

Senate Fiscal Agency
517-373-2768

Budget Overview: Licensing and Regulatory Affairs

https://sfa.senate.michigan.gov/Departments/DPlar_web.html

Department of Licensing and Regulatory Affairs

Contact Information



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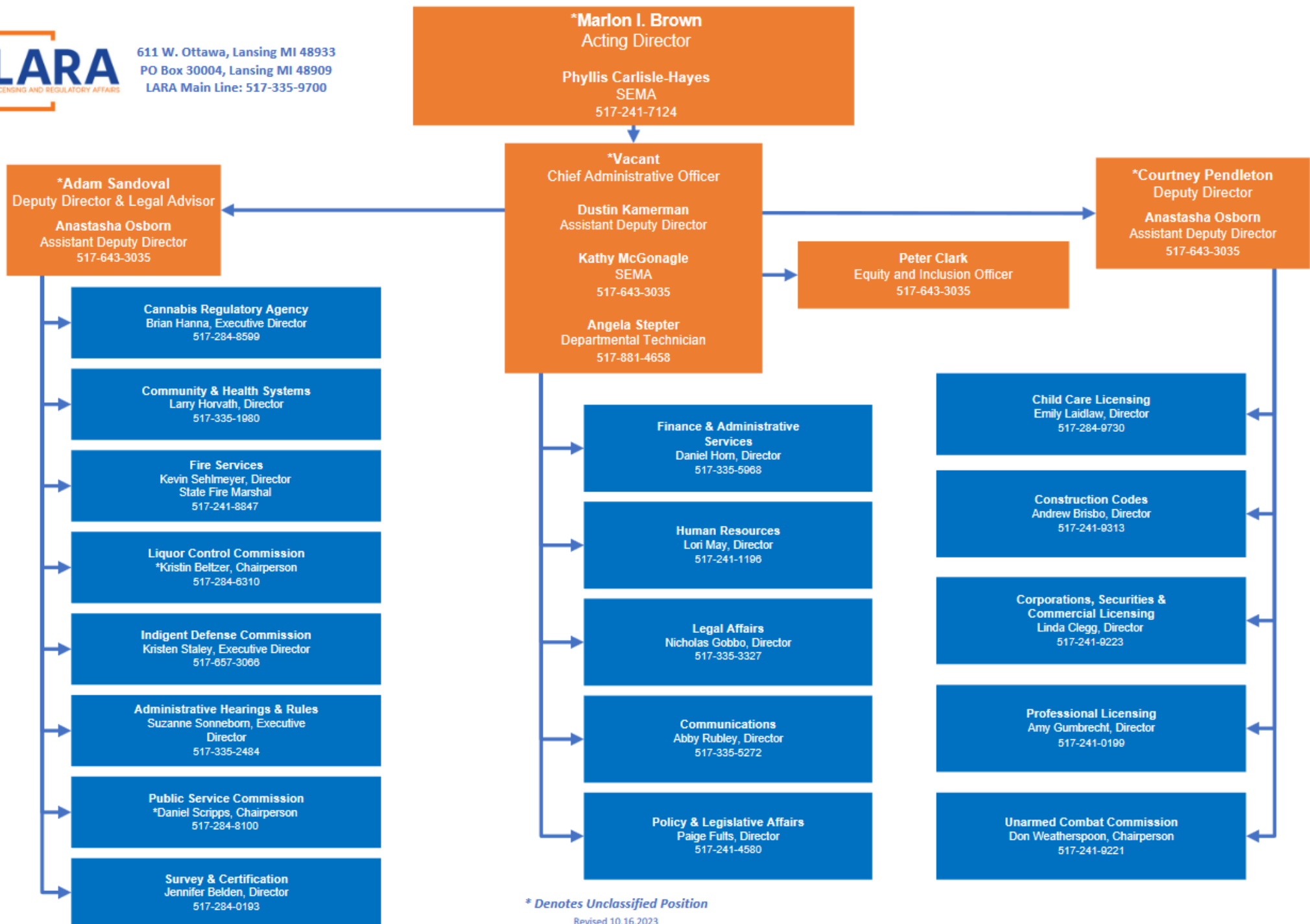
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* Denotes Unclassified Position

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Licensing and Regulatory Affairs General Overview

