



FY 2022-23

APPROPRIATIONS REPORT

Part I - Governor's Recommendations

March 2022

Senate Fiscal Agency



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www.senate.michigan.gov/sfa

THE SENATE FISCAL AGENCY

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2. To provide written analyses of all Senate bills, House bills, and Administrative Rules considered by the Senate.
3. To review and evaluate proposed and existing State programs and services.
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8. To prepare special reports on fiscal issues as they arise and at the request of members of the Senate.

The Agency is located on the 8th floor of the Victor Office Center. The Agency is an equal opportunity employer.



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OVERVIEW SUMMARY

On February 9, 2022, Governor Gretchen Whitmer presented her Executive Budget recommendations for fiscal year (FY) 2022-23 and budget projections for FY 2023-24. Public Act (PA) 389 of 2018 requires the Governor to propose a budget for the upcoming fiscal year and the following fiscal year. Pursuant to an Attorney General's letter opinion issued on February 9, 2011, the Governor is allowed to propose a two-year budget and the Legislature can enact a two-year budget, but the second year would only be an expression of an "intent to appropriate", not binding or legally enforceable. Beginning with FY 2020-21, the Governor also produced a five-year strategic plan for the State in addition to submitting the budget recommendation to the Legislature. This overview will focus on Governor Whitmer's FY 2022-23 appropriation recommendation.

The FY 2022-23 budget recommendation from the Governor is based on the consensus revenue estimates agreed to on January 14, 2022. The Governor's proposal includes two proposed tax changes: increasing the Earned Income Tax Credit (EITC) and phasing in reductions to the taxation of retirement income. Both of these proposals would reduce the General Fund; the EITC impact is estimated at \$262.0 million annually; the first-year impact of the retirement income tax changes is estimated at \$107.0 million. A proposed ongoing increase of 5.0% in statutory revenue sharing would reduce available General Fund/General Purpose (GF/GP) revenue by \$24.9 million. The Governor also is proposing another 5.0% increase in one-time revenue sharing payments, which would further reduce GF/GP by \$24.9 million.

As shown below in [Table A](#), the Governor recommends FY 2022-23 Gross appropriations of \$74.1 billion and Adjusted Gross appropriations of \$72.9 billion. Included in this appropriation total are \$30.3 billion of Federal funds, \$530.6 million of local and private funds, \$27.7 billion of State Restricted revenue, and \$14.3 billion of GF/GP revenue. [Table 1](#) outlines the sources of funding for each department and budget area included in the Governor's recommendation. [Figures A](#) and [B](#) illustrate the total funding by source and major spending category. Compared with FY 2021-22 year-to-date appropriations, the Governor's FY 2022-23 budget includes a Gross appropriation increase of \$1.9 billion, or 2.7%, an increase in State Spending from State Resources appropriations of \$2.9 billion, or 7.4%, and an increase in GF/GP appropriations of \$1.4 billion, or 10.7%.

Table A

FY 2021-22 Year-to-Date (YTD) and FY 2022-23 Governor's Recommendation (dollars in billions)				
	FY 2021-22 YTD	FY 2022-23 Governor	Dollar Change	Percent Change
Gross	\$72.2	\$74.1	\$1.9	2.7%
IDGs	1.2	1.2	(0.0)	(0.6)
Adjusted Gross	71.0	72.9	1.9	2.7
Federal	31.3	30.3	(1.0)	(3.2)
Local/Private	0.5	0.5	0.0	5.5
State Restricted	26.2	27.7	1.5	5.7
GF/GP	12.9	14.3	1.4	10.7

The principal reasons for the increase in State Spending from State Resources appropriations are related to \$1.0 billion in the Department of Health and Human Services (DHHS), \$1.2 billion in School Aid, \$481.3 million in Transportation, and \$185.2 million in Judiciary, partially offset by \$664.0 million in reductions in the Department of Labor and Economic Opportunity (LEO).

[Tables 2-5](#) compare the Governor's FY 2022-23 recommendation for Gross, Adjusted Gross, State Spending from State Resources, and GF/GP appropriations with the FY 2021-22 year-to-date appropriations. [Table 6](#) compares the FY 2022-23 recommended number of 55,197.4 full-time equated (FTE) positions to the FY 2021-22 level of 54,360.0 FTEs, an increase of 837.4 positions, or 1.5%.

The Governor's proposal for the School Aid Fund (SAF) recommends additional SAF in FY 2022-23 for a \$435 per-pupil increase in the foundation allowance (\$580.0 million SAF), \$222.0 million to fully

fund at risk, \$171.0 million for school infrastructure, \$150.0 million to increase special education reimbursement, \$150.0 million to expand the TRAILS program statewide, \$100.0 million for a future educator fellowship program, and numerous other program increases.

The Governor is proposing to increase the SAF supporting Community Colleges operations by 10.0% (\$32.4 million), and retirement costs at the colleges by \$9.8 million. The SAF supporting universities would decline by \$13.5 million.

The FY 2022-23 recommendation includes appropriations that the Governor has designated as either "ongoing" or "one-time". [Table 7](#) outlines the proposed FY 2022-23 one-time appropriations by fund source, with a Gross total for all budget areas of \$2.9 billion. The Governor's budget does not include a recommended appropriation for the Budget Stabilization Fund (BSF) for FY 2022-23 but does propose a mid-year supplemental appropriation to the BSF of \$51.8 million in FY 2021-22.

[Table 8](#) lists the estimated State payments to local units of government for FYs 2021-22 and 2022-23, of \$21.6 billion and \$23.2 billion, respectively.

[Tables 9](#) and [10](#) present the GF/GP and SAF balance sheets as presented by the Governor for FY 2021-22 and FY 2022-23, which reflect positive ending balances and proposed tax changes.

The total dollar changes from FY 2021-22 to FY 2022-23 are an increase of \$1.9 billion Gross and an increase of \$1.4 billion GF/GP. [Table 11](#) shows that the \$1.4 billion GF/GP increase consists of \$1.4 billion of GF/GP funding for new programs, \$1.7 billion of GF/GP funding increases, a \$1.5 billion reduction from GF/GP program eliminations, \$655.4 million of GF/GP program reductions, a \$372.8 million GF/GP increase due to fund shifts, and an increase of \$105.1 million due to economic and unclassified salaries' adjustments. [Tables 12-18](#) provide the details for these changes.

The FY 2022-23 SAF budget changes proposed by the Governor are outlined in [Table 19](#). As the table indicates, the net change in K-12 appropriations is an increase of \$1.4 billion.

[Tables 20-30](#) outline background information regarding major budget areas and other general appropriation issues.

The Governor's FY 2022-23 proposal was accompanied by three supplemental requests for FY 2021-22. These three supplemental requests total \$5.6 billion Gross and would increase GF/GP by \$722.4 million. These recommendations are included in [Tables 31](#) and [32](#). [Tables 33](#) and [34](#) provide fee proposals and historical State spending in select budget areas.

On an overall basis, the Governor's FY 2022-23 budget proposal increases Gross appropriations by 2.7%, State Spending from State Resources by 7.3%, and GF/GP by 10.7%. The primary reason for these increases is because of one-time spending proposals, baseline increases related to the DHHS, recommended increases in department programs and SAF appropriations, and increases to public universities, community colleges, and local units of government.

Tax Changes Proposed with the Governor's Budget Recommendation

The Governor's budget includes two tax change proposals, one for the EITC and one addressing retirement income. Combined, the tax proposals would reduce GF/GP revenue by an estimated \$13.0 million in FY 2021-22, \$369.0 million in FY 2022-23, and \$547.0 million in FY 2023-24. More detail is described below and illustrated in [Tables B](#) and [C](#).

Earned Income Tax Credit Proposal

Michigan provides an EITC that piggybacks on the Federal EITC because the Michigan credit is calculated as a percentage of the Federal credit. Currently, the Michigan EITC is 6.0% of the Federal credit. (It was 20.0% until 2011.)

The Governor's recommendation would return the Michigan EITC to 20.0% of the Federal credit beginning in tax year 2022. Because credits are claimed when annual returns are filed, the change would not affect revenue until FY 2022-23. The proposal would reduce General Fund revenue by approximately \$262.0 million per year beginning in FY 2022-23.

The credit requires recipients to have "earned income", which means income from taxable income and wages a taxpayer receives from working for someone else, being self-employed, or from a business or farm the taxpayer owns. Earned income does not include wages earned while an inmate in a penal institution, interest or dividends, any transfer payments such as social security or unemployment compensation, alimony or child support, or pension or annuity income. Taxpayers do not need a child to qualify for the EITC, but those without children receive substantially smaller credits than those with children. The amount of the credit depends on the amount of earned income and the number of qualifying children, with the credit initially increasing with income, reaching a maximum, and then eventually declining to zero as income continues to rise.

Table B

Governor's Projected Demographic Impact of the Recommended Increase in the Michigan Earned Income Tax Credit		
Increase in EITC for Tax Year 2022	Number of Households	Number of Children in Affected Households
\$50 or less	135,900	34,300
\$51-\$200	157,500	117,600
\$201-\$350	88,600	139,000
More than \$350	356,400	694,400
Total	738,400	985,300

Retirement Income Tax Proposal

The Michigan individual income tax is levied on income received by taxpayers. The degree to which income received by seniors or from various sources of retirement income is taxed varies based on the age of the individual and the income source. In 2011, major changes were enacted, beginning with tax year 2012, for those who were not yet age 65 in 2011. These changes phased in a shift in the focus of the tax from one based on the source of income to one based on the age of the taxpayer.

The Governor's recommendation would phase in a new system in which taxpayers could elect to compute their taxes under either the rules before the changes enacted in 2011 or under current rules. The phase-in would be based on the year in which the taxpayer was born and would be phased in over four years. The proposal would reduce General Fund revenue by approximately \$13.0 million in FY 2021-22. That number would increase to \$107.0 million FY 2022-23, \$285.0 million in FY 2023-24 and \$495.0 million once fully phased-in for FY 2024-25.

Table C

Governor's Proposed Phase-In of Individual Income Tax Changes on Seniors and Sources of Retirement Income				
Tax Year	2022	2023	2024	2025
Eligibility, by Year of Birth	65 and older (Born before 1958)	62 and older (Born before 1962)	59 and older (Born before 1966)	All eligible
Portion of Retirement Income Exempt	25%	50%	75%	100%
Estimated General Fund Reduction, by Fiscal Year	\$13.0 million	\$107.0 million	\$285.0 million	\$495.0 million

Table 1

**FY 2022-23 GOVERNOR'S RECOMMENDATION
BY SOURCE OF FUNDS**

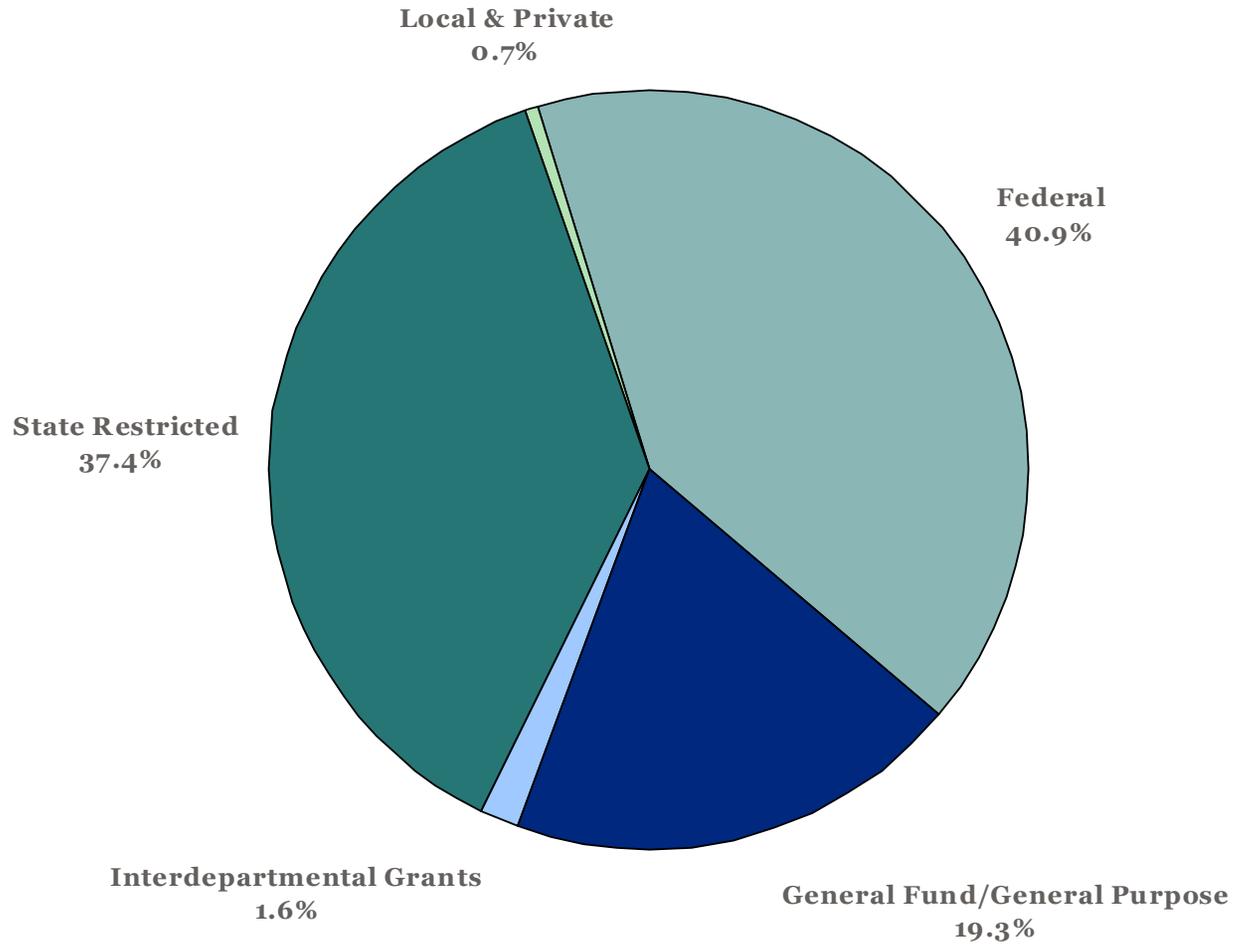
Department/Budget Area	Gross	IDGs	Adjusted Gross	Federal	Local & Private	State Restricted	General Fund/ General Purpose
Agriculture & Rural Development	\$172,165,100	\$326,700	\$171,838,400	\$19,670,900	\$21,300	\$44,706,400	\$107,439,800
Attorney General	126,888,000	35,954,600	90,933,400	10,101,900	0	20,786,700	60,044,800
Capital Outlay	0	0	0	0	0	0	0
Civil Rights	21,601,600	0	21,601,600	2,890,900	18,700	58,500	18,633,500
Community Colleges	470,028,400	0	470,028,400	0	0	470,028,400	0
Corrections	2,139,968,000	0	2,139,968,000	5,148,400	9,879,500	29,831,800	2,095,108,300
Education	419,531,000	0	419,531,000	302,950,800	8,119,000	9,919,700	98,541,500
Environment, Great Lakes, & Energy	1,004,099,200	3,406,400	1,000,692,800	453,641,700	1,415,500	327,354,900	218,280,700
Executive	7,708,600	0	7,708,600	0	0	0	7,708,600
Health & Human Services	33,444,665,900	14,696,000	33,429,969,900	23,617,962,500	363,219,200	2,991,928,100	6,456,860,100
Higher Education	1,852,614,900	0	1,852,614,900	122,426,400	0	347,888,300	1,382,300,200
Insurance & Financial Services	80,335,500	736,500	79,599,000	1,017,100	0	72,581,900	6,000,000
Judiciary	506,371,900	1,902,300	504,469,600	6,381,500	9,306,800	94,435,300	394,346,000
Labor & Economic Opportunity	2,305,571,500	0	2,305,571,500	1,154,595,000	23,130,700	245,920,400	881,925,400
Legislature	212,605,800	6,654,800	205,951,000	0	428,300	7,295,000	198,227,700
Licensing & Regulatory Affairs	513,345,500	47,026,900	466,318,600	29,659,200	0	248,065,900	188,593,500
Military & Veterans Affairs	355,266,000	101,800	355,164,200	189,864,300	640,000	18,794,900	145,865,000
Natural Resources	534,152,200	203,100	533,949,100	93,630,000	7,039,200	337,504,200	95,775,700
Natural Resources (Trust Fund)	0	0	0	0	0	0	0
School Aid	18,356,039,200	0	18,356,039,200	2,191,243,500	0	16,056,595,700	108,200,000
State	256,264,000	20,000,000	236,264,000	1,460,000	50,100	221,007,300	13,746,600
State Police	821,979,000	25,502,400	796,476,600	81,804,300	4,939,500	153,827,700	555,905,100
Technology, Mgt., & Budget	1,854,239,700	1,047,125,600	807,114,100	5,217,200	2,468,600	123,219,300	676,209,000
Transportation	6,300,948,900	4,123,800	6,296,825,100	2,026,480,000	86,673,500	3,903,771,600	279,900,000
Treasury (Debt Service)	100,084,100	0	100,084,100	0	0	0	100,084,100
Treasury (Operations)	764,994,200	11,153,100	753,841,100	24,970,700	13,240,600	496,038,000	219,591,800
Treasury (Revenue Sharing)	1,515,037,200	0	1,515,037,200	0	0	1,515,037,200	0
TOTAL APPROPRIATIONS	\$74,136,505,400	\$1,218,914,000	\$72,917,591,400	\$30,341,116,300	\$530,590,500	\$27,736,597,200	\$14,309,287,400

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Figure A

Gross Appropriations by Source of Funds

FY 2022-23 Governor's Recommendation



Total = \$ 74,136,505,400

Table 2
GROSS APPROPRIATIONS
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION

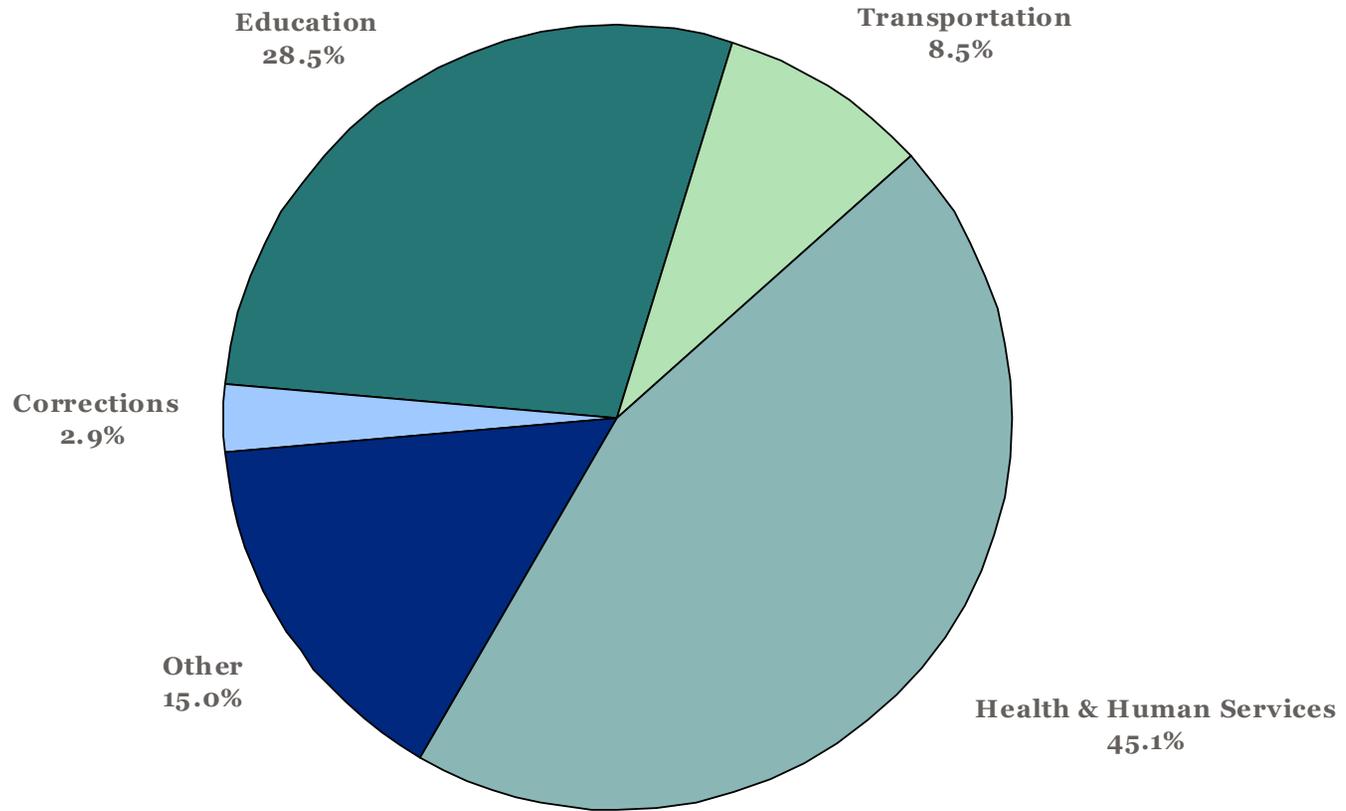
Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	\$155,685,300	\$172,165,100	\$16,479,800	10.6%
Attorney General	108,398,800	126,888,000	18,489,200	17.1
Capital Outlay	0	0	0	0.0
Civil Rights.....	17,834,100	21,601,600	3,767,500	21.1
Community Colleges	431,417,000	470,028,400	38,611,400	8.9
Corrections	2,065,873,000	2,139,968,000	74,095,000	3.6
Education.....	1,928,027,900	419,531,000	(1,508,496,900)	(78.2)
Environment, Great Lakes, & Energy.....	699,770,600	1,004,099,200	304,328,600	43.5
Executive	7,318,600	7,708,600	390,000	5.3
Health & Human Services	31,977,203,400	33,444,665,900	1,467,462,500	4.6
Higher Education.....	1,807,751,200	1,852,614,900	44,863,700	2.5
Insurance & Financial Services	72,987,600	80,335,500	7,347,900	10.1
Judiciary	320,463,100	506,371,900	185,908,800	58.0
Labor & Economic Opportunity	3,250,153,600	2,305,571,500	(944,582,100)	(29.1)
Legislature	213,762,800	212,605,800	(1,157,000)	(0.5)
Licensing & Regulatory Affairs	517,236,400	513,345,500	(3,890,900)	(0.8)
Military & Veterans Affairs	220,852,600	355,266,000	134,413,400	60.9
Natural Resources.....	464,341,400	534,152,200	69,810,800	15.0
Natural Resources (Trust Fund).....	0	0	0	0.0
School Aid	16,978,110,700	18,356,039,200	1,377,928,500	8.1
State	252,164,300	256,264,000	4,099,700	1.6
State Police	861,146,100	821,979,000	(39,167,100)	(4.5)
Technology, Management, & Budget.....	1,708,669,800	1,854,239,700	145,569,900	8.5
Transportation	5,429,855,500	6,300,948,900	871,093,400	16.0
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100	1.0
Treasury (Operations)	1,151,235,900	764,994,200	(386,241,700)	(33.6)
Treasury (Revenue Sharing).....	1,486,280,400	1,515,037,200	28,756,800	1.9
TOTAL APPROPRIATIONS	\$72,225,604,100	\$74,136,505,400	\$1,910,901,300	2.6%

