Michigan Military Act.

#### **Sec. 405. Veterans' Trust Fund Grants – REVISED**

Requires MVAA to report biannually on Michigan Veterans Trust Fund financial status, awarded grants, and operating and administrative expenses; requires the provision of emergency grants; requires an annual report on grants issues, county administrative practices and expenditures, details on applications received, and efforts taken to reduce program administrative costs. Revised to add reporting requirement on expenditures for program partnerships and other initiatives.

#### **Sec. 412. Interagency Agreement with Department of Health and Human Services – DELETED**

Requires department to enter into cooperative agreement with DHHS to identify veteran Medicaid recipients who may be eligible for other benefits.

#### **Sec. 416. Suicide Prevention Research Contracts and Grants – REVISED**

Authorizes department to contract with or provide grants to local health care providers to accelerate research and deployment of treatments for suicide prevention that have been granted breakthrough therapy designation by United States Food and Drug Administration; authorizes hiring of up to 3.0 FTEs. Revised to authorize the department to partner with DHHS to facilitate and administer the program and deletes authorization to hire up to 3.0 FTEs.

#### **Sec. 602. Special Maintenance – National Guard – REVISED**

Requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities; requires annual reports on maintenance projects at National Guard facilities funded from capital outlay appropriations. Revised subject armory maintenance to the section requirements.

#### **Sec. 604. Armory Maintenance – DELETED**

Requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities.

#### **Sec. 701. Eliminating Veteran Homelessness Grants – REVISED**

Requires MVAA to create and operate grant program to provide grants of \$150,000 to non-profit organizations to provide, or assist in providing, housing for homeless veterans and their families; requires report summarizing grant program activities and expenditures; provides definitions for "veteran" and "homeless"; designates unexpended funds as work project, to not lapse at close of fiscal year, and to carry forward to FY 2027-28. Revised to permit grant delineations to be any amount not exceeding \$250,000 and eliminates prohibition of awarding more than one grant to any one non-profit organization.

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

**Sec. 702. Selfridge Air National Guard Base – REVISED**

Requires funds to be used to comply with Air Installation Compatible Use Zone Program requirements and projects to attract new aircraft flying missions; lists eligible uses of funds. Revised to modify list of projects eligible for funding.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

|  | <b>Gross</b>         | <b>Appropriation<br/>Change</b> |
|--|----------------------|---------------------------------|
| <b>1. Armory Safety and Security Improvements</b>  | <b>\$2,105,000</b>   |                                 |
| Includes \$2.1 million GF/GP to upgrade security cameras and purchase trauma kits for armory locations statewide.  | GF/GP                | \$2,105,000                     |
| <b>2. National Guard Tuition Assistance Fund</b>   | <b>(\$5,500,000)</b> |                                 |
| Reduces the deposit into the National Guard Tuition Assistance Fund by \$5.5 million GF/GP to align the balance of the fund with expenditures.   | GF/GP                | (\$5,500,000)                   |
| <b>3. SSG Parker Gordon Fox Suicide Prevention Federal Grant Program</b>   | <b>\$750,000</b>     |                                 |
| Includes \$750,000 in federal funds authorized under the VA Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program. Grants are awarded to eligible entities that provide outreach for suicide prevention services. Funding will expand current work for suicide prevention outreach being done through the governor's Challenge initiative. | Federal<br>GF/GP     | 750,000<br>\$0                  |
| <b>4. Employee Lump Sum Payments</b>   | <b>\$2,091,700</b>   |                                 |
| Includes \$2.1 million 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 staff employed full-time as of December 23, 2023.  | GF/GP                | \$2,091,700                     |
| <b>5. National Guard Armory Renovations</b>  | <b>\$4,350,000</b>   |                                 |
| Includes \$4.4 million GF/GP to serve as match for federal funding that will be used to support renovation costs at an existing facility in Grand Rapids. The facility will be renovated to serve as a new National Guard armory to alleviate overcrowding at the Wyoming armory.  | GF/GP                | \$4,350,000                     |

**NATURAL RESOURCES**

**DEPARTMENT OF NATURAL RESOURCES  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 13)**

**Analyst: Austin Scott**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |              |
|-------------------|---------------------------------------|-----------------------|---|--------------|
|                   |                                       |                       | Amount                                    | %            |
| <b>IDG/IDT</b>    | \$202,600                             | \$207,000             | \$4,400                                   | 2.2          |
| <b>Federal</b>    | 122,923,800                           | 96,140,700            | (26,783,100)                              | (21.8)       |
| <b>Local</b>      | 0                                     | 0                     | 0   | --           |
| <b>Private</b>    | 7,289,200                             | 7,609,200             | 320,000                                   | 4.4          |
| <b>Restricted</b> | 353,778,000                           | 353,865,900           | 87,900                                    | 0.0          |
| <b>GF/GP</b>      | 88,054,500                            | 76,757,000            | (11,297,500)                              | (12.8)       |
| <b>Gross</b>      | <b>\$572,248,100</b>                  | <b>\$534,579,800</b>  | <b>(\$37,668,300)</b>                     | <b>(6.6)</b> |
| <b>FTEs</b>       | 2,555.3                               | 2,545.3               | (10.0)                                    | (0.4)        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by DNR.

|  |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--------------|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |              |  |  |
| <b>1. Capital Outlay Adjustments</b>   |              |  |  |
| Provides a net reduction of \$8.7 million Gross (\$0 GF/GP) for funding decreases to Forest Development Infrastructure; Shooting Range Development, Enhancement, and Restoration; State Game and Wildlife Area Infrastructure; and State Parks Repair and Maintenance. Funding increases are included to Wetlands Restoration, Enhancement, and Acquisition; Local Boating Infrastructure and Maintenance; and State Boating Infrastructure and Maintenance. | <b>Gross</b> | <b>\$58,475,000</b>                              | <b>(\$8,725,000)</b>                     |
|  | Federal      | 20,000,000                                       | (5,300,000)                              |
|  | Private      | 250,000  | (250,000)                                |
|  | Restricted   | 34,725,000                                       | (3,175,000)                              |
|  | GF/GP        | \$3,500,000                                      | \$0                                      |
| <b>2. Nature Awaits</b>  |              |  |  |
| Reduces GF/GP authorization by \$4.0 million for grants to schools to cover transportation and other costs related to connecting all Michigan fourth grades to the state park system.  | FTE          | 13.8   | 0.0                                      |
|  | <b>Gross</b> | <b>\$8,000,000</b>                               | <b>(\$4,000,000)</b>                     |
|  | GF/GP        | \$8,000,000                                      | (\$4,000,000)                            |
| <b>3. Michigan Historical Center – Archives of Michigan</b>  |              |  |  |
| Reduces funding for the Michigan Historical Center by \$1.9 million GF/GP and 14.5 FTE positions to reflect Executive Order 2023-6 which transferred the Archives of Michigan from DNR to DTMB.  | FTE          | 56.5   | (14.5)                                   |
|  | <b>Gross</b> | <b>\$8,201,900</b>                               | <b>(\$1,915,300)</b>                     |
|  | Federal      | 1,016,000  | 0  |
|  | Restricted   | 2,223,900  | 0  |
|  | GF/GP        | \$4,962,000                                      | (\$1,915,300)                            |
| <b>4. Vehicle Travel Services</b>  |              |  |  |
| Appropriates \$890,300 Gross (\$343,100 GF/GP) to cover increased travel costs related to vehicle mileage rates and leasing costs.   | <b>Gross</b> | <b>NA</b>  | <b>\$890,300</b>                         |
|  | Federal      | NA   | 23,000                                   |
|  | Restricted   | NA   | 524,200                                  |
|  | GF/GP        | NA   | \$343,100                                |
| <b>5. Modem and Radio Replacement for Law Enforcement and Wildfire Protection</b>  |              |  |  |
| Includes \$878,300 GF/GP to replace modem and radio equipment for law enforcement and wildfire protection.   | <b>Gross</b> | <b>NA</b>  | <b>\$878,300</b>                         |
|  | Federal      | NA   | 0  |
|  | Restricted   | NA   | 0  |
|  | GF/GP        | NA   | \$878,300                                |

**NATURAL RESOURCES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>6. General Law Enforcement – Records Management and Reporting System</b>   | FTE          | 293.0  | 0.0                                      |
| Provides \$700,000 GF/GP for replacing the conservation officer records management and reporting system.  | <b>Gross</b> | <b>\$51,479,500</b>                              | <b>\$700,000</b>                         |
|   | Federal      | 6,901,700  | 0  |
|   | Restricted   | 27,376,600                                       | 0  |
|   | GF/GP        | \$17,201,200                                     | \$700,000                                |
| <b>7. Land and Water Conservation Fund Program</b>  | FTE          | NA   | 1.0                                      |
| Appropriates \$151,100 Gross (\$76,100 GF/GP) and 1.0 FTE position to administer the Land and Water Conservation Fund Program which provides payments to local units of government to acquire and develop public recreation lands and facilities. | <b>Gross</b> | <b>NA</b>  | <b>\$151,100</b>                         |
|   | Federal      | NA   | 75,000                                   |
|   | GF/GP        | NA   | \$76,100                                 |
| <b>8. Accounting Service Center</b>   | <b>Gross</b> | <b>\$1,501,900</b>                               | <b>\$120,000</b>                         |
| Includes \$120,000 Gross (\$11,400 GF/GP) to support departmental accounting services.  | Restricted   | 1,359,300  | 108,600                                  |
|   | GF/GP        | \$142,600  | \$11,400                                 |
| <b>9. Spending Authorization Alignment</b>  | <b>Gross</b> | <b>NA</b>  | <b>\$341,600</b>                         |
| Increases private funding by \$570,000 and reduces restricted funding by \$228,400 across divisions to align spending authorization with available resources.   | Private      | NA   | 570,000                                  |
|   | Restricted   | NA   | (228,400)                                |
|   | GF/GP        | NA   | \$0                                      |
| <b>10. Cultural Resource Management</b>   | FTE          | 2.0  | 3.5                                      |
| Provides 3.5 FTE positions for cultural resource management which supports departmental archaeological operations and manages identification, treatment, and disposition of Native American cultural items.                                       | <b>Gross</b> | <b>\$1,000,000</b>                               | <b>\$0</b>                               |
|   | GF/GP        | \$1,000,000                                      | \$0                                      |
| <b>11. America 250 Commission Grants (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$5,000,000</b>                       |
| Appropriates \$5.0 million in one-time GF/GP for a commission to plan, encourage, develop, and coordinate the commemoration of the 250th anniversary of the founding of the United States.  | GF/GP        | \$0  | \$5,000,000                              |
| <b>12. Mass Timber Market Development (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,000,000</b>                       |
| Appropriates \$1.0 million in one-time GF/GP to develop a mass timber market in Michigan.   | GF/GP        | \$0  | \$1,000,000                              |
| <b>13. Sportsmen Against Hunger Refrigeration Units (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$500,000</b>                         |
| Includes \$500,000 in one-time GF/GP for refrigerated trailers to store deer and processed venison.   | GF/GP        | \$0  | \$500,000                                |
| <b>14. American Chestnut Restoration Initiative (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$500,000</b>                         |
| Appropriates \$500,000 in one-time GF/GP for American chestnut restoration and assisted migration of American chestnut or other species to adapt the state's forests to climate change.   | GF/GP        | \$0  | \$500,000                                |
| <b>15. Phragmites Management Equipment (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$250,000</b>                         |
| Provides \$250,000 in one-time GF/GP for localities or organizations that require aid to purchase phragmites management equipment.  | GF/GP        | \$0  | \$250,000                                |
| <b>16. Huron Waterloo Pathways Initiative's Border-To-Border Trail (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,749,900</b>                       |
| Appropriates \$1.7 million in one-time GF/GP for the Huron Waterloo Pathways Initiative's Border-To-Border Trail.   | GF/GP        | \$0  | \$1,749,900                              |
| <b>17. Upper Peninsula Ski Project (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$100</b>                             |
| Includes \$100 placeholder for a ski project in the Upper Peninsula.  | GF/GP        | \$0  | \$100                                    |

**NATURAL RESOURCES**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>18. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b> | <b>\$42,000,000</b>                              | <b>(\$42,000,000)</b>                    |
| Removes \$42.0 million Gross (\$17.0 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:  | Federal      | 22,500,000                                       | (22,500,000)                             |
|   | Restricted   | 2,500,000  | (2,500,000)                              |
|   | GF/GP        | \$17,000,000                                     | (\$17,000,000)                           |
| <ul style="list-style-type: none"> <li>• Aggregate mapping (\$5.0 million Gross)</li> <li>• Cultural resource management (\$1.0 million Gross)</li> <li>• Dam management program (\$1.3 million Gross)</li> <li>• Forest land management equipment (\$2.5 million Gross)</li> <li>• Fresh water research and innovation center (\$15.0 million Gross)</li> <li>• Great Lakes splash pads (\$1.0 million Gross)</li> <li>• Invasive species prevention and control (\$2.0 million Gross)</li> <li>• Michigan conservation corps (\$500,000 Gross)</li> <li>• State water trail organizations (\$500,000 Gross)</li> <li>• Swimming pool repair project (\$200,000 Gross)</li> <li>• Swimming pool restoration project (\$5.0 million Gross)</li> <li>• Urban and community forestry assistance (\$7.5 million Gross)</li> <li>• Wetland restoration in urban areas (\$550,000 Gross).</li> </ul> |              |  |  |
| <b>19. Economic Adjustments</b>   | <b>Gross</b> | <b>NA</b>  | <b>\$6,890,700</b>                       |
| Reflects increased costs of \$6.9 million Gross (\$608,900 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.   | IDG/IDT      | NA   | 4,400                                    |
|   | Federal      | NA   | 918,900                                  |
|   | Restricted   | NA   | 5,358,500                                |
|   | GF/GP        | NA   | \$608,900                                |

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

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 214. Website Scorecard – DELETED**

Requires department to maintain on a publicly accessible website a department scorecard with key metrics concerning the department's performance.

**Sec. 218. Remote Working – DELETED**

States legislative intent to prioritize in-person work for the state's workforce where possible unless they were working remotely prior to February 28, 2020.

**Sec. 219. State Administrative Board Transfers – DELETED**

Allows legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds.

**Sec. 223. Severance Reporting – DELETED**

Requires department to report details of severance pay for certain departmental employees.

**Sec. 224. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 231. General Receive and Expend – NEW**

Allows the department to receive public or private revenue and expend said revenue for a defined purpose if specified.

**Sec. 242. Testing Laboratories – DELETED**

Prohibits the department from consolidating their testing laboratories.

**Sec. 501. Work Project – Nature Awaits – DELETED**

Authorizes unexpended funds for Nature Awaits totaling \$8.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the Nature Awaits program in the Parks and Recreation Division.



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

**Sec. 1201. Work Project – Huron Waterloo Pathways Initiative's Border to Border Trail – NEW**

Authorizes unexpended funds for Huron Waterloo Pathways Initiative's Border to Border Trail totaling \$1.7 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to develop a nonmotorized Border to Border Trail.

**Sec. 1201. Work Project – Aggregate Mapping – DELETED**

Authorizes unexpended funds for aggregate mapping totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to map aggregate deposits of this state.

**Sec. 1202. Work Project – American Chestnut Restoration Initiative – NEW**

Authorizes unexpended funds for American Chestnut Restoration Initiative totaling \$500,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to study and implement American chestnut restoration and assisted migration of American chestnut or other species for the purpose of helping adapt the state's forests to climate change.

**Sec. 1202. Work Project – Dam Management Grant Program – DELETED**

Authorizes unexpended funds for Dam Management Grant Program totaling \$1.3 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for dam management grants.

**Sec. 1203. Work Project – Mass Timber Market Development – NEW**

Authorizes unexpended funds for Mass Timber Market Development totaling \$1.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to aid in the development of a mass timber market in this state.

**Sec. 1203. Work Project – Forest Land Management Equipment – DELETED**

Authorizes unexpended funds for Forest Land Management Equipment totaling \$2.5 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire new forest land management equipment.

**Sec. 1204. Phragmites Management Equipment – NEW**

Requires funds for Phragmites Management Equipment to be used to purchase heavy equipment for managing phragmites.

**Sec. 1204. Fresh Water Research and Innovation Center – DELETED**

Awards \$15.0 million GF/GP to nonprofit Discovery Great Lakes in Traverse City to build a fresh water research and innovation center on Lake Michigan.

**Sec. 1205. Work Project – Sportsmen Against Hunger Refrigeration Units – NEW**

Authorizes unexpended funds for Sportsmen Against Hunger Disease Testing totaling \$500,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire refrigerated trailers that processors can use to store deer and processed venison.

**Sec. 1205. Invasive Species Prevention and Control Fund Deposit – DELETED**

Deposits funding for Invasive Species Prevention and Control into the Invasive Species Fund.

**Sec. 1206. Work Project – America 250 Commission Grants – NEW**

Requires funds for America 250 Commission grants to be allocated to support the America 250 committee; specifies committee composition and selection; outlines committee functions; allows committee to seek additional funding; requires committee to use funding for initiatives to commemorate the semiquincentennial and promote the history and culture of Michigan; requires the committee to establish guidelines and criteria for grants for local initiatives; requires the committee to expend at least \$3,000,000.00 to implement a grant program for local initiatives, at least \$1,000,000.00 of which shall be allocated to the Lake County Merry Makers nonprofit (\$500,000) and Wayne County Community College (\$500,000); defines conditions of grants awards; earmarks \$2.0 million for initiatives that acknowledge Michigan's unique role in the history of the United States and outlines corresponding requirements; earmarks \$500,000 for the Michigan History Center and State Archives; allows the department to retain up to 3% of fund appropriated for administrative costs; authorizes unexpended funds for America 250 Commission Grants totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to provide grants to state and local entities to commemorate America's semiquincentennial.

**Sec. 1206. Work Project – State Water Trail Organizations – DELETED**

Authorizes unexpended funds for State Water Trail Organizations totaling \$500,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support state water trail organizations.

**NATURAL RESOURCES**

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

**Sec. 1207. Swimming Pool Repair Project – DELETED**

Awards \$200,000 GF/GP to the City of Ypsilanti to repair a public swimming pool.

**Sec. 1208. Swimming Pool Restoration Project – DELETED**

Awards \$5.0 million GF/GP to the City of Lansing to restore a public swimming pool.

**Sec. 1209. Work Project – Urban and Community Forestry Assistance – DELETED**

Authorizes unexpended funds for Urban and Community Forestry Assistance totaling \$7.5 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to increase equitable access to urban tree canopy and associated human health benefits, broaden community engagement in local urban forest planning, and increase resilience to climate change.

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Nature Awaits**

Reduces funding used for grants to schools to cover transportation and other costs related to connecting all Michigan fourth grades to the state park system by \$4.0 million GF/GP.

**Gross** (\$4,000,000)  
**GF/GP** (\$4,000,000)

**2. Brandon Road Lock and Dam**

Includes \$1.5 million GF/GP to support the Brandon Road Interbasin Project to block invasive species from Lake Michigan.

**Gross** \$1,500,000  
**GF/GP** \$1,500,000

**3. Decree Negotiations**

Includes \$2.3 million GF/GP to acquire and retire a state commercial fishing license now prohibited under the new Great Lakes Consent Decree (2023) signed by Michigan, the United States, and five tribal governments.

**Gross** \$2,300,000  
**GF/GP** \$2,300,000

**4. Employee Lump Sum Payments**

Includes \$561,900 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 staff employed full-time as of December 23, 2023.

**Gross** \$561,900  
**GF/GP** \$561,900

**5. Great Lakes Vessel Modernization**

Includes an additional \$2.5 million GF/GP to replace an aging Great Lakes Survey Vessel. Funding will support increased shipbuilding costs.

**Gross** \$2,500,000  
**GF/GP** \$2,500,000

**6. Straits State Park Interpretive Site**

Authorizes spending of a \$3.6 million private grant to enhance the grounds and construct an interpretive/meeting building in the west unit of Straits State Park.

**Gross** \$3,600,000  
**Private** 3,600,000  
**GF/GP** \$0

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 1001. Revenue Carryforward**

Authorizes DNR to accept private or public monetary gifts; requires expenditure for the designated purpose; authorizes carry forward of revenue collected.

**Sec. 1002. Great Lakes Vessel Modernization**

Designates unexpended funds as a work project appropriation to be used to replace and upgrade the Great Lakes Survey Vessel.

