

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
TOTAL GENERAL GOVERNMENT**



Analyst: Michael Cnossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$1,197,837,100	\$1,231,348,400	\$33,511,300	2.8
Federal	44,147,200	44,573,800	426,600	1.0
Local	17,541,100	17,851,700	310,600	1.8
Private	762,300	4,770,200	4,007,900	525.8
Restricted	2,928,311,200	2,847,697,600	(80,613,600)	(2.8)
GF/GP	1,169,710,500	1,265,074,700	95,364,200	8.2
Gross	\$5,358,309,400	\$5,411,316,400	\$53,007,000	1.0
FTEs	7,751.6	7,853.6	102.0	1.3

Note: Appropriation figures for FY 2025-26 includes 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 2024-25

Sec. 206. Disciplinary Action Against State Employees – DELETED

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.

Sec. 212. State Restricted Funds Report – DELETED

Requires department and State Budget Office to report on state restricted fund balances, projected state restricted fund revenues, and state restricted fund expenditures.

Sec. 218. Receipt and Retention of Required Reports – DELETED

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

Sec. 219. Reporting Requirement on Policy Changes – DELETED

Requires departments and agencies to report on policy changes made in order to implement enacted legislation.

Sec. 222. Work Project Expenditures – DELETED

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures.

Sec. 223. Fund Sourcing Priorities – DELETED

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

Sec. 224. Purchase of Ownership Interest in a Casino – DELETED

Prohibits use of appropriations to purchase an ownership interest in a casino enterprise or gambling operation.

Major Boilerplate Changes from FY 2024-25

Sec. 226. Grant and Project Funding Transparency – DELETED

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; lists eligibility requirements to receive a grant; 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 2028-29; requires all information on each grant or project to be posted on public website, including receiving entity and grant sponsor.

Sec. 227. Posting Budget Boilerplate Reports Online – DELETED

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

Sec. 228. Authorization to Reallocate State Fiscal Recovery Funds – DELETED

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.

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
DEPARTMENT OF ATTORNEY GENERAL**



Analyst: Michael Cossen

	FY 2024-25	FY 2025-26	Difference: FY 2025-26	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$39,465,600	\$39,381,700	(\$83,900)	(0.2)
Federal	10,391,600	10,567,200	175,600	1.7
Local	0	0	0	--
Private	0	950,000	950,000	--
Restricted	22,480,400	22,678,800	198,400	0.9
GF/GP	57,409,100	58,778,000	1,368,900	2.4
Gross	\$129,746,700	\$132,355,700	\$2,609,000	2.0
FTEs	627.4	635.4	8.0	1.3

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 the 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 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Price Gouging Unit	FTE NA	5.0
Includes \$900,000 GF/GP and authorization for 5.0 FTE positions for the corporate oversight division to expand legal services working against price gouging, or the excessive raising of prices of goods and services to exploit disruptions in the market. Funding would provide for two attorneys, two technicians, and a legal secretary.	Gross NA	\$900,000
	GF/GP NA	\$900,000
2. Organized Retail Crime Unit	Gross \$961,900	\$950,000
Includes \$950,000 in private revenues to support the work of the organized retail crime unit which works to reduce demand for stolen merchandise, limit opportunities to sell stolen merchandise, and reduce theft opportunities. Private revenues would come from unadjudicated forfeitures that result from the seizure of assets that arise from investigations of the organized retail crime unit and other department units.	Private 0	950,000
	GF/GP \$961,900	\$0
3. Tribal Legal Services	FTE NA	3.0
Includes \$600,000 GF/GP and authorization for 3.0 FTE positions to expand existing services to accommodate increasing legal services to the state's federally recognized tribes related to treaty rights, tax agreements, gaming, cannabis, and missing persons. Funding would provide for two attorneys and one assistant.	Gross NA	\$600,000
	GF/GP NA	\$600,000
4. DIFS Legal Services	Gross \$1,270,000	\$330,000
Includes \$330,000 in IDG revenue from the Department of Insurance and Financial Services to cover investigations and litigation costs from increased referrals of civil and criminal cases.	IDG 1,270,000	330,000
	GF/GP \$0	\$0

<u>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</u>		<u>FY 2024-25 YTD (as of 2/5/25)</u>	<u>Executive Change from YTD</u>
5. Violence Against Women Federal Grant	Gross	\$0	\$175,000
Includes \$175,000 in federal grant funding to support contractors, experts, and training to encourage treatment of domestic violence, dating violence, sexual assault, and stalking as serious violations and to develop arrest policies and enforcement of protection orders.	Federal	0	175,000
	GF/GP	\$0	\$0
6. NCHIP Grant Authorization Removal	Gross	\$121,200	(\$121,200)
Removes \$121,200 in federal funding authorization for the Prosecuting Attorneys Coordinating Council to reflect the reduction in funds available for the National Criminal History Improvement Program (NCHIP) grant.	Federal	121,200	(121,200)
	GF/GP	\$0	\$0
7. Removal of FY 2023-24 One-Time Appropriations	Gross	\$1,850,000	(\$1,850,000)
Removes \$1.9 Gross (\$1.0 million GF/GP) of one-time funding that was included in the FY 2024-25 budget to support the following:	IDG	850,000	(850,000)
<ul style="list-style-type: none"> \$1.0 million GF/GP for the Operation Survivor Justice extradition program \$850,000 of IDG funds for legal services to the Michigan State Housing Development Authority. 	GF/GP	\$1,000,000	(\$1,000,000)
8. Economic Adjustments	Gross	NA	\$1,625,200
Reflects increased costs of \$1.6 million Gross (\$868,900 GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	IDG	NA	436,100
	Federal	NA	121,800
	Restricted	NA	198,400
	GF/GP	NA	\$868,900

Major Boilerplate Changes from FY 2024-25

Sec. 314. Lawsuit Settlement Proceeds Fund – REVISED

Allows department to use up to \$2.7 million of lawsuit settlement proceeds for associated expenses with Flint Declaration of Emergency due to drinking water contamination; requires quarterly expenditure reports 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. Executive revises to permit the \$2.7 million to be used for general department costs and other court and legal costs

Sec. 320. Lawsuit Settlement Notification and Appropriation of Certain Proceeds – 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; subjects proceeds of state-initiated tobacco litigation and of opioid litigation to appropriations process. Executive revises to delete subjecting proceeds of state-initiated tobacco and opioid litigation to appropriations process.