* As of February 9, 2022

Figure B

Gross Appropriations by Major Category

FY 2022-23 Governor's Recommendation



Total = \$ 74,136,505,400

Table 3
ADJUSTED GROSS APPROPRIATIONS
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION

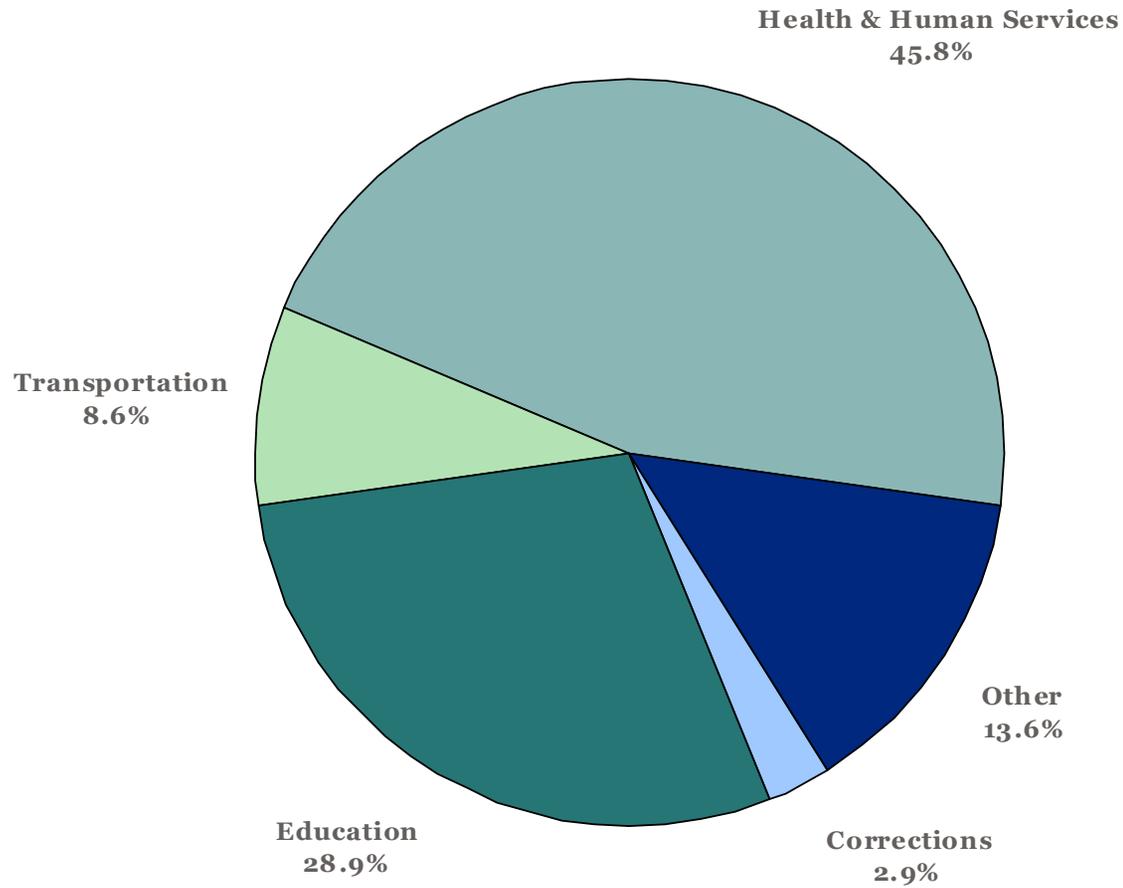
Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	\$155,365,300	\$171,838,400	\$16,473,100	10.6%
Attorney General	73,315,200	90,933,400	17,618,200	24.0
Capital Outlay	0	0	0	0.0
Civil Rights.....	17,535,200	21,601,600	4,066,400	23.2
Community Colleges	431,417,000	470,028,400	38,611,400	8.9
Corrections	2,065,873,000	2,139,968,000	74,095,000	3.6
Education.....	1,928,027,900	419,531,000	(1,508,496,900)	(78.2)
Environment, Great Lakes, & Energy.....	696,225,700	1,000,692,800	304,467,100	43.7
Executive	7,318,600	7,708,600	390,000	5.3
Health & Human Services	31,962,609,900	33,429,969,900	1,467,360,000	4.6
Higher Education	1,807,751,200	1,852,614,900	44,863,700	2.5
Insurance & Financial Services	72,263,000	79,599,000	7,336,000	10.2
Judiciary	318,810,800	504,469,600	185,658,800	58.2
Labor & Economic Opportunity	3,250,153,600	2,305,571,500	(944,582,100)	(29.1)
Legislature	207,417,600	205,951,000	(1,466,600)	(0.7)
Licensing & Regulatory Affairs	472,156,600	466,318,600	(5,838,000)	(1.2)
Military & Veterans Affairs	220,750,800	355,164,200	134,413,400	60.9
Natural Resources.....	464,138,300	533,949,100	69,810,800	15.0
Natural Resources (Trust Fund).....	0	0	0	0.0
School Aid	16,978,110,700	18,356,039,200	1,377,928,500	8.1
State	232,164,300	236,264,000	4,099,700	1.8
State Police	836,329,800	796,476,600	(39,853,200)	(4.8)
Technology, Management, & Budget.....	651,458,900	807,114,100	155,655,200	23.9
Transportation	5,425,810,700	6,296,825,100	871,014,400	16.1
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100	1.0
Treasury (Operations)	1,138,162,400	753,841,100	(384,321,300)	(33.8)
Treasury (Revenue Sharing)	1,486,280,400	1,515,037,200	28,756,800	1.9
TOTAL APPROPRIATIONS	\$70,998,510,900	\$72,917,591,400	\$1,919,080,500	2.7%

* As of February 9, 2022

Figure C

Adjusted Gross Appropriations by Major Category

FY 2022-23 Governor's Recommendation



Total = \$ 72,917,591,400

**Table 4
STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION**

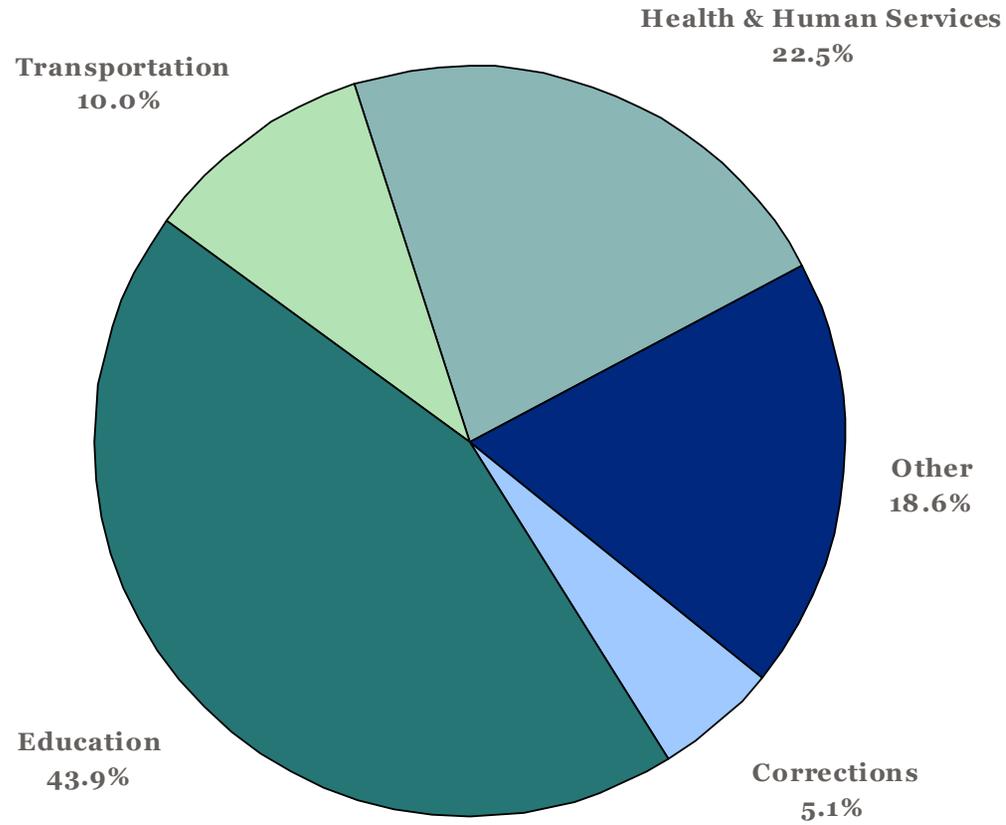
Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	\$141,694,200	\$152,146,200	\$10,452,000	7.4%
Attorney General	63,446,800	80,831,500	17,384,700	27.4
Capital Outlay	0	0	0	0.0
Civil Rights.....	14,665,800	18,692,000	4,026,200	27.5
Community Colleges	431,417,000	470,028,400	38,611,400	8.9
Corrections	2,050,862,800	2,124,940,100	74,077,300	3.6
Education.....	112,293,500	108,461,200	(3,832,300)	(3.4)
Environment, Great Lakes, & Energy.....	467,925,300	545,635,600	77,710,300	16.6
Executive	7,318,600	7,708,600	390,000	5.3
Health & Human Services	8,435,061,300	9,448,788,200	1,013,726,900	12.0
Higher Education.....	1,679,224,800	1,730,188,500	50,963,700	3.0
Insurance & Financial Services	71,245,900	78,581,900	7,336,000	10.3
Judiciary	303,593,600	488,781,300	185,187,700	61.0
Labor & Economic Opportunity	1,791,848,500	1,127,845,800	(664,002,700)	(37.1)
Legislature	207,011,600	205,522,700	(1,488,900)	(0.7)
Licensing & Regulatory Affairs	443,125,700	436,659,400	(6,466,300)	(1.5)
Military & Veterans Affairs	100,095,500	164,659,900	64,564,400	64.5
Natural Resources.....	365,807,800	433,279,900	67,472,100	18.4
Natural Resources (Trust Fund).....	0	0	0	0.0
School Aid	14,953,632,200	16,164,795,700	1,211,163,500	8.1
State	230,654,200	234,753,900	4,099,700	1.8
State Police	681,220,600	709,732,800	28,512,200	4.2
Technology, Management, & Budget.....	638,765,700	799,428,300	160,662,600	25.2
Transportation	3,702,373,400	4,183,671,600	481,298,200	13.0
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100	1.0
Treasury (Operations)	688,738,000	715,629,800	26,891,800	3.9
Treasury (Revenue Sharing).....	1,486,280,400	1,515,037,200	28,756,800	1.9
TOTAL APPROPRIATIONS	\$39,167,367,200	\$42,045,884,600	\$2,878,517,400	7.3%

* As of February 9, 2022

Figure D

State Spending From State Resources

FY 2022-23 Governor's Recommendation



Total = \$ 42,045,884,600

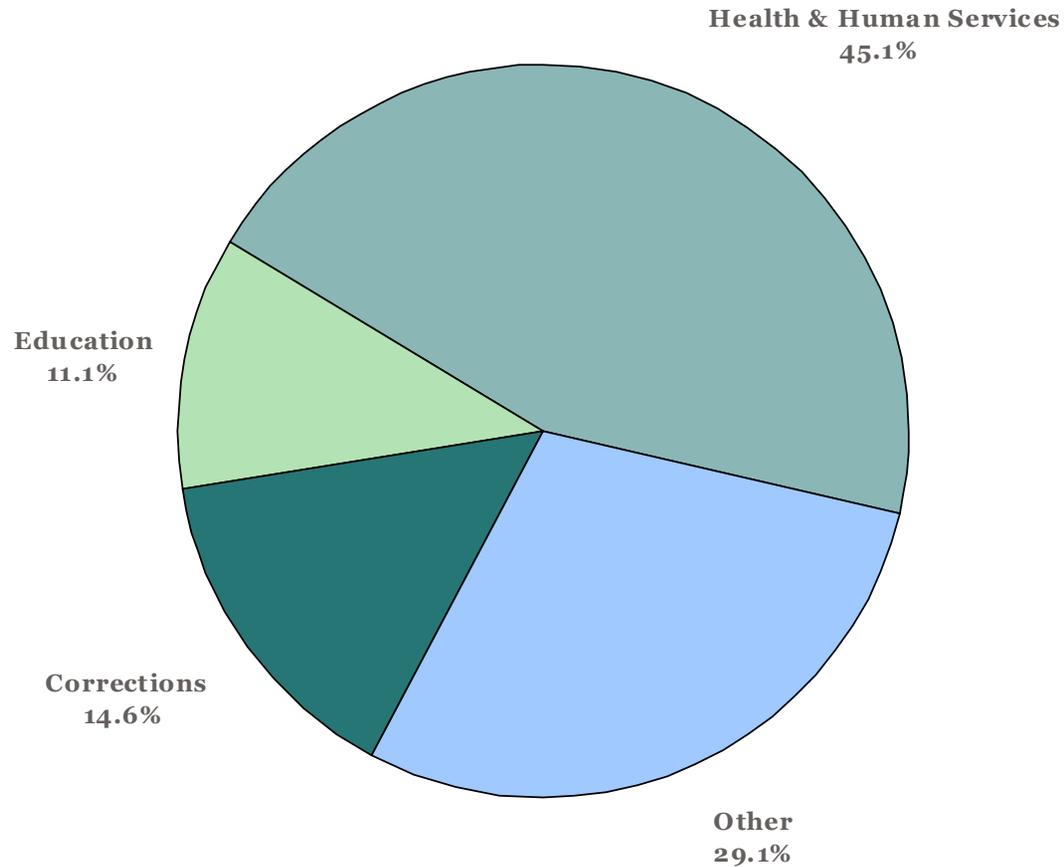
Table 5
GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	\$97,366,900	\$107,439,800	\$10,072,900	10.3%
Attorney General	43,056,000	60,044,800	16,988,800	39.5
Capital Outlay	0	0	0	0.0
Civil Rights.....	14,607,300	18,633,500	4,026,200	27.6
Community Colleges	0	0	0	0.0
Corrections	2,005,369,400	2,095,108,300	89,738,900	4.5
Education.....	102,508,100	98,541,500	(3,966,600)	(3.9)
Environment, Great Lakes, & Energy.....	163,375,300	218,280,700	54,905,400	33.6
Executive	7,318,600	7,708,600	390,000	5.3
Health & Human Services	5,448,429,200	6,456,860,100	1,008,430,900	18.5
Higher Education	1,317,821,500	1,382,300,200	64,478,700	4.9
Insurance & Financial Services	0	6,000,000	6,000,000	100.0
Judiciary	209,280,900	394,346,000	185,065,100	88.4
Labor & Economic Opportunity	1,517,995,800	881,925,400	(636,070,400)	(41.9)
Legislature	200,134,300	198,227,700	(1,906,600)	(1.0)
Licensing & Regulatory Affairs	184,195,900	188,593,500	4,397,600	2.4
Military & Veterans Affairs	78,758,800	145,865,000	67,106,200	85.2
Natural Resources.....	48,612,500	95,775,700	47,163,200	97.0
Natural Resources (Trust Fund).....	0	0	0	0.0
School Aid	85,400,000	108,200,000	22,800,000	26.7
State	12,435,600	13,746,600	1,311,000	10.5
State Police	527,822,500	555,905,100	28,082,600	5.3
Technology, Management, & Budget.....	517,745,100	676,209,000	158,463,900	30.6
Transportation	0	279,900,000	279,900,000	100.0
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100	1.0
Treasury (Operations)	241,014,200	219,591,800	(21,422,400)	(8.9)
Treasury (Revenue Sharing).....	433,000	0	(433,000)	(100.0)
TOTAL APPROPRIATIONS	\$12,922,744,900	\$14,309,287,400	\$1,386,542,500	10.7%

* As of February 9, 2022

Figure E

General Fund/General Purpose
FY 2022-23 Governor's Recommendation



Total = \$ 14,309,287,400

Table 6
FULL-TIME EQUATED CLASSIFIED POSITIONS
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Position Change	Percent Change
Agriculture & Rural Development	521.0	531.0	10.0	1.9%
Attorney General	541.4	549.9	8.5	1.6
Civil Rights	109.0	109.0	0.0	0.0
Corrections	13,484.4	13,498.4	14.0	0.1
Education	615.5	626.5	11.0	1.8
Environment, Great Lakes, & Energy	1,461.0	1,537.0	76.0	5.2
Executive	79.2	79.2	0.0	0.0
Health & Human Services	15,581.5	15,794.5	213.0	1.4
Insurance & Financial Services	372.5	381.5	9.0	2.4
Judiciary	524.0	534.0	10.0	1.9
Labor & Economic Opportunity	2,553.4	2,589.4	36.0	1.4
Licensing & Regulatory Affairs	1,827.9	1,844.9	17.0	0.9
Military & Veterans Affairs	1,054.5	1,055.5	1.0	0.1
Natural Resources	2,354.9	2,412.8	57.9	2.5
State	1,586.0	1,596.0	10.0	0.6
State Police	3,692.0	3,764.0	72.0	2.0
Technology, Management, & Budget	3,141.0	3,177.0	36.0	1.1
Transportation	2,936.3	3,136.3	200.0	6.8
Treasury (Operations)	1,924.5	1,980.5	56.0	2.9
TOTAL POSITIONS.....	54,360.0	55,197.4	837.4	1.5%

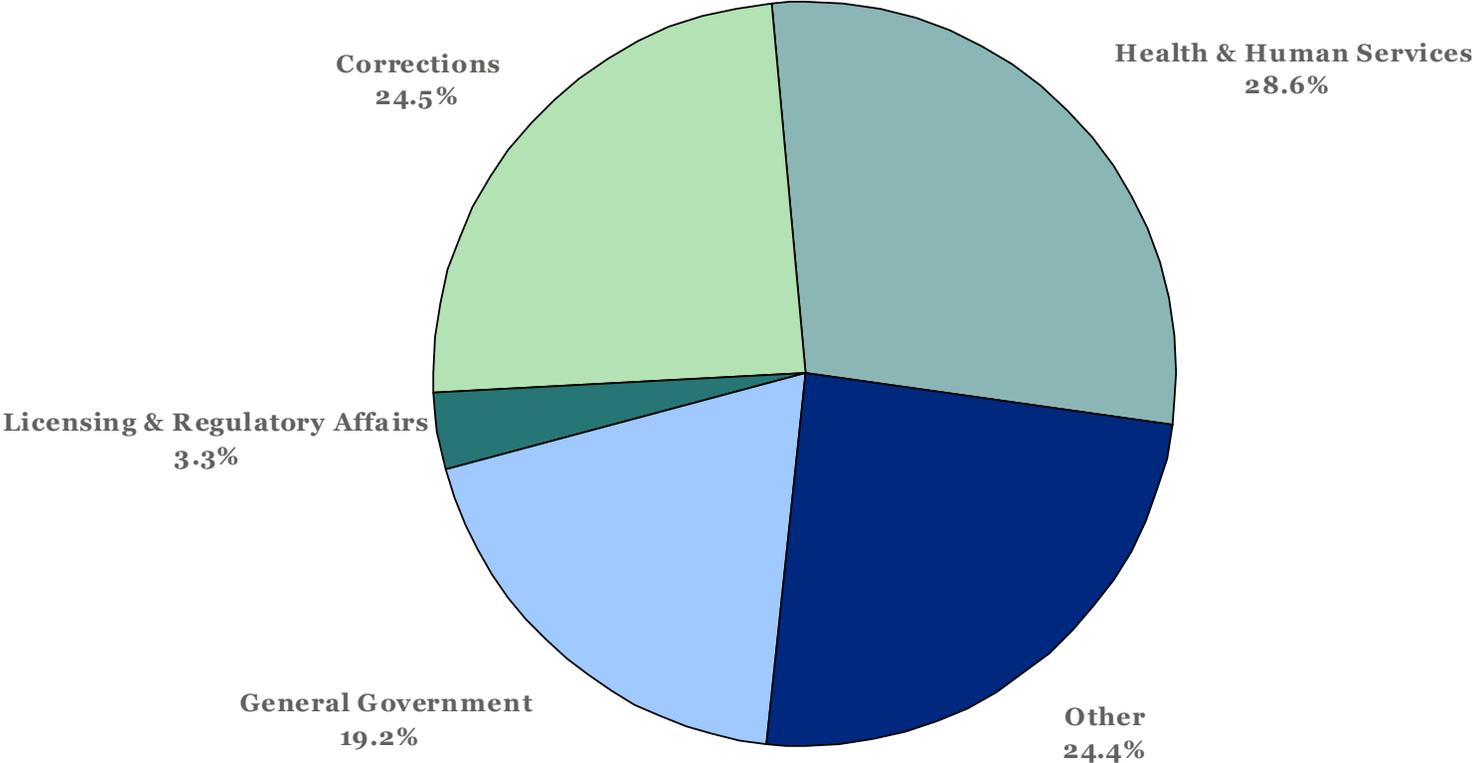
Note: Full-Time Equated classified positions include exempt positions in Judiciary.