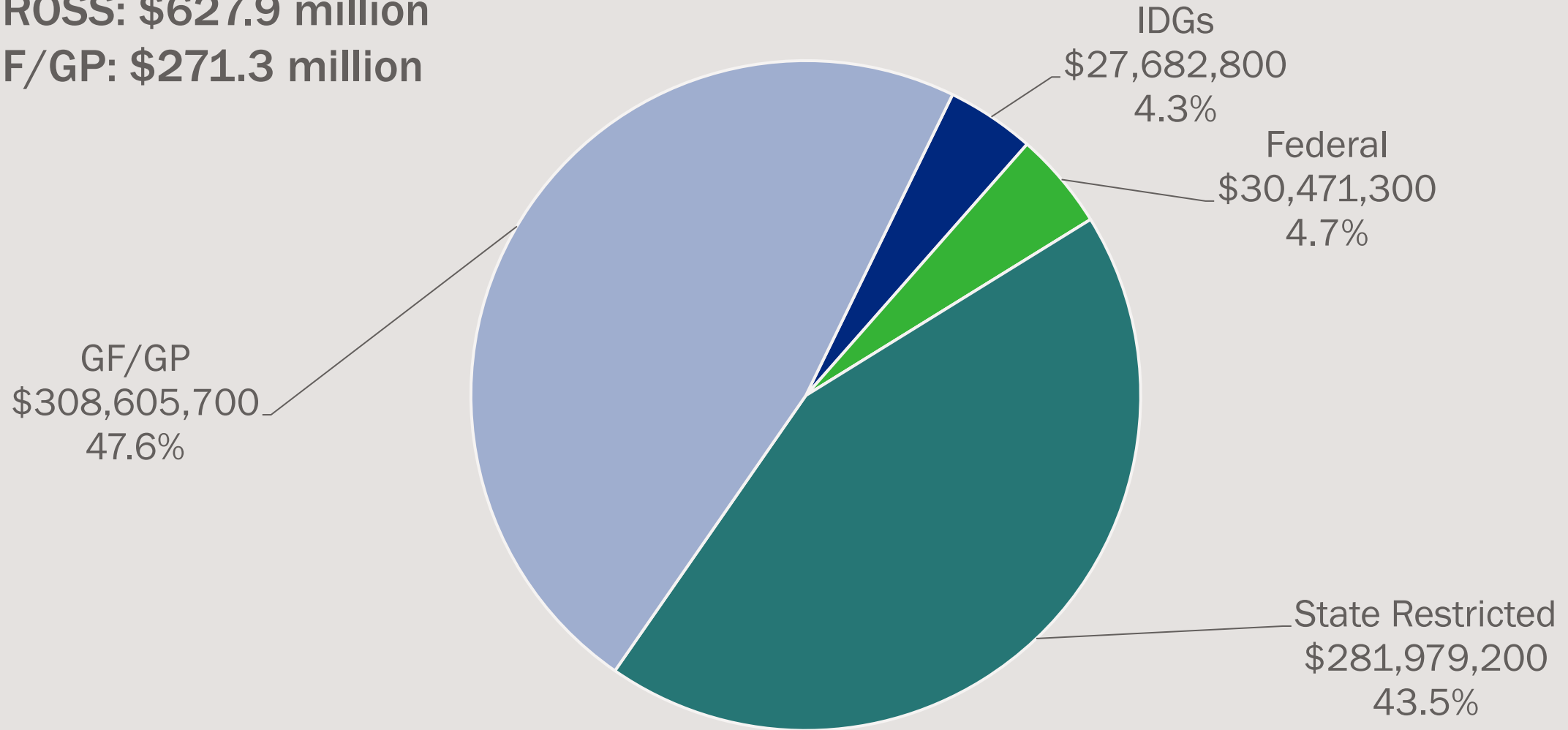
- Major Functions/Programs:

- Public Service Commission (PSC)
- Michigan Liquor Control Commission (MLCC)
- Cannabis Regulatory Agency (CRA)
- Michigan Indigent Defense Commission (MIDC)
- Michigan Office of Administrative Hearings and Rules (MOAHR)