Sec. 322. Department Initiatives Quarterly Expenditure Report – DELETED

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, Boy Scouts of America investigation, and Address Confidentiality Program.

Sec. 324. Payroll Fraud Enforcement Unit Report – DELETED

Requires department to report on its website activities and findings of Payroll Fraud Enforcement Unit, including a listing of each complaint received, the unit's finding on validity of each complaint, any enforcement action taken, and complaints were subject to action by the department; requires department to request findings of investigations conducted by other departments and agencies to comply with this section.

Supplemental Recommendations for FY 2024-25 Appropriations

**FY 2024-25
Recommendation**

1. Oxford High School Shooting Investigation

Includes \$1.0 million GF/GP to support a civil and criminal investigation of the handling of events following the shooting at Oxford High School in 2021.

**Gross
GF/GP**

**\$1,000,000
\$1,000,000**

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
DEPARTMENT OF CIVIL RIGHTS**



Analyst: Michael Cossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	2,890,900	2,899,300	8,400	0.3
Local	0	0	0	--
Private	18,700	18,700	0	0.0
Restricted	58,500	58,500	0	0.0
GF/GP	26,195,400	27,804,900	1,609,500	6.1
Gross	\$29,163,500	\$30,781,400	\$1,617,900	5.5
FTEs	175.0	177.0	2.0	1.1

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, 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.

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Information Technology Increase	Gross	NA
Includes \$767,800 GF/GP to support increased information technology demands due to significant staffing increases. Costs include the following:	GF/GP	NA
<ul style="list-style-type: none"> \$318,800 for DTMB staffing and infrastructure to support the Civil Rights Information System (CRIS) \$300,000 to develop a new Public Complaint Portal \$149,000 for new hardware for new department staff, including laptop workstations, smart phones, and telecommunications equipment. 		\$767,800
2. Development, Innovation, and Access Training	FTE	NA
Includes \$466,800 GF/GP and authorization for 2.0 FTE positions for the Development, Innovation, and Access (DIA) division which develops training and resources to increase awareness of various customer perspectives in work contexts. Funding would support monitoring language assistance services and oversight and evaluation of DIA efforts.	Gross	NA
	GF/GP	NA
		\$466,800
3. Economic Adjustments	Gross	NA
Reflects increased costs of \$383,300 Gross (\$374,900 GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Federal	NA
	GF/GP	NA
		\$383,300
		8,400
		\$374,900

Major Boilerplate Changes from FY 2024-25

Sec. 405. Federal Complaint Report – DELETED

Requires department to notify legislature and State Budget Office prior to submitting report or complaint to U.S. Commission on Civil Rights or other federal department.

Sec. 406. Native American Boarding School Study – DELETED

Requires status update report on Native American boarding school study funded in the Department of Civil Rights in 2022 PA 166 to provide information on activities, costs, and anticipated completion date of study.

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
EXECUTIVE OFFICE**



Analyst: Michael Crossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	0	0	0	--
Local	0	0	0	--
Private	0	0	0	--
Restricted	0	0	0	--
GF/GP	9,337,100	9,609,200	272,100	2.9
Gross	\$9,337,100	\$9,609,200	\$272,100	2.9
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 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Executive Office Economic Adjustments	Gross	NA
Reflects increased costs of \$272,100 GF/GP for negotiated salary and wage increases (3.0% on October 1, 2025) for employees.	GF/GP	NA
		\$272,100
		\$272,100

Major Boilerplate Changes from FY 2024-25

There is no boilerplate for the Executive Office.

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
LEGISLATURE**



Analyst: Michael Cossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	0	0	0	--
Local	0	0	0	--
Private	467,700	481,700	14,000	3.0
Restricted	5,422,500	5,585,100	162,600	3.0
GF/GP	194,753,100	197,513,800	2,760,700	1.4
Gross	\$200,643,300	\$203,580,600	\$2,937,300	1.5
FTEs	0.0	0.0	0.0	--

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

Overview

The 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 Binsfield 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 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Legislature Operations Adjustment	Gross \$200,643,300	\$5,929,600
Reflects increased costs of \$5.9 million Gross (\$5.8 million GF/GP) for legislative employees, operations, and property management. The following is detail by budget area:	Private 467,700	14,000
	Restricted 5,422,500	162,600
	GF/GP \$194,753,100	\$5,753,000
<ul style="list-style-type: none"> Legislature \$4.2 million GF/GP Legislative Council \$705,700 GF/GP Legislative Retirement \$188,400 Gross (\$144,600 GF/GP) Property Management \$500,800 GF/GP State Capitol Historic Site \$316,000 Gross (183,200 GF/GP). 		
2. Independent Citizens Redistricting Commission (ICRC)	Gross \$2,992,300	(\$2,992,300)
Removes \$3.0 million GF/GP to reflect the commission going dormant until the next decennial census.	GF/GP \$2,992,300	(\$2,992,300)

Major Boilerplate Changes from FY 2024-25

Sec. 613. Independent Citizens Redistricting Commission Compensation – DELETED

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 Reporting – DELETED

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

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
LEGISLATIVE AUDITOR GENERAL**



Analyst: Michael Crossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$7,334,800	\$7,555,600	\$220,800	3.0
Federal	0	0	0	--
Local	0	0	0	--
Private	0	0	0	--
Restricted	2,475,900	2,549,400	73,500	3.0
GF/GP	21,427,000	22,069,800	642,800	3.0
Gross	\$31,237,700	\$32,174,800	\$937,100	3.0
FTEs	0.0	0.0	0.0	--

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

Overview

The 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.