* As of February 9, 2022

Figure F

Full-Time Equated Classified Positions

FY 2022-23 Governor's Recommendation



Total = 55,197.4

Table 7

FY 2022-23 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	State Restricted	GF/GP
Agriculture & Rural Development				
Economic development for food and agriculture	\$30,000,000	\$0	\$0	\$30,000,000
Office of rural development	10,000,000	0	0	10,000,000
Buy Michigan campaign	1,000,000	0	0	1,000,000
Community supported agriculture program	500,000	0	0	500,000
Total - Agriculture & Rural Development	\$41,500,000	\$0	\$0	\$41,500,000
Attorney General				
PACC digital evidence storage.....	\$10,000,000	\$0	\$0	\$10,000,000
Job court.....	5,000,000	0	0	5,000,000
Total - Attorney General	\$15,000,000	\$0	\$0	\$15,000,000
Civil Rights				
Complaint investigation and enforcement	\$3,151,900	\$0	\$0	\$3,151,900
Native American boarding school study	500,000	0	0	500,000
Total - Civil Rights	\$3,651,900	\$0	\$0	\$3,651,900
Education				
School board member training	\$260,000	\$0	\$0	\$260,000
Michigan's poet laureate.....	100,000	0	0	100,000
Total - Education	\$360,000	\$0	\$0	\$360,000
Community Colleges				
One-time 5% operations increase	\$16,184,000	\$0	\$16,184,000	\$0
Total - Community Colleges	\$16,184,000	\$0	\$16,184,500	\$0
Corrections				
Electronic prisoner-staff communication devices	\$30,000,000	\$0	\$0	\$30,000,000
John Doe(s) v. MDOC settlement.....	15,000,000	0	0	15,000,000
Live tracking prisoner movement with RFID wristbands.....	10,000,000	0	0	10,000,000
Total - Corrections	\$55,000,000	\$0	\$0	\$55,000,000
Environment, Great Lakes, & Energy				
Community technical, managerial, and financial support for lead line replacement.....	\$48,000,000	\$0	\$0	\$48,000,000
Infrastructure Act funds for water infrastructure improvements.....	36,369,900	0	0	36,369,900
High water infrastructure grants	34,325,000	0	0	34,325,000
Contaminated site cleanup rapid response fund	20,000,000	0	0	20,000,000
Legacy contamination cleanup	19,170,900	0	19,170,900	0
Grants and records management.....	2,000,000	0	0	2,000,000
Total - Environment, Great Lakes, & Energy	\$159,865,800	\$0	\$19,170,900	\$140,694,900

Table 7 - continued

FY 2022-23 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	Gross	Federal	State Restricted	GF/GP
Health & Human Services				
State-operated psychiatric complex	\$325,000,000	\$0	\$0	\$325,000,000
Food security council recommendations	50,000,000	0	0	50,000,000
Minor home repair and plumbing assistance.....	40,000,000	0	0	40,000,000
CCWIS IT project continuation	27,825,400	13,912,700	0	13,912,700
Michigan Essential Health Provider Program - mental health professional expansion.....	25,000,000	0	0	25,000,000
Projects to reduce racial disparities in health care	20,000,000	5,000,000	0	15,000,000
Jail Diversion Fund.....	15,000,000	0	0	15,000,000
Child welfare congregate care pandemic relief grants	15,000,000	0	0	15,000,000
Gun violence prevention.....	10,000,000	0	0	10,000,000
Multicultural integration funding.....	8,600,000	0	0	8,600,000
Cross-enrollment expansion.....	2,500,000	1,175,000	0	1,325,000
First responder mental health funding.....	2,500,000	0	0	2,500,000
IT MMIS maintenance and operations	1,750,000	0	0	1,750,000
Total - Health & Human Services	\$543,175,400	\$20,087,700	\$0	\$523,087,700
Higher Education				
One-time 5% operations increase	\$76,291,700	\$0	\$0	\$76,291,700
Total - Higher Education	\$76,291,700	\$0	\$0	\$76,291,700
Insurance & Financial Services				
Auto no-fault insurance market study	\$5,000,000	\$0	\$0	\$5,000,000
Behavioral health parity health insurance market review	1,000,000	0	0	1,000,000
Total - Insurance & Financial Services.....	\$6,000,000	\$0	\$0	\$6,000,000
Judiciary				
One-time statewide judicial case management system	\$175,000,000	\$0	\$0	\$175,000,000
One-time judicial workload assessment	225,000	0	0	225,000
One-time judicial tenure commission backlog	223,000	0	0	223,000
Total - Judiciary	\$175,448,000	\$0	\$0	\$175,448,000
Labor & Economic Opportunity				
Education infra. - grants for health and electric vehicle facilities	\$230,000,000	\$0	\$0	\$230,000,000
MI regional empowerment - matching funds for regional econ. Dev.	200,000,000	0	0	200,000,000
Nature, science, and cultural experiences grants.....	75,000,000	0	0	75,000,000
Talent retention and expansion in key industries	20,000,000	0	0	20,000,000
Removal of barriers to employment and employment support.....	15,000,000	0	0	15,000,000
International talent attraction - businesses and start-ups.....	15,000,000	0	0	15,000,000
Young professionals plus	15,000,000	0	0	15,000,000
Home ownership and apprenticeship program.....	11,000,000	0	0	11,000,000
MI Local Heroes marketing campaign.....	10,000,000	0	0	10,000,000
Pre-apprenticeship program.....	10,000,000	0	0	10,000,000
Tri-Share child care program.....	2,500,000	0	0	2,500,000

Table 7 - continued

FY 2022-23 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	Gross	Federal	State Restricted	GF/GP
Labor & Economic Opportunity (continued)				
Focus: HOPE.....	\$1,000,000	\$0	\$0	\$1,000,000
State historic preservation office - preserve rural lakefront properties	750,000	750,000	0	0
Office of Global Michigan - language access plan statewide program.....	700,000	0	0	700,000
Helmets to Hardhats.....	500,000	0	0	500,000
Total - Labor & Economic Opportunity	\$606,450,000	\$750,000	\$0	\$605,700,000
Licensing & Regulatory Affairs				
Michigan saves.....	\$5,000,000	\$0	\$0	\$5,000,000
Corporations online filing.....	2,343,600	0	2,343,600	0
Urban search and rescue	1,000,000	0	0	1,000,000
Task force on foreign-trained medical professional licensing.....	1,000,000	0	1,000,000	0
Total - Licensing & Regulatory Affairs	\$9,343,600	\$0	\$3,343,600	\$6,000,000
Military & Veterans Affairs				
Armory modernization	\$115,000,000	\$60,000,000	\$0	\$55,000,000
Grand Rapids home for veterans transition building operations.....	6,456,000	1,831,000	560,000	4,065,000
Selfridge Air NG base improvements	6,100,000	0	0	6,100,000
Michigan veterans facility authority self-sufficiency.....	6,000,000	0	0	6,000,000
Michigan Veterans Affairs Agency - suicide prevention outreach	1,200,000	0	0	1,200,000
State cemetery feasibility study.....	250,000	0	0	250,000
Total - Military & Veterans Affairs	\$135,006,000	\$61,831,000	\$560,000	\$72,615,000
Natural Resources				
State fish hatchery upgrades and improvements	\$30,000,000	\$0	\$0	\$30,000,000
Natural resource equipment modernization.....	12,421,700	0	1,550,000	10,871,700
Great Lakes vessel modernization	4,000,000	0	0	4,000,000
Newberry customer service center construction completion	2,000,000	0	0	2,000,000
Digitization of archival records.....	485,000	0	0	485,000
Total - Natural Resources	\$48,906,700	\$0	\$1,550,000	\$47,356,700
School Aid				
TRAILS.....	\$150,000,000	\$0	\$150,000,000	\$0
Wraparound services staffing.....	120,000,000	0	120,000,000	0
School safety grants.....	51,000,000	0	51,000,000	0
Universal mental health screenings.....	25,000,000	0	25,000,000	0
Before and after school programs	25,000,000	0	0	25,000,000
Cross-system interventions - school safety	15,000,000	0	15,000,000	0
Benchmark assessments	11,500,000	0	11,500,000	0
CTE equipment upgrades.....	10,000,000	0	0	10,000,000
GSRP home pilot.....	5,000,000	0	5,000,000	0
LETRS: professional learning early literacy.....	4,000,000	0	4,000,000	0
Reading corps	3,500,000	0	0	3,500,000
Flint declaration of emergency	1,000,000	0	0	1,000,000

Table 7 - continued

FY 2022-23 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	Gross	Federal	State Restricted	GF/GP
School Aid (continued)				
School infrastructure.....	\$1,000,000	\$0	\$0	\$1,000,000
Total - School Aid.....	\$422,000,000	\$0	\$381,500,000	\$40,500,000
State Police				
FY23 Trooper school.....	\$4,694,200	\$0	\$0	\$4,694,200
Traffic stop data collection enhancement.....	3,700,000	0	0	3,700,000
Recruitment, training, and outreach.....	1,000,000	0	0	1,000,000
Total - State Police.....	\$9,394,200	\$0	\$0	\$9,394,200
Technology, Management, & Budget				
Information technology investment fund (ITIF).....	\$115,000,000	\$0	\$0	\$115,000,000
Enterprisewide special maintenance.....	70,000,000	0	0	70,000,000
State fleet electric vehicle transition.....	10,000,000	0	0	10,000,000
Energy efficiency revolving fund.....	5,000,000	0	0	5,000,000
Office space realignment and optimization.....	1,000,000	0	0	1,000,000
Total - Technology, Management, & Budget.....	\$201,000,000	\$0	\$0	\$201,000,000
Transportation				
Critical road and bridge infrastructure.....	\$150,000,000	\$0	\$0	\$150,000,000
Pump station back-up generators.....	66,000,000	0	0	66,000,000
Priority rail grade crossing/separation initiative.....	60,000,000	0	0	60,000,000
Aviation weather station equipment replacement.....	3,900,000	0	0	3,900,000
Total - Transportation.....	\$279,900,000	\$0	\$0	\$279,900,000
Treasury - Operations				
Electric vehicle rebates.....	\$50,000,000	\$0	\$0	\$50,000,000
Local community transition support.....	40,000,000	0	0	40,000,000
Responsible gaming advertising.....	3,000,000	0	3,000,000	0
Retirement income tax reform implementation.....	1,200,000	0	1,200,000	0
Total - Treasury - Operations.....	\$94,200,000	\$0	\$4,200,000	\$90,000,000
Treasury - Revenue Sharing				
City, village, and township revenue sharing.....	\$13,312,300	\$0	\$13,312,300	\$0
County revenue sharing.....	11,594,700	0	11,594,700	0
Total - Treasury - Revenue Sharing.....	\$24,907,000	\$0	\$24,907,000	\$0
TOTAL ONE-TIME BUDGET AREA APPROPRIATIONS.....	\$2,923,584,300	\$82,668,700	\$451,415,500	\$2,389,500,100

Table 8
STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT
FY 2021-22 YEAR-TO-DATE VERSUS FY 2022-23 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2021-22 Year-to-Date Appropriations*	FY 2022-23 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development.....	\$11,800,000	\$15,800,000	\$4,000,000	33.9%
Attorney General	0	0	0	0.0
Capital Outlay	0	0	0	0.0
Civil Rights	0	0	0	0.0
Community Colleges	431,417,000	470,028,400	38,611,400	8.9
Corrections	122,895,500	124,615,400	1,719,900	1.4
Education	18,327,700	18,327,700	0	0.0
Environment, Great Lakes, & Energy	54,146,000	30,716,000	(23,430,000)	(43.3)
Executive	0	0	0	0.0
Health & Human Services	1,777,476,300	1,898,726,500	121,250,200	6.8
Higher Education.....	0	0	0	0.0
Insurance & Financial Services.....	0	0	0	0.0
Judiciary	148,056,300	149,059,200	1,002,900	0.7
Labor & Economic Opportunity	51,944,500	252,274,900	200,330,400	385.7
Legislature.....	0	0	0	0.0
Licensing & Regulatory Affairs	169,417,400	169,417,400	0	0.0
Military & Veterans Affairs.....	4,386,500	4,386,500	0	0.0
Natural Resources	10,491,100	10,971,400	480,300	4.6
Natural Resources (Trust Fund).....	0	0	0	0.0
School Aid	14,743,857,700	15,788,938,300	1,045,080,600	7.1
State	1,343,800	1,417,200	73,400	5.5
State Police	20,253,300	19,407,000	(846,300)	(4.2)
Technology, Management, & Budget.....	0	0	0	0.0
Transportation	2,196,214,200	2,384,253,600	188,039,400	8.6
Treasury (Debt Service)	0	0	0	0.0
Treasury (Operations)	331,634,700	305,267,900	(26,366,800)	(8.0)
Treasury (Revenue Sharing).....	1,486,280,400	1,515,037,200	28,756,800	1.9
TOTAL APPROPRIATIONS.....	\$21,579,942,400	\$23,158,644,600	\$1,578,702,200	7.3%

* As of February 9, 2022

Table 9

FEBRUARY 2022 GOVERNOR'S RECOMMENDATION GENERAL FUND/GENERAL PURPOSE (GF/GP) REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES (millions of dollars)		
	FY 2021-22 Exec Rec	FY 2022-23 Exec Rec
Revenue:		
Beginning Balance	\$4,257.1	\$2,493.9
Ongoing Revenue:		
Consensus Revenue Estimate (January 2022)	\$12,449.7	\$12,892.1
Other Revenue Adjustments:		
Proposed Retirement Income Tax Changes	(\$13.0)	(\$107.0)
Proposed Earned Income Tax Credit Changes	0.0	(262.0)
Revenue Sharing Payments (existing plus proposed 5% increase)	(500.3)	(525.2)
Subtotal Ongoing Revenue	\$11,936.4	\$11,997.9
Non-Ongoing Revenue:		
Requested One-Time Increase for Revenue Sharing	\$0.0	(\$24.9)
Other Revenue	(2.6)	(2.6)
GF-equivalent Restricted Revenue	0.0	0.0
Subtotal Non-Ongoing Revenue	(\$2.6)	(\$27.5)
Total Estimated GF/GP Revenue	\$16,190.9	\$14,464.3
Expenditures:		
Ongoing Appropriations:		
Initial Appropriations	\$10,996.4	\$10,996.4
Baseline Cost Adjustments	0.0	588.0
Investment Requests	0.0	410.4
Subtotal Ongoing Appropriations	\$10,996.4	\$11,994.8
One-Time and Other Appropriations:		
Estimated One-Time Appropriations	\$733.1	\$0.0
Enacted Supplementals	1,193.3	0.0
Requested Supplementals (Feb 2022)	722.4	0.0
Requested Deposit into the BSF	51.8	0.0
Psych DSH Disallowance	0.0	77.5
Investment Requests	0.0	2,389.5
Subtotal One-Time and Other Appropriations	\$2,700.6	\$2,467.0
Total Estimated GF/GP Expenditures	\$13,697.0	\$14,461.8
PROJECTED YEAR-END GF/GP BALANCE	\$2,493.9	\$2.5

Table 10

**FEBRUARY 2022 GOVERNOR'S RECOMMENDATION SCHOOL AID FUND (SAF)
REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES
(millions of dollars)**

	FY 2021-22 Exec Rec	FY 2022-23 Exec Rec
Revenue:		
Beginning Balance	\$2,877.3	\$535.8
Ongoing Revenue:		
Consensus Revenue Estimate (January 2022)	\$16,078.2	\$16,246.6
Other Revenue Adjustments:		
General Fund/General Purpose (GF/GP) Grant	\$85.4	\$67.7
Community District Education Trust Fund	72.0	72.0
Federal Ongoing Aid	1,822.5	1,832.3
Subtotal Ongoing Revenue	\$18,058.1	\$18,218.6
Non-Ongoing Revenue:		
Additional GF/GP	\$101.5	\$40.5
Enacted SFRF (adjusted for PRIME fund shift)	196.0	0.0
Requested Deposit into/Spending from Infrastructure Fund	(1,000.0)	170.0
Requested Federal Funds Re-appropriation	52.1	0.0
Requested Increase in Federal Nutrition Grants	374.7	359.0
Federal Stimulus	0.0	0.0
Subtotal Non-Ongoing Revenue	(\$275.7)	\$569.5
Total Estimated School Aid Fund Revenue	\$20,659.7	\$19,323.9
Expenditures:		
Ongoing Appropriations:		
Initial Ongoing K-12 Appropriations	\$16,553.0	\$17,308.6
Cost Adjustments (January 2022)	(323.7)	96.4
Fund Community Colleges with SAF	428.2	453.9
Partially Fund Higher Education with SAF	361.4	347.9
Subtotal Ongoing Appropriations	\$17,018.9	\$18,206.8
One-Time and Other Appropriations:		
Initial One-Time K-12 Appropriations	\$425.1	\$0.0
Initial One-Time Community College Appropriations	3.2	0.0
Requested Federal Funds Supplementals	426.8	359.0
Requested One-Time Investments	2,249.9	592.0
Higher Education/Comm Colleges Federal Maintenance of Effort	0.0	116.2
Subtotal One-Time and Other Appropriations	\$3,105.1	\$1,067.2
Total Estimated School Aid Fund Expenditures	\$20,123.9	\$19,274.0
PROJECTED YEAR-END SCHOOL AID FUND BALANCE	\$535.8	\$49.9

SUMMARY OF MAJOR FY 2022-23 GROSS AND GF/GP APPROPRIATION CHANGES

The Governor's FY 2022-23 budget includes a Gross appropriation increase of 2.6%, and a GF/GP appropriation increase of 10.7%, compared to FY 2021-22. Table 11 provides a comparison of the Governor's recommended FY 2022-23 Gross and GF/GP appropriations to the FY 2021-22 year-to-date levels as of February 9, 2022. The Governor's FY 2022-23 recommendation of \$74.1 billion Gross and \$14.3 billion GF/GP represents an appropriation increase of \$2.9 billion Gross and an appropriation increase of \$1.4 billion GF/GP. The net change in GF/GP appropriations can be categorized as new GF/GP programs of \$1.4 billion, GF/GP funding increases of \$1.6 billion, GF/GP funding eliminations of \$1.5 billion, GF/GP funding reductions of \$655.4 million, and fund shifts that result in a \$372.8 million increase in GF/GP appropriations. Fund shifts generally are defined as changes in the funding sources for a program that usually do not affect the overall appropriation level of the program. The Governor also recommended the transfer of two programs among departments, resulting in a net \$1.5 million reduction in GF/GP; added an unclassified salaries increase of \$1.1 million Gross and \$516,900 GF/GP; and included net economic adjustments increasing Gross appropriations by \$193.3 million and GF/GP by \$104.8 million

Table 11

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION SUMMARY OF CHANGES FROM FY 2021-22 YEAR-TO-DATE GROSS AND GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS		
	Gross	GF/GP
FY 2021-22 Year-To-Date Appropriation¹	\$72,225,604,100	\$12,922,744,900
Changes for FY 2022-23:		
New Programs	\$2,081,471,700	\$1,437,329,700
Program Increases	6,527,257,700	1,663,889,900
Program Eliminations	(4,215,358,800)	(1,537,371,100)
Program Reductions	(2,689,684,200)	(655,359,300)
Major Fund Shifts Affecting GF/GP	14,250,000	372,763,000
Other Technical Program Transfers/Adjustments	(1,459,300)	0
Economic Adjustments	193,275,400	104,773,400
Unclassified Salaries Adjustments (Executive Branch)	1,148,800	516,900
Total Changes	\$1,910,901,300	\$1,386,542,500
FY 2022-23 Governor's Recommendation	\$74,136,505,400	\$14,309,287,400

¹ Appropriation as of February 9, 2022.

Table 12 outlines the details of the \$2.1 billion Gross and \$1.4 billion GF/GP for new programs. The largest Gross increase for new programming is in LEO. The Governor proposes \$230.0 million for grants to universities to address education infrastructure focused on health and electric vehicles. Additionally, the proposed LEO budget is recommended to include \$200.0 million for regional empowerment zones that would provide matching funds for regional economic development. Both new programs would be funded entirely with GF/GP.

The Judiciary budget is recommended for \$175.0 million GF/GP to develop a statewide judicial case management system. The School Aid budget is recommended to have a Gross increase for new programs of \$571.0 million (\$51.0 million GF/GP). School Aid programs include infrastructure, expanding TRAILS statewide, and teacher fellowship and onboarding supports. The Department of Transportation (MDOT) would include \$150.0 million GF/GP for critical road and bridge infrastructure and \$66.0 million for pump station backup generators. All new programs proposed by the Governor for FY 2022-23 are listed in Table 12.