Licensing and Regulatory Affairs

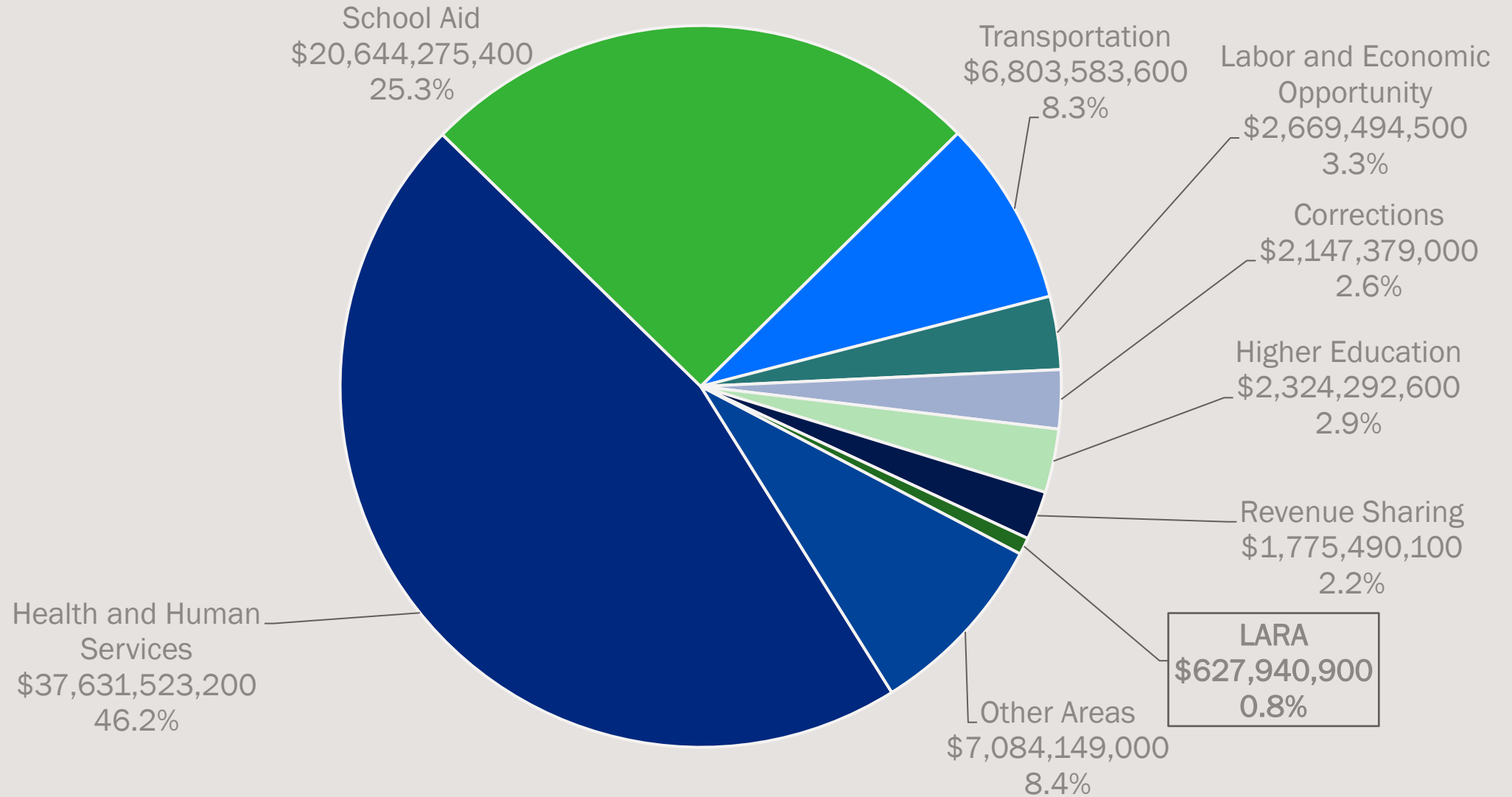
GROSS: \$627.9 million