**SCHOOL AID**  
**Summary of FY 2024-25 Enacted**  
**Public Act 120 of 2024 (House Bill 5507, Article 1)**

**Analysts: Jacqueline Mullen and Noel Benson**

| IDG/IDT           | FY 2023-24              | FY 2024-25              | Difference: FY 2024-25    |              |
|-------------------|-------------------------|-------------------------|---------------------------|--------------|
|                   | Enacted<br>as of 2/7/24 | Enacted                 | From FY 2023-24<br>Amount | %            |
|                   | \$0                     | \$0                     | \$0                       | --           |
| <b>Federal</b>    | 2,200,793,500           | 2,272,793,500           | 72,000,000                | 3.3          |
| <b>Local</b>      | 0                       | 0                       | 0                         | --           |
| <b>Private</b>    | 0                       | 0                       | 0                         | --           |
| <b>Restricted</b> | 19,170,957,800          | 18,292,651,300          | (878,306,500)             | (4.6)        |
| <b>GF/GP</b>      | 87,900,000              | 78,830,600              | (9,069,400)               | (10.3)       |
| <b>Gross</b>      | <b>\$21,459,651,300</b> | <b>\$20,644,275,400</b> | <b>(\$815,375,900)</b>    | <b>(3.8)</b> |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The School Aid budget makes appropriations to the state's 537 local school districts, 285 public school academies (PSAs), and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Michigan Department of Education (MDE), Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP), Center for Educational Performance and Information (CEPI), and other entities to implement certain grants and other programs related to K-12 education.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**1. Foundation Allowances (Secs. 22a & 22b)**

Maintains the foundation allowance at \$9,608 per pupil (\$9,150 for cyber schools). Reduces by \$267.2 million Gross, including an increase of \$350,000 GF/GP, to reflect updated consensus cost estimates for pupil membership counts and taxable values.

|              | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--------------|---|---------------------------------|
| <b>Gross</b> | <b>\$10,514,200,000</b>                 | <b>(\$267,200,000)</b>          |
| Restricted   | 10,514,163,600                          | (267,550,000)                   |
| GF/GP        | \$36,400                                | \$350,000                       |

**2. Michigan Public School Employees' Retirement System (MPERS) (Secs. 147a, 147c, 147e, & 147f)**

Increases state support for K-12 MPERS costs by \$176.4 million Gross, including a reduction of \$200,000 GF/GP. Revises as follows:

- Reduces by \$631.7 million SAF the other post-employment benefits (OPEB) contribution for unfunded actuarial accrued liability (UAAL) by removing the requirement that the contribution must be at least equal to the contribution in the prior year (realizing savings in FY 2024-25 would require a corresponding statutory change - the OPEB system is expected to be fully funded in the next valuation, which would satisfy the statutory condition authorizing the removal of the UAAL contribution floor for FY 2025-26).
- Retains \$11.9 million one-time SAF for including ISDs and district libraries in the cost offset (Sec. 147a(3)).
- Provides \$598.0 million ongoing SAF to effectively lower the 20.96% UAAL contribution cap for districts, ISDs, libraries, and community colleges to an estimated 15.22% (Sec. 147a(4)). (Sec. 147f provided \$48.5 million one-time SAF to effectively lower the cap for districts and ISDs to an estimated 20.46% in FY 2023-24; this one-time funding is removed).

|            | Gross         | \$2,474,389,000 | \$176,369,700 |
|------------|---------------|-----------------|---------------|
| Restricted | 2,473,789,000 |                 | 176,569,700   |
| GF/GP      | \$600,000     |                 | (\$200,000)   |

[continued on next page]

**SCHOOL AID**

|  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |  |  |
| <b>2. Michigan Public School Employees' Retirement System (MPERS) (Secs. 147a, 147c, 147e, &amp; 147f) (continued)</b>   |  |  |
| <ul style="list-style-type: none"> <li>• Provides \$84.1 million one-time MPERS Retirement Obligation Reform Reserve Fund for a statutorily required reduction of 50 basis points in the payroll growth assumption, from 0.75% to 0.25% (this continues the accelerated reduction of the payroll growth assumption). Removes \$215.8 million one-time MPERS Retirement Obligation Reform Reserve Fund appropriated in FY 2023-24 to accelerate the reduction to 0.75% and shifts associated costs to SAF.</li> <li>• Provides \$181.5 million one-time SAF for districts to reimburse eligible employees for their 3% normal cost contribution associated with the healthcare premium subsidy benefit upon retirement (new Sec. 147g).</li> <li>• Provides \$250.0 million one-time MPERS Retirement Obligation Reform Reserve Fund for a payment into the retirement system.</li> <li>• Reduces by \$41.3 million Gross (including a reduction of \$200,000 GF/GP) for other cost adjustments.</li> </ul> |  |  |
| <b>3. Special Education (Secs. 51a, 51c, 51d, 51e, 53a, 54, &amp; 56)</b>  | <b>Gross \$2,231,796,100</b>                     | <b>\$365,300,000</b>                     |
| Increases special education expenditures by \$365.3 million Gross (\$0 GF/GP) for a total of \$2.6 billion Gross (\$0 GF/GP), including an increase of \$293.3 million SAF for revised cost estimates and an increase of \$72.0 million in federal funding.  | Federal 461,000,000                              | 72,000,000                               |
|  | Restricted 1,770,796,100                         | 293,300,000                              |
|  | GF/GP \$0  | \$0                                      |
| <b>4. Literacy Supports (Sec. 35m) – NEW</b>   | <b>Gross \$0</b>                                 | <b>\$87,000,000</b>                      |
| Provides \$87.0 million one-time SAF for payments to districts and ISDs to improve educational outcomes in literacy. Creates a Committee for Literacy Achievement within MDE to evaluate and maintain a ranked list of available early literacy series. Requires funding to be tied to the ranking of the recipient's chosen early literacy series. Provides a base implementation award and then a per-pupil award. Allows members of the Committee for Literacy Achievement to receive up to an \$8,000 annual stipend.  | Restricted 0                                     | 87,000,000                               |
|  | GF/GP \$0  | \$0                                      |
| <b>5. At-Risk (Sec. 31a)</b>   | <b>Gross \$952,000,000</b>                       | <b>\$82,924,000</b>                      |
| Increases by \$82.9 million SAF (6.1% plus an additional \$25.0 million) for a total of \$1.0 billion SAF for instructional programs and direct noninstructional services for at-risk pupils. Adds provision to allow up to 30% of funds to be spent on reducing the teacher to pupil ratio for grades K-3 in schools in opportunity index bands 5 and 6. Adds provision to allow an additional 30% of funds to be used for recruitment and retention for districts in opportunity index bands 5 and 6.  | Restricted 952,000,000                           | 82,924,000                               |
|  | GF/GP \$0  | \$0                                      |

**SCHOOL AID**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**FY 2023-24  
Enacted  
(as of 2/7/24)**      **FY 2024-25  
Enacted  
Change**

**6. Great Start Readiness Program (Secs. 32d & 39)**

Increases by \$85.0 million SAF for a total of \$628.3 million Gross (\$600,000 GF/GP) for school readiness preschool programs for 4-year-old children. Revises as follows:

- Increases by \$30.1 million SAF to increase the allocations per child by 6%, from \$9,608 to \$10,185 for a full-day program; from \$4,804 to \$5,093 for a part-day program; and from \$11,530 to \$12,222 for an extended program. Sets an extended blended program at \$6,111 per child.
- Increases by \$54.9 million SAF to serve an estimated 5,000 additional children.
- In addition to an ongoing allocation of \$10.0 million SAF for transportation costs, retains an appropriation of \$18.0 million one-time GSRP Reserve Fund.
- Retains \$250,000 one-time GF/GP for a total of \$600,000 GF/GP for a longitudinal evaluation of GSRP.

(See Major Boilerplate Changes for Secs. 32d & 39 below.)

|              |                      |                     |
|--------------|----------------------|---------------------|
| <b>Gross</b> | <b>\$543,320,000</b> | <b>\$85,000,000</b> |
| Restricted   | 542,720,000          | 85,000,000          |
| GF/GP        | \$600,000            | \$0                 |

**7. Charter School Per-Pupil Payment (Sec. 22e)**

Provides \$57.0 million one-time SAF for per-pupil payments to PSAs equal to 3.9% of their foundation allowance. Excludes PSAs that participate in MPSERS.

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$57,000,000</b> |
| Restricted   | 0          | 57,000,000          |
| GF/GP        | \$0        | \$0                 |

**8. Per-Pupil Mental Health & School Safety Grant (Sec. 31aa)**

Provides \$25.0 million ongoing SAF and \$1.5 million one-time GF/GP for per-pupil payments to districts, ISDs, and the Michigan Schools for the Deaf and Blind for activities to improve mental health and improve school safety. (This section provided \$310.0 million one-time SAF and \$18.0 million one-time GF/GP in FY 2023-24.) Requires recipients to opt-in to receive funding. Strikes requirement that at least 50% of funds be spent on mental health. Expands allowable uses and prohibits any uses not explicitly listed.

|              |                      |                        |
|--------------|----------------------|------------------------|
| <b>Gross</b> | <b>\$328,000,000</b> | <b>(\$301,500,000)</b> |
| Federal      | 0                    | 0                      |
| Restricted   | 310,000,000          | (285,000,000)          |
| GF/GP        | \$18,000,000         | (\$16,500,000)         |

**9. School Loan Bond Redemption Fund (Sec. 11j)**

Reduces by \$88.0 million SAF for a total of \$23.0 million SAF payments to the School Loan Bond Redemption Fund on behalf of districts and ISDs.

|              |                      |                       |
|--------------|----------------------|-----------------------|
| <b>Gross</b> | <b>\$111,000,000</b> | <b>(\$88,000,000)</b> |
| Restricted   | 111,000,000          | (88,000,000)          |
| GF/GP        | \$0                  | \$0                   |

**10. School Aid Rainy Day Fund (Sec. 11z)**

Deposits \$25.0 million SAF into the School Aid Countercyclical Budget and Foundation Stabilization Fund.

|              |            |            |
|--------------|------------|------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$0</b> |
| Restricted   | 0          | 0          |
| GF/GP        | \$0        | \$0        |

**11. Isolated District Funding (Sec. 22d)**

Increases by \$705,900 SAF for a total of \$12.3 million SAF to increase the allocations for small, isolated districts; districts with fewer than 10.0 pupils per square mile; districts with greater than 250 square miles; and a district on an island accessible by bridge (Grosse Ile) by 6.1%.

|              |                     |                  |
|--------------|---------------------|------------------|
| <b>Gross</b> | <b>\$11,601,000</b> | <b>\$705,900</b> |
| Restricted   | 11,601,000          | 705,900          |
| GF/GP        | \$0                 | \$0              |

**12. Transportation Costs (Sec. 22l)**

Retains \$125.0 million one-time School Transportation Fund to districts and ISDs based on riders per square mile and the cost per rider. Revises funding formula from grouping recipients by quartiles to grouping by octiles and also allows the department to determine an additional amount for recipients that have outlier costs per rider.

|              |                      |            |
|--------------|----------------------|------------|
| <b>Gross</b> | <b>\$125,000,000</b> | <b>\$0</b> |
| Restricted   | 125,000,000          | 0          |
| GF/GP        | \$0                  | \$0        |

**13. Dropout Recovery Programs (Sec. 25g)**

Increases by \$2.3 million one-time SAF for a total of \$3.1 million SAF (\$750,000 ongoing; \$2.3 million one-time) for the cost of dropout recovery programs.

|              |                  |                    |
|--------------|------------------|--------------------|
| <b>Gross</b> | <b>\$750,000</b> | <b>\$2,300,000</b> |
| Restricted   | 750,000          | 2,300,000          |
| GF/GP        | \$0              | \$0                |

**SCHOOL AID**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |            | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|------------|--|--|
| <b>14. Early Warning Intervention System (Sec. 25l) – NEW</b>   |            | <b>Gross</b>                                     | <b>\$0</b>                               |
| Provides \$5.0 million one-time SAF to an ISD, in partnership with an association that represents ISD administrators, to implement the Michigan Early Warning Intervention and Monitoring System to support students at risk of dropping out.   | Restricted | 0  | \$5,000,000                              |
|   | GF/GP      | \$0  | \$0                                      |
| <b>15. PILT Reimbursement (Sec. 26b)</b>  |            | <b>Gross</b>                                     | <b>\$5,084,000</b>                       |
| Increases by \$200,000 SAF for a total of \$5.3 million SAF to reflect revised consensus cost estimates for payment in lieu of taxes obligations.   | Restricted | 5,084,000  | 200,000                                  |
|   | GF/GP      | \$0  | \$0                                      |
| <b>16. Promise Zones (Sec. 26c)</b>   |            | <b>Gross</b>                                     | <b>\$26,000,000</b>                      |
| Increases by \$8.5 million SAF for a total of \$34.5 million SAF to reflect revised consensus cost estimates for required funds for districts and ISDs with an approved Promise Zone development plan.  | Restricted | 26,000,000                                       | 8,500,000                                |
|   | GF/GP      | \$0  | \$0                                      |
| <b>17. MI Future Educator Fellowship Program (Sec. 27a) – NEW</b>   |            | <b>Gross</b>                                     | <b>\$25,000,000</b>                      |
| Maintains \$25.0 million Gross to offset tuition costs for college students earning their initial certification, but revises fund sources to \$10.0 million SAF, \$10.0 million Educator Fellowship Public Provider Fund, and \$5.0 million GF/GP. Revises the department administering the program from the Department of Treasury to MiLEAP.  | Restricted | 20,000,000                                       | 0  |
|   | GF/GP      | \$5,000,000                                      | \$0                                      |
| <b>18. MI Future Educator Student Teacher Stipend Program (Sec. 27c)</b>  |            | <b>Gross</b>                                     | <b>\$50,000,000</b>                      |
| Maintains \$50.0 million Gross for payments to student teachers, but revises fund source to be \$30.0 million SAF and \$20.0 million Educator Fellowship Public Provider Fund. Appropriates additional Educator Fellowship Public Provider Fund in the amount necessary to fully fund payments if the current appropriation is insufficient; requires notification if there is an additional appropriation. Revises the department administering the program from the Department of Treasury to MiLEAP. | Restricted | 50,000,000                                       | 0  |
|   | GF/GP      | \$0  | \$0                                      |
| <b>19. Michigan Education Justice Coalition (Sec. 27f) – NEW</b>  |            | <b>Gross</b>                                     | <b>\$0</b>                               |
| Provides \$4.0 million one-time SAF to a district or ISD to partner with the Michigan Education Justice Coalition. Allocates funding as follows: \$2.8 million to create and implement a toolkit for addressing racial disparities in education; \$600,000 for a participatory research study with teachers of color in high need districts; \$550,000 to investigate the school to prison pipeline; and \$50,000 for administrative costs.   | Restricted | 0  | 4,000,000                                |
|   | GF/GP      | \$0  | \$0                                      |
| <b>20. Michigan Educator Workforce Initiative (Sec. 27g) – NEW</b>  |            | <b>Gross</b>                                     | <b>\$0</b>                               |
| Provides \$12.5 million one-time SAF for per-pupil payments to ISDs and consortia of ISDs to partner with a nonprofit to support educator talent initiatives and programs. (This section provided \$10.0 million one-time SAF in FY 2022-23. There was no funding appropriated in FY 2023-24.)  | Restricted | 0  | \$12,500,000                             |
|   | GF/GP      | \$0  | \$0                                      |
| <b>21. Student Loan Repayment Program (Sec. 27k)</b>  |            | <b>Gross</b>                                     | <b>\$225,000,000</b>                     |
| Retains one-time funding but reduces by \$200.6 million SAF for a total of \$24.4 million one-time SAF for districts and ISDs to repay student loans of employees who work directly with students. Provides an additional \$600,000 one-time GF/GP to MDE to contract with a vendor to provide payments to employees.   | Restricted | 225,000,000                                      | (\$200,000,000)                          |
|   | GF/GP      | \$0  | \$600,000                                |
| <b>22. Learner Wallet (Sec. 27o)</b>  |            | <b>Gross</b>                                     | <b>\$2,000,000</b>                       |
| Retains \$2.0 million in one-time funding, but revises fund source from SAF to GF/GP, for Eaton RESA to establish a real-time tracking tool to record academic performance results for students who are candidates for tutoring services.   | Restricted | 2,000,000  | (2,000,000)                              |
|   | GF/GP      | \$0  | \$2,000,000                              |

**SCHOOL AID**

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|---|--------------|---|---|
| <b>23. Talent Together – Grow Your Own (Sec. 27p) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$12,500,000</b>                             |
| Provides \$12.5 million one-time SAF to Marquette-Alger RESA for an apprenticeship model grow your own program as part of a consortia of at least 45 intermediate districts. (This section provided \$66.4 million one-time SAF in FY 2022-23. There was no funding appropriated in FY 2023-24.)  | Restricted   | 0   | 12,500,000                                      |
|   | GF/GP        | \$0   | \$0   |
| <b>24. West Michigan Teacher Collaborative (Sec. 27r)</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$7,000,000</b>                              |
| Provides \$7.0 million one-time SAF to Kent ISD to support the West Michigan Teacher Collaborative and the implementation of a Grow Your Own program.   | Restricted   | 0   | 7,000,000                                       |
|   | GF/GP        | \$0   | \$0   |
| <b>25. Black Male Educators Alliance (Sec. 27s) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$2,500,000</b>                              |
| Provides \$2.5 million one-time SAF to a district or ISD to support the activities of the Black Male Educators Alliance.  | Restricted   | 0   | 2,500,000                                       |
|   | GF/GP        | \$0   | \$0   |
| <b>26. Enrollment Stabilization (Sec. 29)</b>   | <b>Gross</b> | <b>\$71,000,000</b>                                     | <b>\$0</b>                                      |
| Retains \$71.0 million one-time Enrollment Stabilization Fund to offset a portion of the cost of declining enrollment.  | Restricted   | 71,000,000  | 0   |
|   | GF/GP        | \$0   | \$0   |
| <b>27. Universal School Breakfast and Lunch (Sec. 30d)</b>  | <b>Gross</b> | <b>\$160,000,000</b>                                    | <b>\$40,000,000</b>                             |
| Increases by \$40.0 million Gross (\$0 GF/GP) for a total of \$200.0 million Gross (\$170.0 million ongoing SAF; \$30.0 million one-time School Meals Reserve Fund) for providing free school breakfast and lunch for all PreK-12 students. (This section provided \$100.0 million ongoing SAF and \$60.0 million one-time School Meals Reserve Fund in FY 2023-24.)  | Restricted   | 160,000,000   | 40,000,000                                      |
|   | GF/GP        | \$0   | \$0   |
| <b>28. Hearing, Vision, and Dental Screenings (Sec. 31a(8))</b>   | <b>Gross</b> | <b>\$6,650,000</b>                                      | <b>\$5,000,000</b>                              |
| Increases by \$5.0 million SAF for a total of \$11.7 million Gross (\$1.5 million GF/GP) for the state portion of hearing, vision, and dental screenings.   | Restricted   | 5,150,000   | 5,000,000                                       |
|   | GF/GP        | \$1,500,000   | \$0   |
| <b>29. Student Wellness Software Pilot (Sec. 31g)</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,250,000</b>                              |
| Provides \$1.3 million one-time SAF to Lenawee ISD for a student wellness software pilot program case study.  | Restricted   | 0   | 1,250,000                                       |
|   | GF/GP        | \$0   | \$0   |
| <b>30. Local Produce in School Meals (Sec. 31j)</b>   | <b>Gross</b> | <b>\$9,300,000</b>                                      | <b>(\$4,800,000)</b>                            |
| Removes \$4.8 million one-time SAF and maintains ongoing funding of \$4.5 million Gross (\$500,000 GF/GP) for districts and other non-school sponsors to purchase locally grown fruits and vegetables for use in school meals. Adds that grant recipients may use up to 25% of funds for labor and food transportation. Increases amount that may be retained by project partners for data collection, outreach, and training from 1% to 2% for each partner. | Restricted   | 8,800,000   | (4,800,000)                                     |
|   | GF/GP        | \$500,000   | \$0   |
| <b>31. GSRP Classroom Start-Up Grants (Sec. 32d(29))</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$25,000,000</b>                             |
| Provides \$25.0 million one-time SAF for grants of up to \$50,000 for each new or expanded GSRP classroom. (This subsection provided \$35.0 million one-time SAF in FY 2022-23. There was no funding appropriated in FY 2023-24.)   | Restricted   | 0   | 25,000,000                                      |
|   | GF/GP        | \$0   | \$0   |
| <b>32. GSRP Marketing Grants (Sec. 32d(30))</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,950,000</b>                              |
| Provides \$2.0 million one-time GF/GP to continue implementing statewide outreach and enrollment campaign activities. (This subsection provided \$5.0 million one-time SAF in FY 2022-23. There was no funding appropriated in FY 2023-24.)   | Restricted   | 0   | 0   |
|   | GF/GP        | \$0   | \$1,950,000                                     |

**SCHOOL AID**

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|--|--------------|--|--|
| <b>33. Out-of-School Time (Sec. 32n)</b>   | <b>Gross</b> | <b>\$50,000,000</b>                              | <b>\$25,000,000</b>                      |
| Retains and revises \$50.0 million one-time SAF to be ongoing and provides an additional \$25.0 million one-time for a total of \$75.0 million SAF for Clinton County RESA to award competitive grants to CBOs, IHEs, public libraries, local governments, or ISDs for before and after school programs and summer school programs. Strikes community or adult education programs as eligible applicants. Revises the department administering the program from MDE to MiLEAP. Clarifies that applicants not licensed as child care centers must be in the process of being licensed or exempt under MCL 722.111. Allocates \$18.0 million to specific entities. | Restricted   | 50,000,000                                       | 25,000,000                               |
|  | GF/GP        | \$0  | \$0                                      |
| <b>34. Early Childhood Block Grants (Sec. 32p)</b>   | <b>Gross</b> | <b>\$19,400,000</b>                              | <b>\$0</b>                               |
| Maintains \$19.4 million SAF for early childhood funding block grants to ISDs and for early childhood programs for children from birth through age 8. Revises the department administering the program from MDE to MiLEAP.   | Restricted   | 19,400,000                                       | 0  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>35. Dolly Parton Imagination Library (Sec. 32p(6))</b>  | <b>Gross</b> | <b>\$4,000,000</b>                               | <b>\$0</b>                               |
| Retains \$4.0 million one-time SAF for ISDs to enroll children in literacy programs, including the Dolly Parton Imagination Library and Reach out and Read Michigan. Revises the department administering the program from MDE to MiLEAP.  | Restricted   | 4,000,000  | 0  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>36. Early Literacy Teacher Coaches (Sec. 35a(4))</b>  | <b>Gross</b> | <b>\$42,000,000</b>                              | <b>\$0</b>                               |
| Maintains \$42.0 million SAF for literacy coaches. Expands services from grades PreK to 3 to grades PreK to 5. Requires ISDs to provide MDE with literacy coaches' contact information.  | Restricted   | 42,000,000                                       | 0  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>37. Michigan Education Corps (Sec. 35a(8))</b>  | <b>Gross</b> | <b>\$5,000,000</b>                               | <b>\$0</b>                               |
| Retains \$5.0 million in one-time funding, but revises fund source from GF/GP to SAF, for the Michigan Education Corps' PreK Reading Corps, K3 Reading Corps, and Math Corps. Revises recipient to an ISD or consortium of ISDs that partners with the Michigan Education Corps.   | Restricted   | 0  | 5,000,000                                |
|  | GF/GP        | \$5,000,000                                      | (\$5,000,000)                            |
| <b>38. LETRS Professional Learning (Sec. 35a(10))</b>  | <b>Gross</b> | <b>\$10,000,000</b>                              | <b>\$0</b>                               |
| Retains \$10.0 million one-time SAF for LETRS professional learning for PreK to grade 3 teachers, administrators, and early literacy coaches.  | Restricted   | 10,000,000                                       | 0  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>39. Orton-Gillingham (Sec. 35d)</b>   | <b>Gross</b> | <b>\$1,000,000</b>                               | <b>\$0</b>                               |
| Retains \$1.0 million one-time SAF for grants to districts and ISDs to purchase a teacher training program (Orton-Gillingham) for children with dyslexia.  | Restricted   | 1,000,000  | 0  |
|  | GF/GP        | \$0  | \$0                                      |
| <b>40. READ Innovation Competition (Sec. 35n) – NEW</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$10,000,000</b>                      |
| Provides \$10.0 million one-time SAF for a Reading Excellence and Advancing District (READ) innovation competition administered by MDE in collaboration with a literacy commission. Provides startup money to eligible districts to develop and deploy innovative literacy initiatives and awards \$500,000 to the winning district from each competition category.  | Restricted   | 0  | 10,000,000                               |
|  | GF/GP        | \$0  | \$0                                      |
| <b>41. Bilingual Education (Sec. 41)</b>   | <b>Gross</b> | <b>\$39,766,500</b>                              | <b>\$10,419,600</b>                      |
| Increases by \$10.4 million SAF for a total of \$50.2 million SAF for services for English language learners (ELLs). Adds requirement for districts to provide a minimum number of minutes per week of direct ELL instruction to be eligible for funding. Requires MDE to develop minimum requirements by March 1, 2025.   | Restricted   | 39,766,500                                       | 10,419,600                               |
|  | GF/GP        | \$0  | \$0                                      |