Table 12

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION NEW PROGRAMS		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Economic development for food and agriculture	\$30,000,000	\$30,000,000
Buy Michigan campaign.....	1,000,000	1,000,000
Community supported agriculture program	500,000	500,000
Total - Agriculture & Rural Development	\$31,500,000	\$31,500,000
Attorney General		
PACC digital evidence storage	\$10,000,000	\$10,000,000
Job court	5,000,000	5,000,000
Total - Attorney General.....	\$15,000,000	\$15,000,000
Civil Rights		
Native American boarding school study	\$500,000	\$500,000
Total - Civil Rights	\$500,000	\$500,000
Corrections		
One-time: WIFI/Electronic prisoner-staff communications devices	\$30,000,000	\$30,000,000
One-time: Live tracking prisoner movement pilot program	10,000,000	10,000,000
Total - Corrections.....	\$40,000,000	\$40,000,000
Education		
Mental health support	\$200,000	\$200,000
Total - Education.....	\$200,000	\$200,000
Environment, Great Lakes, & Energy		
Community technical, managerial, and financial support for lead line replacement: one-time appropriation	\$48,000,000	\$48,000,000
High water infrastructure grants: one-time appropriation	34,325,000	34,325,000
Grants and records management: one-time appropriation	2,000,000	2,000,000
Grants and records management (6.0 FTEs)	935,400	935,400
Total - Environment, Great Lakes, & Energy	\$85,260,400	\$85,260,400
Insurance & Financial Services		
Auto no-fault insurance market study	\$5,000,000	\$5,000,000
Behavioral health parity health insurance market review	1,000,000	1,000,000
Total - Insurance & Financial Services.....	\$6,000,000	\$6,000,000
Judiciary		
One-time statewide judicial case management system.....	\$175,000,000	\$175,000,000
Continuing judicial education	467,300	467,300
One-time judicial workload assessment contract.....	225,000	225,000
Total - Judiciary	\$175,692,300	\$175,692,300
Labor & Economic Opportunity		
Education infra. - grants for health and electric vehicle facilities	\$230,000,000	\$230,000,000
MI regional empowerment - matching funds for regional econ. dev.....	200,000,000	200,000,000
Nature, science, and cultural experiences grants.....	75,000,000	75,000,000
Talent retention and expansion in key industries	20,000,000	20,000,000
Removal of barriers to employment and employment support	15,000,000	15,000,000
International talent attraction - businesses and start-ups	15,000,000	15,000,000
Young professionals plus.....	15,000,000	15,000,000
Home ownership and apprenticeship program	11,000,000	11,000,000
MI Local Heroes marketing campaign	10,000,000	10,000,000
Pre-apprenticeship program	10,000,000	10,000,000
State trade export program - bring fed. grant into MSF budget.....	3,000,000	0
Tri-Share child care program	2,500,000	2,500,000
Focus: HOPE	1,000,000	1,000,000
State historic preservation office - preserve rural lakefront properties	750,000	0
Office of Global Michigan - language access plan statewide program.....	700,000	700,000
Helmets to Hardhats	500,000	500,000
Total - Labor & Economic Opportunity	\$609,450,000	\$605,700,000

Table 12 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION NEW PROGRAMS		
Budget Area/Program	Gross	GF/GP
Licensing & Regulatory Affairs		
Corporations online filing	\$2,343,600	\$0
Task force on foreign-trained medical professional licensing	1,000,000	0
Total - Licensing & Regulatory Affairs	\$3,343,600	\$0
Military & Veterans Affairs		
State cemetery feasibility study	\$250,000	\$250,000
Total - Military & Veterans Affairs	\$250,000	\$250,000
Natural Resources		
State fish hatchery upgrades and improvements: one-time appropriation	\$30,000,000	\$30,000,000
Natural resource equipment modernization: one-time appropriation	12,421,700	10,871,700
State park employee recruitment and retention (40.8 FTEs).....	9,159,700	0
Great Lakes vessel modernization: one-time appropriation	4,000,000	4,000,000
Off road vehicle trail improvements (13.1 FTEs)	3,059,900	0
Newberry customer service center construction completion: one-time	2,000,000	2,000,000
State game and wildlife area infrastructure	1,400,000	0
Emergency response and wildfire suppression	751,900	751,900
Recruitment and retention of short-term workers	678,800	0
Tribal relations and fisheries co-management (4.0 FTEs).....	652,800	652,800
Digitization of archival records: one-time appropriation.....	485,000	485,000
CSB technical adjustment: payment to locals	0	0
Total - Natural Resources	\$64,609,800	\$48,761,400
School Aid		
School infrastructure	\$171,000,000	\$1,000,000
TRAILS.....	150,000,000	0
Michigan future educator fellowship	100,000,000	0
Educator onboarding programs	50,000,000	0
Before and after school programs	50,000,000	50,000,000
Universal mental health screenings.....	25,000,000	0
Cross-system interventions - school safety	15,000,000	0
Specialized mental health needs	5,000,000	0
GSRP home pilot	5,000,000	0
Total - School Aid	\$571,000,000	\$51,000,000
State Police		
Victim support program.....	\$1,814,300	\$1,814,300
Total - State Police.....	\$1,814,300	\$1,814,300
Technology, Management, & Budget		
Michigan Infrastructure Office	\$5,000,000	\$5,000,000
Michigan State Police Grand Rapids Facility building operations	2,000,000	0
Total - Technology, Management, & Budget.....	\$7,000,000	\$5,000,000
Transportation		
Critical road and bridge infrastructure.....	\$150,000,000	\$150,000,000
IIJA airport infrastructure grants	95,000,000	0
Pump station back-up generators.....	66,000,000	66,000,000
Priority rail grade crossing/separation initiative	60,000,000	60,000,000
Aviation weather station equipment replacement.....	3,900,000	3,900,000
Total - Transportation.....	\$374,900,000	\$279,900,000
Treasury - Operations		
Rebates for electrical vehicle purchase	\$50,000,000	\$50,000,000
Local transition support grants.....	40,000,000	40,000,000
Responsible gaming advertising.....	3,000,000	0
Retirement income tax reform implementation	1,200,000	0
Office of organizational development	751,300	751,300
Total - Treasury - Operations	\$94,951,300	\$90,751,300
TOTAL NEW PROGRAMS	\$2,081,471,700	\$1,437,329,700

The details of the \$6.5 billion Gross and \$1.7 billion GF/GP funding increases recommended by the Governor are listed in Table 13. A significant amount, \$1.2 billion of the recommended Gross increases, can be attributed to the recommended increase in Food Assistance Program (FAP) base and caseload adjustments within the DHHS. Other large program increases in the DHHS include \$325.0 million GF/GP for a State-operated psychiatric complex and \$247.6 million Gross (\$69.8 million GF/GP) for Medicaid and Healthy Michigan Plan (HMP) dental program changes.

The School Aid budget would see program increases totaling \$1.5 billion, nearly all of which would be supported by the SAF. The biggest piece of these increases would be the proposed 5.0% increase in the foundation allowance, at a cost of \$580.0 million. The Department of Transportation would see \$307.1 million of Gross funding increases for State trunkline road and bridge construction, and the Department of Technology, Management, and Budget (DTMB) would see an increase of \$115.0 million GF/GP for the ITIF.

Table 13

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION		
FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Office of rural development grants	\$10,000,000	\$10,000,000
Reforestation	5,400,000	0
Food and agriculture preparedness	1,600,000	1,600,000
Pesticide safety	1,170,000	1,170,000
Animal shelter support	650,000	650,000
Chronic wasting disease study	500,000	0
Total - Agriculture & Rural Development	\$19,320,000	\$13,420,000
Attorney General		
Organized retail crime unit	\$1,115,000	\$1,115,000
Price gouging	1,000,000	1,000,000
PACC trainers	410,100	410,100
Total - Attorney General.....	\$2,525,100	\$2,525,100
Civil Rights		
Complaint investigation backlog	\$3,151,900	\$3,151,900
Total - Civil Rights.....	\$3,151,900	\$3,151,900
Community Colleges		
One-time 5% operations increase.....	\$16,184,000	\$0
Ongoing 5% operations increase.....	16,184,000	0
MPSERS UAAL stabilization payment.....	5,400,000	0
MPSERS retiree health care costs	5,286,400	0
Total - Community Colleges.....	\$43,054,400	\$0
Corrections		
One-time: <i>John Doe(s) v. MDOC</i> settlement	\$15,000,000	\$15,000,000
Temporary nursing staff contract rate increase	3,721,100	3,721,100
Information management system maintenance and support.....	1,195,500	1,195,500
Security service contract rate increase	244,400	244,400
City of Jackson water and sewer rate increase	212,000	212,000
Field operations payments to locals.....	0	0
Total - Corrections	\$20,373,000	\$20,373,000
Education		
Michigan School for the Blind	\$3,000,000	\$3,000,000
Educator recruitment initiatives	800,000	800,000
Great start readiness operations.....	700,000	700,000
Technical adjustments	504,700	0
Total - Education	\$5,004,700	\$4,500,000

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Environment, Great Lakes, & Energy		
Infrastructure Act funds for water infrastructure improvements	\$214,000,000	\$0
Infrastructure Act funds for water infrastructure improvements: one-time	36,369,900	36,369,900
Infrastructure Act funds for water infrastructure improvements (2.0 FTEs).....	31,000,000	0
Legacy contamination cleanup (16.0 FTEs)	30,168,100	175,000
Contaminated site cleanup rapid response fund: one-time appropriation	20,000,000	20,000,000
Legacy contamination cleanup: one-time appropriation	19,170,900	0
Infrastructure Act funds for water infrastructure improvements (5.0 FTEs).....	15,800,000	0
Safe drinking water enforcement and monitoring (19.0 FTEs)	9,157,800	9,157,800
Infrastructure Act funds for water infrastructure improvements.....	7,200,000	0
Reducing air permit application wait times and improving air quality monitoring (24.0 FTEs)	4,439,800	4,439,800
Water infrastructure loans (4.0 FTEs).....	1,407,700	0
Total - Environment, Great Lakes, & Energy	\$388,714,200	\$70,142,500
Health & Human Services		
Food Assistance Program base and caseload	\$1,155,716,600	\$0
One-Time: State-operated psychiatric complex.....	325,000,000	325,000,000
Medicaid and Healthy Michigan Plan dental program redesign	247,577,100	69,846,400
Healthy Michigan Plan base and caseload adjustments	143,768,400	14,376,800
Medicaid special financing	99,342,400	7,250,500
Traditional Medicaid base and caseload adjustments	95,718,700	53,134,100
Actuarial soundness: HMP - physical health	95,057,700	9,505,800
Actuarial soundness: Medicaid HMO.....	93,364,100	32,948,200
Actuarial soundness: Medicaid behavioral health PIHP	87,656,100	30,933,800
Medicaid CCBHC demonstration base and caseload.....	75,654,800	14,728,400
Behavioral health capacity and access initiative.....	69,282,100	54,950,000
Nursing home non-clinical care staff wage increase	59,989,700	21,200,000
One-Time: Food security council recommendations	50,000,000	50,000,000
Healthy Michigan Plan: Medicare Part D drug program clawback for dual eligible members.....	41,575,500	41,575,500
One-Time: minor home repair and plumbing assistance	40,000,000	40,000,000
Foster care family maintenance payment increase	33,664,600	13,316,500
Actuarial soundness: HMP behavioral health services.....	30,920,200	3,092,000
One-Time: CCWIS IT project continuation.....	27,825,400	13,912,700
One-Time: Michigan Essential Health Provider Program - mental health professional expansion	25,000,000	25,000,000
One-Time: projects to reduce racial disparities in health care.....	20,000,000	15,000,000
Foster Care Payments base and caseload.....	16,828,400	12,658,600
Opioids settlement fund	16,000,000	0
Local authorization adjustment: child and adolescent health centers	16,000,000	0
Health equity initiatives across vulnerable populations	15,479,800	6,307,000
One-Time: Jail Diversion Fund	15,000,000	15,000,000
One-Time: child welfare congregate care pandemic relief grants	15,000,000	15,000,000
Federal Medicare Pharmaceutical Program costs.....	14,151,800	14,151,800
Medicaid rate increase for non-COVID vaccine administration	14,061,200	4,516,700
Health Homes program caseload	11,700,400	2,500,500
Increase for residential child welfare institutions	10,519,500	8,976,000
One-Time: gun violence prevention	10,000,000	10,000,000
Actuarial soundness: Home and Community Based Waiver	9,110,900	3,215,200
Behavioral health Medicaid special financing	8,993,900	185,900
One-Time: multicultural integration funding	8,600,000	8,600,000
FIP family increase \$100 per month per child under 5	8,308,800	0
Actuarial soundness: integrated care organizations	7,954,200	2,807,000
Raise the Age fund increase	7,688,900	7,688,900

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Health & Human Services (continued)		
Authorization adjustment for tribal pharmacy rate	\$6,250,000	\$0
Actuarial soundness: Autism.....	5,988,800	2,113,400
Employment verification contract increase	5,374,700	3,243,600
Actuarial soundness: PACE	5,310,000	1,873,900
PACE site expansion	4,673,100	1,649,100
IT base system maintenance adjustment	3,631,200	2,749,200
Establish occupational health clinics at state psychiatric hospitals and centers.....	3,550,000	3,246,000
Child Care Fund base and caseload.....	3,502,700	15,823,200
Personal protective equipment (PPE) warehouse	3,400,000	3,400,000
Actuarial soundness: dental services.....	2,768,900	977,100
Actuarial soundness: Medicaid substance use disorder.....	2,614,700	922,700
One-Time: cross-enrollment expansion	2,500,000	1,325,000
One-Time: first responder mental health funding	2,500,000	2,500,000
Federal authorization adjustment: community services and nutrition for Area Agencies on Aging	2,500,000	0
Child welfare day treatment program	2,480,000	2,480,000
IT contract inflation increase	2,074,800	1,362,400
Private authorization adjustment: sexual transmitted disease program	2,000,000	0
Private authorization adjustment: behavioral health program administration	1,900,000	0
One-Time: IT MMIS maintenance and operations	1,750,000	1,750,000
Hospice room and board payment increase	1,682,000	1,682,000
Ongoing CCWIS development staff costs	1,652,900	859,500
DTMB-owned building security	1,400,000	783,800
Federal authorization adjustment: AIDS prevention, testing, & care program.....	1,181,600	0
Centralized administrative support for state psychiatric hospital activities	1,087,900	1,087,900
Federal child protection grant authorization increase	1,000,000	0
Federal authorization adjustment: carryforward and grant balances for Area Agencies on Aging	1,000,000	0
State restricted funds adjustment: newborn screening fee CPI increase	967,300	0
Private authorization adjustment: WIC vendor fines and penalties	883,300	0
Ongoing CCWIS IT project continuation	741,400	370,700
Federal match sickle cell disease outreach and testing	650,000	0
Technology security audit	500,000	166,700
Federal authorization adjustment: smoking prevention program.....	500,000	0
5% pharmacy inflation for state hospitals and centers	436,700	357,700
CHAMPS funding from one-time to ongoing.....	400,000	400,000
Dementia care activities	400,000	400,000
State restricted fund adjustment: body art facility fees	400,000	0
Behavioral health treatment recipient mediation services	350,000	350,000
Child support IT software upgrade for new hire and incarceration data	278,200	37,800
Guardianship Assistance Program base and caseload	261,600	250,900
Private authorization for local office donated funds	250,000	0
County juvenile officers reimbursement increase	73,300	73,300
Federal Title IV-E overclaim backfill.....	0	34,945,000
Bay Pines Center recognize increased county authority	0	273,400
FIP child support pass-through increase	0	1,100,000
Sexual Assault Evidence Kit (SEAK) tracking system	(430,500)	369,500
Total - Health & Human Services.....	\$3,102,945,800	\$1,036,302,100
Higher Education		
One-time 5% operations increase.....	\$76,291,700	\$76,291,700
Ongoing 5% operations increase	76,291,700	76,291,700
Per-FYES funding floor	12,740,000	12,740,000
Total - Higher Education	\$165,323,400	\$165,323,400

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Insurance & Financial Services		
Insurance and financial services regulation unit FTE increases	\$0	\$0
Total - Insurance & Financial Services	\$0	\$0
Judiciary		
Justice for all self-help center expansion	\$1,050,000	\$1,050,000
Administrative funding restoration.....	1,005,900	1,005,900
SADO juvenile lifer unit ongoing	962,900	962,900
State appellate defender office (SADO) administration	445,100	445,100
Private grant authorization	300,000	0
SADO wrongful prosecution unit.....	287,900	287,900
SADO federal grant authorization	250,000	0
One-time judicial tenure commission backlog	223,000	223,000
Judicial tenure commission backlog ongoing	169,800	169,800
Total - Judiciary	\$4,694,600	\$4,144,600
Labor & Economic Opportunity		
Office of Global Michigan - federal funds increase	\$9,600,000	\$0
Workforce development - federal MiSTAIR grant	4,754,000	0
Office of Future Mobility and Electrification	4,000,000	4,000,000
Michigan rehabilitation services - federal disability innovation funds	3,600,000	0
Women's Commission - add'l private and restricted funds	1,100,000	0
MiSTEM advisory council.....	300,000	300,000
MIOSHA property management.....	299,000	0
Office of Global Michigan - language access plan.....	268,700	268,700
Ethnic commissions increase.....	170,000	170,000
Michigan Community Service Commission - private funds.....	160,000	0
Wage and hour program - administrative hearings.....	156,400	0
Women's Commission - transfer 1 FTE from unclassified salaries	131,000	131,000
Total - Labor & Economic Opportunity	\$24,539,100	\$4,869,700
Legislature		
House 5.5% overall increase	\$3,511,400	\$3,511,400
Senate 5.5% overall increase	2,380,800	2,380,800
Legislative auditor general field operations 5.5% overall increase	1,470,600	1,002,200
Legislative council 5.5% overall increase	773,400	773,400
State Capitol historic site general operations 5.5% overall increase	313,800	291,500
Legislative retirement system 5.5% overall increase	299,800	230,000
Senate fiscal agency 5.5% overall increase	226,100	226,100
House fiscal agency 5.5% overall increase	226,100	226,100
State Capitol historic site restoration, renewal, and maintenance 5.5% overall increase	189,100	0
Legislative corrections ombudsman 5.5% overall increase	56,200	56,200
Legislative auditor general unclassified salaries 5.5% overall increase	20,700	20,700
Michigan veterans facility ombudsman 5.5% overall increase	17,600	17,600
Worker's compensation 5.5% overall increase	8,500	8,500
Total - Legislature	\$9,494,100	\$8,744,500
Licensing & Regulatory Affairs		
Michigan saves	\$5,000,000	\$5,000,000
Nursing home state surveyors	1,580,000	1,580,000
CSB technical adjustments	1,068,400	0
Urban search and rescue.....	1,000,000	1,000,000
Marijuana Regulatory Agency staffing	813,700	0
Michigan Liquor Control Commission staffing	600,000	0
Public Service Commission	282,600	0
Utility Consumer Participation Board revenue increase	100,000	0
Total - Licensing & Regulatory Affairs	\$10,444,700	\$7,580,000

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Military & Veterans Affairs		
Armory modernization	\$115,000,000	\$55,000,000
Selfridge Air NG base improvements.....	6,100,000	6,100,000
Michigan veterans facility authority self-sufficiency	6,000,000	6,000,000
NG tuition assistance program - add spouse and children	5,000,000	5,000,000
Grand Rapids home for veterans transition building operations.....	6,456,000	4,065,000
Michigan Veterans Affairs Agency - suicide prevention outreach	1,200,000	1,200,000
Military retirement increased costs	582,000	582,000
Statewide facility security increase	251,400	251,400
Total - Military & Veterans Affairs	\$140,589,400	\$78,198,400
Natural Resources		
State parks repair and maintenance	\$3,100,000	\$0
Align authorization - State park and harbor system authority operations	2,820,000	0
State boating infrastructure maintenance	1,100,000	0
Wetland restoration, enhancement and acquisition.....	1,000,000	0
Local boating infrastructure maintenance and improvements	300,000	0
MiConnect outdoors credit card processing fees.....	300,000	0
Align spending authorization with available revenue from pheasant license fees.....	100,000	0
MiConnect outdoors maintenance and support	50,000	0
Total - Natural Resources	\$8,770,000	\$0
School Aid		
Foundation allowance - increase \$435 (5%)	\$580,000,000	\$0
School lunch - federal share	359,000,000	0
At-risk programs.....	222,000,000	0
Special education cost reimbursement.....	150,000,000	0
Mental health grants and admin.....	50,000,000	0
School safety grants.....	41,000,000	(2,500,000)
Great start readiness.....	33,000,000	0
MPSERS cost offset.....	12,071,000	31,000
Adolescent teen health centers.....	11,000,000	0
ISD vocational ed millage reimbursement	10,810,000	0
Special education - federal IDEA	10,000,000	0
Vocational education.....	10,000,000	0
Great start early childhood block grants	9,500,000	0
MPSERS UAAL rate stabilization payment	9,500,000	0
Student assessments - state share.....	8,000,000	0
Early on	7,100,000	0
MPSERS transition costs.....	4,000,000	0
ISD general operations	3,595,200	0
CTE equipment upgrades	2,500,000	2,500,000
Bilingual education	1,275,000	0
Promise zone payments	1,000,000	0
School aid fund borrowing costs	900,000	0
School lunch - state share	715,000	0
Isolated districts	421,000	0
Total - School Aid.....	\$1,537,387,200	\$31,000
State		
Mobile office expansion of services	\$1,067,300	\$1,067,300
Enhanced driver license processing cost increase.....	1,000,000	0
Security contract cost increase	300,000	0
Fees to local units - pmts to locals increase	0	0
Motorcycle safety education grants - pmts to locals increase	0	0
Total - State	\$2,367,300	\$1,067,300

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
State Police		
FY22 recruit school annualization.....	\$5,670,800	\$5,670,800
FY23 trooper recruit school - one-time	4,694,200	4,694,200
FY23 Trooper recruit school - ongoing	4,545,600	4,545,600
Traffic stop data collection enhancement	3,700,000	3,700,000
Training and professional development	3,000,000	3,000,000
Fleet rate increase	2,069,000	1,942,300
Cyber crime section expansion.....	1,130,900	1,130,900
Recruitment, training, and outreach.....	1,000,000	1,000,000
Align spending authority.....	575,300	0
Justice training grants	0	0
Total - State Police.....	\$26,385,800	\$25,683,800
Technology, Management, & Budget		
Information technology investment fund (ITIF)	\$115,000,000	\$115,000,000
Enterprisewide special maintenance	70,000,000	70,000,000
State fleet electric vehicle transition.....	10,000,000	10,000,000
MiLogin.....	5,000,000	5,000,000
Energy efficiency revolving fund	5,000,000	5,000,000
Cyber security and infrastructure protection	3,070,200	3,070,200
Data Analytics Center	2,000,000	2,000,000
Office space realignment and optimization	1,000,000	1,000,000
Delegated procurement	872,100	0
Central procurement services and IT enhancements	473,300	473,300
Total - Technology, Management, & Budget	\$212,415,600	\$211,543,500
Transportation		
State trunkline road and bridge construction	\$307,119,500	\$0
Transit and rail increases.....	132,323,900	0
Local federal aid road and bridge construction.....	94,400,000	0
County road commissions.....	56,271,700	0
Airport safety improvement program.....	36,885,400	0
Cities and villages	31,374,000	0
Program staffing.....	26,651,300	0
Highway maintenance materials increase	9,950,300	0
Transportation economic development programs	4,349,100	0
Highway maintenance contract services	3,106,900	0
Construction services support contracts	1,788,700	0
Information technology.....	1,725,000	0
Interdepartmental grant adjustments	1,115,000	0
Detroit metropolitan Wayne County airport.....	650,000	0
Traffic signal billing program	400,000	0
Movable bridge.....	305,400	0
Local agency software administration tool.....	206,000	0
Total - Transportation.....	\$708,622,200	\$0
Treasury - Debt Service		
Great Lakes water quality bond	\$878,100	\$878,100
Quality of life bond	153,000	153,000
Total - Treasury - Debt Service.....	\$1,031,100	\$1,031,100

Table 13 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	Gross	GF/GP
Treasury - Operations		
Recreational marihuana grants	\$20,580,000	\$0
Technical adjustments	8,160,300	0
Casino gaming control operations	3,659,400	0
Office of postsecondary financial planning	2,936,100	2,936,100
Casino gaming information technology	1,801,400	0
Flow-through entity tax implementation	1,376,900	1,376,900
Treasury information technology	1,250,000	795,000
Senior citizen cooperative housing	150,000	150,000
Total - Treasury - Operations	\$39,914,100	\$5,258,000
Treasury - Revenue Sharing		
City, village, township revenue sharing	\$26,624,600	\$0
County statutory revenue sharing	23,189,400	0
Emmet county revenue sharing	376,000	0
Total - Treasury - Revenue Sharing	\$50,190,000	\$0
TOTAL - PROGRAM INCREASES	\$6,527,257,700	\$1,663,889,900

Table 14 provides the details of the \$4.2 billion of Gross, and \$1.5 billion of GF/GP funding eliminations in the Governor's FY 2022-23 budget. Of the \$1.5 billion of the GF/GP reductions, \$104.8 million represents the elimination of one-time FY 2021-22 LEO spending for the Strategic Outreach and Attraction Reserve (SOAR) Fund. The details of the \$2.7 billion Gross and \$655.4 million GF/GP funding reductions recommended by the Governor are listed in Table 15. The assumptions of savings from health and aging services redeterminations in the DHHS represent the single largest reduction, recommended at \$704.9 million Gross and \$96.4 million GF/GP. Technical foundation allowance reductions for School Aid represent the next largest reduction recommended at \$361.0 million Gross, and \$0 GF/GP. Many other reduction recommendations are related to COVID-19 program spending in the DHHS.