GF/GP: \$271.3 million

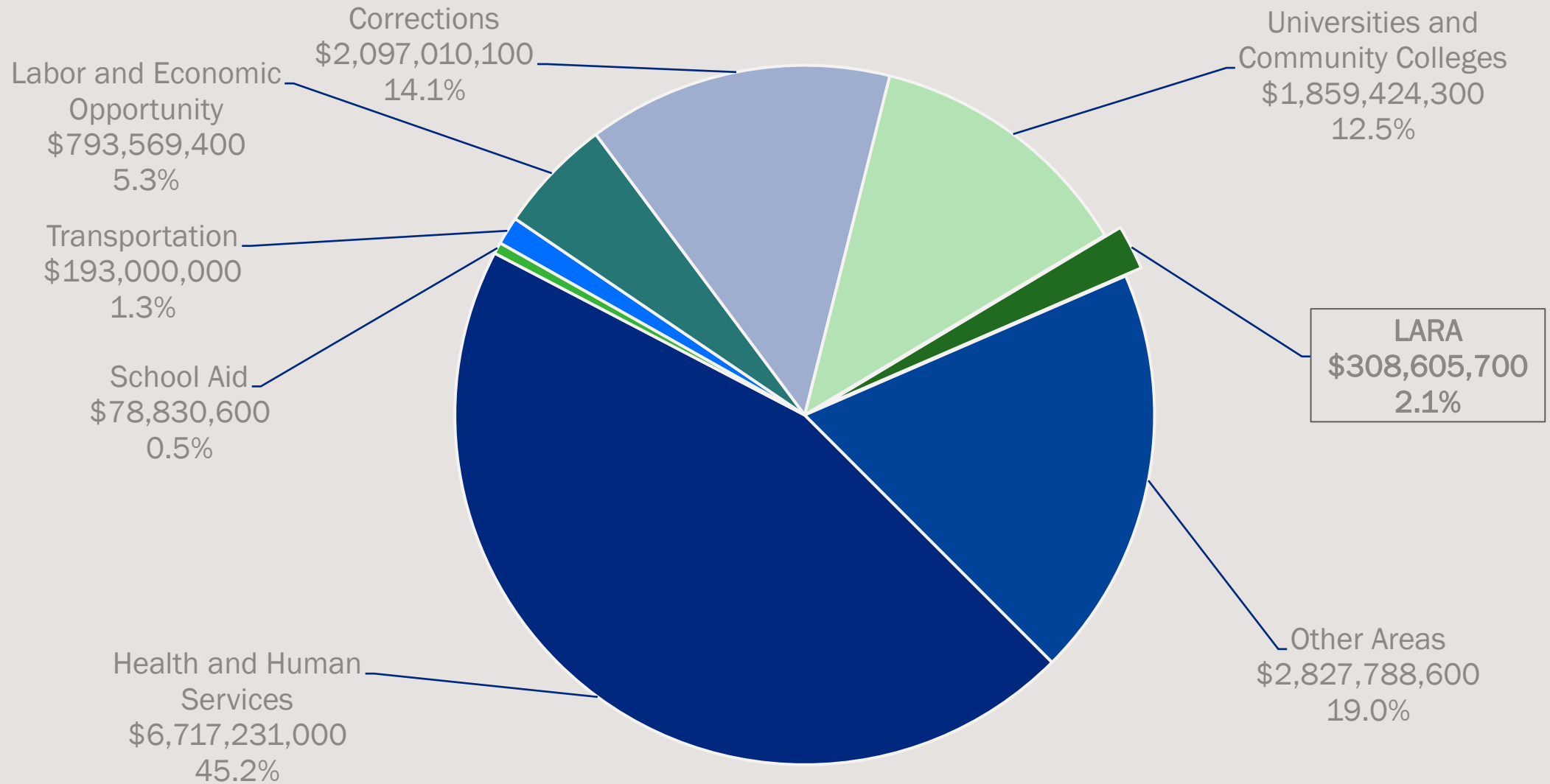


LARA's Slice of Michigan Adjusted Gross Budget:

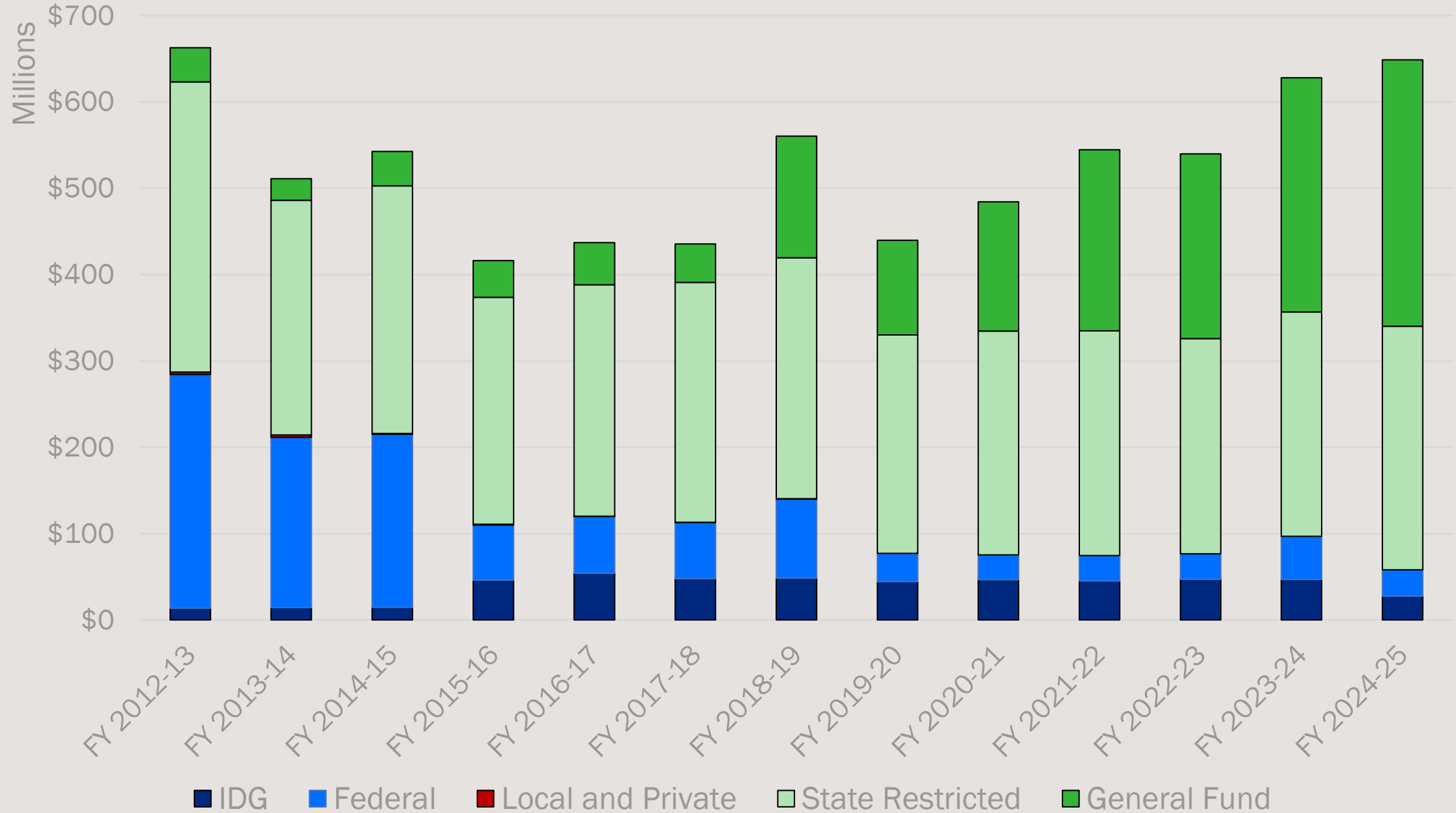
Accounts for 0.8% of the \$81.5 Billion State Budget