**SCHOOL AID**

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|--|--------------|---|---|
| <b>42. Immigrant Support Services (Sec. 41b)</b>   | <b>Gross</b> | <b>\$1,500,000</b>                                      | <b>(\$500,000)</b>                              |
| Retains one-time funding but reduces by \$500,000 SAF for a total of \$1.0 million one-time SAF for KEYS Grace Academy to, in partnership with Kalasho Education and Youth Services, provide ELL services and other education support services to legal immigrants.  | Restricted   | 1,500,000   | (500,000)                                       |
|  | GF/GP        | \$0   | \$0   |
| <b>43. Special Education Study (Sec. 51h)</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$500,000</b>                                |
| Provides \$500,000 one-time GF/GP to Clinton County RESA to partner with an independent entity to develop a framework for the cost to fully provide special education services to students through an equity-driven model.   | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$500,000                                       |
| <b>44. Early On (Sec. 54d)</b>   | <b>Gross</b> | <b>\$22,313,000</b>                                     | <b>\$1,357,700</b>                              |
| Increases by \$1.4 million SAF for a total of \$23.7 million SAF for grants to ISDs to provide Early On services for children birth to age 3. Revises the department administering the program from MDE to MiLEAP.   | Restricted   | 22,313,000  | 1,357,700                                       |
|  | GF/GP        | \$0   | \$0   |
| <b>45. Conductive Learning (Sec. 55) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$500,000</b>                                |
| Provides \$500,000 one-time SAF for the Conductive Learning Center operating in cooperation with Aquinas College to maximize the independence and mobility of children and adults with neuromotor disabilities.  | Restricted   | 0   | 500,000   |
|  | GF/GP        | \$0   | \$0   |
| <b>46. Career and Technical Education (CTE) (Sec. 61a)</b>   | <b>Gross</b> | <b>\$48,011,300</b>                                     | <b>(\$8,111,500)</b>                            |
| Removes \$10.4 million one-time and increases by \$2.3 million ongoing SAF, a net reduction of \$8.1 million SAF, for a total of \$39.9 million ongoing SAF for reimbursements to districts and ISDs for vocational education programs.  | Restricted   | 48,011,300  | (8,111,500)                                     |
|  | GF/GP        | \$0   | \$0   |
| <b>47. CTE Per-Pupil Incentive Payment (Sec. 61d)</b>  | <b>Gross</b> | <b>\$5,000,000</b>                                      | <b>\$304,300</b>                                |
| Increases by \$304,300 SAF for a total of \$5.3 million SAF for per-pupil payments for pupils in CTE programs.   | Restricted   | 5,000,000   | 304,300   |
|  | GF/GP        | \$0   | \$0   |
| <b>48. College and Career Preparation (Sec. 67)</b>  | <b>Gross</b> | <b>\$5,000,000</b>                                      | <b>(\$1,000,000)</b>                            |
| Removes \$1.0 million one-time GF/GP and retains \$1.0 million one-time GF/GP for a total of \$4.0 million GF/GP (\$3.0 million ongoing; \$1.0 million one-time) for the College Access Program administered in collaboration with the Michigan College Access Network (MCAN). Revises the department administering the program from the Department of Labor and Economic Opportunity (LEO) to MiLEAP. In addition to current intent that programs inform students of college and career options, adds intent that programs support adult learners, college completion, and workforce and employer engagement. | Restricted   | 0   | 0   |
|  | GF/GP        | \$5,000,000   | (\$1,000,000)                                   |
| <b>49. MITES (Sec. 67a) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$50,000</b>                                 |
| Provides \$50,000 one-time GF/GP for the Michigan Industrial and Technology Education Society (MITES) to provide industrial and technological education and workforce preparation.   | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$50,000  |
| <b>50. PRIME (Sec. 67b) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time GF/GP for the SME Education Foundation's Partnership Response Initiative to provide high schools with engineering and manufacturing programs. Allocates \$200,000 to MDE for administration.   | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$1,000,000                                     |
| <b>51. ProStart/HTM Hospitality and Tourism CTE Grants (Sec. 67d) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time GF/GP for a nonprofit to teach or train restaurant management, culinary arts or hospitality, and tourism management as part of career and professional development.  | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$1,000,000                                     |

**SCHOOL AID**

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|--|--------------|---|---|
| <b>52. FAFSA Completion Challenge (Sec. 67f)</b>   | <b>Gross</b> | <b>\$10,000,000</b>                                     | <b>\$0</b>                                      |
| Retains \$10.0 million one-time SAF for the FAFSA completion challenge. Revises program to award funding by January 31 in an equal amount per 12th grade student to districts that require all students (unless exempted) to complete the FAFSA to graduate. Revises the department administering the program from MDE (in collaboration with Treasury) to MiLEAP.                         | Restricted   | 10,000,000  | 0   |
|  | GF/GP        | \$0   | \$0   |
| <b>53. Special Education Task Force (Sec. 94d) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time GF/GP to continue the work of the OPTIMISE task force funded under this section in FY 2021-22 to attract, prepare, and retain qualified personnel for children with disabilities.  | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$1,000,000                                     |
| <b>54. Michigan Education Research Institute (Sec. 94e) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time SAF for the Michigan Education Research Institute to collaborate with MDE, MiLEAP, and CEPI to maintain a research ready dataset and conduct education-related research.   | Restricted   | 0   | 1,000,000                                       |
|  | GF/GP        | \$0   | \$0   |
| <b>55. Navigate 360 (Sec. 97a)</b>   | <b>Gross</b> | <b>\$2,000,000</b>                                      | <b>(\$1,500,000)</b>                            |
| Retains one-time funding but reduces by \$1.5 million GF/GP for a total of \$500,000 one-time GF/GP for Michigan Virtual University to support Navigate 360.   | Restricted   | 0   | 0   |
|  | GF/GP        | \$2,000,000   | (\$1,500,000)                                   |
| <b>56. Raptor Technologies (Sec. 97j)</b>  | <b>Gross</b> | <b>\$6,000,000</b>                                      | <b>(\$5,750,000)</b>                            |
| Retains one-time funding but reduces by \$5.8 million and revises fund source to GF/GP for a total of \$250,000 one-time GF/GP for districts and ISDs to purchase and implement tools to identify early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools.   | Restricted   | 6,000,000   | (6,000,000)                                     |
|  | GF/GP        | \$0   | \$250,000                                       |
| <b>57. 42 Strong (Sec. 97m) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time GF/GP to 42 Strong to continue implementing a peer mentoring program to increase student connectedness, self-esteem, and well-being.   | Restricted   | 0   | 0   |
|  | GF/GP        | \$0   | \$1,000,000                                     |
| <b>58. Student Advocacy Hotline (Sec. 97k)</b>   | <b>Gross</b> | <b>\$100,000</b>  | <b>\$0</b>                                      |
| Retains \$100,000 one-time SAF to a district for the Student Advocacy Center of Michigan's statewide helpline for families in educational crisis.  | Restricted   | 100,000   | 0   |
|  | GF/GP        | \$0   | \$0   |
| <b>59. Michigan Virtual University (Sec. 98)</b>   | <b>Gross</b> | <b>\$9,300,000</b>                                      | <b>\$500,000</b>                                |
| Retains \$1.3 million one-time GF/GP and provides an additional \$500,000 one-time GF/GP for a total of \$9.8 million GF/GP (\$8.0 million ongoing; \$1.8 million one-time) for Michigan Virtual University. Allocates \$500,000 for a statewide hub for research, best practices, experimentation, policy formation, and awareness efforts related to artificial intelligence in schools. | Restricted   | 0   | 0   |
|  | GF/GP        | \$9,300,000   | \$500,000                                       |
| <b>60. Michigan Learning Channel (Sec. 98d)</b>  | <b>Gross</b> | <b>\$5,000,000</b>                                      | <b>(\$2,000,000)</b>                            |
| Retains one-time funding but reduces by \$2.0 million SAF for a total of \$3.0 million one-time SAF to Northern Michigan University to support the Michigan Learning Channel.  | Restricted   | 5,000,000   | (2,000,000)                                     |
|  | GF/GP        | \$0   | \$0   |

**SCHOOL AID**

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|---|--------------|---|---|
| <b>61. One-Time Grants (Sec. 99) – NEW</b>  | <b>Gross</b> | <b>\$0</b>  | <b>\$32,250,000</b>                             |
| Provides \$32.3 million Gross (\$12.1 million GF/GP) for the following one-time grants or pilot programs:   | Restricted   | 0   | 20,200,000                                      |
|   | GF/GP        | \$0   | \$12,050,000                                    |
| <ul style="list-style-type: none"><li>• Virtual Reality Youth Peace Literacy Initiative Pilot Program (\$500,000 GF/GP)</li><li>• Ignite Manufacturing Programs (\$1.0 million GF/GP)</li><li>• Dearborn CTE Program (\$2.5 million GF/GP)</li><li>• Dearborn Salina Intermediate School Outdoor Space (\$1.5 million SAF)</li><li>• Harper Woods Life Skills Training Center (\$2.0 million SAF)</li><li>• Lansing Infrastructure Improvements (\$2.5 million SAF)</li><li>• Clintondale Safety Upgrades (\$700,000 SAF)</li><li>• Algonac Asbestos Remediation (\$500,000 SAF)</li><li>• South Lyon Mental Health Services (\$700,000 SAF)</li><li>• Farmington Tutoring (\$200,000 SAF)</li><li>• Marygrove Film School (\$2.1 million GF/GP)</li><li>• Rudyard Infrastructure (\$6.0 million Gross; \$3.9 million GF/GP)</li><li>• Brookview Montessori Structural Updates (\$250,000 GF/GP)</li><li>• Okemos Public Montessori Lead Abatement (\$100,000 GF/GP)</li><li>• Wellspring Detroit Academic and Youth Development (\$500,000 GF/GP)</li><li>• MI Student Voice Perception Survey (\$500,000 SAF)</li><li>• Pedestrian Safety (\$3.7 million GF/GP)</li><li>• Davis Aerospace Technical HS Relocation (\$7.0 million SAF)</li></ul> |              |   |   |
| <b>62. Computer Science Professional Learning (Sec. 99b)</b>  | <b>Gross</b> | <b>\$4,000,000</b>                                      | <b>(\$3,500,000)</b>                            |
| Retains one-time funding but reduces by \$3.5 million SAF for a total of \$500,000 one-time SAF for a district to develop and implement teacher professional development programs for computer science and computational thinking courses and content.  | Restricted   | 4,000,000   | (3,500,000)                                     |
|   | GF/GP        | \$0   | \$0   |
| <b>63. Playworks (Sec. 99c) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$1,000,000</b>                              |
| Provides \$1.0 million one-time GF/GP for an eligible organization (Playworks) to provide low-income schools with year-round support services and conduct professional development workshops for schools and youth organizations.   | Restricted   | 0   | 0   |
|   | GF/GP        | \$0   | \$1,000,000                                     |
| <b>64. Helping Women Period Pilot (Sec. 99g)</b>  | <b>Gross</b> | <b>\$1,000,000</b>                                      | <b>\$0</b>                                      |
| Retains \$1.0 million one-time SAF for a pilot program for districts to distribute feminine hygiene products, upon request, to eligible students.   | Restricted   | 1,000,000   | 0   |
|   | GF/GP        | \$0   | \$0   |
| <b>65. FIRST Robotics (Sec. 99h)</b>  | <b>Gross</b> | <b>\$6,573,200</b>                                      | <b>(\$1,250,000)</b>                            |
| Removes \$1.3 million one-time SAF and maintains ongoing funding of \$5.3 million Gross (\$600,000 GF/GP). Requires providers to offer programming statewide. Requires districts and ISDs to meet the minimum team size requirements and participate in at least one in-person competition.   | Restricted   | 5,973,200   | (1,250,000)                                     |
|   | GF/GP        | \$600,000   | \$0   |
| <b>66. Women in Technology (Sec. 99i) – NEW</b>   | <b>Gross</b> | <b>\$0</b>  | <b>\$250,000</b>                                |
| Provides \$250,000 one-time GF/GP to the Michigan Council of Women in Technology Foundation to support Girls Exploring Together Information Technology clubs.   | Restricted   | 0   | 0   |
|   | GF/GP        | \$0   | \$250,000                                       |
| <b>67. Math Nation (Sec. 99t)</b>   | <b>Gross</b> | <b>\$2,000,000</b>                                      | <b>(\$1,000,000)</b>                            |
| Retains one-time funding but reduces by \$1.0 million GF/GP for a total of \$1.0 million one-time GF/GP for an online algebra tool (Math Nation).   | Restricted   | 0   | 0   |
|   | GF/GP        | \$2,000,000   | (\$1,000,000)                                   |

**SCHOOL AID**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |  | <b><u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u></b> | <b><u>FY 2024-25<br/>Enacted<br/>Change</u></b> |
|---|--|---|---|
| <b>68. Teach for America (Sec. 99x)</b>   |  | <b>Gross</b>  | <b>\$5,000,000</b>                              |
| Retains one-time funding but decreases by \$2.0 million SAF for a total of \$3.0 million one-time SAF for Kentwood Public Schools to support Teach for America's TeachMichigan initiative. Requires the initiative to reach at least 300 educators by September 2025. Requires TFA to submit an annual report to MDE.   |  | Restricted  | (2,000,000)                                     |
|   |  | GF/GP   | \$0   |
| <b>69. Project SEARCH (Sec. 99aa)</b>   |  | <b>Gross</b>  | <b>\$1,500,000</b>                              |
| Retains one-time funding but reduces by \$500,000 SAF for a total of \$1.0 million one-time SAF for Project SEARCH to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.   |  | Restricted  | (500,000)                                       |
|   |  | GF/GP   | \$0   |
| <b>70. Hispanic Collaborative (Sec. 99ee)</b>   |  | <b>Gross</b>  | <b>\$6,500,000</b>                              |
| Retains one-time funding but reduces by \$4.5 million SAF for a total of \$2.0 million one-time SAF for Wayne RESA to partner with a nonprofit that helps Hispanic students graduate from colleges.   |  | Restricted  | (4,500,000)                                     |
|   |  | GF/GP   | \$0   |
| <b>71. Junior Achievement (Sec. 99ff)</b>   |  | <b>Gross</b>  | <b>\$5,000,000</b>                              |
| Retains one-time funding but reduces by \$3.1 million SAF for a total of \$1.9 million one-time SAF to Wayne RESA to collaborate with Junior Achievement to create curricula, educational programs, and professional development for the personal finance graduation requirement.   |  | Restricted  | (3,100,000)                                     |
|   |  | GF/GP   | \$0   |
| <b>72. City Year (Sec. 99hh)</b>  |  | <b>Gross</b>  | <b>\$3,000,000</b>                              |
| Retains \$3.0 million one-time SAF for Wayne RESA to partner with a nonprofit to support student success coach AmeriCorps service members to provide academic interventions in mathematics and English language arts and provide social emotional support to K-12 students.   |  | Restricted  | 0   |
|   |  | GF/GP   | \$0   |
| <b>73. Benchmark Assessments (Sec. 104h) – NEW</b>  |  | <b>Gross</b>  | <b>\$0</b>                                      |
| Provides \$11.5 million SAF for implementation of benchmark assessments in FY 2024-25. Payments are in an equal amount per K-8 pupil. (This section previously provided funding for benchmark assessments one year in advance; there was no appropriation under this section in FY 2023-24 due to the intent to begin funding benchmark assessments in the current year.)   |  | Restricted  | 11,500,000                                      |
|   |  | GF/GP   | \$0   |
| <b>74. Adult Education (Sec. 107)</b>   |  | <b>Gross</b>  | <b>\$40,500,000</b>                             |
| Maintains \$40.5 million SAF for adult education programs. Strikes \$500,000 SAF allocation for reimbursements for commingling adult education and CTE programming. Revises a \$4.0 million SAF allocation for connecting adult education participants with CTE centers and local employers as follows: awards funding according to the main funding formula under this section rather than a grant amount determined every three years; strikes CTE centers as eligible recipients (adult education programs would be the only remaining eligible recipients); revises requirement to partner with area CTE centers to a requirement to partner with state-approved CTE programs; and revises the cap on the percent of participants that may already have a diploma or certificate from 15% to 10%. |  | Restricted  | 0   |
|   |  | GF/GP   | \$0   |

| <u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>  | <u>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</u> | <u>FY 2024-25<br/>Enacted<br/>Change</u> |
|---|--|--|
| <b>75. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b>                                     | <b>\$1,000,097,000 (\$1,000,097,000)</b> |
| Removes \$1.0 billion Gross (including the removal of \$7.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:   | Restricted                                       | 992,497,000 (992,497,000)                |
| <ul style="list-style-type: none"> <li>• Sec. 11s(7) – Flint Early Childhood Collaborative (\$1.0 million GF/GP)</li> <li>• Secs. 12b, 31a(19), and 31a(20) – School-Based Health Center Facility Upgrades (\$45.0 million SAF) [Note: Sec. 12b was restructured to Secs. 31a(19) and (20) in 2023 PA 320. All three sections are repealed for FY 2024-25.]</li> <li>• Sec. 12c – Consolidation Grants (\$245.0 million School Consolidation and Infrastructure Fund)</li> <li>• Sec. 20f – Categorical Offset Payments (\$27.0 million SAF)</li> <li>• Sec. 21h(7) – Partnership Model Districts Supplemental Funding (\$36.0 million SAF)</li> <li>• Sec. 23h – Mathematics Teaching and Learning (\$25.0 million SAF)</li> <li>• Sec. 23i – Friends of the Children (\$397,000 SAF)</li> <li>• Sec. 25k – Covenant House SDA (\$1.0 million SAF)</li> <li>• Sec. 27h – Mentoring Grants (\$50.0 million SAF)</li> <li>• Sec. 27i – Rural Educator Credentialing Hub (\$15.0 million SAF)</li> <li>• Sec. 27j – Special Education Capacity Building (\$5.0 million SAF)</li> <li>• Sec. 27l – Educator Compensation Program (\$63.8 million SAF)</li> <li>• Sec. 27m – National Board Certification Fund (\$5.0 million SAF)</li> <li>• Sec. 27n – SVSU Accelerated Certification with Residency Program (\$2.0 million SAF)</li> <li>• Sec. 27q – Hamtramck Accelerated Learning Coaches (\$2.0 million SAF)</li> <li>• Sec. 31r – Novi Schools Wellness Center (\$1.0 million SAF)</li> <li>• Sec. 31ff – SMART Internship Grant Program (\$15.0 million Gross, including \$14.5 million SAF and \$500,000 GF/GP)</li> <li>• Sec. 32t – Three-Year-Old GSRP Pilot Program (\$18.0 million SAF)</li> <li>• Sec. 32w – GOAL Line Detroit (\$6.0 million SAF)</li> <li>• Sec. 32x – Learning by Hearings Program (\$4.0 million SAF)</li> <li>• Sec. 33 – K-5 Music Education Pilot (\$11.0 million SAF)</li> <li>• Sec. 35f – Chaldean Community Foundation (\$1.3 million SAF)</li> <li>• Sec. 35i – Early Literacy Hubs/MI Family Engagement Centers (\$16.0 million SAF)</li> <li>• Sec. 35j – Literacy PD, Curriculum, &amp; Supports (\$140.0 million SAF)</li> <li>• Sec. 35k – Detroit Parent Network (\$3.0 million SAF)</li> <li>• Sec. 35l – Lake Shore Early Childhood Community Center (\$1.3 million SAF)</li> <li>• Sec. 61c – CTE Equipment Upgrades (\$15.0 million SAF)</li> <li>• Sec. 61j – Huron Downriver CTE Consortium (\$10.7 million SAF)</li> <li>• Sec. 61k – Mott Bilingual Center (\$2.6 million SAF)</li> <li>• Sec. 61l – Schoolcraft Early Middle College Program (\$1.2 million SAF)</li> <li>• Sec. 61m – Beecher High School (\$2.5 million SAF)</li> <li>• Sec. 61n – Waverly High School (\$3.0 million SAF)</li> <li>• Sec. 61o – DPSCD Coleman A. Young Renovations (\$6.5 million SAF)</li> <li>• Sec. 61p – DPSCD Foreign Language School (\$5.0 million SAF)</li> <li>• Sec. 61q – Michigan Joint Training Innovation Center (\$5.0 million SAF)</li> </ul> | GF/GP  | \$7,600,000 (\$7,600,000)                |

*[continued on next page]*

**SCHOOL AID**

|  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|
|--|--|--|

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**75. Removal of FY 2023-24 One-Time Appropriations (continued)**

- Sec. 61r – Lansing Schools Hill Center Track (\$500,000 SAF)
- Sec. 61s – Eaton RESA FFA (\$4.0 million SAF)
- Sec. 61t – Harper Woods CTE Center (\$1.0 million SAF)
- Sec. 61u – Romulus CTE (\$1.6 million SAF)
- Sec. 67c – Michigan State University Developer Academy (\$3.0 million GF/GP)
- Sec. 67g – Ready Rosie (\$1.0 million GF/GP)
- Sec. 74b – MI Clean School Bus Grants (\$125.0 million SAF)
- Sec. 95b – Value-Added Growth and Analytics System (\$2.0 million GF/GP)
- Sec. 97e – School Safety and Mental Health Commission (\$2.0 million SAF)
- Sec. 97g – Cybersecurity Risk Assessments (\$9.0 million SAF)
- Sec. 97i – Zero Eyes (\$3.0 million SAF)
- Sec. 97l – Dearborn Cybersecurity (\$250,000 SAF)
- Sec. 99a – Heroes Circle (\$100,000 GF/GP)
- Sec. 99d – Diverse Histories Pilot (\$6.0 million SAF)
- Sec. 99e – Brilliant Detroit (\$2.0 million SAF)
- Sec. 99f – Godfrey-Lee Roof (\$4.0 million SAF)
- Sec. 99m – Shiawassee RESD CTE Center (\$450,000 SAF)
- Sec. 99n – Lansing CTE Center (\$6.0 million SAF)
- Sec. 99u – Imagine Learning (\$6.0 million SAF)
- Sec. 99gg – Boys and Girls Club (\$10.0 million SAF)
- Sec. 99ii – Wayne-Westland Driver's Training Pilot (\$250,000 SAF)
- Sec. 99jj – Dearborn Driver's Training Pilot (\$250,000 SAF)
- Sec. 99kk – Boys and Girls Club Grand Rapids (\$5.0 million SAF)
- Sec. 99ll – Eastpoint Swimming Pool (\$500,000 SAF)
- Sec. 104f – Digital Literacy Training (\$1.0 million SAF)
- Sec. 107a – Adult Education Innovation Programs (\$15.0 million SAF)

**76. Economic Adjustments**

Reflects increased costs of \$301,400 Gross (\$230,600 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.

|              |           |                  |
|--------------|-----------|------------------|
| <b>Gross</b> | <b>NA</b> | <b>\$301,400</b> |
| Restricted   | NA        | 70,800           |
| GF/GP        | NA        | \$230,600        |

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

**Sec. 21h. Partnership Model Districts – REVISED**

Strikes cap limiting districts from receiving funding for more than three years.