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD	
1. Legislative Auditor General Operations	Gross	\$31,237,700	\$937,100
Reflects increased costs of \$937,100 Gross (\$642,800 GF/GP) for staff of the Office of Auditor General and for other operations.	IDG	7,334,800	220,800
	Restricted	2,475,900	73,500
	GF/GP	\$21,427,000	\$642,800

Major Boilerplate Changes from FY 2024-25

Sec. 625. Access to Confidential Information – DELETED

States the auditor general is not to be denied access to examine confidential information of any branch, department, office, board, commission, agency, authority, or institution of the state.

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
DEPARTMENT OF STATE**



Analyst: Michael Crossen

	FY 2024-25	FY 2025-26	Difference: FY 2025-26 vs. FY 2024-25	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$0	0.0
Federal	1,460,000	1,460,000	0	0.0
Local	0	0	0	--
Private	50,100	50,100	0	0.0
Restricted	258,360,700	262,935,500	4,574,800	1.8
GF/GP	11,969,100	12,151,800	182,700	1.5
Gross	\$291,839,900	\$296,597,400	\$4,757,500	1.6
FTEs	1,635.0	1,635.0	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 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 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Legal Services Staffing	FTE 179.0	0.0
Includes \$973,800 of state restricted revenue to support 8 new positions to support business compliance efforts to ensure services are consistent with state driver and vehicle laws.	Gross \$25,191,700	\$973,800
	Restricted 24,991,700	973,800
	GF/GP \$200,000	\$0
2. Central Operations Staffing	FTE 335.0	0.0
Includes \$640,600 of state restricted revenue to support 4 new positions for information technology system support for more efficient driver and vehicle service options for residents.	Gross \$53,614,100	\$640,600
	Federal 1,160,000	0
	Restricted 52,106,800	640,600
	GF/GP \$347,300	\$0
3. State Restricted Revenue Alignment	Gross NA	(\$440,200)
Reduces state restricted revenue authorizations by \$440,200 to align authorization levels with available estimated revenues. The authorization reductions include \$143,500 of Notary Fee Fund revenue for Election Administration and Services and \$296,700 of Expedient Service Fees Revenue for Information Technology Services and Projects.	Restricted NA	(440,200)
	GF/GP NA	\$0
4. Economic Adjustments	Gross NA	\$3,583,300
Reflects increased costs of \$3.6 million Gross (\$182,700 GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Restricted NA	3,400,600
	GF/GP NA	\$182,700

Major Boilerplate Changes from FY 2024-25

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. Executive revises to increase maximum amounts of contingency authorizations up to \$1.5 million in federal, \$1.5 million in state restricted, \$50,000 in local, and \$100,000 in private.

Sec. 703. Commercial Look-Up Fees Report – DELETED

Requires department to provide quarterly reports on number of records sold and revenue collected.

Sec. 705. Department Publications – REVISED

Authorizes DOS to accept gifts and grants to underwrite publications pertaining to the vehicle code and authorizes DOS to approve paid advertising in such publications; authorizes unexpended funds to be carried forward into the next fiscal year; requires annual report on details of gifts received under this subsection, expenditures made from those gifts, and other details. Executive revises to delete reporting requirement.

Sec. 713. Organ Donor Program Public Information Campaign – REVISED

Provides for receipt and expenditure of funds for a public information campaign for organ donor program; authorizes revenues from gifts and grants to be carried forward; requires annual report on amount of revenue collected, purpose of each expenditure, and amount of revenue carried forward. Executive revises to delete reporting requirement.

Sec. 714. Branch Office Closings or Consolidations – DELETED

Requires legislature to be notified in writing at least 180 days prior to closing a branch office or 60 days prior to relocating a branch outside of its current local unit of government; notification to include analyses of branch transactions and revenue, citizen impact, and savings and costs.

Sec. 717. Gifts to Support Department Activities – REVISED

Authorizes DOS to accept non-monetary gifts of a de minimus value to support licensing, regulation, and safety functions; prohibits acceptance if conditioned on future state spending; requires report. Executive revises to delete reporting requirement.

Sec. 719. Local Election Funding Report – DELETED

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

Sec. 722. Legacy Mainframes System Modernization – DELETED

Requires expense report by fund source on Customer and Automotive Records System (CARS) including projected expenses in current and next fiscal years.

Sec. 724. Timely Reimbursements to Local Governments – DELETED

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

Supplemental Recommendations for FY 2024-25 Appropriations

**FY 2024-25
Recommendation**

1. Help America Vote Act (HAVA) Election Security Grants

Provides \$9.6 million in federal funding to authorize expenditure of federal Election Security grants. The total requested amount is comprised of \$7.6 million of a lapsed work project balance originally provided under the Consolidated Appropriations Act of 2020, \$1.0 million provided under the Consolidated Appropriations Act of 2024, and \$1.0 million from interest accrued from past and current HAVA fund balances.

Gross	\$9,583,500
Federal	9,583,500
GF/GP	\$0

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
TECHNOLOGY, MANAGEMENT, AND BUDGET**



Analyst: Michael Cossen

	FY 2024-25	FY 2025-26	Difference: FY 2025-26	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$1,119,848,200	\$1,152,596,000	\$32,747,800	2.9
Federal	4,393,300	4,393,300	0	0.0
Local	2,334,000	2,360,100	26,100	1.1
Private	189,200	229,400	40,200	21.2
Restricted	296,362,300	142,450,700	(153,911,600)	(51.9)
GF/GP	539,964,000	614,335,400	74,371,400	13.8
Gross	\$1,963,091,000	\$1,916,364,900	(\$46,726,100)	(2.4)
FTEs	3,249.5	3,269.5	20.0	0.6

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

Overview

The Department of 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 the Child Advocate.

