

FY 2024-25 LICENSING AND REGULATORY AFFAIRS BUDGET

S.B. 747 (P.A. 121 of 2024): INITIAL APPROPRIATIONS

Article 10



FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2023-24 YEAR-TO-DATE*	FY 2024-25 INITIAL APPROPRIATIONS	CHANGES FROM FY 2023-24 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,863.9	1,791.0	(72.9)	(3.9)
GROSS	627,940,900	648,739,000	20,798,100	3.3
Less:				
Interdepartmental Grants Received	46,897,200	27,682,800	(19,214,400)	(41.0)
ADJUSTED GROSS	581,043,700	621,056,200	40,012,500	6.9
Less:				
Federal Funds	50,004,200	30,471,300	(19,532,900)	(39.1)
Local and Private.....	0	0	0	0.0
TOTAL STATE SPENDING.....	531,039,500	590,584,900	59,545,400	11.2
Less:				
Other State Restricted Funds.....	259,708,400	281,979,200	22,270,800	8.6
GENERAL FUND/GENERAL PURPOSE	271,331,100	308,605,700	37,274,600	13.7
PAYMENTS TO LOCALS	242,917,400	280,345,300	37,427,900	15.4

*As of February 7, 2024.

Major Boilerplate Changes from FY 2023-24 Year-to-Date:

- 1. Deleted Sections.** The Conference deleted multiple sections, including: 205 (Reporting Definition), 214 (Dept Performance Metrics), 217 (In-Person Work Prioritization), 218 (Administrative Board Transfers), 219 (Report Retention), 221 (Severance Pay Reporting), 231 (Employee Performance Monitoring), 507 (Elevator Inspector Pay Increases), 508 (Compensation Rates Analysis for Skilled Trades Inspectors), and 1004 (One-time Plan Submission Process Reduction).
- 2. MIDC Updates.** The Conference consolidated reporting language for the Michigan Indigent Defense Commission (Secs. 803 and 804) and added a section stating legislative intent that certain unspent MIDC work project funds lapse to the General Fund (Sec. 805) and depositing other unspent MIDC work project funds into the Michigan Indigent Defense Fund (MIDF) (Sec. 806). Additional language permits the department to request MIDC-related transfers and states that it is the intent of the Legislature that funds in the MIDF do not lapse to the General Fund. (Sec. 807)

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FY 2023-24 Year-to-Date Appropriation	\$627,940,900	\$271,331,100		
	CHANGE FROM FY 2023-24 Y-T-D		FY 2024-25 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Baseline Adjustments</u>				
1. Michigan Indigent Defense Council (MIDC) Grants. The Conference increased MIDC grants to reflect approved costs of local compliance from the existing minimum standards	24,574,900	24,574,900	258,345,300	258,345,300
2. Public Service Commission (MPSC) - Clean Energy Implementation. The Conference increased funding \$5.8 million to produce renewable energy reviews, expanded reviews in Integrated Resource Plan and Energy Waste Reduction filings, and renewable energy facility siting.	5,822,700	0	42,071,000	0
3. Cannabis Regulatory Agency - Attorney General. The Conference included \$2.0 million to support cannabis-related attorney workloads.	2,049,600	0	33,649,200	0
4. Utility Consumer Participation Board Increase. The Conference increased 1,250,000 in restricted funding to meet the statutory requirement.	1,250,000	0	2,100,000	0
5. Medication Aide Program Implementation. The Conference increased \$1.1 million for the Nurse Aide Registration Fund to implement the medication aide training and registration program under PA 273 of 2023.	1,062,200	0	N/A	N/A
6. Consultation, Education, and Performance Office. The Conference included \$400,000 of restricted funds to create and support the office to consolidate educational resources across LARA bureaus.	400,000	0	400,000	0
7. LARA IDG Adjustments. The Conference included adjustments to reflect revenue estimates.	385,000	0	N/A	N/A
8. MPSC - Information Technology Line. The Conference increased the IT line item to support cost increases in the gas safety database management system and geospatial data systems.	261,000	0	42,071,000	0
9. Information Technology Software Licensing Support. The Conference included \$100,000 Restricted to support costs for software licenses.	100,000	0	N/A	N/A