Table 14

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING ELIMINATIONS		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Agriculture nutrient best management voluntary practices program	(\$25,000,000)	(\$25,000,000)
Agriculture equine industry development fund	(3,200,000)	(3,200,000)
Farm innovation program	(3,180,000)	(3,180,000)
County fairs, shows, and expositions	(1,950,000)	(1,950,000)
Fair food network - double up food bucks	(1,100,000)	(1,100,000)
Local conservation districts	(1,000,000)	(1,000,000)
Bovine TB quarantine - producer reimbursement	(400,000)	(400,000)
Farm stress program	(225,000)	(225,000)
Total - Agriculture & Rural Development	(\$36,055,000)	(\$36,055,000)
Attorney General		
FY 2021-22 one-time removal	(\$1,560,000)	(\$1,560,000)
Total - Attorney General	(\$1,560,000)	(\$1,560,000)
Civil Rights		
FY 2021-22 one-time removal	(\$250,000)	(\$250,000)
Total - Civil Rights	(\$250,000)	(\$250,000)
Corrections		
Removal of FY 22 one-time funding	(\$27,050,000)	(\$27,050,000)
Public works user fees	(1,000,000)	0
DOJ residential substance abuse treatment	(250,200)	0
GASB 84 removal of funding from part 1 for sheriff's coordinating and training office	(100,000)	0
Total - Corrections	(\$28,400,200)	(\$27,050,000)

Table 14 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING ELIMINATIONS		
Budget Area/Program	Gross	GF/GP
Education		
FY 2021-22 one-time child care removal	(\$1,495,863,500)	\$0
FY 2021-22 supplemental removal	(16,000,000)	(6,000,000)
FY 2021-22 one-time before and after school program removal	(3,910,000)	(3,910,000)
Total - Education.....	(\$1,515,773,500)	(\$9,910,000)
Judiciary		
Removal of one-time appropriations.....	(\$1,941,100)	(\$1,941,100)
Total - Judiciary	(\$1,941,100)	(\$1,941,100)
Labor & Economic Opportunity		
Remove FY 2021-22 supplementals	(\$1,176,324,500)	(\$1,021,951,200)
Remove FY 2021-22 one-time funding.....	(375,622,200)	(231,872,200)
UIA benefit claims monitoring	(4,000,000)	(4,000,000)
Total - Labor & Economic Opportunity	(\$1,555,946,700)	\$1,257,823,400)
Legislature		
Removal of FY 22 one-time funding.....	(\$7,542,200)	(\$7,542,200)
Removal of Independent citizens redistricting commission	(3,108,900)	(3,108,900)
Total - Legislature	(\$10,651,100)	(\$10,651,100)
Licensing & Regulatory Affairs		
Marihuana treatment research	(\$20,000,000)	\$0
Total - Licensing & Regulatory Affairs	(\$20,000,000)	\$0
Military & Veterans Affairs		
Grand Rapids home for veterans transition.....	(\$6,456,000)	(\$4,065,000)
Record consolidation and digitization	(2,500,000)	(2,500,000)
Total - Military & Veterans Affairs	(\$8,956,000)	(\$6,565,000)
School Aid		
Year-round schools: one-time HVAC/etc.....	(\$75,000,000)	\$0
Year-round schools: 3% foundation increase.....	(60,000,000)	0
Dissolved district debt.....	(25,500,000)	0
Attendance recovery program	(6,000,000)	(6,000,000)
Imagine learning	(6,000,000)	(6,000,000)
PRIME	(6,000,000)	0
Civics and model government programs	(3,750,000)	(3,750,000)
COOR ISD CTE program	(2,500,000)	0
Boys and girls club.....	(2,000,000)	(2,000,000)
EVAAS.....	(2,000,000)	(2,000,000)
Detroit public TV	(2,000,000)	0
Algebra nation.....	(2,000,000)	(2,000,000)
Navigate 360.....	(1,947,000)	(1,947,000)
Jewish foundation	(1,700,000)	(1,700,000)
K-12 baseline expenditure study	(1,500,000)	(1,500,000)
Special education taskforce.....	(1,500,000)	0
Project SEARCH.....	(1,500,000)	0
Dyslexia tool	(1,000,000)	(1,000,000)
Innovative community libraries	(1,000,000)	0
Teach for America	(1,000,000)	(1,000,000)
Nonpublic school reimbursements	(1,000,000)	(1,000,000)
Chaldean community foundation	(750,000)	(750,000)
Digital literacy program	(500,000)	0
Mi alma - exito educativo	(450,000)	(450,000)
Fitness foundation	(400,000)	(400,000)
Children's choice	(250,000)	(250,000)
Conductive learning	(250,000)	(250,000)
MI-STEM network regions - federal.....	(235,000)	0
Michigan council for women in technology	(150,000)	(150,000)

Table 14 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING ELIMINATIONS		
Budget Area/Program	Gross	GF/GP
School Aid (continued)		
MITES	(\$50,000)	(\$50,000)
Total - School Aid	(\$207,932,000)	(\$32,197,000)
State Police		
Emergency and disaster response and mitigation	(\$45,000,000)	\$0
One-time boilerplate receive and expend for disaster assistance.....	(24,732,400)	0
Lawsuit settlement	(8,500,000)	(8,500,000)
FY22 trooper school - one-time	(4,885,500)	(4,885,500)
Contracts and services	(3,100,000)	(3,100,000)
COVID-19 emergency management performance grants	(2,556,000)	0
Breathalyzer replacement.....	(2,500,000)	(2,500,000)
Total - State Police	(\$91,273,900)	(\$18,985,500)
Technology, Management, & Budget		
Legal services funding	(\$12,300,000)	(\$12,300,000)
Business incentive study	(1,000,000)	(1,000,000)
Statewide PPE stockpile procurement	(1,000,000)	(1,000,000)
Michigan-Indiana border study	(500,000)	(500,000)
Vendor data tracking.....	(300,000)	(300,000)
State innovation waiver actuarial study	(250,000)	(250,000)
Total - Technology, Management, & Budget	(\$15,350,000)	(\$15,350,000)
Transportation		
Supplemental backout PA 133 of 2021	(\$193,236,300)	\$0
Total - Transportation	(\$193,236,300)	\$0
Treasury - Operations		
FY 2021-22 supplemental removal.....	(\$484,000,000)	(\$75,000,000)
FY 2021-22 one-time removal	(43,600,000)	(43,600,000)
Total - Treasury - Operations	(\$527,600,000)	(\$118,600,000)
Treasury - Revenue Sharing		
FY 2021-22 one-time removal	(\$433,000)	(\$433,000)
Total - Treasury - Revenue Sharing.....	(\$433,000)	(\$433,000)
TOTAL FUNDING ELIMINATIONS.....	(\$4,215,358,800)	(\$1,537,371,100)

Table 15

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION
FUNDING REDUCTIONS

Budget Area/Program	Gross	GF/GP
Community Colleges		
Remove FY22 one-time 2% operations increase	(\$3,236,500)	\$0
MPSERS normal cost adjustment.....	(900,000)	0
Indian tuition waiver adjustment.....	(306,500)	0
Total - Community Colleges	(\$4,443,000)	\$0
Environment, Great Lakes, & Energy		
Removal of FY 2021-22 one-time Federal and GF/GP funding	(\$136,675,100)	(\$91,675,000)
CSB technical adjustment.....	(27,700,000)	0
Contaminated site cleanup contingency reserve fund: boilerplate appropriation....	(9,999,900)	(9,999,900)
CSB technical adjustment: payment to locals.....	0	0
Total - Environment, Great Lakes, & Energy	(\$174,375,000)	(\$101,674,900)
Health & Human Services		
Health and Aging Services redetermination resumptions.....	(\$704,937,500)	(\$96,411,300)
Medicaid behavioral health services base and caseload	(154,303,600)	(54,480,500)
One-time: ARP - epidemiology and lab capacity school safety	(150,000,000)	0
Behavioral Health Services redetermination resumptions	(143,671,400)	(39,295,500)
One-time: COVID-19 substance abuse prevention and treatment block grant	(47,124,700)	0
Medicaid Autism services base and caseload	(46,728,500)	(16,575,200)
One-time: removal of long-term care facility supports	(37,500,000)	0
One-time: Environmental health threats response	(36,300,000)	(36,300,000)
One-time: remove Medicare Part D drug program clawback for dual-eligible members.....	(31,574,100)	(31,574,100)
Removal of excess authorization in electronic health records line	(29,477,500)	0
One-time: removal of Michigan Medicaid information system home help payments	(21,000,000)	(2,100,000)
One-time: removal of E-FMAP redetermination compliance	(20,900,700)	(9,240,700)
CSHCS base and caseload	(20,207,500)	(10,027,000)
One-time: ARP - epidemiology and laboratory capacity grant to confinement facilities....	(19,880,000)	0
One-time: Federal mental health block grant.....	(19,652,900)	0
One-time: removal of technology upgrades	(18,000,000)	(2,150,000)
One-time: removal of statewide health information exchange projects	(17,500,000)	(1,750,000)
One-time: removal of CCWIS funding.....	(16,824,200)	(8,748,600)
One-time: COVID-19 epidemiology and lab capacity nursing home and long-term care strike teams	(14,175,900)	0
Healthy Michigan Plan (HMP) behavioral health base and caseload.....	(12,770,700)	(1,277,000)
One-time: removal of Lead Poisoning Prevention Fund	(10,000,000)	(10,000,000)
One-time: COVID-19 epidemiology and lab capacity healthcare associated infection and antibiotic resistant program	(9,860,300)	0
One-time: remove Federal Medicare Pharmaceutical Program costs.....	(8,461,200)	(8,461,200)
One-time: removal of policy and planning administration	(8,375,000)	(5,125,000)
One-time: ARP - epidemiology and lab capacity genomic sequencing	(6,386,600)	0
One-time: removal of northern psychiatric residency program	(5,200,000)	(2,600,000)
One-time: removal of complex medical condition center	(5,000,000)	(5,000,000)
One-time: removal of home health and safety	(5,000,000)	(5,000,000)
One-time: removal of injury control intervention - traumatic brain injury	(5,000,000)	(5,000,000)
One-time: removal of Jail Diversion Fund.....	(5,000,000)	(5,000,000)
Child and adolescent health care and centers.....	(5,000,000)	0
One-time: removal of hospital behavioral health pilot program	(4,500,000)	(4,500,000)
One-time: removal of multicultural integration funding	(4,400,000)	0
Adoption Subsidies base and caseload	(4,146,400)	(10,055,100)
One-time: removal of narcotics awareness program	(4,000,000)	(4,000,000)
Family Independence Program Base and Caseload	(3,738,200)	0
Aging and adult services administration	(3,554,200)	(3,554,200)
Food Assistance Program reinvestment adjustment	(3,551,500)	(3,551,500)
Electronic benefit transfer	(3,300,000)	0

Table 15 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Health & Human Services (continued)		
One-time: ARP - Data modernization	(\$3,300,000)	\$0
One-time: removal of hospital infrastructure improvements	(2,826,000)	(2,826,000)
State Supplementation base and caseload	(2,807,100)	(2,807,100)
One-time: COVID-19 elder justice - aging and field services	(2,629,800)	0
One-time: removal of first responder and public safety staff mental health	(2,500,000)	(2,500,000)
Family Support Subsidy base and caseload	(1,637,300)	0
One-time: removal of nurse practitioner expansion program	(1,573,000)	(1,573,000)
One-time: ARP - homeless service sites and congregate living facilities	(1,439,300)	0
Federal authorization adjustment for rural health services	(1,380,500)	0
One-time: removal of community-based coverage entity	(1,000,000)	(1,000,000)
One-time: removal of primary care and wellness services	(1,000,000)	(1,000,000)
One-time: removal of Special Olympics capital improvement project	(1,000,000)	(1,000,000)
One-time: ARP - maternal, infant, and early childhood home visiting program	(893,200)	0
One-time: removal of unified clinics resiliency center for families and children	(750,000)	(750,000)
One-time: COVID-19 epidemiology and lab capacity special projects	(649,400)	0
One-time: removal of behavioral health patient health information tool	(600,000)	(600,000)
One-time: Behavioral health substance use disorder pilot	(600,000)	(600,000)
One-time: COVID-19 housing opportunities for persons with AIDS	(549,100)	0
One-time: removal of kids' food basket	(525,000)	(525,000)
One-time: removal of human trafficking victims inclusive services grant program	(500,000)	(500,000)
State Disability Assistance base and caseload	(452,800)	(452,800)
One-time: removal of dementia unit	(400,000)	(400,000)
One-time: removal of healthy communities grant	(300,000)	(300,000)
One-time: removal of special residential care facility	(300,000)	(300,000)
One-time: removal of free health clinics	(250,000)	(250,000)
One-time: removal of substance abuse community and school outreach	(250,000)	(250,000)
Marihuana Revenue Adjustment	(200,500)	0
One-time: removal of nonprofit mental health clinics	(200,000)	(200,000)
One-time: removal of senior citizen center program grants	(150,000)	(150,000)
One-time: Mental health crisis services	(100,000)	(100,000)
One-time: removal of legal assistance	(20,000)	(20,000)
State restricted fund authorization for SSI/foster care recipients	0	(2,000,000)
Total - Health & Human Services	(\$1,697,785,600)	(\$401,880,800)
Higher Education		
Remove FY22 one-time MPERS obligation paydown	(\$84,741,700)	(\$84,741,700)
Remove FY22 one-time 2% operations increase	(15,258,300)	(15,258,300)
MPERS UAAL stabilization payment adjustment	(13,425,000)	0
Restrict TIP pymts to universities to 2.5x average comm. col. tuition	(6,100,000)	0
Remove FY22 one-time funding for Japan Center for MI Universities	(500,000)	(500,000)
Indian tuition waiver adjustment	(344,700)	(344,700)
MPERS normal cost adjustment	(90,000)	0
Total - Higher Education	(\$120,459,700)	(\$100,844,700)
Judiciary		
Judgeship changes	(\$212,100)	(\$212,100)
Total - Judiciary	(\$212,100)	(\$212,100)
Labor & Economic Opportunity		
Reduce state restricted and fed. funds to align with projected revenue	(\$17,620,900)	\$0
Pure Michigan - replace \$20M ARP with \$5M GF/GP	(15,000,000)	5,000,000
Shift MI Reconnect staff cost adjustments to defined calculations	(45,100)	(45,100)
Total - Labor & Economic Opportunity	(\$32,666,000)	\$4,954,900

Table 15 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Licensing & Regulatory Affairs		
Michigan saves	(\$1,500,000)	(\$1,500,000)
Nursing facility infection control surveys.....	(1,100,000)	(1,100,000)
Urban search and rescue	(1,000,000)	(1,000,000)
Renewable natural gas study	(250,000)	(250,000)
Total - Licensing & Regulatory Affairs	(\$3,850,000)	(\$3,850,000)
Natural Resources		
Removal of FY 2021-22 one-time Federal and GF/GP funding	(\$8,495,800)	(\$2,495,800)
Eliminate State park improvement revenue bond debt service appropriation.....	(1,201,800)	0
Align spending authorization - youth hunting and fishing education and outreach fund.....	(52,200)	0
Total - Natural Resources	(\$9,749,800)	(\$2,495,800)
School Aid		
Foundation allowance - technical adjustment	(\$361,000,000)	\$0
Wraparound services staffing	(120,000,000)	0
Special education Headlee	(23,400,000)	0
Special education foundations and sped.....	(8,700,000)	0
MPERS normal cost offset	(5,310,000)	(10,000)
Special ed non sec 52 to ISDs	(1,400,000)	0
Flint declaration of emergency	(1,384,900)	(1,384,900)
Renaissance zone reimbursement	(1,300,000)	0
Total - School Aid.....	(\$522,494,900)	(\$1,394,900)
State		
Branch operations.....	(\$1,179,400)	\$0
Departmental operations	(600,000)	0
Legal services operations	(396,600)	0
Central operations	(358,500)	0
IT services and projects.....	(195,800)	0
Total - State	(\$2,730,300)	\$0
State Police		
Secondary road patrol	(\$2,000,000)	(\$2,000,000)
Total - State Police	(\$2,000,000)	(\$2,000,000)
Technology, Management, & Budget		
Advanced persistent cyber threat	(\$20,000,000)	(\$20,000,000)
Other CSB technical adjustments.....	(18,982,500)	0
Information technology investment fund (ITIF).....	(15,000,000)	(15,000,000)
Coronavirus response activities funding.....	(5,000,000)	0
Energy efficiency revolving fund.....	(5,000,000)	(5,000,000)
Longitudinal data study.....	(2,750,000)	(2,750,000)
PPE warehouse operations costs.....	(1,700,000)	(1,700,000)
Building operations - security services	(200,000)	(1,500,000)
Career readiness grant.....	(100,000)	0
Total - Technology, Management, & Budget	(\$68,732,500)	(\$45,950,000)
Transportation		
Debt service reductions	(\$28,343,100)	\$0
Local bridge fund revenue adjustment	(831,000)	0
Total - Transportation	(\$29,174,100)	\$0
Treasury - Debt Service		
Clean Michigan initiative.....	(\$11,000)	(\$11,000)
Total - Treasury - Debt Service	(\$11,000)	(\$11,000)
Treasury - Revenue Sharing		
Constitutional revenue sharing	(\$21,000,200)	\$0
Total - Treasury - Revenue Sharing.....	(\$21,000,200)	\$0
TOTAL - PROGRAM REDUCTIONS	(\$2,689,684,200)	(\$655,359,300)

The details of the net increase of \$14.3 million in fund shifts that increase and decrease GF/GP appropriations are listed in Table 16. The largest fund shift amount, \$447.3 million, is in the DHHS to replace enhanced Federal Medicaid Assistance Percentages (FMAP) dollars with GF/GP because of the assumed expiration of the enhancement. Partially offsetting this GF/GP cost increase in the DHHS is a savings assumption of \$298.2 million for health and aging services redeterminations.

Table 16

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUND SHIFTS TO INCREASE/(REDUCE) GF/GP	
Budget Area/Program	GF/GP
Agriculture & Rural Development	
Agriculture development.....	\$0
Total - Agriculture & Rural Development.....	\$0
Civil Rights	
Americans with disabilities act fund shift.....	\$298,900
Total - Civil Rights.....	\$298,900
Corrections	
Program and special equipment fund.....	\$14,805,900
Total - Corrections	\$14,805,900
Education	
Child development and care matching fund shift	\$624,200
Total - Education	\$624,200
Health & Human Services	
FY23 E-FMAP Reversal: FMPP	\$42,000,000
CSHCS parent participant revenue	(500,000)
Restricted fund adjustments	22,000,000
Healthy Michigan Plan IPA fund shift	5,527,300
Backout remaining FMAP savings for HCBS	950,000
FY22 E-FMAP: Behavioral Health Services	(97,484,000)
FY22 E-FMAP: Health and Aging Services	(298,199,600)
FY22 E-FMAP: Child Welfare.....	(7,432,300)
FY22 E-FMAP: State Psychiatric Hospitals.....	(1,267,200)
FY22 E-FMAP: CHIP Healthy Homes Program	(524,000)
FY22 E-FMAP: CSHCS.....	(7,379,200)
FY23 E-FMAP Reversal: Behavioral Health Services.....	145,926,000
FY23 E-FMAP Reversal: Health and Aging Services	447,299,400
FY23 E-FMAP Reversal: Child Welfare	11,353,800
FY23 E-FMAP Reversal: CSHCS	11,608,800
FY23 E-FMAP Reversal: Healthy Homes Program CHIP	786,000
FY23 E-FMAP Reversal: State Psychiatric Hospitals	1,900,800
FY23 FMAP: Behavioral Health Services and 13.2% retainer payments	25,341,700
FY23 FMAP: Healthy Homes Program CHIP (75.30% from 75.84%)	131,000
FY23 FMAP: Health and Aging Services	73,281,000
FY23 FMAP: Child Welfare	1,990,800
FY23 FMAP: CSHCS	1,818,900
FY22 HCBS FMAP	950,000
FY23 FMAP: State Psychiatric Hospitals	492,100
FY22 E-FMAP: FMPP	(28,000,000)
Total - Health & Human Services.....	\$352,571,300
Insurance & Financial Services	
Multiple employer welfare arrangement fund to insurance bureau fund	\$0
Consumer services and protection and insurance evaluation	0
Total - Insurance & Financial Services	\$0
Judiciary	
Foster care review board.....	\$55,000
Total - Judiciary	\$55,000

Table 16 - continued

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION FUND SHIFTS TO INCREASE/(REDUCE) GF/GP	
Budget Area/Program	GF/GP
Labor & Economic Opportunity	
MI Reconnect - talent investment fund to GF/GP	\$5,000,000
Total - Labor & Economic Opportunity	\$5,000,000
Licensing & Regulatory Affairs	
Bureau of Fire Services.....	\$0
Corporations, securities, and commercial licensing	0
Deaf interpreter program	0
Administrative hearings and rules	0
Marihuana operation and oversight grants.....	0
Medical and adult-use marihuana grants	0
Total - Licensing & Regulatory Affairs.....	\$0
Military & Veterans Affairs	
Michigan veterans facility authority GF to Medicaid fund shift	(\$6,000,000)
Michigan veterans facility authority restricted to VHA fund shift	0
Total - Military & Veterans Affairs	(\$6,000,000)
School Aid	
First robotics	(\$600,000)
Technical fix for payments to locals	0
Discretionary payment.....	6,031,100
Total - School Aid.....	\$5,431,100
Technology, Management, & Budget	
Statewide cost allocation plan adjustments.....	(\$23,400)
State building authority rent adjustments	0
Total - Technology, Management, & Budget	(\$23,400)
Transportation	
Freight property management	\$0
Total - Transportation	\$0
Treasury - Operations	
Collections fund source adjustment	\$0
Total - Treasury - Operations	\$0
TOTAL - GF/GP FUND SHIFTS	\$372,763,000

The Governor's FY 2022-23 budget recommendation includes various other changes from FY 2021-22, including program transfers, and adjustments for unclassified salaries and economic factors. Table 17 presents program transfers that result in a \$1.5 million Gross (\$0 GF/GP) impact.