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Information Technology Investment Fund (ITIF) (One-Time)	Gross	\$35,000,000	\$42,600,000
Includes \$42.6 million in one-time GF/GP for ITIF, the state's strategic portfolio of information technology system modernization projects, to support new legacy system modernization projects. With \$35.0 million GF/GP in the current year base, a total of \$77.6 million Gf/GP would be available for ITIF.	GF/GP	\$35,000,000	\$42,600,000
2. State Facilities Special Maintenance	Gross	\$28,000,000	\$25,000,000
Includes \$25.0 million in one-time GF/GP for maintenance, demolition, and infrastructure projects for state-owned buildings and structures, which includes approximately 800 buildings and 5,000 structures. With \$28.0 million GF/GP in the current year base, a total of \$53.0 million would be available for special maintenance projects.	GF/GP	\$28,000,000	\$25,000,000
3. State Property Self Insurance Fund	Gross	\$0	\$10,000,000
Provides \$10.0 million GF/GP to create what is intended to be a self-sustaining fund to self-insure property and building contents at state-owned facilities against damages. The fund would be designed to provide the state with reserve funding to draw from to help counter rising property insurance premiums. Savings from decreased property insurance rates charged to state agencies would be deposited into the fund.	GF/GP	\$0	\$10,000,000

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
4. Energy Efficiency Revolving Fund	Gross	\$0	\$5,000,000
Provides an additional deposit of \$5.0 million GF/GP for up-front financing of projects at state facilities that achieve energy efficiency or renewable energy; aims for re-investment of resources in new projects on a continual basis to establish long-term funding aimed at reducing the state's carbon footprint. This \$5.0 million would be in addition to the \$5.0 million deposited in FY 2021-22.	GF/GP	\$0	\$5,000,000
5. State Building Authority Capital Outlay Debt Financing	Gross	\$246,170,600	\$15,481,100
Includes \$15.5 million GF/GP to be added to the annual amount set aside for projected payments on debt for capital construction projects financed through the State Building Authority. Additional funding would support a projected increase in payments due on existing and anticipated state capital outlay projects.	GF/GP	\$246,170,600	\$15,481,100
6. Civil Service Commission IT System Upgrade	Gross	NA	\$7,528,700
Includes \$7.5 million of state restricted funding from rates charged to departments and agencies to upgrade the Human Resource Management Network System (HRMN). The upgrade would enable the transition from the on-premises human resources, payroll and benefits system that supports over 50,000 users to a government cloud platform. Funding would support the first year of the multi-year project and supplement \$23.5 million GF/GP included for the project within the executive's FY 2025-26 ITIF proposal. Total project costs would be \$47.9 million.	Restricted	NA	7,528,700
	GF/GP	NA	\$0
7. State Budget Office Staffing Increase	FTE	NA	11.0
Includes \$771,700 GF/GP and authorization for 11.0 FTE positions to support budget development, financial management, and internal auditing services.	Gross	NA	\$771,700
	GF/GP	NA	\$771,700
8. Civil Service Commission HR Staffing Increase	FTE	293.0	9.0
Includes \$1.3 million Gross (\$628,500 GF/GP) and authorization for 9.0 FTE positions to help maintain timely human resource services to the state through agency hiring and staffing operations statewide.	Gross	\$39,015,900	\$1,282,800
	Restricted	23,170,800	654,300
	GF/GP	\$15,845,100	\$628,500
9. Office of the State Employer Training Program	Gross	\$1,786,800	\$404,000
Includes \$404,000 Gross (\$288,000 GF/GP) for staffing to support labor relations and a new management training for managers and supervisors in the state classified service.	Restricted	815,100	116,000
	GF/GP	\$971,700	\$288,000
10. Annual IT IDG Baseline Adjustment	Gross	\$880,274,300	\$19,166,000
Increases IDG funding from Technology User Fee revenue by \$19.2 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. Adjustments include \$7.5 million from the Civil Service Commission for the project described under item number 6 and \$9.9 million for various program adjustments under DHHS.	IDG	880,274,300	19,166,000
	GF/GP	\$0	\$0
11. Fleet Vehicle Travel Services Rate Increase	Gross	\$95,708,200	\$5,426,600
Includes \$5.4 million in IDG funding from the Motor Transport Fund to align IDG authorization with revenue from rates charged to departments and agencies.	IDG	95,708,200	5,426,600
	GF/GP	\$0	\$0
12. Building Occupancy Charges – Rate Increase	Gross	\$109,241,200	\$3,820,000
Provides \$3.8 million in IDG funding from building occupancy and parking charges to reflect building occupancy rate adjustments primarily attributable to increasing utility costs.	IDG	109,241,200	3,820,000
	GF/GP	\$0	\$0

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD	
13. State Records Center Staffing	Gross	NA	\$272,400
Includes \$272,400 in state restricted funding to align staffing resources for the State Records Center (SRC). The SRC is responsible for the storing and control of inactive records on behalf of state agencies and developing retention schedules for state and local government records.	Restricted	NA	272,400
	GF/GP	NA	\$0
14. DMVA Accounting Services	Gross	NA	\$136,100
Provides \$136,100 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	136,100
	GF/GP	NA	\$0
15. Federal and State Restricted Revenue Alignment	Gross	NA	\$1,300
Includes a reduction of \$38,700 in federal fund authorization for the Michigan Center for Data and Analytics and an increase of \$40,000 in private funding from the National Association of Purchasing Officers to align authorization levels with available revenues and estimated expenditures for a net increase of \$1,300.	Federal	NA	(38,700)
	Private	NA	40,000
	GF/GP	NA	\$0
16. SWCAP Adjustment	Gross	NA	\$0
Reallocates fund sourcing associated with the annual Statewide Cost Allocation Plan (SWCAP) for a net change of \$0 Gross and decrease of \$2.1 million GF/GP.	IDG	NA	(132,300)
	Restricted	NA	2,189,200
	GF/GP	NA	(\$2,056,900)
17. Microsoft Licensing Agreement Alignment	Gross	NA	(\$400,000)
Removes \$400,000 GF/GP in ongoing funding from the Information Technology Services and Projects line item to align costs for the Enterprise Licensing Agreement contract that is executed with the Microsoft Corporation.	GF/GP	NA	(\$400,000)
18. Removal of FY 2024-25 One-Time Appropriations	Gross	\$26,400,000	(\$26,400,000)
Removes \$26.4 million GF/GP of one-time funding that was included in the FY 2024-25 budget to support the following:	GF/GP	\$26,400,000	(\$26,400,000)
<ul style="list-style-type: none"> \$25.0 million for Michigan Public Safety Communication System lifecycle replacement \$1.4 million for menstrual products in state buildings. 			
19. Removal of Make It in Michigan Transfer	Gross	NA	(\$166,265,800)
Removes \$166.3 million of state restricted authorization to enable the allocation of Make It in Michigan grant awards to leverage federal funding opportunities for key projects for public, private, and non-profit organizations from the Infrastructure Investment and Jobs Act (IIJA), the CHIPS Act of 2022, and the Inflation Reduction Act of 2022, (IRA).	Restricted	NA	(166,265,800)
	GF/GP	NA	\$0
20. Economic Adjustments	Gross	NA	\$9,449,000
Reflects increased costs of \$9.4 million Gross (\$3.5 million GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	IDG	NA	4,331,400
	Federal	NA	38,700
	Local	NA	26,100
	Private	NA	200
	Restricted	NA	1,593,600
	GF/GP	NA	\$3,459,000