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	Gross	GF/GP	Gross	GF/GP
10. FY 2023-24 One-Time Appropriations Removal. The Conference removed FY 2023-24 One-Time Appropriations, which included the Michigan Saves program, CRA Reference Lab Buildout, and costs associated with the Corporation Online Filing System Modernization.	(37,850,000)	(11,350,000)	N/A	N/A
11. Economic Adjustments. Included \$5,902,200 Gross and \$907,400 GF/GP for total economic adjustments.	5,902,200	907,400		
<u>New Programs/Program Increases</u>				
12. MIDC - Minimum Standards 6 & 7 Compliance Related to Caseloads and Qualifications. The Conference included a GF/GP increase in MIDC grants to support the anticipated costs of newly approved standards 6 & 7 on caseload limits and qualification standards for attorneys.	12,853,000	12,853,000	258,345,300	258,345,300
13. Bureau of Construction Codes - Elevator Inspections. The Conference included \$4.4 million Restricted for the hiring of additional elevator inspectors, supported by an elevator inspection fee increase in 2023.	4,400,000	0	32,711,100	0
14. Cannabis Regulatory Agency. The Conference included \$3.4 million for increased enforcement, licensing support and safety inspections.	3,448,500	0	33,649,200	0
15. Bureau of Survey and Certification - Nursing Home Surveys and Investigation. The Conference included \$1.7 million in Restricted funds to add staff to ensure more comprehensive oversight of nursing homes.	1,855,000	1,855,000	N/A	N/A
16. Bureau of Professional Licensing. The Conference increased Restricted spending authorization to more accurately reflect licensing activity.	1,500,000	0	42,445,800	0
17. Bureau of Construction Codes. The Conference increased authorization to address a backlog of over 1,000 builder-related complaints.	1,486,300	0	32,711,100	0
18. Bureau of Community and Health Systems; Qualified Interpreter Program. The Conference included \$800,000 Restricted from Health Systems Fees to update testing methodology and qualified interpreter database.	800,000	800,000	26,253,600	0
19. MPSC Authorization Increase. The Conference included a \$562,600 increase for additional call center and customer outreach staffing.	562,600	0	34,941,000	0

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	Gross	GF/GP	Gross	GF/GP
20. Corporations Division; Authorization Increase. The Conference increased funding \$550,000 to hire and backfill several positions to help address a 7.0% increase in the number of active business entities.	550,000	0	N/A	N/A
<u>One-Time Appropriations</u>				
21. Bureau of Fire Services - Smoke Detectors. The Conference included \$1.0 million from Corporation Fees to allow the Bureau to purchase and distribute smoke detectors to the public.	1,000,000	1,000,000	1,000,000	1,000,000
22. 5-Year Energy Waste Reduction and Demand Response Study. The Conference included \$1.0 million to support modeling scenarios and assumptions used by electric utilities.	1,000,000	0	1,000,000	0
23. Michigan Saves. The Conference included one-time funding to leverage private loan investments in clean energy improvements.	5,000,000	5,000,000	5,000,000	5,000,000
24. Juvenile Indigent Defense Grants. The Conference included to provide financial assistance to unrepresented juvenile defendants.	1,000,000	1,000,000	1,000,000	1,000,000
25. Renewable Energy and Electrification Infrastructure Enhancement and Development. The Conference included \$5.0 million to provide for qualifying renewable energy and electrification projects.	5,000,000	5,000,000	5,000,000	5,000,000
26. Cannabis Social Equity Program. The Conference included \$1.0 million from the Marijuana Regulation Fund for the CRA Social Equity Program.	1,000,000	0	1,000,000	0
27. Health Sector Implicit Bias Study. The Conference included \$250,000 for a study on the effectiveness of implicit bias training requirements for health professionals added under EO 2020-07.	250,000	0	250,000	0
<u>Other</u>				
28. Property Management Transfer. The Conference transferred \$449,800 to reflect savings due to expected downsizing of office and building space within each of LARA's bureaus.	449,800	23,100	N/A	N/A
29. Child Care Licensing and Regulation Bureau to MiLEAP. The Conference transferred the bureau and \$24,286,200 to MiLEAP	(24,286,200)	(3,131,400)	N/A	N/A
30. Bureau of Construction Codes Fund Swap. The Conference replaced \$1.3 million GF/GP with Construction Code Fund funds.	0	(1,299,300)	N/A	N/A
31. Bureau of Community and Health Systems Camps Unit (E.O. 2023-6) The Conference transferred the bureau and \$700,300 to MiLEAP	(700,300)	(657,400)	N/A	N/A

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	Gross	GF/GP	Gross	GF/GP
32. Child Care Licensing Bureau IT Transfer (E.O. 2023-6). The Conference transferred the bureau and \$600,000 to MiLEAP.	(600,000)	(600,000)	N/A	N/A
33. Bureau of Community and Health Systems Fund Swap. The Conference replaced \$200,700 GF/GP with Health Systems Fees funds in the Bureau of Community and Health Systems line item.	0	(200,700)	N/A	N/A
Total Changes.....	\$20,371,300	\$33,119,600		
FY 2024-25 INITIAL APPROPRIATIONS	\$648,312,200	\$304,450,700		

Date Completed: 8-16-24

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