Table 17

FY 2021-22 GOVERNOR'S APPROPRIATION RECOMMENDATION PROGRAM TRANSFERS		
Budget Area/Program	Gross	GF/GP
<u>Lottery IT (11.0 FTEs)</u>		
From: Department of Technology, Management, and Budget	(1,459,300)	0
To: Department of Treasury.....	0	0
<u>MiSTEM Advisory Council</u>		
From: School Aid	(300,000)	(300,000)
To: Department of Labor and Economic Opportunity	300,000	300,000
TOTAL PROGRAM TRANSFERS	(\$1,459,300)	\$0

Table 18 outlines the Governor's FY 2022-23 Gross and GF/GP changes by budget area for unclassified salaries and economic factors. The Governor recommends a Gross increase of \$1.1 million (\$516,900 GF/GP) for unclassified salaries, and economic adjustments are recommended to reduce spending by \$193.3 million Gross and increase by \$104.8 million GF/GP.

Table 18

FY 2022-23 GOVERNOR'S APPROPRIATION RECOMMENDATION GROSS AND GF/GP CHANGES FOR UNCLASSIFIED SALARIES AND ECONOMIC FACTORS				
Department/Budget Area	Unclassified Salaries		Economics	
	Gross	GF/GP	Gross	GF/GP
Agriculture & Rural Development	\$34,000	\$34,000	\$1,680,800	\$1,173,900
Attorney General.....	46,900	46,900	2,477,200	976,800
Civil Rights	41,100	41,100	324,500	284,300
Corrections.....	111,700	111,700	42,010,500	41,498,300
Education	56,300	43,300	2,015,600	575,900
Environment, Great Lakes, & Energy	47,000	12,100	4,682,000	1,165,300
Executive	77,100	77,100	312,900	312,900
Health & Human Services.....	69,700	47,100	47,982,600	21,391,200
Insurance & Financial Services	46,700	0	1,301,200	0
Judiciary	0	0	7,675,100	7,326,400
Labor & Economic Opportunity.....	106,400	(103,900)	9,635,100	1,032,300
Licensing & Regulatory Affairs.....	145,600	1,800	6,025,200	665,800
Military & Veterans Affairs	88,800	88,800	2,441,200	1,134,000
Natural Resources	46,800	0	6,134,000	897,600
School Aid.....	0	0	268,200	229,800
State.....	39,100	39,100	4,423,600	204,600
State Police.....	29,000	16,800	25,877,700	21,553,200
Technology, Management, & Budget	53,500	23,800	11,642,600	3,220,000
Transportation.....	47,000	0	9,934,600	0
Treasury (Operations).....	62,100	37,200	6,430,800	1,131,100
TOTAL CHANGES	\$1,148,800	\$516,900	\$193,275,400	\$104,773,400

SUMMARY OF MAJOR SCHOOL AID APPROPRIATION CHANGES

Overall, for FY 2022-23, the Governor is recommending a Gross appropriation increase of \$1,377.9 million compared with current law, or an \$975.1 million decrease compared with a recommended supplemental level of spending for FY 2021-22. The recommendation increases GF/GP support of the budget by \$22.8 million, from \$85.4 million in current law to \$108.2 million in FY 2022-23, increases Federal funds by \$166.8 million, and increases State restricted appropriations by \$1,188.4 million.

Foundation Allowance - Additional \$290.0 Million

The Governor is recommending an increase of \$435 per pupil, increasing the target foundation allowance from \$8,700 to \$9,135, a 5.0% increase. The proposal eliminates any reference to the minimum foundation allowance, and provides that all districts would receive at least the target foundation allowance in FY 2022-23, except for 100% online cyber schools (i.e., those public school academies that were issued a contract under the Revised School Code to operate as a school of excellence that is a cyber school), which receive \$8,700 per pupil. The total cost of the proposal is \$580.0 million.

Mental Health and School Safety - \$177.0 Million

The Governor is recommending \$150.0 million to expand the TRAILS program statewide, \$50.0 million for grants to intermediate school districts (ISDs) to hire mental health professionals, \$25.0 million for districts to purchase mental health screening tools, \$11.0 million for school-based health clinics, and \$5.0 million specialized mental health needs. The request also reduces the appropriation for wraparound services staffing from \$240.0 million to \$120.0 million. The Governor is proposing an increase for school safety grants of \$41.0 million and \$15.0 million for Cross-System Interventions, a pilot program to identify and help middle and high school students at risk of committing acts of violence.

School Infrastructure - \$171.0 Million

The Governor is proposing \$170.0 million from a new school infrastructure fund, and \$1.0 million of GF/GP for administration of the program. The appropriation would be used for grants to districts to support capital and infrastructure projects. The supplemental request for FY 2021-22 deposits \$1.0 billion from the SAF into the new School Infrastructure Fund (which would be a separate account within the SAF), and the intent is for the Legislature to appropriate \$170.0 million annually through FY 2027-28.

Educator Recruitment and Retention - \$150.0 Million

The Governor is recommending \$100.0 million for the Michigan Future Educator Fellowship. The program would provide tuition reimbursement for students seeking to become PreK-12th grade teachers. The Governor also recommends \$50.0 million for educator onboarding programs, which would provide funding to districts for onboarding and mentoring programs for new teachers.

At Risk, Additional Special Education Reimbursement, Bilingual Education, ISD Operations, and Isolated/Rural Districts - Additional 2.0% Each

The Governor is proposing to increase funding for at-risk programs by \$222.0 million, which would allow all districts to receive 11.5% of the target foundation allowance under the program. The Governor also is proposing to increase the special education cost reimbursement rate from 3.0% to 8.0%, at a cost of \$150.0 million. The recommendation would increase bilingual education, ISD operational funding, and isolated/rural district funding, by 5.0% in each categorial. Those costs translate to increases of \$3.6 million for ISD operations, \$1.3 million for bilingual education, and \$421,000 for isolated/rural districts.

Great Start Readiness Program (GSRP) - Additional \$32.2 Million

The Governor is proposing to increase the full-day payment from \$8,700 per child in GSRP to \$9,135 per child, which is the same as the proposed target foundation allowance for K-12 pupils. The Governor also removes \$121.0 million of Federal ARPA funds and replaces it with SAF. Funding is proposed to expand enrollment efforts for early childhood program (\$7.5 million), a GSRP home pilot program (\$5.0 million), and to expand home visitation programs (\$2.0 million).

Other Major Increases

The Governor is recommending \$50.0 million to fund before- and after-school programs for students in grades K-12. The Governor also increases the Michigan Public School Employees' Retirement System (MPERS) cost offset by \$12.1 million to allow ISDs and libraries to offset costs at the same rate as districts. Other cost adjustments to MPERS would increase total costs by \$8.2 million. Federal payments for school lunches are increased \$359.0 million and funding for vocational and career and technical education (CTE) programs are increased \$23.3 million.

Program Reductions or Eliminations

The Governor is proposing the elimination of several items. Some of the larger changes would include \$135.0 million eliminated for year-round schools, \$25.5 million for dissolved district debt, \$6.0 million for attendance recovery, and \$6.0 million for Imagine Learning. The Governor removed \$4.1 million from various sections to remove funding from nonpublic schools. In addition, technical foundation allowance costs are reduced \$361.0 million because of declining enrollment and growth in local taxable values (which increase the local cost sharing of the foundation allowance and decrease State costs).

Table 19

FY 2022-23 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION K-12 SCHOOL AID APPROPRIATION CHANGES (millions of dollars)	
FY 2021-22 Year-to-Date Gross Appropriations.....	\$16,978.1
FY 2022-23 Governor's Recommended Gross Appropriations.....	18,356.0
Net Change in School Aid Appropriations.....	\$1,377.9
Recommended Appropriations for New Programs:	
School infrastructure	\$171.0
TRAILS	150.0
Michigan Future Educator Fellowship.....	100.0
Educator onboarding programs	50.0
Before and after school programs.....	50.0
Universal mental health screenings	25.0
Cross-system interventions.....	15.0
Specialized mental health needs	5.0
GSRP home pilot	5.0
Subtotal Appropriation New Programs.....	\$571.5
Recommended Appropriation Increases in Existing Programs:	
Foundation allowance: \$435 increase - 5%	\$580.0
School lunch	359.7
At risk - full funding	222.0
Special education - increase 3% to 8%	150.0
Mental health grants and admin.....	50.0
School safety grants	41.0
Great Start Readiness Program per-slot payment.....	33.0
Vocational education and CTE	23.3
MPERS Cost Offset - ISDs and libraries	12.1
Adolescent teen health centers.....	11.0
Federal grants.....	10.0
Great Start Early Childhood Block Grants	9.5
Michigan Public School Employees' Retirement System (MPERS)	8.2
Student assessments - increased costs	8.0
Early On - 50% increase	7.1
ISD general operations - 5% increase	3.6
Bilingual education - 5% increase.....	1.3
Promise Zone reimbursement.....	1.0
Cash flow borrowing costs	0.9
Isolated districts - 5% increase	0.4
Center for Educational Performance and Information (CEPI).....	0.2
School bus inspection program.....	0.0
Subtotal Appropriation Increases in Existing Programs.....	\$1,532.3

Table 19 - continued

FY 2022-23 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION K-12 SCHOOL AID APPROPRIATION CHANGES (millions of dollars)	
Recommended Appropriation Eliminations or Reductions:	
Technical foundation allowance cost adjustments (pupils, taxable values)	(\$361.0)
Wraparound services staffing	(120.0)
Year-round schools: One-Time HVAC/etc.	(75.0)
Year-round schools: 3% foundation increase	(60.0)
Special education - technical cost adjustments	(33.5)
Inkster debt	(25.5)
PRIME	(6.0)
Attendance recovery program.....	(6.0)
Imagine Learning	(6.0)
Civics and model government programs	(3.8)
COOR ISD CTE program.....	(2.5)
Boys and Girls Club	(2.0)
Value-added growth and projection analytics (EVAAS).....	(2.0)
Detroit Public TV	(2.0)
Algebra Nation	(2.0)
Navigate 360.....	(1.9)
Jewish Foundation	(1.7)
K-12 baseline expenditure study.....	(1.5)
Special education taskforce	(1.5)
Project SEARCH.....	(1.5)
Flint declaration of emergency - early childhood collaborative	(1.4)
Renaissance Zone reimbursement	(1.3)
Dyslexia tool.....	(1.0)
Innovative community libraries.....	(1.0)
Teach for America.....	(1.0)
Nonpublic school reimbursements.....	(1.0)
Chaldean Community Foundation	(0.8)
Digital literacy program	(0.5)
Mi Alma - Exito Educativo	(0.5)
Fitness Foundation	(0.4)
MI-STEM Council supports	(0.3)
Children's Choice	(0.3)
Conductive learning	(0.3)
MI-STEM network regions - Federal	(0.2)
Michigan Council for Women in Technology.....	(0.2)
MITES	(0.1)
Subtotal Appropriation Eliminations or Reductions	(\$725.4)
TOTAL RECOMMENDED APPROPRIATION CHANGES	\$1,377.9

SUMMARY OF OTHER MAJOR FY 2022-23 APPROPRIATION ISSUES

Capital Outlay

The Governor's FY 2022-23 budget recommendation does not include any new planning authorizations for State agencies, universities, or community colleges. However, the university and community college priority project scoring process, which had been paused for FY 2021-22, has resumed and has been completed by the State Budget Office.

Community Colleges

The Governor's budget recommendation includes a \$16.2 million, or 5.0%, ongoing SAF increase for community college operations, and an additional \$16.2 million, 5.0%, one-time SAF increase, both using the existing performance funding formula. The amounts that were separately identified and appropriated for the reimbursement of costs incurred under the North American Indian Tuition Waiver (ITW) were reduced by \$306,500 to reflect the most recent ITW cost data. The Governor also proposes a net increase of \$9.8 million for MPERS-related adjustments, which would bring the total MPERS amounts appropriated in the Community Colleges budget to \$110.4 million. Details are included in the Appendices - Governor's Recommendation Highlight Sheets.

Included with the FY 2022-23 budget recommendation is a FY 2021-22 supplemental request for \$58.5 million GF/GP for infrastructure, technology, equipment, and maintenance. These funds would be distributed proportionately based on the number of full-year equated students (FYES) at each college during FY 2020-21.

Higher Education and Financial Aid

The Governor's budget recommendation for Higher Education includes a \$76.3 million, or 5.0%, ongoing GF/GP increase for university operations, and an additional \$76.3 million, 5.0%, one-time GF/GP increase distributed proportionately to ongoing FY 2021-22 operations funding. An additional \$12.7 million GF/GP also was included for the five universities with the lowest State funding per FYES, an amount that is intended to increase for four years to eventually bring the lowest-funded universities up to \$4,500 per FYES. The amounts that were separately identified and appropriated for the reimbursement of costs incurred under the ITW were reduced by \$344,700 to reflect the most recent ITW cost data. Tuition restraint for resident undergraduate students is recommended at the greater of a 5.0%, or \$722, increase. Ongoing MPERS reimbursements and hold-harmless payments would be decreased by \$13.5 million, from \$18.2 million to \$4.7 million.

The Tuition Incentive Program (TIP) would be decreased by \$6.1 million to reflect a proposed boilerplate change that would restrict Phase I payments to 2.5 times the average in-district tuition at community colleges resulting in a projected savings of \$6.1 million. The Governor's proposal for TIP would reduce appropriations for the program from \$71.3 million to \$65.2 million. Additional Higher Education funding details are included in the Appendices - Governor's Recommendation Highlight Sheets.

Finally, the Governor included \$55.0 million for the Michigan Reconnect Program in the LEO budget. This amount is unchanged from FY 2021-22, but the Recommendation does include a fund shift of \$5.0 million for the program from the Talent Investment Fund to GF/GP, making the FY 2022-23 amount entirely GF/GP.

Included with the FY 2022-23 budget recommendation is a FY 2021-22 supplemental request for \$141.5 million GF/GP for infrastructure, technology, equipment, and maintenance. These funds would be distributed proportionately based on the number of full-year equated students at each university during FY 2020-21.

Department of Labor and Economic Opportunity

The Governor's budget recommendation for LEO includes several one-time General Fund items totaling \$605.7 million for various workforce and economic development purposes. These include \$230.0 million for Transformational Education Infrastructure, which would provide one or more universities with resources to improve medical education, health sciences, and electric vehicle teaching, training, and development; \$200.0 million to be available as matching funds for regional empowerment programs; \$75.0 million for a competitive grant program for projects that promote Michigan's cultural diversity and natural beauty; \$20.0 million to fill identified talent gaps and other workforce issues; \$15.0 million to remove barriers to employment for low-income residents; \$15.0 million to attract international businesses and start-ups to Michigan; \$15.0 million to help young people to connect with employers and participate in skill-building programs; \$11.0 million to assist local land banks with property renovation, and to use paid apprentices to assist on those jobsites; \$10.0 million for marketing to promote public sector employment and to help fill nursing, teaching, police, firefighting, and other critical jobs; and \$10.0 million for a statewide pre-apprenticeship program.

Other items of note in the FY 2022-23 budget recommendation for LEO include retention of Michigan Reconnect Program funding at \$55.0 million; \$20.0 million General Fund for continued funding of the Pure Michigan campaign; and \$41.5 million for continued funding of the Going Pro program.

Included with the FY 2022-23 recommendation for LEO is a FY 2021-22 supplemental appropriation request for a \$500.0 million General Fund deposit into the SOAR Fund. This deposit would be accessible for expenditure only upon another supplemental appropriation bill, or legislative transfer into an appropriate budget line item. These funds would be in addition to the \$1.0 billion deposited into the SOAR Fund under Public Act 132 of 2021. The Governor also requested the following FY 2021-22 supplemental items: \$59.9 million in Federal Community Development Block Grant funds for disaster recovery related to the dam failure and flooding disaster in mid-Michigan in May 2020; \$25.0 million General Fund for the Mobility Futures Initiative; \$9.0 million from the Penalty and Interest Account and 52.0 FTEs to support limited-term staff for the Unemployment Insurance Agency (UIA) for enhanced fraud enforcement; \$500,000 and 3.0 FTEs for temporary staff to assist with case backlogs in the Workers' Disability Compensation Agency Board of Magistrates; and 3.0 FTEs for the Bureau of Services for Blind Persons for the Pre-Employment Transition Services program.

Department of Environment, Great Lakes, and Energy

Use of General Funds

The Governor's budget recommendation for the Department of Environment, Great Lakes, and Energy (EGLE) includes several one-time GF/GP items totaling \$155.2 million; \$48.0 million for community technical, managerial, and financial support for lead line replacement that would be used to provide grants to communities in the State for lead service line replacement and to perform water treatment upgrades; \$36.4 million for Infrastructure Investment and Jobs Act (IIJA) funds for water infrastructure improvements that would be used to meet the Federal match requirements for the Water State Revolving Fund program that would ensure the State can use Federal funds allocated to Michigan for the next two fiscal years; \$34.3 million for high water infrastructure grants to provide grants to local communities to support their needs related to high water levels, resiliency planning, and infrastructure needs; \$20.0 million for contaminated site cleanup rapid response fund to support remediation at new sites that arise throughout the year and are designated by the Department as high-risk; \$9.2 million for safe drinking water enforcement and monitoring to improve water oversight, enforcement, accelerated issuance of permits, and support for local health departments that perform water monitoring and testing; \$4.4 million for reducing air permit application wait times and improving air quality monitoring; and \$2.9 million for grants and records management to increase efficiency, transparency, and public access through improved digitization.

Other items of note in the Governor's FY 2022-23 budget recommendation for EGLE include new boilerplate Section 801, which would designate this year's \$69.0 million for the Renew Michigan funding as a work project appropriation, and \$30.2 million in mostly restricted funds for legacy contamination cleanup to provide resources to identify, assess, and clean up contaminated sites.

Use of IJA Federal Funding

The Governor's FY 2022-23 budget recommendation includes a total of \$269.2 million in IJA Federal funding for the following: \$214.0 million for the Water State Revolving Funds to support loans, grants, and direct funding to local communities for water infrastructure; \$31.0 million in funding and 2.0 FTEs for the State orphan well program to build on the State's current efforts by supporting the identifying, sealing, and remediation of sites throughout the State; \$23.0 million in funding and 5.0 FTEs for energy efficiency grants to provide support to local communities and businesses in implementing infrastructure and policies that are energy efficient; and \$1.2 million in funding and 4.0 FTEs for water infrastructure loans and to help with the administration of the loan programs.

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Included with the Governor's FY 2022-23 budget recommendation for EGLE was a supplemental appropriation totaling \$6.5 million in State restricted funds for the Materials Management Division. The remaining funds in the Energy Efficiency and Renewable Energy Revolving Loan Fund date back to the American Recovery and Investment Act of 2009. While originally spent as Federal funds, the loan repayments are being requested for repurposing. Funding would be used to provide grants for community energy management, clean energy manufacturing, energy policy implementation, compliance, and benefits to public safety.

Department of Health and Human Services

Governor Whitmer's proposed FY 2022-2023 budget for the DHHS increases funding by \$1.5 billion Gross and \$1.0 billion GF/GP when compared to the year-to-date FY 2021-22 DHHS budget (which includes supplemental funding from PA 133 of 2021).

The proposed budget has broad and large investments, with the majority of them being one-time in nature. In addition to the investments, there are continued adjustments tied to rising caseloads, in particular for FAP.

Base, Caseload, and Fund Source Adjustments

The base Medicaid match rate will decrease from 65.48% to 64.71% in FY 2022-23, increasing costs by \$101.6 million GF/GP. In FY 2022-2023, the match rate for the State Children's Health Insurance Program (SCHIP) will decrease from 75.84% to 75.30%, for a cost of \$1.4 million GF/GP. General Fund/General Purpose costs are projected to increase by \$22.0 million due to decreasing Restricted revenues available from the Medicaid Benefits Trust Fund, and the Healthy Michigan Fund. The total impact of these fund source adjustments is an increase in GF/GP costs of \$125.0 million.

The Governor's budget assumes an increase in base and caseload Medicaid costs of \$91.2 million Gross and \$2.4 million GF/GP. The budget also includes a number of base and caseload adjustments to human services programs, most notably a \$1.2 billion Gross increase (all Federal) in Food Assistance, an increase in Child Care Fund costs of \$3.5 million Gross and \$15.8 million GF/GP, and a decrease in Family Independence Program of \$3.7 million Gross and \$0 GF/GP. The net impact of Human Services base and caseload adjustments is an increase of \$1.2 billion Gross and \$15.4 million GF/GP.

The budget includes various adjustment to reflect the Federal requirement that Medicaid managed care reimbursement rates be actuarially sound. These include a 3.0% increase for Medicaid behavioral health, a 2.0% increase for Medicaid physical health, a 2.0% increase for Medicaid autism

services, and a 2.5% increase in payment rates for the Program for All-Inclusive Care for the Elderly (PACE). The total impact of these changes is an increase of \$340.7 million Gross and an increase of \$88.4 million GF/GP.