Major Boilerplate Changes from FY 2024-25

Sec. 801. Contingency Authorization – REVISED

Appropriates up to \$1.0 billion in federal, \$250.0 million in state restricted, \$20.0 million in local, and \$20.0 million in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to increase maximum amounts of contingency authorizations to \$50.0 million in federal, \$200.0 million in state restricted, \$5.0 million in local, and \$5.0 million in private.

Major Boilerplate Changes from FY 2024-25

Sec. 809. Computer Contracts – DELETED

Requires DTMB to report revisions that increase or decrease current contracts for computer software development, hardware acquisition, or quality assurance by more than \$500,000, individually or in aggregate.

Sec. 822. Report on Unclassified Salaries – DELETED

Requires report on individual appointee and unclassified employee salaries, rounded to the nearest thousand dollars, by January 1.

Sec. 822d. Fees and Rates Charged to State Agencies – DELETED

Requires report on fees and rates charged to state agencies, along with justification for any increases from prior year.

Sec. 822e. Census-Related Services – REVISED

Appropriates funding collected by DTMB for providing census-related information and technical services and demographic products; authorizes unexpended funding to be carried forward; requires annual report on amount of revenue collected and carried forward. Executive revises to delete reporting requirement.

Sec. 822g. Supplier Risk Assessment Program – DELETED

Requires not more than an additional \$200,000 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.

Sec. 825. Access to SIGMA and MAIN Data – DELETED

Requires legislature and all state departments to have access to historical and current data in SIGMA and MAIN.

Sec. 826. Definition of Information Technology Services – DELETED

Defines "information technology services" as services involving all aspects of managing and processing information, including certain IT management and support items and services.

Sec. 828. IT-Related Appropriations and Expenditures – DELETED

Requires annual report on funding and expenditures for IT services and projects for all executive departments and agencies.

Sec. 831. Information Technology Services Billing – DELETED

Requires DTMB to submit information technology services-related invoices to departments and agencies no later than 60 days after receiving approval from departments to pay vendor invoices.

Sec. 832. Child Support Enforcement System – DELETED

Requires DTMB to notify legislature of potential or actual penalties for failure of Michigan Child Support Enforcement System to achieve federal certification; requires additional reporting in event of penalties being imposed.

Sec. 839. Federal and State Restricted Revenue for ITIF – NEW

Appropriates additional federal and state restricted revenue for the Enterprisewide Information Technology Investments line item up to amounts earned based on initiatives undertaken with the General Fund appropriation.

Sec. 853. State Employment Education and Experience Requirements – DELETED

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

Sec. 862. Report on Capital Outlay Projects – DELETED

Requires DTMB to provide various detailed reports to Joint Capital Outlay Subcommittee (JCOS) and fiscal agencies with status of each planning or construction project financed by SBA.

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; requires report on details of projects funded from fund. Executive revises to deposit \$5.0 million into the revolving fund; appropriates all money deposited into the fund for projects in accordance with proposed legislation.

Sec. 867. Special Maintenance, Remodeling, and Additions for State Agencies – NEW

Appropriates federal and restricted funds earned based on initiatives undertaken with funds appropriated for Special Maintenance, Remodeling, and Additions for State Agencies; requires the state budget director to determine the appropriate manner for implementing this section.

Major Boilerplate Changes from FY 2024-25

Sec. 890. Free Menstrual Products Pilot Program – DELETED

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

Sec. 891. MPSCS Lifecycle Replacement – DELETED

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 – DELETED

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.

Sec. 895. Risk Management Internal Service Fund – NEW

Creates the Risk Management Internal Service Fund to self-insure property in state-owned and managed buildings; appropriates revenues recovered from rates charged to state agencies for property insurance to pay loss or damage claims to be deposited into the fund; authorizes deposits into the fund to remain in the fund and not lapse to the general fund.

Supplemental Recommendations for FY 2024-25 Appropriations

**FY 2024-25
Recommendation**

1. Digital Nondiscrimination Federal Compliance

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 by April, 2026.

Gross	\$3,000,000
GF/GP	\$3,000,000

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
TREASURY**



Analyst: Michael Cossen

	FY 2024-25	FY 2025-26	Difference: FY 2025-26	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$11,188,500	\$11,815,100	\$626,600	5.6
Federal	25,011,400	25,254,000	242,600	1.0
Local	15,207,100	15,491,600	284,500	1.9
Private	36,600	3,040,300	3,003,700	8,206.8
Restricted	2,343,150,900	2,411,439,600	68,288,700	2.9
GF/GP	308,655,700	322,811,800	14,156,100	4.6
Gross	\$2,703,250,200	\$2,789,852,400	\$86,602,200	3.2
FTEs	2,012.5	2040.5	28.0	1.4

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.