**Sec. 27d. Educator Fellowship Public Provider Fund – REVISED**

Revises to allow funds to also be used for the MI Future Educator Student Teacher Stipend Program (Sec. 27c).

**Sec. 27j. Student Loan Repayment Assistance Reserve Fund – NEW**

Creates the Student Loan Repayment Assistance Reserve Fund with the purpose of providing supplemental funding for the Student Loan Repayment Program in Sec. 27k. Requires unspent funds from state sources under Sec. 27k to be deposited into the fund.

**Sec. 28. Weighted Allocations – REVISED**

Revises the list of weighted foundation allocations or additional payments recognizing differentiated instructional costs to also include additional costs to provide essential services, including Sec. 29 (Declining Enrollment), Sec. 32d (GSRP), Sec. 54d (Early On), and Sec. 147a (MPERS Cost Offset).

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

**Secs. 32d & 39. Great Start Readiness Program – REVISED**

Revises household income eligibility threshold (currently, below 300% of federal poverty guidelines and then below 400% if slots are still open) to 400% and strikes secondary threshold. Adds intent that GSRP programs will be universal in a future fiscal year.

Removes requirement that providers charge tuition on a sliding scale for children with household incomes above 300%.

Revises to allow programs to enroll children with birthdays between September 1 and December 1 before their current enrollment date of on or after September 1, but maintains prioritization for older 4-year-olds.

Revises the department administering the program from MDE to MiLEAP.

Allows MiLEAP to temporarily waive program eligibility requirements for certain licensed child care providers; states intent that this provision is to expand access to GSRP.

Adds that programs may implement Head Start standards as an alternative to GSRP standards.

**Sec. 163. Educator Certification Requirements – REVISED**

Strikes penalty of 50% of salary paid to an individual in violation of this section if there is a membership adjustment under Sec. 15 based on the same employment. Currently, the Sec. 15 adjustment amount is applied as a credit toward the penalty under this section.

**Sec. 164h. Collective Bargaining Prohibitions – DELETED**

Repeals this section, which establishes a penalty in an amount equal to 5% of total state aid if a district or ISD enters into a collective bargaining agreement that establishes racial or religious preferences or conflicts with any state or federal transparency laws.

**Sec. 164j. State Fiscal Recovery Fund (SFRF) – NEW**

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

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

**FY 2023-24  
Recommendation**

**1. GEER Fund Reallocation (Sec. 11bb) – NEW**

Reallocates \$13.3 million (out of a total \$86.9 million) in federal American Rescue Plan Act (ARPA) funding originally appropriated for the Emergency Assistance to Nonpublic Schools (EANS) Program. Under ARPA, unobligated EANS funds revert to Governor's Emergency Education Relief (GEER) Fund and may be reallocated for other purposes. The proposed reallocation of the reverted GEER Fund would allocate to districts and ISDs the same proportion of federal GEER Fund they received under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

|              |                     |
|--------------|---------------------|
| <b>Gross</b> | <b>\$13,300,000</b> |
| Federal      | 13,300,000          |
| Restricted   | 0                   |
| GF/GP        | \$0                 |

**2. Consolidation Grants (Sec. 12c)**

Reduces by \$110.0 million School Consolidation and Infrastructure Fund (moves to new Sec. 12d) for a total of \$135.0 million School Consolidation and Infrastructure Fund for physical or service consolidation grants. Allocates \$25.0 million to support districts experiencing infrastructure emergencies.

|              |                        |
|--------------|------------------------|
| <b>Gross</b> | <b>(\$110,000,000)</b> |
| Restricted   | (110,000,000)          |
| GF/GP        | \$0                    |

**3. Rightsizing Grants (Sec. 12d) – NEW**

Provides \$110.0 million School Consolidation and Infrastructure Fund for grants to districts and ISDs to support costs related to internal consolidation or infrastructure.

|              |                      |
|--------------|----------------------|
| <b>Gross</b> | <b>\$110,000,000</b> |
| Restricted   | 110,000,000          |
| GF/GP        | \$0                  |

**SCHOOL AID**

| <b><u>Supplemental Recommendations for FY 2023-24 Appropriations</u></b>  |                          | <b><u>FY 2023-24 Recommendation</u></b> |
|---|--------------------------|---|
| <b>4. Foundation Allowance (Secs. 22a &amp; 22b)</b>  | <b>Gross</b>             | <b>(\$79,200,000)</b>                   |
| Reduces by \$79.2 million SAF for a total of \$10.4 billion Gross (\$36,400 GF/GP) to reflect updated consensus cost estimates for pupil membership counts and taxable values.  | Restricted GF/GP         | (79,200,000)<br>\$0                     |
| <b>5. Promise Zones (Sec. 26c)</b>  | <b>Gross</b>             | <b>\$2,300,000</b>                      |
| Increases by \$2.3 million SAF for a total of \$28.3 million SAF required funds for districts and ISDs with an approved Promise Zone development plan.  | Restricted GF/GP         | 2,300,000<br>\$0                        |
| <b>6. Educator Compensation Program (Sec. 27I)</b>  | <b>Gross</b>             | <b>\$4,000,000</b>                      |
| Increases by \$4.0 million one-time SAF for a total of \$67.8 million one-time SAF to include PSAs in the per-pupil payments (previously awarded only to traditional local school districts) to increase educator compensation.   | Restricted GF/GP         | 4,000,000<br>\$0                        |
| <b>7. Universal School Breakfast and Lunch (Sec. 30d)</b>   | <b>Gross</b>             | <b>\$30,000,000</b>                     |
| Increases by \$30.0 million School Meals Reserve Fund for a total of \$190.0 million Gross (\$0 GF/GP) for providing free school breakfast and lunch for all PreK-12 students when combined with other available federal and state funding.   | Restricted GF/GP         | 30,000,000<br>\$0                       |
| <b>8. K-5 Music Education (Sec. 33)</b>   | <b>Gross</b>             | <b>\$0</b>                              |
| Maintains \$11.0 million one-time SAF for districts to begin music education programs for grades K through 5, but expands to include visual arts programs and to allow maintenance of existing programs. Broadens other requirements for a program to be eligible for funding. Adds prioritization for first-time applicants. | Restricted GF/GP         | 0<br>\$0                                |
| <b>9. Special Education (Secs. 51a, 51c, 51d, 51e, 53a, 54, &amp; 56)</b>   | <b>Gross</b>             | <b>\$128,900,000</b>                    |
| Increases by \$128.9 million Gross (\$0 GF/GP) to reflect revised consensus cost estimates for special education costs. Total estimated special education expenditures for FY 2023-24 are \$2.4 billion.  | Federal Restricted GF/GP | 1,000,000<br>127,900,000<br>\$0         |
| <b>10. One-Time Grants (Sec. 99) – NEW</b>  | <b>Gross</b>             | <b>\$500,000</b>                        |
| Provides \$500,000 one-time SAF for the Plant-Based School Meals Pilot Program. (See Sec. 99 for FY 2024-25 for additional one-time grants.)  | Restricted GF/GP         | 500,000<br>\$0                          |
| <b>11. MPSERS (Secs. 147a, 147c, 147e, &amp; 147f)</b>  | <b>Gross</b>             | <b>\$23,550,000</b>                     |
| Increases by \$23.6 million Gross (\$8,000 GF/GP) to reflect revised cost estimates for the Michigan Public School Employees' Retirement System.  | Restricted GF/GP         | 23,542,000<br>\$8,000                   |



SCHOOL AID LINE ITEM SUMMARY



| Sec.   | Description   | FY 2023-2024                    | FY 2023-2024                        |                                 | FY 2024-2025      | FY 2024-2025    | FY 2024-2025    | FY 2024-2025                        |                                 |
|--------|---|---------------------------------|-------------------------------------|---------------------------------|-------------------|-----------------|-----------------|-------------------------------------|---------------------------------|
|        |   | FY 24<br>2023 PA 103<br>Enacted | Change from<br>FY 24<br>2023 PA 103 | FY 24<br>2024 PA 120<br>Enacted | FY 25<br>Exec Rec | FY 25<br>House  | FY 25<br>Senate | Change from<br>FY 24<br>2023 PA 103 | FY 25<br>2024 PA 120<br>Enacted |
| 11j    | School Bond Redemption Fund                           | \$111,000,000                   |                                     | \$111,000,000                   | \$23,000,000      | \$23,000,000    | \$23,000,000    | (\$88,000,000)                      | \$23,000,000                    |
| 11m    | Cash Flow Borrowing Costs                             | \$1,000,000                     |                                     | \$1,000,000                     | \$1,000,000       | \$1,000,000     | \$1,000,000     |                                     | \$1,000,000                     |
| 11s    | Flint Declaration of Emergency                        | \$8,075,000                     |                                     | \$8,075,000                     | \$8,075,000       | \$8,075,000     | \$8,075,000     |                                     | \$8,075,000                     |
| 11s(7) | Flint Early Childhood Collaborative                   | \$1,000,000                     |                                     | \$1,000,000                     | \$0               | \$0             | \$0             | (\$1,000,000)                       | \$0                             |
| 11bb   | GEER Fund Reallocation - Federal - NEW                | \$0                             | \$13,300,000                        | \$13,300,000                    | \$0               | \$0             | \$0             |                                     | \$0                             |
| 12b    | School-Based Health Center Facility Upgrades          | \$45,000,000                    | (\$45,000,000)                      | \$0                             | \$0               | \$0             | \$0             | (\$45,000,000)                      | \$0                             |
| 12c    | Consolidation Grants                                  | \$245,000,000                   | (\$110,000,000)                     | \$135,000,000                   | \$0               | \$0             | \$0             | (\$245,000,000)                     | \$0                             |
| 12d    | Rightsizing Grants - NEW                              | \$0                             | \$110,000,000                       | \$110,000,000                   | \$0               | \$0             | \$0             |                                     | \$0                             |
| 20f    | Categorical Offset Payments                           | \$27,000,000                    |                                     | \$27,000,000                    | \$0               | \$0             | \$0             | (\$27,000,000)                      | \$0                             |
| 21h    | Partnership Model Districts                           | \$6,137,400                     |                                     | \$6,137,400                     | \$6,137,400       | \$6,137,400     | \$6,137,400     |                                     | \$6,137,400                     |
| 21h(7) | Partnership Model Districts Supplemental Funding      | \$36,000,000                    |                                     | \$36,000,000                    | \$0               | \$0             | \$0             | (\$36,000,000)                      | \$0                             |
| 22a    | Foundations: Proposal A Obligation Payment            | \$4,206,000,000                 | (\$62,000,000)                      | \$4,144,000,000                 | \$4,008,000,000   | \$4,008,000,000 | \$4,008,000,000 | (\$213,000,000)                     | \$3,993,000,000                 |
| 22b    | Foundations: Discretionary Payment                    | \$6,308,200,000                 | (\$17,200,000)                      | \$6,291,000,000                 | \$6,550,000,000   | \$6,541,000,000 | \$6,632,000,000 | (\$54,200,000)                      | \$6,254,000,000                 |
| 22c    | Foundations: Equity Payment                           | \$3,000,000                     |                                     | \$3,000,000                     | \$3,000,000       | \$0             | \$3,000,000     |                                     | \$3,000,000                     |
| 22d    | Isolated District Funding                             | \$11,601,000                    |                                     | \$11,601,000                    | \$12,486,000      | \$12,455,400    | \$12,101,900    | \$705,900                           | \$12,306,900                    |
| 22e    | Charter School Per-Pupil Payment - NEW                | \$0                             |                                     | \$0                             | \$0               | \$0             | \$0             | \$57,000,000                        | \$57,000,000                    |
| 22l    | Transportation Costs                                  | \$125,000,000                   |                                     | \$125,000,000                   | \$125,000,000     | \$125,000,000   | \$125,000,000   |                                     | \$125,000,000                   |
| 22m    | Technology Regional Data Hubs                         | \$3,500,000                     |                                     | \$3,500,000                     | \$3,500,000       | \$3,500,000     | \$3,500,000     |                                     | \$3,500,000                     |
| 23g    | MI Kids Back-on-Track - NEW                           | \$0                             |                                     | \$0                             | \$150,000,000     | \$0             | \$50,000,000    |                                     | \$0                             |
| 23h    | Mathematics Teaching and Learning                     | \$25,000,000                    |                                     | \$25,000,000                    | \$0               | \$0             | \$0             | (\$25,000,000)                      | \$0                             |
| 23i    | Friends of the Children                               | \$397,000                       |                                     | \$397,000                       | \$0               | \$100           | \$500,000       | (\$397,000)                         | \$0                             |
| 24     | Court-Placed Pupils                                   | \$7,650,000                     |                                     | \$7,650,000                     | \$7,650,000       | \$7,650,000     | \$7,650,000     |                                     | \$7,650,000                     |
| 24a    | Juvenile Detention Facility Programs                  | \$1,355,700                     |                                     | \$1,355,700                     | \$1,355,700       | \$1,355,700     | \$1,355,700     |                                     | \$1,355,700                     |
| 25f    | Strict Discipline Academies                           | \$1,600,000                     |                                     | \$1,600,000                     | \$1,600,000       | \$1,600,000     | \$1,600,000     |                                     | \$1,600,000                     |
| 25g    | Dropout Recovery Programs                             | \$750,000                       |                                     | \$750,000                       | \$750,000         | \$3,000,000     | \$1,750,000     | \$2,300,000                         | \$3,050,000                     |
| 25k    | Covenant House SDA                                    | \$1,000,000                     |                                     | \$1,000,000                     | \$0               | \$0             | \$0             | (\$1,000,000)                       | \$0                             |
| 25l    | Early Warning Intervention System - NEW               | \$0                             |                                     | \$0                             | \$5,000,000       | \$0             | \$0             | \$5,000,000                         | \$5,000,000                     |
| 25m    | Services for Low-Income Students - NEW                | \$0                             |                                     | \$0                             | \$90,250,000      | \$0             | \$0             |                                     | \$0                             |
| 26a    | Renaissance Zone Reimbursement                        | \$14,000,000                    |                                     | \$14,000,000                    | \$14,000,000      | \$14,000,000    | \$14,000,000    |                                     | \$14,000,000                    |
| 26b    | PILT Reimbursement                                    | \$5,084,000                     |                                     | \$5,084,000                     | \$5,084,000       | \$5,084,000     | \$5,084,000     | \$200,000                           | \$5,284,000                     |
| 26c    | Promise Zone Funding                                  | \$26,000,000                    | \$2,300,000                         | \$28,300,000                    | \$35,100,000      | \$35,100,000    | \$35,100,000    | \$8,500,000                         | \$34,500,000                    |
| 26d    | Brownfield Redevelopment Reimbursement                | \$14,400,000                    |                                     | \$14,400,000                    | \$14,400,000      | \$14,400,000    | \$14,400,000    |                                     | \$14,400,000                    |
| 27a    | Mi Future Educator Fellowship Program                 | \$25,000,000                    |                                     | \$25,000,000                    | \$25,000,000      | \$25,000,000    | \$25,000,000    |                                     | \$25,000,000                    |
| 27b    | Grow Your Own Program - NEW                           | \$0                             |                                     | \$0                             | \$50,000,000      | \$50,000,000    | \$36,800,000    |                                     | \$0                             |
| 27c    | Mi Future Educator Student Teacher Stipend Program    | \$50,000,000                    |                                     | \$50,000,000                    | \$50,000,000      | \$50,000,000    | \$50,000,000    |                                     | \$50,000,000                    |
| 27f    | Michigan Education Justice Coalition - NEW            | \$0                             |                                     | \$0                             | \$0               | \$4,000,000     | \$4,000,000     | \$4,000,000                         | \$4,000,000                     |
| 27g    | Michigan Educator Workforce Initiative - NEW          | \$0                             |                                     | \$0                             | \$0               | \$18,000,000    | \$10,000,000    | \$12,500,000                        | \$12,500,000                    |
| 27h    | Mentoring Grants                                      | \$50,000,000                    |                                     | \$50,000,000                    | \$50,000,000      | \$0             | \$0             | (\$50,000,000)                      | \$0                             |
| 27i    | Rural Educator Credentialing Hub                      | \$15,000,000                    |                                     | \$15,000,000                    | \$0               | \$0             | \$0             | (\$15,000,000)                      | \$0                             |
| 27j    | Special Education Capacity Building                   | \$5,000,000                     |                                     | \$5,000,000                     | \$0               | \$0             | \$0             | (\$5,000,000)                       | \$0                             |
| 27k    | Student Loan Repayment Program                        | \$225,000,000                   |                                     | \$225,000,000                   | \$0               | \$0             | \$75,300,000    | (\$200,000,000)                     | \$25,000,000                    |
| 27l    | Educator Compensation Program                         | \$63,800,000                    | \$4,000,000                         | \$67,800,000                    | \$0               | \$0             | \$0             | (\$63,800,000)                      | \$0                             |
| 27m    | National Board Certification Fund                     | \$5,000,000                     |                                     | \$5,000,000                     | \$0               | \$4,000,000     | \$5,000,000     | (\$5,000,000)                       | \$0                             |
| 27n    | SVSU Accelerated Certification with Residency Program | \$2,000,000                     |                                     | \$2,000,000                     | \$0               | \$0             | \$0             | (\$2,000,000)                       | \$0                             |
| 27o    | Learner Wallet Pilot                                  | \$2,000,000                     |                                     | \$2,000,000                     | \$0               | \$100           | \$0             |                                     | \$2,000,000                     |
| 27p    | Talent Together - Grow Your Own - NEW                 | \$0                             |                                     | \$0                             | \$0               | \$42,000,000    | \$5,000,000     | \$12,500,000                        | \$12,500,000                    |
| 27q    | Hamtramck Accelerated Learning Coaches                | \$2,000,000                     |                                     | \$2,000,000                     | \$0               | \$0             | \$0             | (\$2,000,000)                       | \$0                             |
| 27r    | Teacher Leadership Program - NEW                      | \$0                             |                                     | \$0                             | \$0               | \$10,000,000    | \$26,000,000    |                                     | \$0                             |
| 27r    | West Michigan Teacher Collaborative - NEW             | \$0                             |                                     | \$0                             | \$0               | \$0             | \$0             | \$7,000,000                         | \$7,000,000                     |
| 27s    | Black Male Educators Alliance - NEW                   | \$0                             |                                     | \$0                             | \$0               | \$2,500,000     | \$2,500,000     | \$2,500,000                         | \$2,500,000                     |