Additionally, the budget includes savings of \$848.6 million Gross and \$135.7 million GF/GP resulting from the resumption of eligibility redeterminations upon the expiration of the declaration of the public health emergency in March 2022.

The total impact of these fund source, base and caseload, and actuarial soundness adjustments is an increase of \$783.3 million Gross and \$95.5 million GF/GP.

Program Increases

The Governor's budget includes program increases that total \$1.06 billion Gross and \$771.3 million GF/GP. The ongoing portion of these increases total \$516.2 Gross and \$247.8 million GF/GP.

The largest ongoing program increase would be the Medicaid and HMP dental program redesign. The proposed redesign includes two pieces: a restructuring of the dental benefit (contract rebid and consolidation of Medicaid dental benefit groups) and a reimbursement rate increase for dental procedures completed at outpatient hospitals and ambulatory surgical centers. The total recommendation included in the Governor's recommendation for the dental program redesign is \$247.6 million Gross and \$69.8 million GF/GP with a \$243.3 million Gross and \$68.6 million GF/GP for the benefit restructure.

Another ongoing investment request is the behavioral health capacity and access initiative. This initiative has both an ongoing and one-time portion. The total ongoing amount is \$69.3 million Gross and \$54.9 million GF/GP. The ongoing expenses include \$750,000 Gross and GF/GP for oversight of community-based treatment, with 5.0 FTEs, \$22.0 million Gross and GF/GP to operate two additional units at the Hawthorn Center and a new Center for Forensic Psychiatry satellite facility, \$16.8 million Gross and \$2.5 million GF/GP for the expansion of Medicaid behavioral health homes to new counties, and \$29.7 million Gross and GF/GP to access private inpatient community-based services and oversee placement within those programs.

The final large ongoing request in the Governor's Recommendation is a \$2.35-per-hour wage increase to nonclinical workers in nursing homes at a cost of \$60.0 million Gross and \$34.9 million GF/GP. This is an annualization of funding included in the Governor's FY 2021-22 supplemental request.

The Governor's Recommendation includes a request for a large increase in one-time funding. The total one-time funding request is \$543.9 million Gross and \$523.5 million GF/GP. The largest one-time program is \$325.0 million Gross and GF/GP for the construction of a new psychiatric hospital that would replace the Hawthorn Center and the Walter P. Reuther Hospital. The new facility will have a capacity of 260 beds, which is an increase of 45 beds over the existing two facilities. One additional investment in the behavioral health area is \$25.0 million Gross and GF/GP to provide loan assistance payments through the Michigan State Loan Repayment Program to behavioral health practitioners working in Federally designated health professional shortage areas.

There is \$50.0 million Gross and GF/GP to implement the recommendations from the Governor's Food Security Council that was established in Executive Order 2020-167. The final report of the Food Security Council is not yet available, so it is not yet known what the funding would accomplish. Another large one-time increase is \$40.0 million Gross and GF/GP for minor home and plumbing repairs for individuals with an income below 200% of Federal poverty level guidelines.

Enhanced FMAP

The Governor's budget assumes that the 6.2% enhancement in the base Medicaid match rate, which will last as long as the Federal COVID-19 emergency lasts, will continue through at least March 2022. This assumption results in a cost of \$660.9 million GF/GP compared to the current FY 2021-22 budget as the current budget only assumes the enhancement through December 2021. The actual savings from the enhancement would be in the range of \$250.0 million GF/GP per calendar quarter. The quarterly savings are reflected in the Governor's proposed FY 2021-22 supplemental for the Department, which reflects an additional three calendar quarters of the enhanced match rate for a savings of \$440.3 million GF/GP.

Program Enhancements and Other Cost Increases

The budget includes several program enhancements and cost increases. The budget proposes several initiatives dealing with child welfare. The budget includes ongoing funding of \$46.7 million Gross and GF/GP for three increases: \$33.7 million Gross and \$13.3 million GF/GP to increase foster care family maintenance payments, \$10.5 million Gross and \$9.0 million GF/GP for a rate increase for residential congregate care facility rate increase, and \$2.4 million Gross and GF/GP for a child welfare day treatment pilot program. Also, in the child welfare area, the Governor proposes \$15.0 million Gross and GF/GP in one-time funding for payments to congregate care residential facilities for losses incurred during the pandemic. While not directly tied to child welfare programming, the Governor's budget includes a \$34.9 million GF/GP adjustment to remediate a Federal Title IV-E fund source issue that was discovered and now must be made up for by GF/GP.

The Governor's budget includes \$14.1 million Gross and \$4.5 million GF/GP to fund a Medicaid rate increase for the administration of non-COVID-19 vaccines. The rates will increase from \$7 per injected vaccine to \$16.13 and from \$3 per oral vaccine to \$12.25.

The budget proposes \$20.0 million Gross and \$15.5 million GF/GP in one-time funding to support initiatives aimed at reducing racial disparities in health care. This funding would be used for an education and outreach campaign on uterine fibroid disparities, support for expansion in the number of "Centering Pregnancy" sites, incentive pool for Medicaid health plans, and funding for the Michigan Area Health Education Centers. Additionally, the Governor has included \$2.5 million Gross and \$1.3 million GF/GP in one-time funding for the Cross-Enrollment Expansion initiative to enhance MiBridges to allow for the application to additional public assistance programs not currently supported on MiBridges.

The budget also includes \$15.5 million Gross and \$7.7 million in ongoing for Healthy Equity - across the lifespan for vulnerable populations, \$7.7 million Gross and GF/GP for the Raise the Age Fund, \$3.4 million Gross and GF/GP for PPE warehouse costs, and \$3.5 million Gross and \$3.3 million GF/GP for occupational health clinics at the State psychiatric hospitals and centers.

Program Reductions and Savings

The Governor's Budget recognizes \$3.5 million Gross and GF/GP in savings from no longer having to pay for program improvements in the FAP in years for which data are unreliable.

Finally, the Governor's budget assumes removal of Governor's Recommendation FY 2021-22 one-time supplemental items of \$40.0 million Gross and GF/GP that result from a change in Federal guidance related to the qualifications and costs of Medicare Part D (pharmaceutical program) for those people who are eligible for both Medicare and Medicaid.

Other Issues

Although there are not any major changes to specific pieces of boilerplate, the Governor's budget eliminates a significant number of boilerplate sections from the previous year. The reasons stated range from the removal of associated funding, removal of language that was declared unenforceable in the previous fiscal year, that the policy that the boilerplate requires is current policy, to the removal of reporting requirements claimed to be burdensome.

Supplemental Request for FY 2021-22

The proposed supplemental for the Department includes the usual base and caseload adjustments for Medicaid and human services program. Of note is the \$241.2 million Gross and \$101.7 million GF/GP reduction for the Medicaid program. This decrease reflects the resumption of eligibility redeterminations upon the expiration of the declaration of the public health emergency in March 2022. Human services base and caseload costs increased by \$1.16 billion Gross and \$7.2 million GF/GP in the supplemental. Most of the increase in the Human Services base and caseload costs was a result of a \$1.16 billion in the fully Federally funded FAP. There also is an increase of \$108.3 million Gross and \$7.0 million GF/GP to reflect traditional adjustments in Medicaid provider tax payments.

The Governor's supplemental includes funding for a number of significant investments. The first is \$186.2 million Gross and GF/GP, consisting of \$135.0 million to provide bonus payments to an estimated 51,000 State psychiatric hospital direct care staff and behavioral health workers operating statewide, \$25.0 million in one-time capital costs to renovate two new units at the Hawthorn Center and a new Center for Forensic Psychiatry satellite facility, \$11.0 million in ongoing costs at those facilities, and \$15.2 million to access private inpatient community-based services and oversee placement within those programs. This is in concert with the Governor's proposal to make the ongoing funding permanent in the FY 2022-23 budget.

The supplemental also includes \$31.8 million Gross and \$10.0 million GF/GP to extend the \$2.35-per-hour wage increase to nonclinical workers in nursing homes (this proposal is annualized in the FY 2022-23 Executive Budget Proposal). A \$2.35-per-hour wage increase for direct care workers in nursing homes and other front-line settings was made permanent in the FY 2021-22 budget. Additionally, the supplemental includes \$55.8 million Gross and GF/GP to include HMP Dual Eligibles and Qualified Individuals in the Federal Medical Pharmaceutical Program to comply with CMS guidelines.

The supplemental request includes \$32.9 million GF/GP to backfill an overclaim of Federal Title IV-E administrative reimbursement. Additionally, the supplemental includes \$10.8 million Gross and GF/GP for a \$500 per day increase to serve an estimated 80 children requiring additional supports in licensed residential child welfare facilities.

One of the largest items in State GF/GP terms is the assumed extension of the enhanced Medicaid match rate for two additional quarters. This 6.2% increase in the match rate would save the State \$439.3 million GF/GP in the fiscal year.

The total impact of these adjustments is an increase in Gross spending of \$1,330.5 million Gross and GF/GP savings of (\$216.0) million GF/GP.

Department of Transportation

The Governor's budget recommendation includes increased Federal authorization for road and bridge construction from the IIJA. The recommendation for State trunkline road and bridge construction includes a total increase of \$321.8 million, or 24.2%, above the FY 2021-22 appropriation, for a total of \$1,651.9 million. Federal aid for counties, cities, and villages would be increased by \$94.4 million, or 32.5%, above the FY 2021-22 appropriation, for a total recommended appropriation of \$385.0 million.

The Governor's budget recommendation also includes \$276.0 million GF/GP one-time spending for road and bridge construction or repair. Of this amount, \$150.0 million is included for critical road and bridge infrastructure. This one-time GF/GP increase is included to fund projects of critical economic importance and to repair local bridges. The recommendation also includes \$66.0 million for pump station generators to address flooding and \$60.0 million for rail grade crossings.

The Governor's budget includes increased funding for local road agencies on account of gas tax, registration tax, and marijuana excise tax revenue that is projected to exceed FY 2021-22 appropriation amounts by roughly \$127.0 million. Of this amount, county road commissions are recommended to receive an additional \$56.3 million (+4.8%) in Michigan Transportation Fund (MTF) revenue, and cities and villages, likewise, were recommended to receive an additional \$31.4 million (+4.8%)

Proposed Fee Adjustments

Department of Licensing and Regulatory Affairs Fee and Sunset Proposals

About half of the Department of Licensing and Regulatory Affairs (LARA's) budget is comprised of State restricted funds. The Governor's Recommendation for FY 2022-23 includes the elimination of certain fee reductions and sunset provisions pertaining to 12 programs under the Department's purview. These 12 programs have fees that are due to sunset in FY 2022-23 unless legislative action is taken. The Department estimates the total revenue loss from fee reductions and sunset provisions to be \$18.9 million.

Table 20 shows the areas for which there is a fee reduction and/or sunset provisions due to take place in FY 2022-23. The estimated revenue loss reported by LARA if the sunsets are not extended also are included.

Table 20

FY 2022-23 GOVERNOR'S RECOMMENDATION Revision of LARA Fee Reductions and Sunset Dates		
Program/Licensing Area	Sunset Date	Estimated Revenue Loss
Corporations, Limited Liability Companies, and Non-Profit Corporations	Sep. 30, 2023	\$8,200,000
Securities Division	Sep. 30, 2023	7,300,000
Health Facilities and Agencies	Oct. 1, 2023	1,500,000
Cosmetology	Sep. 30, 2023	1,100,000
Architects, Professional Engineers, and Land Surveyors	Sep. 30, 2023	425,900
Transportation Network Companies, Taxicab and Limousine Carriers	Mar. 21, 2023	281,400
Barbers	Sep. 30, 2023	58,100
Real Estate	Sep. 30, 2023	27,900
Real Estate - Appraisers	Sep. 30, 2023	2,800
Hearing Aid Dealers, Salespersons, and Trainees	Sep. 30, 2023	1,900
Collection Agencies	Sep. 30, 2023	500
Employment and Consultant Agents; Personnel Agencies	Sep. 30, 2023	300
Total (Estimated)		\$18,898,800

Department of Labor and Economic Opportunity

The Governor's Recommendation for LEO contains a request for a statutory increase in eight Radiation Safety Fees to support the regulation and inspection of x-ray machines and other radiological devices used in health care settings. The proposal is for a 20% increase in those fees, which statute currently indexes to changes in the Detroit Consumer Price Index. This change would generate approximately \$500,000 in additional revenue, which the existing appropriation for LEO Radiation Safety Section is sufficient to support. No increase in the budget would be needed to appropriate increased fee revenue that would be generated under the proposal.

Revenue Sharing Payments

The Governor recommends revenue sharing payments of approximately \$1.5 billion in FY 2022-23, an increase of 1.9%, or \$28.8 million, from FY 2021-22 year-to-date appropriations. This increase is

because of an estimated \$21.0 million decrease in constitutional revenue sharing for cities, villages, and townships (CVTs). The Governor recommends a \$26.6 million increase in funding for CVT "statutory" revenue sharing, and a net increase in payments to counties of \$23.2 million. The Governor's recommendation is shown in Table 21.

Table 21

REVENUE SHARING APPROPRIATION SUMMARY				
Program Name	FY 2021-22 Year-to-Date	FY 2022-23 Governor's Rec.	Dollar Change	Percent Change
Constitutional Revenue Sharing ^{a)}	\$985,585,600	\$964,585,300	(\$21,000,200)	(2.1%)
CVT Revenue Sharing	266,245,100	292,869,700	26,624,600	10.0
County Revenue Sharing ^{b)}	231,516,700	255,082,100	23,565,400	10.19
Financially Distressed CVTs	2,500,000	2,500,000	0	0.0
TOTAL	\$1,486,280,400	\$1,515,037,200	\$28,756,800	1.9%
a) Reflects the January 2022 consensus revenue estimate for sales tax revenue.				
b) Includes County Revenue Sharing and County Incentive Program.				

Constitutional revenue sharing is estimated at \$964,584,422 in FY 2022-23 based on the January 2022 consensus revenue estimates. This would provide CVTs with a 2.1% decrease in payments from the revised FY 2020-21 estimate. Constitutional revenue sharing pays CVTs 15.0% of sales tax collected at a rate of 4.0%. The funds are distributed on a per capita basis. Each CVT is projected to receive approximately \$97.90 per capita in FY 2022-23.

For CVT revenue sharing ("statutory"), the Governor recommends \$292,869,700 in FY 2022-23. All eligible CVTs would receive a 10.0% increase from FY 2020-21 statutory payments. The increased portion of payments is designated as half ongoing and half one-time funding. Eligibility, payments, and transparency and accountability requirements would remain the same as in the current fiscal year.

The Governor proposes to increase revenue sharing payments to counties by 10.0% to \$255,082,100. County Revenue Sharing would increase by \$23,496,100 to \$211,594,000 and the County Incentive Program would increase by \$69,300 to \$43,488,100. This would include adjustments to revenue sharing payments to counties to cover the cost of Emmet County, which will receive its first partial-year payments in FY 2022-23, and then a 10.0% increase to all eligible counties from FY 2020-21. Emmet County is the last county to return to State-paid revenue sharing.

The FY 2021-22 budget had a requirement that any CVT or county with an underfunded retirement benefit system (as defined in MCL 38.2805) dedicate any increased funding from FY 2019-20 to that retirement system. The Governor's recommendation removes that requirement.

Finally, the financially distressed cities, villages, or townships grant program would maintain current funding at \$2.5 million and the Governor proposes to remove the \$433,000 one-time reimbursement to local units that had lapsed Coronavirus Relief Funds.

Flint Drinking Water Declaration of Emergency

On January 5, 2016, Governor Rick Snyder issued a proclamation that a state of emergency existed in the County of Genesee and the City of Flint due to damaged infrastructure. Table 22 summarizes the historical enacted State appropriations through FY 2021-22 explicitly for this emergency and outlines the Governor's recommendations for FY 2022-23. Cumulative total State appropriations, assuming the Governor's recommendations for FY 2022-23 funding are adopted, would be \$734.6 million Gross and \$329.7 million GF/GP.

Table 22

**FLINT DRINKING WATER DECLARATION OF EMERGENCY
SUMMARY OF GROSS AND GF/GP STATE APPROPRIATIONS
Historical Appropriations through FY 2022-23 GOVERNOR'S RECOMMENDATION**

Department/Budget Area	Totals through FY 2019-20		FY 2020-21 Year-to-Date		FY 2020-22 Year-to-Date		FY 2022-23 Gov's Rec.		Cumulative Approps	
	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
Agriculture & Rural Dev.	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$0
Attorney General	14,700,000	3,000,000	0	0	0	0	0	0	14,700,000	3,000,000
Education	36,335,300	8,685,000	0	0	0	0	0	0	36,335,300	8,685,000
Env., Great Lakes, & Energy ¹⁾	179,953,900	69,176,500	0	0	0	0	0	0	179,953,900	69,176,500
Health & Human Services	101,489,000	39,239,700	4,621,100	4,621,100	4,621,100	4,621,100	4,621,100	4,621,100	115,352,300	53,103,000
HHS Medicaid Waiver	142,272,600	28,863,100	30,352,500	6,098,100	30,352,500	6,098,100	30,352,500	6,098,100	233,330,100	47,157,400
Labor & Economic Opportunity ²⁾	3,908,200	0	0	0	0	0	0	0	3,908,200	0
Licensing & Regulatory Affairs	1,860,100	1,660,000	0	0	0	0	0	0	1,860,100	1,660,000
Military & Veterans Affairs	2,500,000	2,000,000	0	0	0	0	0	0	2,500,000	2,000,000
Natural Resources	250,000	250,000	0	0	0	0	0	0	250,000	250,000
School Aid	41,865,400	31,302,500	8,075,100	3,075,000	8,075,100	3,075,000	8,075,100	3,075,000	66,090,700	40,527,500
State Police	6,100,000	6,100,000	0	0	0	0	0	0	6,100,000	6,100,000
Tech., Man., Budget Reserve	53,900,100	53,900,000	0	0	0	0	0	0	53,900,100	53,900,000
Reserve Fund Withdrawals	(53,901,900)	0	0	0	0	0	0	0	(53,901,900)	0
Tech., Man., & Budget	500,100	0	0	0	0	0	0	0	500,100	0
Treasury	73,693,400	44,130,000	0	0	0	0	0	0	73,693,400	44,130,000
Total	\$605,426,300	\$288,306,800	\$43,048,700	\$13,794,200	\$43,048,700	\$13,794,200	\$43,048,700	\$13,794,200	\$734,572,400	\$329,689,400

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	Cumulative State Appropriations =	<u>\$734,572,400</u>	<u>\$329,689,400</u>
	Total Reserve Fund Appropriations	<u>\$53,900,000</u>	<u>\$53,900,000</u>
(Excluding 19 unexpended \$100 placeholders)	Total Reserve Fund Withdrawals	<u>(\$53,900,000)</u>	
	Reserve Fund Balance	<u>\$0</u>	

1) Formerly the Department of Environmental Quality
2) Formerly the Department of Talent and Economic Development

State Employee Compensation Changes

Article XI, Section 5 of the Michigan Constitution specifies that increases in the rates of compensation authorized by the Civil Service Commission require prior notice to the Governor, who then transmits the increases to the Legislature as part of the overall budget recommendation. Within 60 calendar days after the transmission, the Legislature, by a two-thirds vote of the members elected and serving in each house, may reject or reduce increases in the rate of compensation authorized by the Civil Service Commission. Reductions made by the Legislature must apply uniformly to all classes of employees and cannot adjust pay differentials already established by the Civil Service Commission. Rates of compensation also cannot be reduced below those in effect at the time the increases are transmitted to the Legislature.

The Civil Service Commission on December 15, 2021, approved a two-year agreement for wages and benefits for employees who are exclusively represented by employee unions (AFSCME, MCO, MSEA, SEIU, and UAW) for FYs 2022-23 and 2023-24. The Commission approved a 5.0% base wage increase to become effective October 1, 2022, for most represented employees. All represented employees will continue to pay 20% of their health care premiums.

The Civil Service Commission also adopted a Coordinated Compensation Plan for nonexclusively represented State classified employees (NEREs) for FY 2022-23. Effective October 1, 2022, NEREs will receive a 5.0% base wage increase. Like employees who are exclusively represented by employee unions, they will continue to pay 20% of their health insurance premiums in FY 2022-23. Total Gross employee wages and salaries in the FY 2022-23 Governor's budget are an estimated \$3.9 billion, while other total Gross employee benefit costs are an estimated \$2.6 billion.

Table 23 provides a summary of the incremental State employee economic cost changes for FY 2022-23 recommended in the Governor's budget, including Gross employee salary increases of \$199.8 million (\$101.9 million GF/GP). The State's portion of the cost of longevity payments and employee health insurance is estimated to increase by \$9.5 million (\$4.4 million GF/GP) for FY 2022-23. The amount contributed to the State employee retirement systems in FY 2021-22 results in an increase in costs for FY 2022-23. Retirement contributions, excluding payments for legacy pension costs, will increase \$27.6 million Gross (\$14.3 million GF/GP). Other employee retirement costs (OERCs), including legacy pension costs and retiree health care costs, total a negative \$57.3 million (negative \$24.4 million GF/GP). The total increase in worker's compensation and other economic costs is \$14.7 million gross (\$8.9 million GF/GP). The total GF/GP impact of economic adjustments for FY 2022-23 is an increase of \$105.2 million.

Table 23

FY 2022-23 STATE BUDGET RECOMMENDATION ECONOMIC ADJUSTMENTS INCLUDED IN BUDGET (millions of dollars)		
	Gross	GF/GP
Wages and Salaries	\$199.8	\$101.9
Longevity and Employee Insurance Costs.....	9.5	4.4
Retirement Contributions	27.6	14.3
OERCs	(57.3)	(24.4)
Workers' Compensation	4.2	3.4
All Other Economics.....	10.5	5.5
TOTAL ECONOMICS	\$194.3	\$105.2

Debt Service Adjustments

Table 24 provides a summary of debt service appropriations for FY 2022-23. These include State park improvement revenue bonds appropriated in the Department of Natural Resources (DNR); School Bond Loan Fund bonds in K-12 School Aid; debt service costs related to the Facility for Rare Isotope Beams and the Community College Skilled Trades Equipment Program appropriated in LEO; State Building Authority rent payments appropriated in the DTMB; various transportation-related bonds in MDOT; and general obligation bonds in the Department of Treasury. Gross appropriations for debt service on these bonds total \$714.9 million for FY 2022-23. This represents a \$28.5 million (3.8%) decrease from the \$743.4 million debt service appropriations in FY 2021-22. This includes the elimination of debt service payments for State Park Improvement Revenue Bonds in the DNR.