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Constitutional Revenue Sharing	Gross \$1,073,331,400	\$25,697,000
Includes an increase of \$25.7 million of restricted sales tax revenue relative to the FY 2024-25 budget act appropriated amount for constitutionally required payments to cities, villages, and townships, for an estimated projected total of \$1.1 billion in FY 2025-26.	Restricted 1,073,331,400	25,697,000
	GF/GP \$0	\$0
2. City, Village, and Township (CVT) Revenue Sharing	Gross \$333,547,300	\$11,965,100
Includes a net increase of \$12.0 million of restricted sales tax revenue for CVT revenue sharing based on a 4% increase to the FY 2024-25 base statutory appropriations for CVTs or a 3.6% increase from the total FY 2024-25 appropriation for CVT revenue sharing including formula payments based on inverse taxable value, unit type population, and millage yield equalization.	Restricted 333,547,300	11,965,100
	GF/GP \$0	\$0
3. County Revenue Sharing	Gross \$291,111,400	\$10,442,800
Includes a net increase of \$10.4 million of state restricted Sales Tax revenue for county revenue sharing based on a 4% increase to the FY 2024-25 base statutory appropriations for counties or a 3.6% increase from the total FY 2024-25 appropriation for county revenue sharing including formula payments based on inverse taxable values.	Restricted 291,111,400	10,442,800
	GF/GP \$0	\$0

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
4. Public Safety and Violence Prevention	Gross	\$75,000,000
Maintains \$75.0 million for Public Safety and Violence Prevention revenue sharing payments for a \$0 net change from FY 2024-25 to support public safety initiatives in CVTs. Funding would be authorized to be distributed similarly as proposed under House Bill 4606 of 2024 and as shown below:	Restricted	75,000,000
	GF/GP	\$0
<ul style="list-style-type: none"> \$4.9 million, or 6.5%, to the Department of Health and Human Services (DHHS) for grants to CVTs, tribal entities, and community organizations for the purpose of advancing solutions to community violence \$1.5 million, or 2.0%, to the crime victim's rights fund created under section 4 of 1989 PA 196 and is appropriated in the DHHS \$68.6 million, or the remaining balance, to CVTs proportionate to violent crime data provided by the Michigan State Police. 		\$0
5. Detroit Hazardous Arc Wiring Removal	Gross	\$0
Includes \$25.0 million GF/GP to remove an estimated 1,300 miles of hazardous arc wiring in Detroit from a streetlamp system that is no longer in use. Abandoned arc wiring poses a risk if it contacts live utility lines utilizing the same utility poles. Approximately 50% of utility poles in Detroit have unused arc wiring.	GF/GP	\$0
		\$25,000,000
6. Michigan's Achieving a Better Life Experience (MiABLE) Program Expansion	Gross	NA
Includes \$5.0 million GF/GP to support 4.0 FTEs for promotion and education of the MiABLE program following a federal expansion that would extend program eligibility to an additional 500,000 residents. The MiABLE program allows disabled individuals to create accounts for disability-related expenses without impacting their eligibility for public benefits,	GF/GP	NA
		\$5,000,000
7. Recreational Marihuana Grants to Locals	Gross	\$96,380,000
Includes \$9.2 million in state restricted Marihuana Regulation Fund revenue to align grant payments to municipalities and counties with the expected increase in revenue based on the current total estimate from the January revenue estimating conference.	Restricted	96,380,000
	GF/GP	\$0
		\$9,220,000
8. Vaping, Non-Tobacco Nicotine Products Tax Administration	FTE	0.0
Includes \$2.5 million GF/GP and authorization for 17.0 FTE positions to administer collection, enforcement, licensing, and compliance with a proposed 32% wholesale tax on vaping and non-tobacco nicotine products.	Gross	\$0
	GF/GP	\$0
		\$2,450,000
9. AI Predictive Analytics and Fraud Prevention	FTE	0.0
Includes \$1.1 million GF/GP (\$381,000 ongoing; \$750,000 one-time) and authorization for 2.0 FTE positions to deploy artificial intelligence tools across Treasury's various data sets for implementing fraud detection analysis, ensuring the integrity of tax collections, and finding other efficiencies.	Gross	\$0
	GF/GP	\$0
		\$1,131,000
10. Payment Card Data Compliance and Fraud Monitoring	FTE	74.0
Includes \$892,700 Gross (\$772,700 GF/GP) and authorization for 6.0 FTE positions for the Bureau of Financial and Accounting Services to implement payment card industry data compliance standards, fraud monitoring activities, and expansion of the optional city income tax program.	Gross	\$9,555,400
	IDG	2,354,500
	Federal	966,800
	Local	0
	Restricted	6,063,600
	GF/GP	\$170,500
		\$892,700
		120,000
		0
		0
		\$772,700