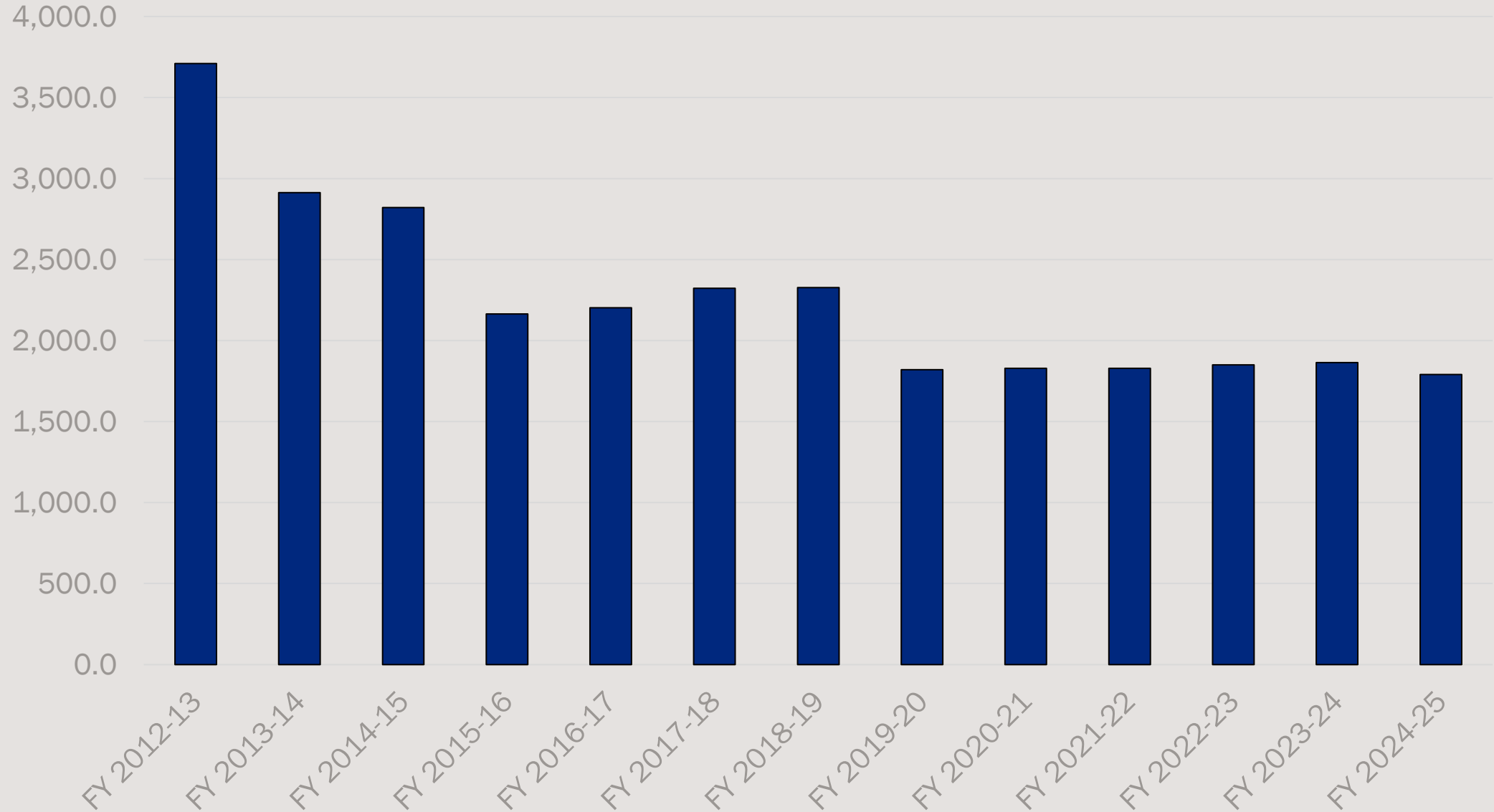
LARA's Slice of Michigan GF/GP Budget: Accounts for 1.8% of the \$14.9 Billion State Budget