**SCHOOL AID**

**SCHOOL AID LINE ITEM SUMMARY**



| Sec.       | FY 2023-2024   | FY 2023-2024                        |                                 | FY 2024-2025      | FY 2024-2025   | FY 2024-2025    | FY 2024-2025                        |                                 |
|------------|--|-------------------------------------|---------------------------------|-------------------|----------------|-----------------|-------------------------------------|---------------------------------|
|            | FY 24<br>2023 PA 103<br>Enacted                              | Change from<br>FY 24<br>2023 PA 103 | FY 24<br>2024 PA 120<br>Enacted | FY 25<br>Exec Rec | FY 25<br>House | FY 25<br>Senate | Change from<br>FY 24<br>2023 PA 103 | FY 25<br>2024 PA 120<br>Enacted |
| 27t        | MI Leadership for Equity and Transformation Fellowship - NEW | \$0                                 |                                 | \$0               | \$1,000,000    | \$0             |                                     | \$0                             |
| 29         | Enrollment Stabilization                                     | \$71,000,000                        |                                 | \$71,000,000      | \$92,600,000   | \$71,000,000    |                                     | \$71,000,000                    |
| 30d        | Universal School Breakfast and Lunch                         | \$160,000,000                       | \$30,000,000                    | \$190,000,000     | \$200,000,000  | \$200,000,000   | \$40,000,000                        | \$200,000,000                   |
| 31a        | At-Risk Pupil Support  | \$952,000,000                       |                                 | \$952,000,000     | \$975,800,000  | \$1,074,620,500 | \$82,924,000                        | \$1,034,924,000                 |
| 31a(7)(19) | School-Based Health Centers                                  | \$33,000,000                        | \$45,000,000                    | \$78,000,000      | \$33,000,000   | \$38,000,000    |                                     | \$33,000,000                    |
| 31a(8)     | Hearing, Vision, and Dental Screening                        | \$6,650,000                         |                                 | \$6,650,000       | \$6,650,000    | \$13,100,000    | \$5,000,000                         | \$11,650,000                    |
| 31b        | Tax Income Data Sharing - NEW                                | \$0                                 |                                 | \$0               | \$0            | \$250,000       |                                     | \$0                             |
| 31d        | State School Lunch Programs                                  | \$29,553,400                        |                                 | \$29,553,400      | \$29,553,400   | \$29,553,400    |                                     | \$29,553,400                    |
| 31d        | School Lunch Programs - Federal                              | \$916,400,000                       |                                 | \$916,400,000     | \$916,400,000  | \$916,400,000   |                                     | \$916,400,000                   |
| 31f        | School Breakfast Program                                     | \$16,900,000                        |                                 | \$16,900,000      | \$16,900,000   | \$16,900,000    |                                     | \$16,900,000                    |
| 31g        | Student Wellness Software Pilot - NEW                        | \$0                                 |                                 | \$0               | \$0            | \$2,700,000     | \$1,250,000                         | \$1,250,000                     |
| 31j        | Local Produce in School Meals                                | \$9,300,000                         |                                 | \$9,300,000       | \$4,500,000    | \$9,300,000     | (\$4,800,000)                       | \$4,500,000                     |
| 31n        | School Mental Health and Support Services                    | \$107,845,000                       |                                 | \$107,845,000     | \$107,845,000  | \$107,845,000   |                                     | \$107,845,000                   |
| 31p        | TRAILS Program - NEW   | \$0                                 |                                 | \$0               | \$12,500,000   | \$12,500,000    |                                     | \$0                             |
| 31q        | Discover You - NEW   | \$0                                 |                                 | \$0               | \$0            | \$1,000,000     |                                     | \$0                             |
| 31r        | Novi Schools Wellness Center                                 | \$1,000,000                         |                                 | \$1,000,000       | \$0            | \$0             | (\$1,000,000)                       | \$0                             |
| 31aa       | Per-Pupil Mental Health & School Safety Grant                | \$328,000,000                       |                                 | \$328,000,000     | \$300,000,000  | \$318,000,000   | (\$301,500,000)                     | \$26,500,000                    |
| 31aa       | Per-Pupil Mental Health & School Safety Grant - Federal      | \$0                                 |                                 | \$0               | \$13,300,000   | \$0             |                                     | \$0                             |
| 31ff       | SMART Internship Grant Program                               | \$15,000,000                        |                                 | \$15,000,000      | \$0            | \$0             | (\$15,000,000)                      | \$0                             |
| 31gg       | ISD School Nurse Consultants - NEW                           | \$0                                 |                                 | \$0               | \$5,000,000    | \$0             |                                     | \$0                             |
| 32a        | Wayne-Westland HYPE Athletics - NEW                          | \$0                                 |                                 | \$0               | \$0            | \$3,000,000     |                                     | \$0                             |
| 32b        | Special Olympics - NEW                                       | \$0                                 |                                 | \$0               | \$0            | \$500,000       |                                     | \$0                             |
| 32c        | Horatio Williams Foundation - NEW                            | \$0                                 |                                 | \$0               | \$0            | \$1,000,000     |                                     | \$0                             |
| 32d        | Great Start Readiness Program                                | \$524,720,000                       |                                 | \$524,720,000     | \$630,961,000  | \$618,020,000   | \$85,000,000                        | \$609,720,000                   |
| 32d(3)     | GSRP Longitudinal Evaluation                                 | \$600,000                           |                                 | \$600,000         | \$600,000      | \$350,000       |                                     | \$600,000                       |
| 32d(19)    | GSRP Transportation - GSRP Reserve Fund                      | \$18,000,000                        |                                 | \$18,000,000      | \$18,000,000   | \$21,000,000    |                                     | \$18,000,000                    |
| 32d(26)    | GSRP Start Up Grants - NEW                                   | \$0                                 |                                 | \$0               | \$35,000,000   | \$20,000,000    | \$25,000,000                        | \$25,000,000                    |
| 32d(27)    | GSRP Awareness Campaign - NEW                                | \$0                                 |                                 | \$0               | \$0            | \$0             | \$1,950,000                         | \$1,950,000                     |
| 32n        | Out-of-School Time   | \$50,000,000                        |                                 | \$50,000,000      | \$50,000,000   | \$75,000,000    | \$25,000,000                        | \$75,000,000                    |
| 32p        | Early Childhood Block Grants                                 | \$19,400,000                        |                                 | \$19,400,000      | \$20,400,000   | \$20,400,000    |                                     | \$19,400,000                    |
| 32p(6)     | Dolly Parton Imagination Library                             | \$4,000,000                         |                                 | \$4,000,000       | \$4,000,000    | \$4,000,000     |                                     | \$4,000,000                     |
| 32t        | Three-Year-Old GSRP Pilot Program                            | \$18,000,000                        |                                 | \$18,000,000      | \$0            | \$0             | (\$18,000,000)                      | \$0                             |
| 32w        | GOAL Line Detroit  | \$6,000,000                         |                                 | \$6,000,000       | \$0            | \$0             | (\$6,000,000)                       | \$0                             |
| 32x        | Learning by Hearings Program                                 | \$4,000,000                         |                                 | \$4,000,000       | \$0            | \$0             | (\$4,000,000)                       | \$0                             |
| 33         | K-5 Music Education  | \$11,000,000                        |                                 | \$11,000,000      | \$0            | \$2,500,000     | (\$11,000,000)                      | \$0                             |
| 35a(4)     | Early Literacy Teacher Coaches                               | \$42,000,000                        |                                 | \$42,000,000      | \$45,250,000   | \$45,250,000    |                                     | \$42,000,000                    |
| 35a(5)     | Early Literacy Added Instructional Time                      | \$19,900,000                        |                                 | \$19,900,000      | \$19,900,000   | \$19,900,000    |                                     | \$19,900,000                    |
| 35a(7)     | Literacy and Math Essentials                                 | \$6,000,000                         |                                 | \$6,000,000       | \$6,000,000    | \$6,000,000     |                                     | \$6,000,000                     |
| 35a(8)     | Michigan Education Corps                                     | \$5,000,000                         |                                 | \$5,000,000       | \$5,000,000    | \$7,000,000     |                                     | \$5,000,000                     |
| 35a(10)    | PD - Literacy Coaches and Classroom Teachers                 | \$10,000,000                        |                                 | \$10,000,000      | \$10,000,000   | \$10,000,000    |                                     | \$10,000,000                    |
| 35d        | Orton Gilligham Dyslexia Program                             | \$1,000,000                         |                                 | \$1,000,000       | \$0            | \$1,000,000     |                                     | \$1,000,000                     |
| 35e        | School Libraries - NEW                                       | \$0                                 |                                 | \$0               | \$0            | \$25,000,000    |                                     | \$0                             |
| 35f        | Chaldean Community Foundation                                | \$1,250,000                         |                                 | \$1,250,000       | \$0            | \$1,250,000     | (\$1,250,000)                       | \$0                             |
| 35i        | Early Literacy Hubs / MI Family Engagement Centers           | \$14,000,000                        |                                 | \$14,000,000      | \$0            | \$0             | (\$14,000,000)                      | \$0                             |
| 35i(4)/(5) | Early Literacy Hub Campaign                                  | \$2,000,000                         |                                 | \$2,000,000       | \$0            | \$0             | (\$2,000,000)                       | \$0                             |
| 35j        | Literacy PD, Curriculum, & Supports                          | \$140,000,000                       |                                 | \$140,000,000     | \$0            | \$0             | (\$140,000,000)                     | \$0                             |
| 35k        | Detroit Parent Network                                       | \$3,000,000                         |                                 | \$3,000,000       | \$0            | \$0             | (\$3,000,000)                       | \$0                             |
| 35l        | Lake Shore Early Childhood Community Center                  | \$1,250,000                         |                                 | \$1,250,000       | \$0            | \$0             | (\$1,250,000)                       | \$0                             |
| 35m        | Literacy Supports - NEW                                      | \$0                                 |                                 | \$0               | \$155,000,000  | \$0             | \$87,000,000                        | \$87,000,000                    |
| 35m        | Per-Pupil Literacy Grant - NEW                               | \$0                                 |                                 | \$0               | \$0            | \$10,000,000    |                                     | \$0                             |
| 35n        | READ Innovation Competition - NEW                            | \$0                                 |                                 | \$0               | \$10,000,000   | \$0             | \$10,000,000                        | \$10,000,000                    |

SCHOOL AID LINE ITEM SUMMARY



| Sec.    |   | FY 2023-2024                    | FY 2023-2024                        |                                 | FY 2024-2025      | FY 2024-2025    | FY 2024-2025    | FY 2024-2025                        |                                 |
|---------|---|---------------------------------|-------------------------------------|---------------------------------|-------------------|-----------------|-----------------|-------------------------------------|---------------------------------|
|         |   | FY 24<br>2023 PA 103<br>Enacted | Change from<br>FY 24<br>2023 PA 103 | FY 24<br>2024 PA 120<br>Enacted | FY 25<br>Exec Rec | FY 25<br>House  | FY 25<br>Senate | Change from<br>FY 24<br>2023 PA 103 | FY 25<br>2024 PA 120<br>Enacted |
| 39a(1)  | Federal ESSA Grant Funds                              | \$754,700,000                   |                                     | \$754,700,000                   | \$754,700,000     | \$754,700,000   | \$754,700,000   |                                     | \$754,700,000                   |
| 39a(2)  | Other Federal Funding                                 | \$60,500,000                    |                                     | \$60,500,000                    | \$60,500,000      | \$60,500,000    | \$60,500,000    |                                     | \$60,500,000                    |
| 41      | English Language Learner Grants                       | \$39,766,500                    |                                     | \$39,766,500                    | \$42,813,500      | \$44,727,500    | \$79,533,000    | \$10,419,600                        | \$50,186,100                    |
| 41b     | Immigrant Support Services                            | \$1,500,000                     |                                     | \$1,500,000                     | \$0               | \$1,500,000     | \$1,500,000     | (\$500,000)                         | \$1,000,000                     |
| 51a(1)  | Special Education - Federal Reimbursement             | \$390,000,000                   |                                     | \$390,000,000                   | \$450,000,000     | \$450,000,000   | \$450,000,000   | \$60,000,000                        | \$450,000,000                   |
| 51a(2)  | Special Ed ISD Durant Costs                           | \$368,000,000                   | \$36,200,000                        | \$404,200,000                   | \$457,100,000     | \$457,100,000   | \$457,100,000   | \$88,800,000                        | \$456,800,000                   |
| 51a(3)  | Special Ed ISD Hold Harmless Payment                  | \$1,000,000                     | (\$1,000,000)                       | \$0                             | \$1,000,000       | \$0             | \$1,000,000     | (\$1,000,000)                       | \$0                             |
| 51a(6)  | Special Ed Admin Rules Changes                        | \$2,200,000                     | \$1,000,000                         | \$3,200,000                     | \$2,200,000       | \$2,200,000     | \$2,200,000     | \$1,000,000                         | \$3,200,000                     |
| 51a(11) | Special Ed Foundations for Non Sec. 52 to ISDs        | \$2,000,000                     | (\$300,000)                         | \$1,700,000                     | \$1,600,000       | \$1,600,000     | \$1,600,000     | (\$300,000)                         | \$1,700,000                     |
| 51c     | Special Ed Headlee Obligation (Durant)                | \$820,000,000                   | \$83,300,000                        | \$903,300,000                   | \$1,014,500,000   | \$1,014,500,000 | \$1,014,500,000 | \$196,400,000                       | \$1,016,400,000                 |
| 51d     | Special Education - Other Federal Grants              | \$71,000,000                    | \$1,000,000                         | \$72,000,000                    | \$83,000,000      | \$83,000,000    | \$83,000,000    | \$12,000,000                        | \$83,000,000                    |
| 51e     | Special Education Foundation Payment                  | \$491,200,000                   | \$8,700,000                         | \$499,900,000                   | \$514,400,000     | \$513,200,000   | \$517,400,000   | \$8,400,000                         | \$499,600,000                   |
| 51g     | Remote Learning Library                               | \$3,000,000                     |                                     | \$3,000,000                     | \$3,000,000       | \$3,000,000     | \$3,000,000     |                                     | \$3,000,000                     |
| 51h     | Special Education Study - NEW                         | \$0                             |                                     | \$0                             | \$0               | \$0             | \$500,000       | \$500,000                           | \$500,000                       |
| 53a     | Special Ed for Court Placed Pupils                    | \$10,500,000                    |                                     | \$10,500,000                    | \$10,500,000      | \$10,500,000    | \$10,500,000    |                                     | \$10,500,000                    |
| 54      | Special Ed Michigan School Blind/Deaf                 | \$1,688,000                     |                                     | \$1,688,000                     | \$1,688,000       | \$1,688,000     | \$1,688,000     |                                     | \$1,688,000                     |
| 54b     | Special Education Task Force Reforms (MiMTSS Center)  | \$1,600,000                     |                                     | \$1,600,000                     | \$1,600,000       | \$2,100,000     | \$1,600,000     |                                     | \$1,600,000                     |
| 54d     | Early On  | \$22,313,000                    |                                     | \$22,313,000                    | \$23,313,000      | \$39,313,000    | \$23,014,300    | \$1,357,700                         | \$23,670,700                    |
| 54f     | Special Education Resource Center - NEW               | \$0                             |                                     | \$0                             | \$0               | \$1,000,000     | \$0             |                                     | \$0                             |
| 55      | Conductive Learning - NEW                             | \$0                             |                                     | \$0                             | \$0               | \$500,000       | \$500,000       | \$500,000                           | \$500,000                       |
| 56      | Special Ed ISD Millage Equalization                   | \$40,008,100                    |                                     | \$40,008,100                    | \$124,208,100     | \$40,008,100    | \$40,008,100    |                                     | \$40,008,100                    |
| 56(7)   | Special Ed Millage Incentive                          | \$34,200,000                    |                                     | \$34,200,000                    | \$0               | \$34,200,000    | \$34,200,000    |                                     | \$34,200,000                    |
| 61a     | Career and Tech Ed Programs                           | \$48,011,300                    |                                     | \$48,011,300                    | \$52,052,300      | \$48,011,300    | \$38,793,500    | (\$8,111,500)                       | \$39,899,800                    |
| 61b     | Career and Tech Ed Early/Middle College               | \$8,000,000                     |                                     | \$8,000,000                     | \$8,000,000       | \$8,000,000     | \$8,000,000     |                                     | \$8,000,000                     |
| 61c     | CTE Skilled Trades Initiative                         | \$15,000,000                    |                                     | \$15,000,000                    | \$15,000,000      | \$15,000,000    | \$18,000,000    | (\$15,000,000)                      | \$0                             |
| 61d     | CTE Incentive Payment                                 | \$5,000,000                     |                                     | \$5,000,000                     | \$5,000,000       | \$5,000,000     | \$5,000,000     | \$304,300                           | \$5,304,300                     |
| 61j     | Huron Downriver CTE Consortium                        | \$10,700,000                    |                                     | \$10,700,000                    | \$0               | \$0             | \$3,000,000     | (\$10,700,000)                      | \$0                             |
| 61k     | Mott Bilingual Center                                 | \$2,600,000                     |                                     | \$2,600,000                     | \$0               | \$0             | \$0             | (\$2,600,000)                       | \$0                             |
| 61l     | Schoolcraft Early Middle College Program              | \$1,200,000                     |                                     | \$1,200,000                     | \$0               | \$0             | \$0             | (\$1,200,000)                       | \$0                             |
| 61m     | Beecher High School                                   | \$2,500,000                     |                                     | \$2,500,000                     | \$0               | \$0             | \$0             | (\$2,500,000)                       | \$0                             |
| 61n     | Waverly High School                                   | \$3,000,000                     |                                     | \$3,000,000                     | \$0               | \$0             | \$0             | (\$3,000,000)                       | \$0                             |
| 61o     | DPSCD Coleman A Young Renovations                     | \$6,500,000                     |                                     | \$6,500,000                     | \$0               | \$0             | \$0             | (\$6,500,000)                       | \$0                             |
| 61p     | DPSCD Foreign Language School                         | \$5,000,000                     |                                     | \$5,000,000                     | \$0               | \$0             | \$0             | (\$5,000,000)                       | \$0                             |
| 61q     | Michigan Joint Training Innovation Center             | \$5,000,000                     |                                     | \$5,000,000                     | \$0               | \$0             | \$0             | (\$5,000,000)                       | \$0                             |
| 61r     | Lansing Schools Hill Center Track                     | \$500,000                       |                                     | \$500,000                       | \$0               | \$0             | \$0             | (\$500,000)                         | \$0                             |
| 61s     | Eaton RESA FFA  | \$4,000,000                     |                                     | \$4,000,000                     | \$0               | \$4,000,000     | \$0             | (\$4,000,000)                       | \$0                             |
| 61t     | Harper Woods CTE Center                               | \$1,000,000                     |                                     | \$1,000,000                     | \$0               | \$0             | \$0             | (\$1,000,000)                       | \$0                             |
| 61u     | Romulus CTE   | \$1,600,000                     |                                     | \$1,600,000                     | \$0               | \$0             | \$0             | (\$1,600,000)                       | \$0                             |
| 61v     | CEPD Key Industry Grants - NEW                        | \$0                             |                                     | \$0                             | \$20,000,000      | \$0             | \$0             |                                     | \$0                             |
| 62      | ISD Career & Tech Ed Millage Equalization             | \$9,190,000                     |                                     | \$9,190,000                     | \$9,190,000       | \$9,190,000     | \$9,190,000     |                                     | \$9,190,000                     |
| 65      | Detroit PreCollege Engineering                        | \$900,000                       |                                     | \$900,000                       | \$900,000         | \$900,000       | \$900,000       |                                     | \$900,000                       |
| 67      | Career and College Readiness Tools                    | \$5,000,000                     |                                     | \$5,000,000                     | \$4,000,000       | \$3,000,000     | \$5,000,000     | (\$1,000,000)                       | \$4,000,000                     |
| 67a     | MITES - NEW   | \$0                             |                                     | \$0                             | \$0               | \$0             | \$100,000       | \$50,000                            | \$50,000                        |
| 67b     | PRIME - NEW   | \$0                             |                                     | \$0                             | \$0               | \$5,000,000     | \$0             | \$1,000,000                         | \$1,000,000                     |
| 67c     | Michigan State University Developer Academy           | \$3,000,000                     |                                     | \$3,000,000                     | \$0               | \$0             | \$0             | (\$3,000,000)                       | \$0                             |
| 67d     | ProStart/HTM Hospitality and Tourism CTE Grants - NEW | \$0                             |                                     | \$0                             | \$0               | \$1,000,000     | \$500,000       | \$1,000,000                         | \$1,000,000                     |
| 67f     | FAFSA Completion Challenge                            | \$10,000,000                    |                                     | \$10,000,000                    | \$40,000,000      | \$10,000,000    | \$15,000,000    |                                     | \$10,000,000                    |
| 67g     | Ready Rosie   | \$1,000,000                     |                                     | \$1,000,000                     | \$0               | \$0             | \$0             | (\$1,000,000)                       | \$0                             |
| 74      | School Bus Driver Safety Instruction                  | \$2,025,000                     |                                     | \$2,025,000                     | \$2,025,000       | \$2,525,600     | \$2,025,000     |                                     | \$2,025,000                     |
| 74      | School Bus Inspections                                | \$1,817,700                     |                                     | \$1,817,700                     | \$1,888,500       | \$1,888,500     | \$1,888,500     | \$70,800                            | \$1,888,500                     |