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
11. MI Financial Empowerment Program	Gross	\$0	\$3,000,000
Includes \$3.0 million in private funds donated by the Ballmer Group to create the MI Financial Empowerment program aimed at providing financial literacy education services to residents.	Private	0	3,000,000
	GF/GP	\$0	\$0
12. Payment in Lieu of Taxes (PILT)	Gross	\$35,156,800	\$3,155,700
Includes \$3.2 million Gross (\$2.4 million GF/GP) for increased PILT payments to local units of government for state lands owned by the Department of Natural Resources. Funding would align payments with current property tax estimates. Increased payments would include \$1.2 million for state purchased lands and \$2.0 million for DNR swamp and tax reverted lands.	Private	36,600	3,700
	Restricted	7,312,800	731,500
	GF/GP	\$27,807,400	\$2,420,500
13. Michigan State Lottery	Gross	\$37,475,000	\$4,873,200
Includes \$4.9 million in state restricted funding from lottery ticket sales revenue to support efforts to sell and promote Lottery products through online and retail outlets.	Restricted	37,475,000	4,873,200
	GF/GP	\$0	\$0
14. Gaming Control – Increased Funding Authorization	Gross	NA	\$703,300
Authorizes an additional \$703,300 in state restricted State Services Fee Fund revenue to be used for gaming-related enforcement services.	Restricted	NA	703,300
	GF/GP	NA	\$0
15. Bureau of Local Government Audit and Assessment Services	Gross	NA	\$695,000
Includes \$695,000 GF/GP for increased costs associated with the Bureau of Local Government for audit and assessment services to local units of government.	GF/GP	NA	\$695,000
16. Senior Citizen Cooperative Housing Tax Exemption Program	Gross	\$11,512,300	\$612,700
Includes \$612,700 GF/GP for estimated payments to locals in lieu of property taxes for qualified senior housing facilities for new facilities or costs entering the program.	GF/GP	\$11,512,300	\$612,700
17. Restricted and IDG Revenue Adjustments	Gross	\$4,091,000	\$1,004,400
Includes the following adjustments to align authorizations with revenue:	IDG	2,449,800	544,400
• \$604,400 in restricted, local, and IDG revenues for local government programs to reflect increased revenues related to administrative changes to the third-party disclosure fee, assessor training fee, and the municipal filing fee	Local	0	60,000
• \$400,000 in IDG funding from the Michigan Department of Transportation due to increased costs associated with tax collections for the Motor Fuel and International Fuel Tax Agreement taxes.	Restricted	1,641,200	400,000
	GF/GP	\$0	\$0
18. Other Technical Adjustments	Gross	NA	\$1,407,400
Includes a net increase of \$1.4 million Gross for the following technical adjustments:	Federal	NA	186,500
• \$26,700 in federal funding for the Low Income Heat and Energy Assistance Program	Restricted	NA	1,220,900
• \$159,800 in federal funding for student financial assistance programs	GF/GP	NA	\$0
• (\$279,100) in state restricted revenue from the Health and Safety Fund for Health and Safety Grants			
• \$1.5 million in state restricted revenue for administration of the qualified heavy equipment rental personal property tax exemption program.			
19. Michigan Infrastructure Council FTE Increase	FTE	3.0	2.0
Includes authorization for 2.0 FTE positions to manage new initiatives associated with the Council's new 30-Year Integrated Infrastructure Strategic Plan.	Gross	\$3,858,800	\$0
	IDG	252,700	0
	GF/GP	\$3,606,100	\$0

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
20. Language Access Plan	FTE	0.0	1.0
Includes \$245,000 GF/GP and authorization for 1.0 FTE position to implement and administer a language access plan to ensure Treasury documents are translated for all major languages that interact with Treasury services and tax collections. The program would be included under the newly created Bureau of Operational Excellence described under item number 21.	Gross	\$0	\$245,000
	GF/GP	\$0	\$245,000
21. Bureau of Operational Excellence	FTE	24.0	0.0
Transfers \$3.8 million Gross (\$363,700 GF/GP) from 8 line items and authorization for 24.0 FTE positions, for a net \$0 and FTE change, to a new line item that would support a new Bureau of Operational Excellence within Treasury to centralize lean process improvement and project management services.	Gross	\$3,811,900	\$0
	Restricted	3,448,200	0
	GF/GP	\$363,700	\$0
22. Funding and FTE Authorization Alignment Transfers	FTE	NA	0.0
Transfers \$4.5 million and authorization for 31.0 FTE positions from 9 line items to align authorizations with workloads across several areas within Treasury.	Gross	NA	\$0
	Restricted	NA	0
	GF/GP	NA	\$0
23. Debt Service Adjustments	Gross	\$95,087,000	(\$206,000)
Reduces general obligation debt service by \$206,000 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	\$95,087,000	(\$206,000)
24. Removal of Other FY 2024-25 One-Time Appropriations	Gross	\$25,592,000	(\$25,592,000)
Removes \$25.6 million Gross (\$25.0 million GF/GP) of one-time funding that was included in the FY 2024-25 budget to support the following:	Restricted	592,000	(592,000)
<ul style="list-style-type: none"> 12th District Court Security Upgrades (\$1.0 million GF/GP) 38th District Court Construction Project (\$1.0 million GF/GP) Eaton County Prosecutor Support (\$250,000 GF/GP) Local Prosecutors Support Grants (\$16.8 million GF/GP) Lottery IT Services and Projects (\$592,000 state restricted) MiABLE Outreach (\$3.0 million GF/GP) Secure Retirement for Small Businesses (\$3.0 million GF/GP). 	GF/GP	\$25,000,000	(\$25,000,000)
25. Economic Adjustments	Gross	NA	\$4,904,900
Reflects increased costs of \$4.9 million Gross (\$1.0 million GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	IDG	NA	82,200
	Federal	NA	56,100
	Local	NA	104,500
	Restricted	NA	3,626,900
	GF/GP	NA	\$1,035,200

Major Boilerplate Changes from FY 2024-25

Sec. 902a. Notification of Bond Refunding or Restructuring – DELETED

Requires Treasury to report, not more than 30 days after a refunding or restructuring bond issue is sold, on the annual debt service changes, the change in principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 934. Expending of Authority Revenues – REVISED

Authorizes Treasury to expend revenues under various authorities for operation expenses and grants to the Civil Service Commission and the State Employee's Retirement Fund; requires a report on expenditures over \$250,000. Executive revises to delete reporting requirement.

Sec. 935. Student Loan Ombudsman – DELETED

Creates student loan ombudsman to advocate for borrowers.

Major Boilerplate Changes from FY 2024-25

Sec. 937. Michigan Accounts Receivable Collections System Report – REVISED

Requires the Department of Treasury to submit a report on the Michigan Accounts Receivable Collections System; requires report to include information regarding current collection strategies, vendors and contractors used, amount of delinquent accounts and collection referrals to vendors and contractors, liquidation rates, profile of uncollected delinquent accounts, department's strategy to manage delinquent accounts, and a summary of strategies used in other states. Executive revises to delete information on vendors and contractors from the reporting requirement.

Sec. 947. Financial Independence Teams – DELETED

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. 949c. Department of Agriculture and Rural Development Coordination – REVISED

Requires Department of Treasury to coordinate with the Department of Agriculture and Rural Development to improve the processing and issuance of tax credits from the Michigan Farmland and Open Space Preservation Program. Executive revises to delete specific services required under the requirement for "timely processing and issuance of tax credits".