LARA Funding History

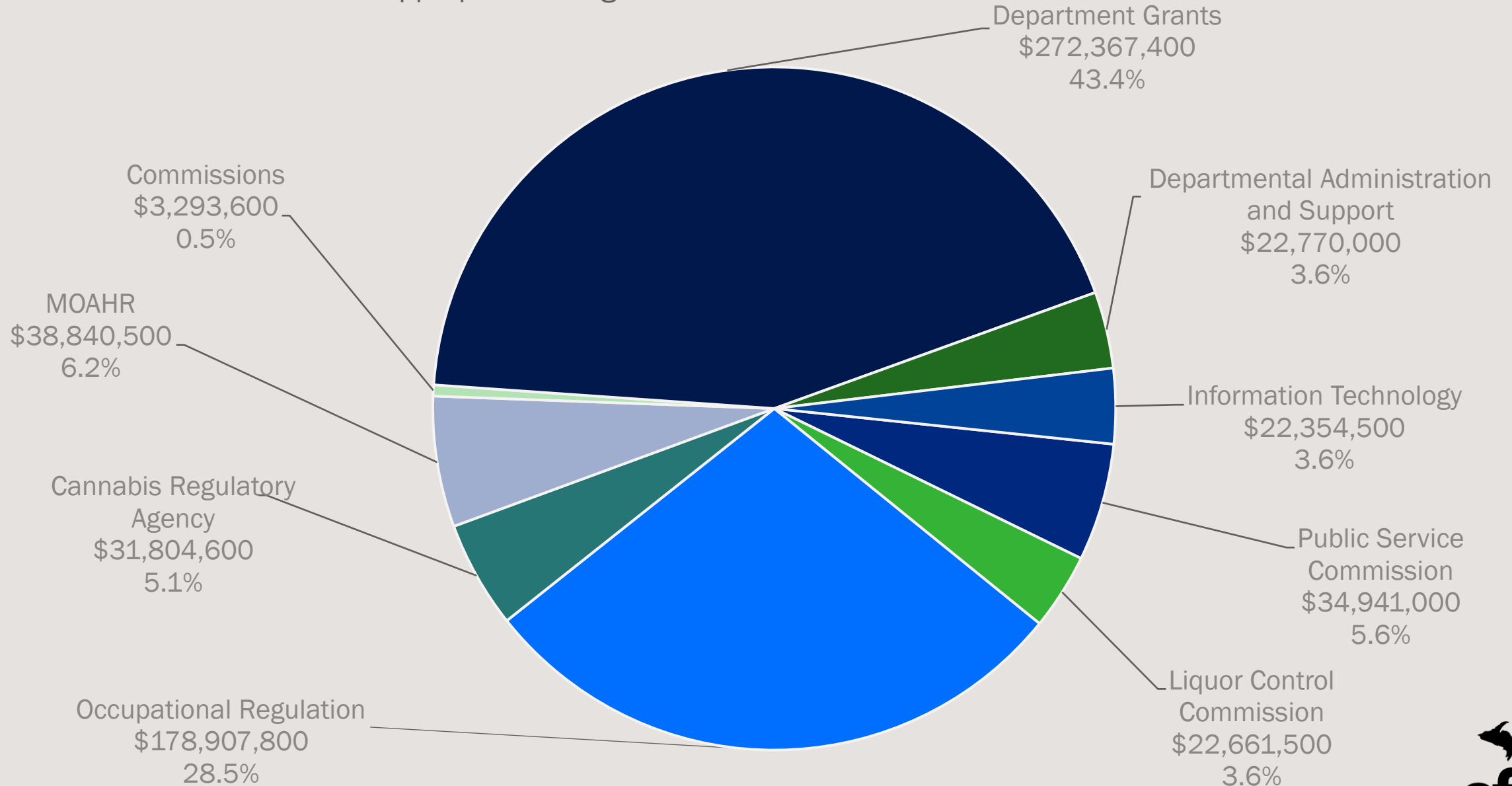


LARA FTE Appropriations History



Major Appropriations in the Department

One-time items included in appropriate categories



Major Areas of GF/GP Spending

- **Michigan Indigent Defense Commission grants** - \$258.3 million
 - Ongoing effort to implement Standards
- **Occupation Regulation**
 - Bureau of Community and Health Systems - \$26.3 million
 - Bureau of Fire Services - \$14.2 million
 - Bureau of Survey and Certification - \$29.0 million

Special Issues

- **Michigan Indigent Defense Commission**
 - New standards #6 and #7 approved in October 2023
 - Ongoing grant funding over next few fiscal years
 - Indigent defense of youth (not passed)
- **Renewable Energy and Electrification Infrastructure Enhancement and Development**
 - FY 2024 one-time item - \$5.0 million
- **Elevator Inspection Staffing**
 - Added \$4.4 million to Bureau of Construction Codes in FY 2024-25

Major Areas of GF/GP Spending

- Revenue from recreational marijuana sales
 - Distribution dictated by statute

Recreational Marijuana Revenue Collection, in Millions

| <u>Fiscal Year</u> | <u>Excise Tax</u> | <u>Sales Tax (imputed)</u> | <u>Total Revenue</u> |
|--------------------|-------------------|----------------------------|----------------------|
| 2020 | 17.9 | 11.8 | 29.7 |
| 2021 | 101.6 | 67 | 168.6 |
| 2022 | 169.4 | 111.8 | 281.2 |
| 2023 | 266.2 | 17.3 | 283.5 |