**SCHOOL AID**

**SCHOOL AID LINE ITEM SUMMARY**



| Sec.      | FY 2023-2024<br>FY 24<br>2023 PA 103<br>Enacted       | FY 2023-2024                        |                                 | FY 2024-2025<br>FY 25<br>Exec Rec | FY 2024-2025<br>FY 25<br>House | FY 2024-2025<br>FY 25<br>Senate | FY 2024-2025                        |                                 |
|-----------|---|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------|---------------------------------|-------------------------------------|---------------------------------|
|           |   | Change from<br>FY 24<br>2023 PA 103 | FY 24<br>2024 PA 120<br>Enacted |                                   |                                |                                 | Change from<br>FY 24<br>2023 PA 103 | FY 25<br>2024 PA 120<br>Enacted |
| 74b       | MI Clean School Bus Grants                            | \$125,000,000                       | \$125,000,000                   | \$0                               | \$0                            | \$0                             | (\$125,000,000)                     | \$0                             |
| 81        | ISD General Operations Support                        | \$79,424,700                        | \$79,424,700                    | \$81,408,700                      | \$85,272,400                   | \$81,921,200                    |                                     | \$79,424,700                    |
| 94        | AP/IB/CLEP Incentive Program                          | \$1,200,000                         | \$1,200,000                     | \$1,200,000                       | \$1,200,000                    | \$1,200,000                     |                                     | \$1,200,000                     |
| 94a       | Center for Educational Performance and Information    | \$18,988,600                        | \$18,988,600                    | \$19,219,200                      | \$19,219,200                   | \$19,219,200                    | \$230,600                           | \$19,219,200                    |
| 94a       | Center for Educational Performance and Info - Federal | \$193,500                           | \$4,193,500                     | \$193,500                         | \$193,500                      | \$193,500                       |                                     | \$193,500                       |
| 94d       | Special Education Task Force - NEW                    | \$0                                 | \$0                             | \$0                               | \$0                            | \$0                             | \$1,000,000                         | \$1,000,000                     |
| 94e       | Michigan Education Research Institute - NEW           | \$0                                 | \$0                             | \$1,000,000                       | \$0                            | \$0                             | \$1,000,000                         | \$1,000,000                     |
| 94e       | School and Local Government Finance Commission - NEW  | \$0                                 | \$0                             | \$0                               | \$0                            | \$0                             |                                     | \$0                             |
| 94e       | Education Policy Innovation Collaborative - NEW       | \$0                                 | \$0                             | \$0                               | \$0                            | \$6,000,000                     |                                     | \$0                             |
| 95b       | Educator and Administrator Evaluations                | \$2,000,000                         | \$2,000,000                     | \$0                               | \$100                          | \$2,000,000                     | (\$2,000,000)                       | \$0                             |
| 97a       | Navigate 360  | \$2,000,000                         | \$2,000,000                     | \$0                               | \$100                          | \$2,000,000                     | (\$1,500,000)                       | \$500,000                       |
| 97b       | Online Safety Program Pilot - NEW                     | \$0                                 | \$0                             | \$0                               | \$0                            | \$500,000                       |                                     | \$0                             |
| 97c       | Student Pedestrian Safety - NEW                       | \$0                                 | \$0                             | \$0                               | \$0                            | \$10,000,000                    |                                     | \$0                             |
| 97e       | School Safety and Mental Health Commission            | \$2,000,000                         | \$2,000,000                     | \$0                               | \$0                            | \$0                             | (\$2,000,000)                       | \$0                             |
| 97g       | Cybersecurity Risk Assessments                        | \$9,000,000                         | \$9,000,000                     | \$0                               | \$0                            | \$0                             | (\$9,000,000)                       | \$0                             |
| 97i       | Zero Eyes   | \$3,000,000                         | \$3,000,000                     | \$0                               | \$100                          | \$0                             | (\$3,000,000)                       | \$0                             |
| 97j       | Raptor Technologies                                   | \$6,000,000                         | \$6,000,000                     | \$0                               | \$0                            | \$6,000,000                     | (\$5,750,000)                       | \$250,000                       |
| 97k       | Student Advocacy Hotline                              | \$100,000                           | \$100,000                       | \$0                               | \$125,000                      | \$125,000                       |                                     | \$100,000                       |
| 97m       | Peer Mentoring - NEW                                  | \$0                                 | \$0                             | \$1,000,000                       | \$1,000,000                    | \$0                             | \$1,000,000                         | \$1,000,000                     |
| 97l       | Dearborn Cybersecurity                                | \$250,000                           | \$250,000                       | \$0                               | \$0                            | \$0                             | (\$250,000)                         | \$0                             |
| 98        | Michigan Virtual University                           | \$9,300,000                         | \$9,300,000                     | \$9,800,000                       | \$9,800,000                    | \$8,000,000                     | \$500,000                           | \$9,800,000                     |
| 98d       | Michigan Learning Channel                             | \$5,000,000                         | \$5,000,000                     | \$0                               | \$3,000,000                    | \$3,000,000                     | (\$2,000,000)                       | \$3,000,000                     |
| 99        | One-Time Grants - NEW                                 | \$0                                 | \$500,000                       | \$0                               | \$9,600,200                    | \$6,000,000                     | \$32,250,000                        | \$32,250,000                    |
| 99a       | Heroes Circle   | \$100,000                           | \$100,000                       | \$0                               | \$100                          | \$0                             | (\$100,000)                         | \$0                             |
| 99b       | Computer Science Professional Learning                | \$4,000,000                         | \$4,000,000                     | \$0                               | \$3,000,000                    | \$3,000,000                     | (\$3,500,000)                       | \$500,000                       |
| 99c       | Playworks - NEW                                       | \$0                                 | \$0                             | \$0                               | \$1,000,000                    | \$750,000                       | \$1,000,000                         | \$1,000,000                     |
| 99d       | Diverse Histories Pilot                               | \$6,000,000                         | \$6,000,000                     | \$0                               | \$0                            | \$5,000,000                     | (\$6,000,000)                       | \$0                             |
| 99e       | Brilliant Detroit                                     | \$2,000,000                         | \$2,000,000                     | \$0                               | \$500,000                      | \$2,000,000                     | (\$2,000,000)                       | \$0                             |
| 99f       | Godfrey-Lee Roof                                      | \$4,000,000                         | \$4,000,000                     | \$0                               | \$0                            | \$0                             | (\$4,000,000)                       | \$0                             |
| 99g       | Helping Women Period Pilot                            | \$1,000,000                         | \$1,000,000                     | \$0                               | \$1,000,000                    | \$0                             |                                     | \$1,000,000                     |
| 99h       | FIRST Robotics  | \$6,573,200                         | \$6,573,200                     | \$5,323,200                       | \$6,373,200                    | \$7,323,200                     | (\$1,250,000)                       | \$5,323,200                     |
| 99i       | MI Council of Women in Technology Foundation - NEW    | \$0                                 | \$0                             | \$0                               | \$0                            | \$0                             | \$250,000                           | \$250,000                       |
| 99m       | Shiawassee RESD CTE                                   | \$450,000                           | \$450,000                       | \$0                               | \$0                            | \$0                             | (\$450,000)                         | \$0                             |
| 99n       | Lansing CTE Center                                    | \$6,000,000                         | \$6,000,000                     | \$0                               | \$0                            | \$0                             | (\$6,000,000)                       | \$0                             |
| 99s(4)    | MiSTEM Council and Grants                             | \$3,050,000                         | \$3,050,000                     | \$3,050,000                       | \$3,050,000                    | \$3,050,000                     |                                     | \$3,050,000                     |
| 99s(5)(7) | MiSTEM Centers Transition                             | \$4,584,300                         | \$4,584,300                     | \$4,904,300                       | \$4,904,300                    | \$4,584,300                     |                                     | \$4,584,300                     |
| 99t       | Math Nation   | \$2,000,000                         | \$2,000,000                     | \$0                               | \$1,000,000                    | \$0                             | (\$1,000,000)                       | \$1,000,000                     |
| 99u       | Imagine Learning                                      | \$6,000,000                         | \$6,000,000                     | \$0                               | \$3,000,000                    | \$6,000,000                     | (\$6,000,000)                       | \$0                             |
| 99x       | Teach for America                                     | \$5,000,000                         | \$5,000,000                     | \$0                               | \$10,000,000                   | \$12,000,000                    | (\$2,000,000)                       | \$3,000,000                     |
| 99aa      | Project SEARCH  | \$1,500,000                         | \$1,500,000                     | \$0                               | \$1,500,000                    | \$0                             | (\$500,000)                         | \$1,000,000                     |
| 99bb      | Youth in Government - NEW                             | \$0                                 | \$0                             | \$0                               | \$1,200,000                    | \$0                             |                                     | \$0                             |
| 99dd      | MI Science Center - NEW                               | \$0                                 | \$0                             | \$0                               | \$0                            | \$500,000                       |                                     | \$0                             |
| 99ee      | Hispanic Collaborative                                | \$6,500,000                         | \$6,500,000                     | \$0                               | \$0                            | \$4,000,000                     | (\$4,500,000)                       | \$2,000,000                     |
| 99ff      | Junior Achievement                                    | \$5,000,000                         | \$5,000,000                     | \$0                               | \$0                            | \$5,000,000                     | (\$3,100,000)                       | \$1,900,000                     |
| 99gg      | Boys and Girls Club SE MI                             | \$10,000,000                        | \$10,000,000                    | \$0                               | \$100                          | \$0                             | (\$10,000,000)                      | \$0                             |
| 99hh      | City Year Detroit                                     | \$3,000,000                         | \$3,000,000                     | \$0                               | \$3,000,000                    | \$3,000,000                     |                                     | \$3,000,000                     |
| 99ii      | Wayne-Westland Driver's Training Pilot                | \$250,000                           | \$250,000                       | \$0                               | \$0                            | \$0                             | (\$250,000)                         | \$0                             |
| 99jj      | Dearborn Driver's Training Pilot                      | \$250,000                           | \$250,000                       | \$0                               | \$0                            | \$125,000                       | (\$250,000)                         | \$0                             |
| 99kk      | Boys and Girls Club Grand Rapids                      | \$5,000,000                         | \$5,000,000                     | \$0                               | \$0                            | \$0                             | (\$5,000,000)                       | \$0                             |
| 99ll      | Eastpointe Swimming Pool                              | \$500,000                           | \$500,000                       | \$0                               | \$0                            | \$0                             | (\$500,000)                         | \$0                             |
| 99mm      | Driver's Training Grants - NEW                        | \$0                                 | \$0                             | \$0                               | \$0                            | \$3,000,000                     |                                     | \$0                             |

SCHOOL AID LINE ITEM SUMMARY



| Sec.    |   | FY 2023-2024                    | FY 2023-2024                        |                                 | FY 2024-2025            | FY 2024-2025            | FY 2024-2025            | FY 2024-2025                        |                                 |
|---------|---|---------------------------------|-------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------|---------------------------------|
|         |   | FY 24<br>2023 PA 103<br>Enacted | Change from<br>FY 24<br>2023 PA 103 | FY 24<br>2024 PA 120<br>Enacted | FY 25<br>Exec Rec       | FY 25<br>House          | FY 25<br>Senate         | Change from<br>FY 24<br>2023 PA 103 | FY 25<br>2024 PA 120<br>Enacted |
| 99nn    | Civics Education - NEW                                  | \$0                             |                                     | \$0                             | \$0                     | \$1,000,000             | \$5,000,000             |                                     | \$0                             |
| 99oo    | Life Leaders - NEW                                      | \$0                             |                                     | \$0                             | \$0                     | \$0                     | \$1,000,000             |                                     | \$0                             |
| 104     | Education Assessments - State                           | \$37,509,400                    |                                     | \$37,509,400                    | \$37,509,400            | \$37,509,400            | \$37,509,400            |                                     | \$37,509,400                    |
| 104     | Education Assessments - Federal                         | \$8,000,000                     |                                     | \$8,000,000                     | \$8,000,000             | \$8,000,000             | \$8,000,000             |                                     | \$8,000,000                     |
| 104f    | Digital Literacy Training                               | \$1,000,000                     |                                     | \$1,000,000                     | \$0                     | \$0                     | \$0                     | (\$1,000,000)                       | \$0                             |
| 104h    | Benchmark Assessments - NEW                             | \$0                             |                                     | \$0                             | \$11,500,000            | \$11,500,000            | \$11,500,000            | \$11,500,000                        | \$11,500,000                    |
| 107     | Adult Education   | \$40,500,000                    |                                     | \$40,500,000                    | \$40,500,000            | \$40,500,000            | \$40,500,000            |                                     | \$40,500,000                    |
| 107a    | Adult Education Innovation Programs                     | \$15,000,000                    |                                     | \$15,000,000                    | \$0                     | \$0                     | \$0                     | (\$15,000,000)                      | \$0                             |
| 147a(1) | MPERS Cost Offset                                       | \$100,000,000                   |                                     | \$100,000,000                   | \$100,000,000           | \$100,000,000           | \$100,000,000           |                                     | \$100,000,000                   |
| 147a(2) | MPERS Normal Cost Offset for Lower AROR/Dedicated Gains | \$360,050,000                   | \$49,550,000                        | \$409,600,000                   | \$365,200,000           | \$365,200,000           | \$365,200,000           | \$5,150,000                         | \$365,200,000                   |
| 147a(3) | MPERS Cost Offset - ISDs and District Libraries         | \$11,939,000                    |                                     | \$11,939,000                    | \$11,939,000            | \$11,939,000            | \$11,939,000            |                                     | \$11,939,000                    |
| 147a(4) | MPERS Cost Offset - Reduced UAAL Rate Cap - NEW         | \$0                             |                                     | \$0                             | \$94,300,000            | \$290,800,000           | \$0                     | \$598,000,000                       | \$598,000,000                   |
| 147c    | MPERS State Share of Unfunded Liability Payments        | \$1,863,500,000                 |                                     | \$1,863,500,000                 | \$1,039,400,000         | \$1,039,400,000         | \$1,039,400,000         | (\$574,100,000)                     | \$1,289,400,000                 |
| 147e    | MPERS Added Normal/DC Costs for PA 92 of 2017           | \$90,400,000                    | (\$26,000,000)                      | \$64,400,000                    | \$104,700,000           | \$104,700,000           | \$104,700,000           | \$14,300,000                        | \$104,700,000                   |
| 147f    | MPERS 0.5% UAAL Reimbursement                           | \$48,500,000                    |                                     | \$48,500,000                    | \$0                     | \$0                     | \$0                     | (\$48,500,000)                      | \$0                             |
| 147g    | MPERS Employee Healthcare Reimbursement - NEW           | \$0                             |                                     | \$0                             | \$0                     | \$51,634,100            | \$0                     | \$181,519,700                       | \$181,519,700                   |
| 152a    | Adair - Database Payment                                | \$41,000,500                    |                                     | \$41,000,500                    | \$41,000,500            | \$41,000,500            | \$41,000,500            |                                     | \$41,000,500                    |
| 152b    | Nonpublic School Reimbursement                          | \$1,000,000                     |                                     | \$1,000,000                     | \$0                     | \$1,000,000             | \$1,000,000             |                                     | \$1,000,000                     |
|         |   | <b>\$21,459,651,300</b>         | <b>\$127,350,000</b>                | <b>\$21,587,001,300</b>         | <b>\$20,609,973,700</b> | <b>\$20,557,899,400</b> | <b>\$20,325,366,700</b> | <b>(\$815,375,900)</b>              | <b>\$20,644,275,400</b>         |

| REVENUE BY SOURCE                            | FY 2023-2024            | FY 2023-2024         | FY 2023-2024            | FY 2024-2025            | FY 2024-2025            | FY 2024-2025            | FY 2024-2025           | FY 2024-2025            |
|--|-------------------------|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| Federal Aid                                  | \$2,200,793,500         | \$18,300,000         | \$2,219,093,500         | \$2,272,793,500         | \$2,286,093,500         | \$2,272,793,500         | \$72,000,000           | \$2,272,793,500         |
| School Aid Fund                              | \$18,364,157,800        | \$54,200,000         | \$18,418,357,800        | \$17,916,530,200        | \$17,680,130,100        | \$17,623,723,200        | (\$720,606,500)        | \$17,643,551,300        |
| School Consolidation and Infrastructure Fund | \$245,000,000           | \$0                  | \$245,000,000           | \$0                     | \$0                     | \$0                     | (\$245,000,000)        | \$0                     |
| MPERS Obligation Reform Reserve Fund         | \$215,800,000           | \$24,850,000         | \$240,650,000           | \$84,100,000            | \$84,100,000            | \$84,100,000            | \$118,300,000          | \$334,100,000           |
| Educator Fellowship Public Provider Fund     | \$0                     | \$0                  | \$0                     | \$0                     | \$45,000,000            | \$0                     | \$30,000,000           | \$30,000,000            |
| Educator Fellowship Private Provider Fund    | \$0                     | \$0                  | \$0                     | \$0                     | \$5,000,000             | \$0                     | \$0                    | \$0                     |
| School Transportation Fund                   | \$125,000,000           | \$0                  | \$125,000,000           | \$125,000,000           | \$125,000,000           | \$125,000,000           | \$0                    | \$125,000,000           |
| School Meals Reserve Fund                    | \$60,000,000            | \$30,000,000         | \$90,000,000            | \$30,000,000            | \$80,000,000            | \$30,000,000            | (\$30,000,000)         | \$30,000,000            |
| GSRP Reserve Fund                            | \$18,000,000            | \$0                  | \$18,000,000            | \$18,000,000            | \$21,000,000            | \$18,000,000            | \$0                    | \$18,000,000            |
| Enrollment Stabilization Fund                | \$71,000,000            | \$0                  | \$71,000,000            | \$71,000,000            | \$92,600,000            | \$71,000,000            | \$0                    | \$71,000,000            |
| Community District Trust Fund                | \$72,000,000            | \$0                  | \$72,000,000            | \$41,000,000            | \$41,000,000            | \$41,000,000            | (\$31,000,000)         | \$41,000,000            |
| General Fund/General Purpose                 | \$87,900,000            | \$0                  | \$87,900,000            | \$51,550,000            | \$97,975,800            | \$59,750,000            | (\$9,069,400)          | \$78,830,600            |
| <b>TOTAL REVENUE</b>                         | <b>\$21,459,651,300</b> | <b>\$127,350,000</b> | <b>\$21,587,001,300</b> | <b>\$20,609,973,700</b> | <b>\$20,557,899,400</b> | <b>\$20,325,366,700</b> | <b>(\$815,375,900)</b> | <b>\$20,644,275,400</b> |

**DEPARTMENT OF STATE POLICE  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 14)**

**Analysts: Michael Clossen and Aaron Meek**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|-----------------------|---|------------|
|                   |                                       |                       | Amount                                    | %          |
| <b>IDG/IDT</b>    | \$26,244,400                          | \$27,189,800          | \$945,400                                 | 3.6        |
| <b>Federal</b>    | 88,805,100                            | 99,062,700            | 10,257,600                                | 11.6       |
| <b>Local</b>      | 4,904,800                             | 4,975,700             | 70,900                                    | 1.4        |
| <b>Private</b>    | 35,000                                | 35,000                | 0   | 0.0        |
| <b>Restricted</b> | 165,787,800                           | 174,984,300           | 9,196,500                                 | 5.5        |
| <b>GF/GP</b>      | 607,564,000                           | 646,861,000           | 39,297,000                                | 6.5        |
| <b>Gross</b>      | <b>\$893,341,100</b>                  | <b>\$953,108,500</b>  | <b>\$59,767,400</b>                       | <b>6.7</b> |
| <b>FTEs</b>       | 3,832.0                               | 3,856.0               | 24.0                                      | 0.6        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Department of State Police (MSP) is the state's primary law enforcement and emergency response authority. The department is responsible for criminal law enforcement and investigation, traffic and motor carrier safety, and homeland security. The department is also responsible for the administration and implementation of various state programs, technologies, and specialized services intended to enhance the capabilities and coordination of federal, state, and local law enforcement agencies, the criminal justice system, and the entire public safety community.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|  | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |
|--|---|---------------------------------|
| <b>1. Public Safety Academy Assistance Programs</b>  | <b>Gross</b>                            | <b>\$0</b>                      |
| Includes \$10.0 million GF/GP to provide scholarships for police academy recruits and assistance with salaries for police cadets. Scholarships will be capped at \$20,000 per recruit and assistance with salaries will be capped at \$4,000 per police cadet. | GF/GP                                   | \$10,000,000                    |
| <b>2. Disaster and Emergency Contingency Fund</b>  | <b>Gross</b>                            | <b>\$0</b>                      |
| Includes \$10.0 million GF/GP for deposit into the Disaster and Emergency Contingency Fund (DECF) to support response and recovery activities and financial assistance to local units of government in the event of a disaster or emergency.                   | GF/GP                                   | \$10,000,000                    |
| <b>3. FY 2023-24 Trooper Recruit School Annualization</b>  | <b>Gross</b>                            | <b>NA</b>                       |
| Includes \$5.5 million GF/GP to support departmental expenses incurred for 50 troopers projected to graduate from trooper recruit school during FY 2023-24. Supported costs will include fleet leasing, IT support, salaries, and benefits.                    | GF/GP                                   | \$5,473,000                     |

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

|  | FY 2023-24<br>Enacted<br>(as of 2/7/24) | FY 2024-25<br>Enacted<br>Change |                      |
|--|---|---------------------------------|----------------------|
| <b>4. Disaster Recovery Grants</b>   | <b>Gross</b>                            | <b>NA</b>                       | <b>\$3,200,000</b>   |
| Includes \$3.2 million GF/GP for grants to local governments for weather-related disaster expenses not eligible for reimbursement by federal relief funding. Grants will be allocated as follows:  | <b>GF/GP</b>                            | <b>NA</b>                       | <b>\$3,200,000</b>   |
| <ul style="list-style-type: none"> <li>\$1.0 million to Marquette County</li> <li>\$1.0 million to Kalamazoo County</li> <li>\$1.0 million to Baraga County</li> <li>\$200,000 to the City of Perry.</li> </ul>  |   |                                 |                      |
| <b>5. Contracts and Services</b>   | <b>Gross</b>                            | <b>\$1,600,000</b>              | <b>(\$1,600,000)</b> |
| (a) Removes \$1.6 million GF/GP that was included in FY 2023-24 as a one-time appropriation for contracts and services. Of that amount, \$1.4 million was allocated to support executive security and \$200,000 was allocated for traffic control at Michigan International Speedway.  | <b>GF/GP</b>                            | <b>\$1,600,000</b>              | <b>(\$1,600,000)</b> |
| (b) Includes \$2.0 million GF/GP for executive security services, which the FY 2024-25 executive recommendation designates as ongoing funding.   | <b>Gross</b>                            | <b>\$0</b>                      | <b>\$2,000,000</b>   |
|  | <b>GF/GP</b>                            | <b>\$0</b>                      | <b>\$2,000,000</b>   |
| <b>6. Michigan International Speedway Traffic Control</b>  | <b>Gross</b>                            | <b>\$0</b>                      | <b>\$200,000</b>     |
| Includes \$200,000 GF/GP for providing traffic control support for the Michigan International Speedway.  | <b>GF/GP</b>                            | <b>\$0</b>                      | <b>\$200,000</b>     |
| <b>7. Capitol Security</b>   | FTE                                     | NA                              | 13.0                 |
| Includes \$1.4 million GF/GP and authorization for 13.0 additional state property security officers who will be assigned to the Capitol Building to operate and monitor weapons detection equipment installed at building entrances.   | <b>Gross</b>                            | <b>NA</b>                       | <b>\$1,390,700</b>   |
|  | <b>GF/GP</b>                            | <b>NA</b>                       | <b>\$1,390,700</b>   |
| <b>8. Law Enforcement Language Barrier Training</b>  | <b>Gross</b>                            | <b>\$0</b>                      | <b>\$500,000</b>     |
| Includes \$500,000 GF/GP to provide training to law enforcement officers to improve communication with those who experience language barriers or who are hard of hearing or deaf.  | <b>GF/GP</b>                            | <b>\$0</b>                      | <b>\$500,000</b>     |
| <b>9. Intelligence Operations Software Licensing</b>   | <b>Gross</b>                            | <b>NA</b>                       | <b>\$474,000</b>     |
| Includes \$474,000 GF/GP to offset increased software licensing fees charged by vendors for software that is used by the Intelligence Operations Division (IOD) for collecting, compiling, and analyzing digital evidence retrieved from mobile devices during criminal investigations. The vendor previously assessed a flat rate licensing fee but has revised the licensing structure to require 7 IOD locations to each retain a separate license.   | <b>GF/GP</b>                            | <b>NA</b>                       | <b>\$474,000</b>     |
| <b>10. Cold Case Investigations</b>  | <b>Gross</b>                            | <b>NA</b>                       | <b>\$1,000,000</b>   |
| Includes \$1.0 million GF/GP for cold case investigation-related activities for use as follows:  | <b>GF/GP</b>                            | <b>NA</b>                       | <b>\$1,000,000</b>   |
| <ul style="list-style-type: none"> <li>\$400,000 will be divided equally to cold case course programs at Western Michigan University and Northern Michigan University for programmatic and operational expenses. The programs provide workforce development training related to criminal investigation tactics, forensic science and law, and review of cold homicide and missing person cases.</li> <li>\$400,000 will go to the department's Special Investigation Division for cold case investigations; \$250,000 of this amount must be used to support cold case investigations in Lansing.</li> <li>\$200,000 will go to the department's Forensic Science Division.</li> </ul> |   |                                 |                      |