REVENUE SHARING

Sec. 951. City, Village, and Township (CVT) Local Tax Equalization Payment Formulas – NEW

Distributes local tax equalization revenue sharing payments to CVTs according to one-third based on inverse taxable value per capita, one-third based on population, and one-third based on yield equalization; provides formulas for determining payments by type.

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 952 of article 5 of 2023 PA 119; eligible payment is equal to 100.0% of its FY 2023-24 eligible payment; and any remaining amount distributed according to one-third based on inverse taxable value per capita, one-third based on population, and one-third based on yield equalization; provides formulas for determining payments by type. Executive revises to delete formulas for local tax equalization payments to transfer to section 951.

Sec. 953. County Local Tax Equalization Payment Formulas – NEW

Distributes local tax equalization revenue sharing payments to counties according to one-third based on inverse taxable value per capita, one-third based on population, and one-third based on yield equalization; provides formulas for determining payments according to a formula based on taxable value per capita.

Sec. 955. County Revenue Sharing Payments – REVISED

Specifies distribution to all CVTs that received a payment under Section 955 of article 5 of 2023 PA 119; eligible payment is equal to 100.0% of its FY 2023-24 eligible payment and any remaining amount distributed according to formula based on taxable value per capita. Executive revises to delete formulas for local tax equalization payments to transfer to section 953.

Sec. 959. Public Safety and Violence Prevention Fund – REVISED

Appropriates revenue collected in the Public Safety and Violence Prevention Fund if House Bills 4605 and 4606 of the 102nd Legislature are enacted. Executive revises to delete reference to House Bills and replaces it with conditions and a distribution formula based off of the those provided in House Bill 4606.

CASINO GAMING

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

Appropriates, pursuant to statute, the following to the Compulsive Gaming Prevention Fund: \$2.0 million of the annual assessment revenue collected by Michigan Gaming Control Board from each casino licensee; \$1.0 million from internet sports betting revenue; and \$3.0 million from internet gaming fund; appropriates, pursuant to statute, the following to the First Responder Presumed Coverage Fund: \$2.0 million from internet sports betting fund revenue and \$2.0 million from internet gaming fund revenue. Executive revises to delete distribution amounts to cite new statute containing the distribution.

Major Boilerplate Changes from FY 2024-25

Sec. 973. Local Revenue Sharing Boards – REVISED

Authorizes funds for local government programs to assist local revenue sharing boards; requires boards to comply with Open Meetings and Freedom of Information acts; authorizes county treasurers to receive and administer revenue on behalf of boards; authorizes directors of State Police and MGCB to help local boards allocate funds to local public safety organizations; requires local revenue sharing boards to comply with all applicable provisions of any agreement authorized by the Indian Gaming Regulatory Act, Public Law 100-497; requires MGCB to report on revenue receipt and distribution. Executive revises to delete reporting requirement.

Sec. 979. Millionaire Party Regulation – REVISED

Authorizes receipt and expenditure of Internet Gaming Fund revenue in an amount not to exceed the amount appropriated to MGCB to support regulation and licensing of millionaire parties; requires a report. Executive revises to delete reporting requirement.

ONE-TIME APPROPRIATIONS

Sec. 990. 12th District Court Project – DELETED

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

Sec. 991. 38th District Court Project – DELETED

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

Sec. 992. Additional Local Prosecutor Support – DELETED

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

Sec. 993. Local Prosecutor Support Grants – DELETED

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

Sec. 994. MiABLE Savings Program – DELETED

Requires funding to support efforts of Michigan ABLE savings program established under Michigan Achieving A Better Life Experience (ABLE) Program Act (2015 PA 160); designates unexpended funds as a work project.

Sec. 995. Secure Retirement for Small Businesses – DELETED

Requires appropriation to be used only to implement HB 5461 of 2024 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 cooperate with DTMB and DIFS and other departments and agencies to establish and implement program oversight guidelines.

Sec. 1200. MI Financial Empowerment – NEW

Requires funding to be used to develop and conduct a marketing campaign to promote financial literacy to Michigan residents; lists examples of eligible expenses as the purchase or creation of educational materials, paid advertising, planning and hosting events, or other activities.

Sec. 1201. Hazardous Arc Wiring Removal Project – NEW

Requires funding to be granted to an electrical utility in Detroit for the removal of abandoned wire that was used to serve arc-type streetlamps; requires an annual report to be filed with the Michigan Public Service Commission detailing progress made on removing arc wiring and the cost-per mile of removal; permits appropriated funds to be combined with other funds related to arc wire removal, to be used for trimming trees and other activities related to arc wire removal.

Supplemental Recommendations for FY 2024-25 Appropriations

**FY 2024-25
Recommendation**

1. Public Safety and Violence Prevention

Reappropriates \$75.0 million for Public Safety and Violence Prevention revenue sharing payments for a \$0 net change in FY 2024-25 to authorize the distribution of funding appropriated under 2024 PA 121 in the absence of other statutory or boilerplate authorization. Funding would be authorized to be distributed similarly as proposed under House Bill 4606 of 2024 and as shown below:

- \$4.9 million, or 6.5%, to the Department of Health and Human Services (DHHS) for grants to CVTs, tribal entities, and community organizations for the purpose of advancing solutions to community violence
- \$1.5 million, or 2.0%, to the crime victim’s rights fund created under section 4 of 1989 PA 196, MCL 780.904 and is appropriated in the DHHS
- \$68.6 million, or the remaining balance, to CVTs proportionate to violent crime data provided by the Michigan State Police.

Gross **\$0**
GF/GP **\$0**

2. Lottery Operations

Includes \$2.0 million in state restricted funding from lottery ticket sales revenue to support lottery sales operations and security staffing at the Lottery headquarters building located in downtown Lansing.

Gross **\$1,950,000**
Restricted **1,950,000**
GF/GP **\$0**