**STATE POLICE**

|   | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--|--|
| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |  |  |
| <b>11. Breathalyzer Maintenance</b>   | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes \$83,100 GF/GP to offset increased costs for annual maintenance of MSP's 200 breathalyzer units.   | GF/GP  | <b>\$83,100</b>                          |
| <b>12. FTE Authorization Increase</b>   | FTE  | NA                                       |
| Includes authorization for 11.0 FTE positions, with 6.0 FTE positions allocated to the Department Services line, 1.0 FTE position allocated to the Professional Development Bureau line, and 4.0 FTE positions allocated to the Intelligence Operations Division line. The Department Services FTEs will be utilized to fulfill internal control requirements and to assist with GASB changes; the Professional Development Bureau FTE will be used to support the Drug Recognition Expert Program; and the Intelligence Operations Division FTEs will be used to hire 911 dispatchers for Crawford County. | <b>Gross</b>                                     | <b>NA</b>                                |
|   | GF/GP  | <b>\$0</b>                               |
| <b>13. Unclassified Positions Increase</b>  | FTE  | NA                                       |
| Reduces funding and FTE position authorization for 13 line items to provide \$1.6 million Gross (\$1.5 million GF/GP) for salaries of additional unclassified positions. The net change is \$0 and 0.0 FTE positions. Authorization for 4.0 FTE positions is transferred from classified to unclassified positions, for a department total of 7.0 unclassified positions. The added positions will be used to provide department leadership and to develop and implement policies.  | <b>Gross</b>                                     | <b>NA</b>                                |
|   | Restricted                                       | NA                                       |
|   | GF/GP  | NA                                       |
| <b>14. Technical Adjustments</b>  | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes additional IDG/IDT, federal, and state restricted funding authorization from numerous sources for numerous line items to reflect increased revenues that will support department projects and objectives. Some of the larger adjustments include the following:  | IDG/IDT  | NA                                       |
| <ul style="list-style-type: none"> <li>• \$5.0 million increase in federal Department of Justice funding</li> <li>• \$4.5 million increase in federal Department of Transportation funding</li> <li>• \$3.0 million increase in state restricted Criminal Justice Information Center Service Fees</li> <li>• \$2.3 million increase in state restricted State Police Service Fees.</li> </ul>   | Federal  | NA                                       |
|   | Restricted                                       | NA                                       |
|   | GF/GP  | NA                                       |
| <b>15. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b>                                     | <b>\$11,741,900</b>                      |
| Removes \$11.7 million Gross (\$10.8 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:  | Federal  | 951,600                                  |
| <ul style="list-style-type: none"> <li>• FY 2023-24 Trooper Recruit School (\$4.8 million GF/GP)</li> <li>• Community-Based Crisis Response Pilot Grants (\$1.5 million GF/GP)</li> <li>• Emergency Alert System Upgrades (\$1.5 million GF/GP)</li> <li>• MCOLES Active Shooter Response Training (\$1.3 million GF/GP)</li> <li>• Gun Violence Prevention (\$1.2 million GF/GP)</li> <li>• Firearms Safety (\$500,000 GF/GP).</li> </ul>  | GF/GP  | \$10,790,300                             |
| <b>16. Economic Adjustments</b>   | <b>Gross</b>                                     | <b>NA</b>                                |
| Includes adjustments to reflect increased costs of \$21.8 million Gross (\$17.4 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.  | IDG/IDT  | NA                                       |
|   | Federal  | NA                                       |
|   | Local  | NA                                       |
|   | Restricted                                       | NA                                       |
|   | GF/GP  | NA                                       |



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

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

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's signing letter states this section is unenforceable.)*

**Sec. 213. Performance Metrics Website – DELETED**

Requires department to maintain a publicly accessible website that identifies and tracks its performance against key metrics used to monitor and improve its performance.

**Sec. 217. Prioritization of In-person Work for State Workforce – DELETED**

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

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

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds.

**Sec. 221. 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. 222. Work Project Expenditures – RETAINED (UNENFORCEABLE)**

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.)*

**Sec. 237. Placement of Local Headquarters – NEW**

Authorizes the director of the department to establish and maintain local headquarters in various places as provided under section 7 of 1935 PA 59, MCL 28.7.

**Sec. 239. Authorization to Reallocate State Fiscal Recovery Funds – NEW**

Requires the state budget director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the state budget director to reallocate funds to fully utilize SFRF that are in jeopardy of not meeting the expenditure deadline; requires the state budget director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations.

**Sec. 250. Grants Transparency – REVISED**

Provides process requirements for grants or projects awarded to single recipient organizations or local governments. Revised to list eligibility requirements to receive a grant; provide timeframes for receiving grant money; require interest earned from grant money in excess of \$1,000 to be returned to Treasury; include additional reporting requirements.

**Sec. 501. Commission on Law Enforcement Standards – REVISED**

Stipulates MCOLES' responsibilities and requires maintenance of proper staffing and resource levels to update standards within 120 days of enactment date of new applicable legislation. Revised to require a report summarizing MCOLES activities during the prior calendar year, including information on distributions of training funds.

**Sec. 502. Public Safety Officers Benefit Fund – REVISED**

Requires GF/GP appropriated for Public Safety Officers Benefit Fund to be deposited to the Public Safety Officers Benefit Fund and appropriates all funds within the Public Safety Officers Benefit Fund. Revised to state intent that funds appropriated should be used to increase benefit payments to eligible recipients from \$25,000 to \$50,000.

**Sec. 801. Community-Based Crisis Response Pilot Grants – DELETED**

Requires MSP to make grants available to the cities of Ann Arbor, Dearborn, and Kalamazoo, to support new or existing community-based response programs; requires a grant recipient to provide a 25% match; limits an individual grant award to \$500,000; defines "community-based response program"; provides work project authorization; allows MSP to expend up to \$50,000 for administration of the grants; requires recipients to submit reports to MSP; requires MSP to submit a report on the grant program.

**Sec. 801. Disaster and Emergency Contingency Fund – NEW**

Requires funds appropriated to be deposited in the restricted Disaster and Emergency Contingency Fund.

**STATE POLICE**

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

**Sec. 802. Law Enforcement Communication Training – NEW**

Requires MCOLES to provide training to law enforcement officers to assist communication for those with language barriers or who are hard of hearing; requires training to be developed by an entity that is MCOLES approved and holds an oral transliteration certificate; designates unexpended funds as a work project appropriation.

**Sec. 803. Emergency Alert System Upgrades – DELETED**

Requires MSP to implement a statewide redundant emergency alert system network and perform equipment upgrades.

**Sec. 803. Cold Case Investigations – NEW**

Allocates \$400,000 to the department's Special Investigation Division and requires at least \$250,000 of this to be used to support cold case murder investigations in Lansing, \$200,000 to the department's Forensic Science Division, and \$200,000 each to cold case course programs at Western Michigan University and Northern Michigan University for programmatic and operational expenses.

**Sec. 804. Active Shooter Response Training – DELETED**

Requires \$1.3 million to be allocated to MCOLES for active shooter response training.

**Sec. 804. Disaster Recovery Grants – NEW**

Allocates disbursement of grants to local governments for weather-related disaster expenses not covered by federal relief funding as follows: \$1.0 million to Marquette County, \$1.0 million to Kalamazoo County, \$1.0 million to Baraga County and \$200,000 to the City of Perry.

**Sec. 805. Public Safety Academy Assistance Programs – NEW**

Requires funding to be used for providing scholarships for police academy recruits and assistance with salaries for police cadets; caps scholarship amounts at \$20,000 per recruit and caps assistance with salaries at \$4,000 per police cadet; lists eligibility requirements for receiving scholarships; authorizes MCOLES to use up to \$140,000 of the appropriation for administration; designates unexpended funds as a work project appropriation.

**Sec. 805. Firearms Safety – DELETED**

Allows MSP to utilize funds appropriated for Firearms Safety to collaborate with MDHHS to distribute gun safety equipment to the public and law enforcement agencies at no cost.

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**1. Digitizing Record Project**

Includes authorization for an additional \$600,000 in Criminal Justice Information Center Service Fee revenues to be used for a one-time digitizing record project with the Automated Print Identification Section system to allow for searching of older documents.

|            | <b>Gross</b> | <b>\$600,000</b> |
|------------|--------------|------------------|
| Restricted |              | 600,000          |
| GF/GP      |              | \$0              |

**2. Information Technology Systems Upgrades**

Includes authorization for an additional \$7.4 million in Criminal Justice Information Center Service Fee revenues to be used to support various information technology systems upgrades. Of the total, \$4.9 million will be appropriated to the Criminal Justice Information Center line item and \$2.5 million will be appropriated to the Information Technology Services and Projects line item. Projects to be upgraded include eDaily, Statewide Records Management System, Michigan Incident Crime Reporting, the Crime Dashboard, and Statewide Network of Agency Photos.

|            | <b>Gross</b> | <b>\$7,400,000</b> |
|------------|--------------|--------------------|
| Restricted |              | 7,400,000          |
| GF/GP      |              | \$0                |

**3. Disaster and Emergency Contingency Fund**

Includes \$10.0 million GF/GP for deposit into DECF to support response and recovery activities and financial assistance to local units of government in the event of a disaster or emergency. It is anticipated that most of the current balance in the DECF will be expended for eligible payments for disasters that occurred in previous years.

|       | <b>Gross</b> | <b>\$10,000,000</b> |
|-------|--------------|---------------------|
| GF/GP |              | \$10,000,000        |

**STATE POLICE**

**FY 2023-24 Supplemental Appropriation Items**  
**Public Act 121 of 2024 (Senate Bill 747, Article 16)**

**Appropriation**  
**Change**

**4. Emergency Alert System Upgrades**

Includes a net \$0 reappropriation of funding in order to revise boilerplate to require the department to allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.

**Gross**                    **\$0**  
**GF/GP**                    **\$0**

**5. Employee Lum Sum Payments**

Includes \$5.2 million 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 staff employed full-time as of December 23, 2023.

**Gross**                    **\$5,244,000**  
**GF/GP**                    **\$5,244,000**

**6. Hazard Mitigation Assistance Loan Program**

Includes \$500,000 GF/GP to provide the required state match for the federal Safeguarding Tomorrow Through Ongoing Risk Mitigation (STORM) Act grant. The STORM Act will provide a capitalization grant that will in turn be used to establish a revolving loan fund to assist local governments with mitigating and reducing risks from natural hazards and disasters.

**Gross**                    **\$500,000**  
**GF/GP**                    **\$500,000**

**FY 2023-24 Supplemental Boilerplate Items**  
**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 1201. Disaster and Emergency Contingency Fund**

Requires funds appropriated to be deposited into the restricted Disaster and Emergency Contingency Fund.

**REPEALERS**

**Sec. 1604. Emergency Alert System Upgrades**

Repeals section 803 included in Article 14 of 2023 PA 19 and replaces it with section 1203 of this bill; new language requires the department to allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.

**TRANSPORTATION**

**DEPARTMENT OF TRANSPORTATION  
Summary of FY 2024-25 Enacted  
Public Act 121 of 2024 (Senate Bill 747, Article 15)**

**Analyst: William E. Hamilton**

|                   | FY 2023-24<br>Enacted<br>as of 2/7/24 | FY 2024-25<br>Enacted  | Difference: FY 2024-25<br>From FY 2023-24 |            |
|-------------------|---------------------------------------|------------------------|---|------------|
|                   |                                       |                        | Amount                                    | %          |
| <b>IDG/IDT</b>    | \$4,353,000                           | \$4,316,700            | (\$36,300)                                | (0.8)      |
| <b>Federal</b>    | 2,149,121,400                         | 2,273,675,100          | 124,553,700                               | 5.8        |
| <b>Local</b>      | 85,773,500                            | 87,448,500             | 1,675,000                                 | 2.0        |
| <b>Private</b>    | 16,800,000                            | 18,800,000             | 2,000,000                                 | 11.9       |
| <b>Restricted</b> | 4,082,402,000                         | 4,230,660,000          | 148,258,000                               | 3.6        |
| <b>GF/GP</b>      | 288,100,000                           | 193,000,000            | (95,100,000)                              | (33.0)     |
| <b>Gross</b>      | <b>\$6,626,549,900</b>                | <b>\$6,807,900,300</b> | <b>\$181,350,400</b>                      | <b>2.7</b> |
| <b>FTEs</b>       | 3,224.3                               | 3,228.3                | 4.0                                       | 0.1        |

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation (MDOT). Historically, two-thirds of the revenue in this budget has come from state restricted revenue, with approximately one-third from federal sources. State-restricted revenue in this budget includes revenue from motor fuel taxes, vehicle registration taxes, and from a \$600.0 million earmark of Income Tax Act revenue. Approximately \$3.7 billion in state restricted revenue is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 ("Act 51") to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies (county road commissions and cities/villages). Revenue from aviation fuel and registration taxes, as well as a portion of Airport Parking Tax revenue, is credited to the State Aeronautics Fund for aeronautics programs. Federal funds for transportation programs are authorized under the federal Infrastructure Investment and Jobs Act (IIJA).

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>1. Debt Service</b>  |              |  |  |
| Includes \$340.7 million for debt service, \$3.0 million less than current year. The debt service appropriation is primarily based on debt service schedules for previously issued and outstanding bonds, including STF Rebuilding Michigan bonds issued in 2020, 2021, and 2023. Debt service also includes estimated debt service on remaining Rebuilding Michigan bonds the department anticipates issuing in late 2024. | <b>Gross</b> | <b>\$343,740,100</b>                             | <b>(\$3,036,400)</b>                     |
|   | Restricted   | 343,740,100                                      | (3,036,400)                              |
|   | GF/GP        | \$0  | \$0                                      |
| <b>2. Transportation Asset Management Council (TAMC)</b>  |              |  |  |
| Increases baseline support for TAMC by \$423,600 MTF to provide for increased data collection and information technology costs.   | <b>Gross</b> | <b>\$1,876,400</b>                               | <b>\$423,600</b>                         |
|   | Restricted   | 1,876,400  | 423,600                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>3. Finance, Contracts, Support Services – MICARS Support</b>   |              |  |  |
| Includes \$270,000 STF increase for MICARS cash receipt/accounts receivable system; reduces IDG support by \$113,800 to better reflect Accounting Service Center costs; net change totals \$156,200 Gross.  | <b>Gross</b> | <b>\$27,123,200</b>                              | <b>\$156,200</b>                         |
|   | IDG          | 4,353,000  | (113,800)                                |
|   | Restricted   | 22,770,200                                       | 270,000                                  |
|   | GF/GP        | \$0  | \$0                                      |

**TRANSPORTATION**

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**4. Transportation Planning Services**

Recognizes \$2.0 million increase in federal Statewide Planning and Research (SPR) funds.

|              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--------------|--|--|
| FTE          | 145.0  | 0.0                                      |
| <b>Gross</b> | <b>\$42,843,800</b>                              | <b>\$2,000,000</b>                       |
| Federal      | 24,000,000                                       | 2,000,000                                |
| Restricted   | 18,843,800                                       | 0  |
| GF/GP        | \$0  | \$0                                      |

**5. Design and Engineering Services**

Retains current-year baseline funding, but also reflects Executive Budget Revision 2025-1 which shifts \$10.0 million STF from this line item to the State Trunkline Road and Bridge Construction and at the same time shifts \$10.0 million in federal funds to this line item from State Trunkline Road and Bridge Construction.

|              |                      |              |
|--------------|----------------------|--------------|
| FTE          | 1,706.3              | 0.0          |
| <b>Gross</b> | <b>\$258,071,200</b> | <b>\$0</b>   |
| Federal      | 13,529,800           | 10,000,000   |
| Restricted   | 244,541,400          | (10,000,000) |
| GF/GP        | \$0                  | \$0          |

**6. State Trunkline Maintenance**

Increases baseline STF support by \$17.9 million: \$12.8 million is related to increased cost of maintenance materials; \$5.1 million is for contract services, including contract state trunkline maintenance performed by county road agencies.

|              |                      |                     |
|--------------|----------------------|---------------------|
| FTE          | 909.7                | 0.0                 |
| <b>Gross</b> | <b>\$466,088,700</b> | <b>\$17,878,700</b> |
| Restricted   | 466,088,700          | 17,878,700          |
| GF/GP        | \$0                  | \$0                 |

**7. State Trunkline Road and Bridge Capital Program**

Includes \$123.4 million increase for the capital State Trunkline Road and Bridge Construction line item. This reflects a \$66.5 million increase in estimated federal funds made available under IJJA, and a \$56.9 million net increase in state restricted funds: available STF revenue increases by \$58.5 million while Blue Water Bridge Fund (BWBF) support would decline by \$1.6 million.

|              |                        |                      |
|--------------|------------------------|----------------------|
| <b>Gross</b> | <b>\$1,494,482,900</b> | <b>\$123,409,800</b> |
| Federal      | 1,195,230,900          | 66,542,800           |
| Local        | 30,003,500             | 0                    |
| Private      | 10,000,000             | 0                    |
| Restricted   | 259,248,500            | 56,867,000           |
| GF/GP        | \$0                    | \$0                  |

The federal and STF funding described above shifts \$10.0 million in federal funds from this line item to Design and Engineering Services and at the same time shifts \$10.0 million STF to this line item from Design and Engineering Services.

**8. MTF to Local Road Agencies**

Includes \$2.051 billion in estimated MTF distribution to local road agencies (county road commissions, and cities and villages), \$101.0 million more than the current year. This reflects the Act 51 distribution of estimated MTF revenue from motor fuel and vehicle registration taxes as well as local road agency share of \$600.0 million earmarked for road and bridge programs in the Income Tax Act, and the local agency share of an earmark of the excise tax on recreational marijuana. The actual distribution will be based on actual MTF revenue collections.

|              |                        |                      |
|--------------|------------------------|----------------------|
| <b>Gross</b> | <b>\$1,949,687,800</b> | <b>\$100,991,500</b> |
| Restricted   | 1,949,687,800          | 100,991,500          |
| GF/GP        | \$0                    | \$0                  |

Increases in estimated MTF revenue reflect anticipated increases in motor fuel tax revenue due to the indexing of the motor fuel tax rate, increases in estimated vehicle registration taxes, and increases in revenue from the earmark of the excise tax on recreational marijuana.

**9. Local Bridge Fund/Program**

Decrease of \$483,800 MTF reflects lower per-penny yield of the motor fuel tax on gasoline. The Local Bridge Fund/Program receives two statutory earmarks of MTF revenue: a fixed amount of \$5.0 million, and revenue equal to one-half cent of motor fuel tax revenue.

|              |                     |                    |
|--------------|---------------------|--------------------|
| <b>Gross</b> | <b>\$27,398,500</b> | <b>(\$483,800)</b> |
| Restricted   | 27,398,500          | (483,800)          |
| GF/GP        | \$0                 | \$0                |

**TRANSPORTATION**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>  |  | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|--|--|--|--|
| <b>10. Movable Bridge Fund</b>   |  | <b>Gross</b>                                     | <b>\$6,016,600</b>                       |
| Recognizes inflation adjustment of \$150,500 MTF pursuant to statute. The Movable Bridge Fund was established through a 2016 amendment to Act 51 to provide targeted funding for operation of publicly owned movable bridges in Michigan – 12 on the state trunkline system and 12 owned by local road agencies (8 separate jurisdictions). The earmark, originally \$5.0 million, is indexed for inflation. |  | Restricted                                       | 150,500                                  |
|  |  | GF/GP  | \$0                                      |
| <b>11. Local Federal Aid and Road and Bridge</b>   |  | <b>Gross</b>                                     | <b>\$384,987,800</b>                     |
| Includes \$411.2 million, an increase of \$26.2 million, for line item representing federal-aid highway funds available for local road agency federal-aid projects. The increase reflects additional federal funds made available to Michigan under IIJA as allocated to local road agencies in accordance with Act 51.  |  | Federal  | 26,181,000                               |
|  |  | GF/GP  | \$0                                      |
| <b>12. Blue Water Bridge Operations</b>  |  | FTE  | 3.0                                      |
| Increases baseline support by \$515,800 blue water funds, and authorizes a 3.0 FTE position staffing increase, for bridge operations and maintenance.  |  | <b>Gross</b>                                     | <b>\$515,800</b>                         |
|  |  | Restricted                                       | 515,800                                  |
|  |  | GF/GP  | \$0                                      |
| <b>13. Transportation Economic Development Fund (TEDF)</b>   |  | <b>Gross</b>                                     | <b>(\$2,642,700)</b>                     |
| Includes \$52.7 million restricted TEDF support, a decrease of \$2.6 million. The decrease reflects a reduction in estimated driver's license fee revenue earmarked to the TEDF as well as reduced interest on the TEDF balance. The TEDF program is a targeted transportation program established and governed by statute, 1987 PA 231.   |  | Restricted                                       | (2,642,700)                              |
|  |  | GF/GP  | \$0                                      |
| <b>14a. Local Bus Operating – Baseline CTF Funding</b>   |  | <b>Gross</b>                                     | <b>\$10,000,000</b>                      |
| Includes \$10.0 million increase in CTF support. As described in Item 14b below, the enacted budget also includes \$20.0 million in one-time ARP funding.  |  | Restricted                                       | 10,000,000                               |
|  |  | GF/GP  | \$0                                      |
| <b>14b. Local Bus Operating – Federal ARP Funds (One-Time)</b>   |  | <b>Gross</b>                                     | <b>(\$25,000,000)</b>                    |
| Includes \$20.0 million in one-time federal ARP funding, \$25.0 million less than FY 2023-24, for local bus operating assistance.  |  | Federal  | (25,000,000)                             |
|  |  | GF/GP  | \$0                                      |
| <b>15. Transit Programs – Non-Urban Operating/Capital</b>  |  | <b>Gross</b>                                     | <b>\$780,900</b>                         |
| Recognizes \$40.6 million for non-urbanized area formula grant program established under 49 USC 5311 (\$38.6 million federal funds and \$2.0 million local funds). The \$780,900 increase in federal funds reflects estimated federal grants available to Michigan under IIJA.   |  | Federal  | 780,900                                  |
|  |  | Local  | 0  |
|  |  | GF/GP  | \$0                                      |
| <b>16. Transit Capital</b>   |  | <b>Gross</b>                                     | <b>\$31,925,800</b>                      |
| Includes \$31.9 million total increase: \$22.4 million in additional federal aid made available to Michigan under IIJA and \$9.5 million in additional CTF support from available CTF revenue. This line item represents federal transit capital grant programs and related state, local, and private matching funds.  |  | Federal  | 22,425,800                               |
|  |  | Local  | 0  |
|  |  | Private  | 0  |
|  |  | Restricted                                       | 9,500,000                                |
|  |  | GF/GP  | \$0                                      |
| <b>17. Service Initiatives</b>   |  | <b>Gross</b>                                     | <b>\$2,120,400</b>                       |
| Includes \$2.1 million net increase, recognizing estimated additional federal and local funds, \$2.0 million in private funds, and \$1.7 million reduction in baseline CTF support.  |  | Federal  | 186,500                                  |
|  |  | Local  | 1,675,000                                |
|  |  | Private  | 2,000,000                                |
|  |  | Restricted                                       | (1,741,100)                              |
|  |  | GF/GP  | \$0                                      |

**TRANSPORTATION**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>18. Specialize Services</b>  | <b>Gross</b> | <b>\$30,312,400</b>                              | <b>\$262,500</b>                         |
| Recognizes \$262,500 increase in estimated federal grant funding. Gross appropriation for public transportation program targeted for elderly and disabled populations would total \$30.6 million.   | Federal      | 13,127,400                                       | 262,500                                  |
|   | Local        | 4,185,000  | 0  |
|   | Restricted   | 13,000,000                                       | 0  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>19a. Rail Operations and Infrastructure</b>  | <b>Gross</b> | <b>\$137,687,700</b>                             | <b>\$14,501,500</b>                      |
| Includes \$14.5 million increase in baseline CTF support from available CTF fund balance. [As described in Item 19b below, FY 2023-24 also included \$14.9 million CTF as a one-time appropriation.]  | Federal      | 30,000,000                                       | 0  |
|   | Local        | 100,000  | 0  |
|   | Private      | 2,000,000  | 0  |
|   | Restricted   | 105,587,700                                      | 14,501,500                               |
|   | GF/GP        | \$0  | \$0                                      |
| <b>19b. Rail Operations and Infrastructure (One-Time)</b>   | <b>Gross</b> | <b>\$14,900,000</b>                              | <b>(\$14,900,000)</b>                    |
| Removes \$14.9 million in one-time CTF funding included in FY 2023-24.  | Restricted   | 14,900,000                                       | (14,900,000)                             |
|   | GF/GP        | \$0  | \$0                                      |
| <b>20. Marine Passenger Service</b>   | <b>Gross</b> | <b>\$5,152,000</b>                               | <b>\$15,053,000</b>                      |
| Recognizes \$15.1 million increase in federal grants available to Michigan under IIJA. This line item provides capital assistance to eligible public ferry services in Michigan.  | Federal      | 2,652,000  | 15,053,000                               |
|   | Local        | 500,000  | 0  |
|   | Restricted   | 2,000,000  | 0  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>21. Capital Outlay - Airport Improvement Program (AIP)</b>   | <b>Gross</b> | <b>\$179,983,500</b>                             | <b>\$2,258,800</b>                       |
| Recognizes \$2.3 million increase in state restricted State Aeronautics Fund revenue for program of capital assistance to eligible local public airports in the state. This increase would come, in part, from a proposed increase in the state aircraft registration fee. The Gross appropriation total of \$182.2 million is supported by federal AIP funds, as well as state restricted, local, and private funds. This program is shown in the budget under the line item, Airport Safety, Protection, and Improvement (ASAP).  | Federal      | 155,000,000                                      | 0  |
|   | Local        | 17,500,000                                       | 0  |
|   | Private      | 2,000,000  | 0  |
|   | Restricted   | 5,483,500  | 2,258,800                                |
|   | GF/GP        | \$0  | \$0                                      |
| <b>22. Detroit Metropolitan Wayne County Airport</b>  | <b>Gross</b> | <b>\$6,370,000</b>                               | <b>\$390,000</b>                         |
| Recognizes \$390,000 increase in estimated Qualified Airport Fund revenue. As provided through 2015 amendments to the State Aeronautics Code, Qualified Airport Fund revenue is appropriated to the Detroit Metropolitan Wayne County Airport.  | Restricted   | 6,370,000  | 390,000                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>23. IIJA Airport Infrastructure Grants</b>   | <b>Gross</b> | <b>\$95,000,000</b>                              | <b>\$20,000,000</b>                      |
| Includes \$115.0 million federal spending authority, an increase of \$20.0 million, for a program of federal aid to public airports established under Division J of IIJA.   | Federal      | 95,000,000                                       | 20,000,000                               |
|   | GF/GP        | \$0  | \$0                                      |
| <b>24. Removal of FY 2023-24 One-Time Appropriations</b>  | <b>Gross</b> | <b>\$344,100,000</b>                             | <b>(\$344,100,000)</b>                   |
| Removes \$344.1 million Gross (\$285.1 million GF/GP) in one-time funding that had been included in the FY 2023-24 budget for the following items:  | Federal      | 14,000,000                                       | (14,000,000)                             |
|   | Restricted   | 45,000,000                                       | (45,000,000)                             |
|   | GF/GP        | \$285,100,000                                    | (\$285,100,000)                          |
| <ul style="list-style-type: none"><li>• Intermodal Capital Investment Grants, (\$45.0 million CTF, \$5.0 million GF/GP)</li><li>• Local Bridge Bundling Initiative, (\$80.0 million GF/GP)</li><li>• Critical Infrastructure Projects, (\$181.6 million GF/GP)</li><li>• New Technology and Mobility, (\$18.5 million GF/GP)</li><li>• ARP – Mobility Fund Platform (\$3.5 million federal)</li><li>• ARP – Mobility Challenge (\$3.5 million federal)</li><li>• ARP – Air Service Revitalization (\$7.0 million federal)</li></ul> |              |  |  |
| In addition to the one-time items referenced above, one-time appropriations for Local bus operating, and Rail Operations and Infrastructure, are described in Item #s 14b and 19b, respectively, above. MI Contracting Opportunity is described in Item #25, below.   |              |  |  |

**TRANSPORTATION**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b>   |              | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |
|---|--------------|--|--|
| <b>25. MI Contracting Opportunity (One-Time)</b>  | FTE          | 0.0  | 1.0                                      |
| Includes \$5.0 million in one-time GF/GP for program to increase contracting opportunities for socially or economically disadvantaged business concerns. This represents an increase of \$2.0 million GF/GP as compared to FY 2023-24. Budget also authorizes 1.0 FTE position. The program is defined in boilerplate section 1003. | <b>Gross</b> | <b>\$3,000,000</b>                               | <b>\$2,000,000</b>                       |
|   | GF/GP        | \$3,000,000                                      | \$2,000,000                              |
| <b>26. Blue Water Bridge Equipment and Facilities (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$990,000</b>                         |
| Includes \$990,000 BWBF for equipment and facilities.   | Restricted   | 0  | 990,000                                  |
|   | GF/GP        | \$0  | \$0                                      |
| <b>27. Federal Aid Match (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$76,000,000</b>                      |
| Includes \$76.0 million GF/GP to ensure sufficient state funds are provided for MDOT to match all estimated federal-aid highway funds available to Michigan through IJJA.   | Restricted   | 0  | 0  |
|   | GF/GP        | \$0  | \$76,000,000                             |
| <b>28. Air Service/Airport Revitalization (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$6,000,000</b>                       |
| Includes \$6.0 million GF/GP for airport service and capital improvement projects defined in section 1101.  | GF/GP        | \$0  | \$6,000,000                              |
| <b>29. Lake Michigan Car Ferry (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,000,000</b>                       |
| Includes \$2.0 million GF/GP for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger; defined in section 1102.  | GF/GP        | \$0  | \$2,000,000                              |
| <b>30. Local Rail Grade Crossing Surface Improvements (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,000,000</b>                       |
| Includes \$2.0 million GF/GP for rail grade crossing surface improvements.  | GF/GP        | \$0  | \$2,000,000                              |
| <b>31. Local Road and Material Research Program (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$1,000,000</b>                       |
| Includes \$1.0 million GF/GP for a local road and material research program; defined in section 1104.   | GF/GP        | \$0  | \$1,000,000                              |
| <b>32. New Technology and Mobility (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$23,950,000</b>                      |
| Includes \$24.0 million GF/GP for various initiatives; defined in section 1105:   | GF/GP        | \$0  | \$23,950,000                             |
| (a) \$7.5 million for aerial mobility/ drone infrastructure projects including drone hubs, drone ports, and last mile delivery.   |              |  |  |
| (b) \$6.0 million for Michigan Mobility Funding Platform  |              |  |  |
| (c) \$4.5 million for an inductive charging pilot project.  |              |  |  |
| (d) \$3.0 million for Shared streets and spaces   |              |  |  |
| (e) \$2.95 million for e-bike purchase incentive program.   |              |  |  |
| <b>33. School Zone Automated Speed Enforcement Pilot Project (One-Time)</b>   | <b>Gross</b> | <b>\$0</b>                                       | <b>\$2,500,000</b>                       |
| Includes \$2.5 million GF/GP for pilot project; defined in section 1106.  | GF/GP        | \$0  | \$2,500,000                              |
| <b>34. Supplier Risk and Information Subscription (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$50,000</b>                          |
| Includes \$50,000 GF/GP for supplier risk and information subscription for precontract risk assessment; defined in section 1107.  | GF/GP        | \$0  | \$50,000                                 |
| <b>35. Critical Infrastructure Projects (One-Time)</b>  | <b>Gross</b> | <b>\$0</b>                                       | <b>\$74,500,000</b>                      |
| Includes \$74.5 million GF/GP for various projects designated in section 1111.  | GF/GP        | \$0  | \$74,500,000                             |



**TRANSPORTATION**

| <b><u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u></b> | <b>FY 2023-24<br/>Enacted<br/>(as of 2/7/24)</b> | <b>FY 2024-25<br/>Enacted<br/>Change</b> |                     |
|---|--|--|---------------------|
| <b>36. Economic Adjustments</b>   | <b>Gross</b>                                     | <b>NA</b>                                | <b>\$10,936,500</b> |
| Reflects increased costs of \$10.9 million Gross (\$0 GF/GP) for          | IDG/IDT  | NA                                       | 77,500              |
| negotiated salary and wage increases (5.0% on October 1, 2024),           | Federal  | NA                                       | 0                   |
| actuarially required retirement contributions, worker's compensation,     | Local  | NA                                       | 0                   |
| building occupancy charges, rent, and other economic adjustments.         | Restricted                                       | NA                                       | 10,859,000          |
|   | GF/GP  | NA                                       | \$0                 |

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

**Sec. 206. Communications with the Legislature – RETAINED (UNENFORCEABLE)**

Retains section that, with certain specific exceptions, prohibits the department from taking disciplinary action against an employee for communicating with a member of the legislature or legislative staff. (*Governor's signing letter states this section is unenforceable.*)

**Sec. 214. Key Metrics – DELETED**

Deletes section that requires the department to maintain on a publicly accessible website information on key metrics and performance measures.

**Sec. 218. Remote Work Policy – DELETED**

Deletes section that indicates legislative intent that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website.

**Sec. 219. State Administrative Board Transfers – DELETED**

Deletes section that authorizes the legislature to intertransfer funds within budget if the State Administrative Board transfers funds from an appropriation within this budget.

**Sec. 220. Report on Grant Sponsors and Grant Recipients – REVISED**

Revises section that establishes detailed reporting requirements for grants made to single recipients or local units of government, renumbered as Sec. 250.

**Sec. 222. Work Project Expenditures – RETAINED (UNENFORCEABLE)**

Retains section that requires that work project balances be exhausted before expenditure from part 1 appropriations. (*Governor's signing letter states this section is unenforceable.*)

**Sec. 223. Severance Pay Report – DELETED**

Deletes section that established reporting requirements related to severance pay paid to department personnel upon the termination of employment.

**Sec. 223. Fiscal Recovery Funds – NEW**

Includes new section prescribing use of federal fiscal recovery funds.

**Sec. 302. Report on Debt Service Coverage – DELETED**

Deletes section that established a reporting requirement regarding debt service.

**Sec. 305. Practice and Policies Regarding Homelessness – NEW**

Includes new section on practices and policies regarding homelessness.

**Sec. 311. Local Bridge Bundling Report – REVISED**

Retains reporting requirement related to bridge bundling initiative, including some expanded scope report requirements and updated date references.

**Sec. 601. Road Construction Warranties – DELETED**

Deletes section that directs the department to maintain documentation to support acceptance of warrantied projects; includes reporting requirement.

**Sec. 612. Incentive/Disincentive Contracts – REVISED**

Revises section that provides a reporting requirement related to incentive/disincentive contracts and payments. Revisions are primarily technical and for clarification; updates report due date to March 31, 2025.

## **TRANSPORTATION**

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

#### **Sec. 613. Industrial Magnet Roadway Sweepers – NEW**

Earmarks \$350,000 (STF) for purchase of industrial magnet roadway sweepers. Provides specifications.

#### **Sec. 614. Earmark for Low Impact Development Stormwater Management Practices – DELETED**

Deletes section that had earmarked up to \$5.0 million to incentivize and support the inclusion of low impact development stormwater management practices in trunkline and local road agency construction projects.

#### **Sec. 615. Federal Vehicle Usage Fee Pilot Program – DELETED**

Deletes section that required the department to apply for federal grants established under IJJA for a per-mile user fee pilot project. [The department has applied for federal grant.]

#### **Sec. 660. Use of Alternative Materials – RETAINS (PARTIALLY UNENFORCEABLE)**

Retains section that encourages department to examine the use of alternative road surface materials. Subsection 2 directs the department to establish a new stakeholder group to review submission of innovative construction material and design specifications. (*Governor's signing letter states this section is unenforceable.*)

#### **Sec. 707. Rail Strategic Plan – RETAINED**

Retains section that requires the department to report on a five-year rail strategic plan; retains \$20.0 million earmark for rail-related economic and rail freight system preservation projects.

#### **Sec. 1001. Federal Aid Match/ Priority Bridge Investments – NEW**

Includes new section that defines the use of one-time \$76.0 million GF/GP appropriation to ensure the department secures all federal funds made available to the department from the FHWA under IJJA.

#### **Sec. 1003. MI Contracting Opportunity – REVISED**

Includes section that defines the one-time \$5.0 million GF/GP Mi Contracting Opportunity line item; directs that funds be expended in support of activities that enhance the development and availability of contractors or suppliers for the delivery of department programs that are socially or economically disadvantaged as defined in Section 100002 of IJJA; establishes a revolving loan fund. Changes are primarily technical.

#### **Sec. 1101. Air Service/Airport Revitalization – NEW**

Includes section that defines uses of the \$6.0 million GF/GP grant program appropriation in part 1: \$2.0 million for air service development; \$4.0 million for capital development projects at general aviation airports in the state.

#### **Sec. 1102. Lake Michigan Car Ferry – NEW**

Includes section that directs that the \$2.0 million GF/GP part 1 appropriation for Lake Michigan car ferry be used for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger.

#### **Sec. 1104. Local Road and Material Research Program – NEW**

Includes section that defines the \$1.0 million GF/GP part 1 appropriation; establishes a local roads and materials research grant program; establishes a local road agency research board to administer the program.

#### **Sec. 1105. New Technology/Mobility Grants – NEW**

Includes section that defines the uses of the \$24.0 million part 1 GF/GP appropriation (See Item #32, above).

#### **Sec. 1106. School Zone Automated Speed Enforcement Pilot Project – NEW**

Includes section that defines the \$2.5 million GF/GP part 1 appropriation; provides guidance on development and implementation of the pilot program; provides for a report.

#### **Sec. 1107. Supplier Risk and Information Subscription Service – NEW**

Includes section that requires the department to use not less than \$50,000 from the part 1 appropriation for a comprehensive supplier risk and information subscription service for precontract risk assessment.

#### **Sec. 1108. BioSwales – NEW**

Includes new section that requires a report by September 30, 2025 on best environmental practices.

#### **Sec. 1109. Road Diets – NEW**

Includes new section that directs the department to provide a report on State Transportation Commission's Complete Streets policy.

#### **Sec. 1110. ARP – Local Bus Operating Assistance – REVISED**

Retains with minor technical changes section that direct use of the part 1 appropriation, ARP – one-time local bus operating. The section directs that the one-time federal ARP funds be distributed in accordance with current Act 51 formula governing CTF funding for local bus operating assistance (Section 10e(4)(a) of 1951 PA 51).

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

**Sec. 1111. Critical Infrastructure Projects – NEW**

Includes new section that defines uses of the \$74.5 million part 1 grant program as follows:

| <b>Subsec. (2) Subdivision</b> | <b>Project/Recipient</b>   | <b>Amount</b>       |
|--------------------------------|--|---------------------|
| a                              | Ferry Lane road project St. Ignace, Mackinac County                            | \$1,000,000         |
| b                              | Tunnel under M-20, Shelby Township, Oceana County                              | 2,200,000           |
| c                              | Wayne Road, Romulus, Wayne County  | 5,000,000           |
| d                              | Deposit to Local [rail] grade separation fund                                  | 5,000,000           |
| e                              | Industrial Park roadwork, City of Fraser, Macomb County                        | 4,000,000           |
| f                              | Airport Road, Clinton County   | 4,000,000           |
| g                              | SMART bus stops and shelters   | 1,000,000           |
| h                              | Road repairs, Mt. Morris Township, Genesee County                              | 2,320,000           |
| i                              | Road and intersection improvements, Grosse Pointe Woods, Wayne County          | 980,000             |
| j                              | Pump station and roadway rehabilitation; Roseville, Macomb County              | 6,600,000           |
| k                              | Leland Avenue Bridge over Silver Creek, Wayne County                           | 2,000,000           |
| l                              | Jefferson Avenue Bridge over Monguagon Creek, Wayne County                     | 2,000,000           |
| m                              | Reconstruction, 10-Mile Road, Eastpointe, Macomb County                        | 3,000,000           |
| n                              | Noise study of M-14 corridor, Ann Arbor  | 3,000,000           |
| o                              | Road repairs, Southfield, Oakland County                                       | 4,000,000           |
| p                              | Street maintenance and cleanup, City of Detroit                                | 5,000,000           |
| q                              | Road project, Ingham County  | 1,500,000           |
| r                              | Street repairs, East Lansing, Ingham County                                    | 2,400,000           |
| s                              | Palmer Road bridge over I-275, Wayne County                                    | 3,250,000           |
| t                              | Horizon Park, City of Belleville, Wayne County                                 | 750,000             |
| u                              | Sidewalk and alley repairs; Hamtramck, Wayne County                            | 1,500,000           |
| v                              | Streetscapes, Westland, Wayne County   | 1,000,000           |
| w                              | Mound Road reconstruction, Macomb County                                       | 2,500,000           |
| x                              | City of Northville   | 750,000             |
| y                              | Pedestrian pathways, Dearborn, Wayne County                                    | 500,000             |
| z                              | Exit ramp safety improvements, M-14 in Ann Arbor                               | 500,000             |
| aa                             | Intersection safety improvements, Quirk Road, City of Belleville, Wayne County | 750,000             |
| bb                             | Sidewalk repairs, City of Detroit  | 500,000             |
| cc                             | MDOT for soundwall construction, I-75 in Southgate                             | 6,500,000           |
| dd                             | Road repairs, Romulus, Wayne County  | 1,000,000           |
|                                | <b>Total</b>   | <b>\$74,500,000</b> |

The section also establishes the appropriation as a work project.

**TRANSPORTATION**

**FY 2023-24 Supplemental Appropriation Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**1. Employee Lump Sum Payments**

Includes \$8.4 million 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 staff employed full-time as of December 23, 2023.

|              | <b>Appropriation<br/>Change</b> |
|--------------|---------------------------------|
| <b>Gross</b> | <b>\$8,373,600</b>              |
| GF/GP        | \$8,373,600                     |

**FY 2023-24 Supplemental Boilerplate Items**

**Article 16, Senate Bill 747 (S-1) CR-1**

**Sec. 1401. Authorization to Hire Employees for Aeronautics Programs**

Authorizes the department to hire 2.0 FTEs to support implementation of various aeronautics programs.



Mary Ann Cleary, Director  
Kevin Koorstra, Deputy Director

|   |  |
|---|--|
| Agriculture and Rural Development .....   | William E. Hamilton                                    |
| Capital Outlay .....  | Perry Zielak   |
| Community Colleges .....  | Perry Zielak   |
| Corrections .....   | Robin R. Risko   |
| Education (Department) .....  | Noel Benson  |
| Environment, Great Lakes, and Energy .....  | Austin Scott   |
| General Government:   |  |
| Attorney General/Civil Rights/State (Department)/                                   |  |
| Technology, Management, and Budget .....  | Michael Clossen  |
| Executive Office/Legislature/Legislative Auditor General/Lottery/Treasury .....     | Austin Scott   |
| Health and Human Services:  |  |
| Child Welfare, Public Health .....  | Sydney Brown   |
| Child Support, Community Services, Local Office Operations, Public Assistance ..... | Cassidy Uchman   |
| Behavioral Health, Medicaid .....   | Kevin Koorstra   |
| Aging, Medicaid .....   | Kent Dell  |
| Higher Education .....  | Perry Zielak   |
| Insurance and Financial Services .....  | Marcus Coffin; Una Jakupovic                           |
| Judiciary .....   | Robin R. Risko   |
| Labor and Economic Opportunity (Michigan Strategic Fund) .....                      | Marcus Coffin  |
| Licensing and Regulatory Affairs .....  | Marcus Coffin; Una Jakupovic                           |
| Lifelong Education, Advancement, and Potential .....                                | Noel Benson; Perry Zielak                              |
| Military and Veterans Affairs .....   | Michael Clossen; Aaron Meek                            |
| Natural Resources .....   | Austin Scott   |
| Natural Resources Trust Fund .....  | Austin Scott   |
| School Aid .....  | Noel Benson; Jacqueline Mullen                         |
| State Police .....  | Michael Clossen; Aaron Meek                            |
| Transportation .....  | William E. Hamilton                                    |
| Unemployment Insurance .....  | Marcus Coffin  |
| Economic/Revenue Forecasting .....  | Benjamin Gielczyk                                      |
| Local Finance/Revenue Sharing/Tax Analysis .....                                    | Benjamin Gielczyk                                      |
| Legislative Analysis .....  | Rick Yuille  |
|   | Edith Best; Holly Kuhn; Joshua Roesner; Alex Stegbauer |
| Fiscal Oversight, Audit, and Litigation .....                                       | Mary Ann Cleary  |
| Retirement .....  | Benjamin Gielczyk                                      |
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