Table 24
DEBT SERVICE APPROPRIATIONS
FY 2021-22 COMPARED WITH FY 2022-23

Department/Program	FY 2021-22 Gross Appropriation	FY 2022-23 Governor's Rec.	Dollar Change	Percent Change
Natural Resources				
State Park Improvement Revenue Bonds	\$1,201,800	\$0	(\$1,201,800)	(100.0%)
Subtotal Natural Resources.....	\$1,201,800	\$0	(\$1,201,800)	(100.0%)
School Aid				
School Bond Loan	\$111,000,000	\$111,000,000	\$0	0.0%
Subtotal School Aid	\$111,000,000	\$111,000,000	\$0	0.0%
Labor & Economic Opportunity¹				
Facility For Rare Isotope Beams (MSF)	\$7,300,000	\$7,300,000	\$0	0.0%
Community College Skilled Trades Equipment Program (MSF).....	4,600,000	4,600,000	0	0.0
Flint Settlement (MSF).....	35,000,000	35,000,000	0	0.0
Subtotal Labor & Economic Opp.	\$46,900,000	\$46,900,000	\$0	0.0%
DTMB-State Building Authority Rent				
State Agencies	\$68,293,700	\$66,293,700	(\$2,000,000)	0.9%
Universities	130,595,300	132,295,300	1,700,000	(2.9)
Community Colleges	32,681,600	32,981,600	300,000	1.3
Subtotal Technology, Mgt., & Budget.....	\$231,570,600	\$231,570,600	\$0	0.0%
Transportation				
State Trunkline	\$218,679,300	\$209,391,400	\$(9,287,900)	(4.2%)
Economic Development.....	11,485,600	7,650,100	(3,835,500)	(33.4)
Local Bridge Fund	2,330,400	556,500	(1,773,900)	(76.1)
Blue Water Bridge Fund	6,809,800	3,961,100	(2,848,700)	(41.8)
Airport Safety and Protection Plan.....	3,438,700	2,274,800	(1,163,900)	(33.8)
Comprehensive Transportation	10,899,800	1,466,600	(9,433,200)	(86.5)
Subtotal Transportation	\$253,643,600	\$225,300,500	(\$28,343,100)	(11.2%)
Treasury				
Clean Michigan Initiative.....	\$23,771,000	\$23,760,000	(\$11,000)	(0.0%)
Great Lakes Water Initiative	71,983,000	72,861,100	878,100	0.0
Quality of Life Bond	3,310,000	3,563,000	153,000	0.0
Subtotal Treasury	\$99,064,000	\$100,084,100	\$1,020,100	0.0%
TOTAL	\$743,380,000	\$714,855,200	(\$28,524,800)	(3.8%)

¹ Does not include Michigan Strategic Fund (MSF) bonding for the Cadillac Place, House Office Building, or Senate Office Building, or debt issued by authorities other than the State Building Authority (such as MSHDA or the Michigan Finance Authority).

Tobacco Settlement Revenue and Appropriations

In 1998, a Master Settlement Agreement was reached between 46 states, including Michigan, and certain US tobacco manufacturers, to provide annual payments to states. The payments began in 2000 and will continue in perpetuity. As [Table 25](#) illustrates, there are several transfers out of the tobacco settlement revenue before it is deposited into the Merit Award Trust Fund, where it is available for appropriation by the Legislature. Pursuant to law, \$75.0 million of the tobacco settlement revenue is earmarked each fiscal year, from FY 2007-08 through FY 2022-2023, for the 21st Century Jobs Trust Fund. Also pursuant to law, \$17.5 million of the tobacco settlement revenue is deposited each fiscal year, from FY 2014-15 through FY 2034-35, into the BSF as repayment for an FY 2013-14 State appropriation of \$194.8 million to the Settlement Administration Fund to help mitigate the impact of the City of Detroit bankruptcy on its pensioners. A statutory earmark for the Community District Trust Fund of \$72.0 million annually, for 10 years, was enacted in FY 2016-17 to implement a new system for schools in Detroit.

The other transfer of funds from tobacco settlement revenue is for debt service on the securitization of a portion of the tobacco settlement revenue in 2006 and 2007. Under the Governor's proposal, there would be an estimated FY 2022-23 year-end balance of \$20.9 million in the Merit Award Trust Fund.

Table 25
TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS
FY 2021-22 COMPARED TO FY 2022-23 GOVERNOR'S RECOMMENDATION
(actual dollars)

	FY 2021-22 Year-To-Date	FY 2022-23 Gov's Rec.	Gov's Rec. Chg. From FY 2021- 22
Revenue			
Unreserved Balance from Prior Fiscal Year	\$30,659,200	\$32,453,800	\$1,794,600
Total Annual Payments	303,223,100	285,674,500	(17,548,600)
Interest Earnings	60,000	60,000	0
Total Tobacco Settlement Revenue.....	\$333,942,300	\$318,188,300	(\$15,754,000)
Less Transfers Out For:			
21 st Century Jobs Trust Fund	(75,000,000)	(75,000,000)	0
Detroit Public Schools Trust Fund.....	(72,000,000)	(72,000,000)	0
Payment to Budget Stabilization Fund (Detroit) ...	(17,500,000)	(17,500,000)	0
Payment on 2006 Bond Securitization	(40,450,000)	(38,109,000)	2,341,000
Payment on 2007 Bond Securitization	(32,657,100)	(30,767,100)	1,890,000
Total Transfers Out	(\$237,607,100)	(\$233,376,100)	\$4,231,000
Net Revenue to Merit Award Trust Fund	\$96,335,200	\$84,812,200	(\$11,523,000)
Appropriations			
<u>Attorney General</u>			
Operations	524,000	524,000	0
<u>Health and Human Services</u>			
Medicaid Base-Long-term Care.....	57,200,000	57,200,000	0
Aging-Respite Care	4,068,700	4,068,700	0
<u>State Police</u>			
Criminal Investigations/IT	872,400	872,400	0
<u>Department of Treasury</u>			
Student Financial Services Administration	1,216,300	1,216,300	0
Total Merit Award Trust Fund Appropriations	\$63,881,400	\$63,881,400	\$0
MERIT AWARD TRUST FUND YEAR-END			
BALANCE.....	\$32,453,800	\$20,930,800	(\$11,523,000)

Data Source: State Budget Office

State Spending from State Resources Appropriations

Table 26 compares State Spending from State Resources appropriations (a combination of State Restricted and State GF/GP appropriations) for selected State budget areas over the time period from FY 2013-14 to FY 2022-23, which reflects the Governor's recommendation. As the table indicates, total State Spending appropriations are estimated to increase by 44.2% over the period. The Detroit Consumer Price Index is estimated to increase by 19.3% over the same time period.

Table 26

STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS TOTAL COMPARED IN SELECTED BUDGET AREAS (millions of dollars)				
Budget Area	FY 2012-13 Year-to-Date Appropriations	FY 2022-23 Gov's Rec. Appropriations	Dollar Difference	Percent Change
Health and Human Services	\$6,052.3	\$9,448.8	\$3,396.5	56.1%
Corrections	2,008.2	2,124.9	116.7	5.8
K-12 School Aid	11,211.0	16,164.8	4,953.8	44.2
Community Colleges	306.6	470.0	163.4	53.3
Higher Education	1,302.2	1,730.2	428.0	32.9
Labor and Economic Opportunity	317.6	1,127.8	810.2	255.1
Revenue Sharing-Constitutional	722.2	964.6	242.4	33.6
Revenue Sharing-Nonconstitutional	370.6	548.0	177.4	47.9
Transportation	2,194.3	4,183.7	1,989.4	90.7
All Other Programs	3,362.1	5,283.1	1,921.0	57.1
Total State Spending	\$27,847.1	\$42,045.9	\$14,198.8	51.0%
Addendum:				
Medicaid Caseload	1,916,187	3,002,348	1,086,161	56.7%
Prison Population	43,704	32,253	(11,451)	(26.2)
K-12 Pupil Count	1,535,989	1,401,200	(134,789)	(8.8)
University Students	263,817	247,444	(16,373)	(6.2)
Community College Students	154,118	102,319	(51,799)	(33.6)
Michigan Personal Income (millions)	\$390,199.7	\$580,827.3	\$190,627.6	48.9%
Detroit Consumer Price Index	219.1	264.2	45.1	20.6%
NOTES: Revenue Sharing: Constitutional number is the January 2022 Consensus Revenue Estimating Conference (CREC) estimate. Medicaid Caseload: Number for FY 2022-23 is based on eligibility reports through the first week of February 2022 and includes the estimated 978,060 individuals who are eligible under the expansion of Medicaid. Caseload redeterminations have been suspended for all fiscal year quarters in which Enhanced FMAP has been accepted by the State due to the COVID-19 pandemic. Prison Population: These are the most recent year-end numbers published by the Department of Corrections for calendar year 2013 and the most recent weekly update (Feb 11, 2022) for 2023, respectively. K-12 Pupils: FY 2022-23 pupil count is the January 2022 CREC estimate. Community College and University Students: Numbers in FY 2022-23 column reflect the most recent data available, which are FY 2020-21 fiscal-year-equated-students as reported in the Michigan Community College Data Inventory Report and the Higher Education Institutional Data Inventory (HEIDI). Michigan Personal Income and Detroit CPI: Numbers are fiscal year averages; FY 2022-23 numbers are January 2022 CREC estimates.				

ECONOMIC AND REVENUE FORECAST

The Governor's proposed budget for FY 2022-23 is based on the consensus economic forecast adopted at the January 14, 2022, CREC. This economic forecast is summarized in [Table 27](#).

US Economy

The longest economic expansion on record, based on the National Bureau of Economic Research dating of recessions back to December 1854, ended in the first quarter of 2020, as inflation-adjusted Gross Domestic Product (GDP) declined 5.1%. While a single quarter of decline would not mark the end of an expansion period, the economic disruption associated with COVID-19 resulted in 31.2% decline (at an annual rate) during the second quarter of 2020, the largest single quarter decline in quarterly records going back to 1947. Two consecutive quarters of decline in inflation-adjusted GDP generally is considered sufficient to mark a recession. While the third quarter of 2020 exhibited growth at a 33.8% annual rate, the 10.1% decline in inflation-adjusted GDP between the fourth quarter of 2019 and the second quarter of 2020 exceeds the peak-to-trough decline of any recession since at least World War II. (The 2008-2009 recession represents the second largest peak-to-trough decline in inflation-adjusted GDP, with a 4.0% drop.) The 3.4% decline in inflation-adjusted GDP in 2020 is the most significant annual decline in GDP since the 11.6% contraction in 1946 from post-war demobilization.

The economic contraction associated with COVID-19 was rapid and global. For many economic variables, the changes were of unprecedented magnitudes—even compared to the changes over the duration of entire recessions that have occurred previously. While the reduction in inflation-adjusted GDP in the second quarter of 2020 ranks as the most significant quarterly decline since before World War II, even the decline in the first quarter of 2020 ranks as the eighth largest. In comparison, the 1957-58 recession exhibited declines at an annual rate of 4.1% in the fourth quarter of 1957 and 10.0% in the first quarter of 1958, reflecting the second wave of the H2N2 flu pandemic and representing the 14th and second most significant quarterly declines in inflation-adjusted GDP.

Job losses associated with the COVID-19 pandemic were significant and employment remains well below the prerecession peak. The loss of 22.2 million payroll employment jobs (as opposed to total employment, which also includes self-employed workers and agricultural workers) between February and April 2020 not only erased nearly all of the 22.8 million payroll jobs created since February 2010 (the employment trough from the 2008-09 recession), but was almost three times the record-setting employment decline experienced during the 2008-09 recession. Job losses associated with the pandemic pushed the April 2020 unemployment rate to an all-time post-World War II record high of 14.7%, compared to the previous record of 10.8% in November and December 1982. Since April 2020, payroll employment has grown, although as of November 2021 payroll employment was still 2.6% (accounting for 3.9 million jobs) below the February 2020 level. In comparison, the only recession since World War II that exhibited an employment decline of more than 3.9 million jobs was the 2008-09 recession, meaning that despite the job growth since April 2020, the number of jobs the economy had yet to regain exceeded the number of jobs lost in any recession since World War II, other than the 2008-09 recession.

The COVID-19 pandemic lowered economic activity across a wide variety of sectors. However, the recovery has differed substantially across sectors, with manufacturing- and goods-related sectors recovering much more rapidly than services. However, employment in both manufacturing and nonmanufacturing sectors has recovered more slowly than output, reflecting that, while inflation-adjusted GDP had exceeded the pre-COVID-19 peak by the second quarter of 2021, employment losses remain at recessionary levels. Among nonmanufacturing services most substantially affected by the COVID-19 pandemic, the travel/transportation, hospitality, and food services (i.e. restaurants)

sectors have experienced the most substantial declines and service sector output remains below prepandemic levels.

Furthermore, economic growth generally is limited by the combination of population growth (specifically the portion of the population that enters the labor force and finds work) and productivity growth. During the 1983-2005 period, productivity (measured by output per hour in the nonfarm business sector) grew by approximately 2.3% per year, while productivity has averaged 0.9% annual growth per year since 2010, the longest and most severe slowdown in productivity experienced since at least World War II. Slow population growth, declining labor force participation rates (exacerbated by the demographics of an aging population), and low productivity growth have combined to limit the maximum potential economic growth the economy can achieve. Many of these factors have been exacerbated by the COVID-19 situation, which has seen much greater declines in labor force participation among women of child-bearing age and individuals age 65 or older. To the extent that these individuals will re-renter the labor force at some point is unknown, especially given that after both the 2001 and 2008-2009 recessions, many workers who left the labor force did not return.

Against this backdrop, inflation-adjusted GDP is expected to increase 4.1% in 2022, with growth slowing to a 2.7% rate in 2023 and 2.2% in 2024. The unemployment rate is estimated to decline from 5.3% in 2021 to 4.1% in 2022 and 3.8% in 2023, before rising to 4.0% in 2024, as payroll employment growth slows from 3.6% in 2022 to 1.7% in 2023 and 0.9% in 2024. Housing starts are expected to rise 3.4% in 2022, remain at roughly the same level in 2023, and then decline to the 2021 level of 1.59 million starts in 2024, while light vehicle sales are expected to increase from 14.9 million units in 2021 to 15.7 million units in 2022, 16.9 million units in 2023 and 17.1 million units in 2024.

Michigan Economy

Like the national economy, Michigan's economic activity also was very weak in 2009 and 2010. Wage and salary employment declined 7.0% from the 2008 level in 2009, marking nine consecutive years that wage and salary employment declined from the previous year's level, and the loss of 291,700 jobs in 2009 represented, at the time, the largest one-year loss of payroll jobs since the Great Depression. Between the April 2000 peak and Michigan's March 2010 employment trough, Michigan lost 858,700 jobs, a decline of 18.3%.

Between 2010 and February 2020, the Michigan economy grew. Payroll employment increased for a ninth consecutive year in 2019, rising 0.4%, slower than the 1.1% growth rate in 2018. Personal income grew approximately 3.3% during 2019, slower than the 3.9% growth in 2018.

The impact of COVID-19 on the Michigan economy was, and continues to be, substantial. Between February 2020 and April 2020, Michigan payroll employment declined by 23.7%, or approximately 1.1 million jobs. As of November 2021, payroll employment in Michigan was up 842,900 jobs from the April 2020 trough, but was still 4.8% below the level in February 2020 and roughly on par with the level in May 2015. The rapid recovery in motor vehicle sales at the national level helped Michigan's employment levels recover more rapidly than almost any other state, with Michigan employment rising at a 12.5% annual rate between April 2020 and November 2021. (Michigan ranked second, while Nevada ranked first at a 14.4% annual growth rate. Among the Great Lakes states, Indiana ranked 18th at 6.9%, with Illinois ranked 26th, Ohio ranked 27th, and Wisconsin ranked 34th.) Michigan's disproportionately strong participation in a variety of Federal stimulus programs, such as the Federal workshare program, also helped reduce COVID-19-related losses to personal income in Michigan, and thus helped consumption and employment recover at more rapid rates than otherwise would have occurred. However, it is important to note that Michigan's COVID-19-related job decline was so significant that despite such rapid

employment growth, Michigan ranked 42nd among states in recovering to pre-COVID-19 employment levels (comparing November 2021 employment level to the February 2020 level).

Michigan's economy is expected to expand in 2022 through 2024, following the national trend of slowing growth over the forecast. Wage and salary employment is projected to rise 3.2% in 2022, 2.1% in 2023, and 0.9% in 2024. The unemployment rate is expected to decline from 5.4% in 2021 to 5.3% in 2022, and 4.6% in 2023 and 2024. Personal income, adjusted for inflation, will decline an estimated 4.0% in 2022, reflected declining Federal stimulus not being fully offset by employment and wage income gains, before growing 2.3% in 2023 and 1.8% in 2024. Inflation, as measured by the Detroit Consumer Price Index, will increase 4.6% in 2022, 2.5% in 2023, and 2.3% in 2024, after rising 2.9% in 2021.

Revenue Estimates

Based on the economic forecast summarized above, it is estimated that revenue totaling \$76.8 billion will be available in FY 2022-23 to support Governor Whitmer's proposed budget. This estimate represents an 8.9% decrease from the revised estimate of the total revenue that the Governor expects will be available for FY 2021-22 and largely reflects declines in Federal aid to Michigan. Estimates of the total revenue on which the Governor's proposed budget is based are summarized in Table 28. The revenue does reflect the Governor's tax policy recommendations, which include increasing the EITC and changes to how the individual income tax would treat certain income received by older taxpayers and/or associated with retirement income.

The following are summaries of the revenue estimates on which the Governor's proposed GF/GP and SAF budgets are based.

General Fund/General Purpose and School Aid Fund

The General Purpose portion of the General Fund and the SAF portions of the overall State budget accounts for \$33.8 billion, or 44.0%, of the total State government revenue estimated for FY 2022-23. Detailed estimates of GF/GP and SAF revenue for FY 2021-22 and FY 2022-23 are presented in Table 29 and Table 30, respectively. The estimates for GF/GP and SAF revenue derived from ongoing revenue sources and enacted tax policy changes are the consensus estimates adopted by the Administration, Senate Fiscal Agency, and House Fiscal Agency at the January 14, 2022, CREC. In addition to the consensus estimates, the total GF/GP and SAF revenue estimates include the Administration's initial estimates of one-time revenue adjustments, grants and transfers, Federal aid, beginning carry-over balances, and the impact of any tax policy recommendations.

General Fund/General Purpose Revenue

As shown in Table 29, GF/GP revenue is expected to total \$14.5 billion in FY 2022-23, which represents a 10.7% decrease from the revised FY 2021-22 estimates. This decline in total GF/GP revenue is attributable to growth in revenue from ongoing sources being more than offset by: 1) a \$1.8 billion reduction in the projected carry-over balance from the previous fiscal year, and 2) a \$369.0 million revenue reduction from tax policy changes. Revenue from ongoing sources is forecast to increase 3.6% in FY 2022-23, to \$12.9 billion.

School Aid Fund

School Aid Fund revenue available for spending in FY 2022-23 will total an estimated \$19.3 billion, representing a 6.5% decrease from the revised estimate for FY 2021-22. This projected decrease

in SAF revenue reflects 1.0% growth in revenue from ongoing State sources and a \$170.0 million transfer from the School Infrastructure Fund that is more than offset by a \$2.3 billion decrease in the balance carried forward from the previous fiscal year, a 10.4% decline in Federal aid, and a \$78.7 million decrease in the primary grant from the General Fund. The estimate of SAF revenue in FY 2022-23 summarized in Table 30 includes ongoing earmarked tax and lottery revenue totaling an estimated \$16.2 billion, a 1.0% increase from the revised estimate for FY 2021-22. In addition, the SAF revenue estimate for FY 2022-23 includes Federal aid totaling \$2.2 billion, a \$108.2 million grant from the General Fund, \$72.0 million from the Community District Education Trust Fund, and \$170.0 million from the School Infrastructure Fund.

Table 27

**CONSENSUS ECONOMIC FORECAST
JANUARY 14, 2022**

	Calendar 2021 Forecast	Calendar 2022 Forecast	% Change From Prior Year	Calendar 2023 Forecast	% Change From Prior Year	Calendar 2024 Forecast	% Change From Prior Year
United States:							
Real Gross Domestic Product (billions of chained 2012 dollars)	19,396	20,191	4.1%	20,736	2.7%	21,192	2.2%
Consumer Price Index (1982-84=100).....	270.970	283.622	4.7%	290.892	2.6%	297.838	2.4%
3-Month Treasury Bills (Interest Rate, %).....	0.05%	0.41%	---	1.07%	---	1.55%	---
Unemployment Rate (%).....	5.3%	4.1%	---	3.8%	---	4.0%	---
Light Vehicle Sales (millions of units)	14.9	15.7	5.4%	16.9	7.6%	17.1	1.2%
Michigan:							
Wage and Salary Employment (thousands)	4,153	4,286	3.2%	4,376	2.1%	4,416	0.9%
Unemployment Rate (%).....	5.4%	5.3%	---	4.6%	---	4.6%	---
Personal Income (billions of dollars)	\$558,411	\$560,644	0.4%	\$587,555	4.8%	\$611,645	4.1%
Real Personal Income (billions of 1982-84 dollars) ...	\$225,343	\$216,233	(4.0%)	\$221,149	2.3%	\$225,048	1.8%
Detroit Consumer Price Index (1982-84=100)	247.805	259.278	4.6%	265.683	2.5%	271.785	2.3%

Source: Estimates adopted at the January 14, 2022, Consensus Revenue Estimating Conference.

Table 28

**GOVERNOR'S PROJECTED TOTAL STATE REVENUE:
FY 2020-21 THROUGH FY 2022-23
(millions of dollars)**

Fund	FY 2020-21 Estimate	FY 2021-22 Estimate	% Change FY 2021-22/ FY 2020-21	FY 2022-23 Estimate	% Change FY 2022-23/ FY 2021-22
General Fund/General Purpose:					
Beginning Balance	\$2,363.0	\$4,257.1	----	\$2,493.3	----
Revenue From Ongoing Sources ¹⁾	12,950.7	12,449.7	(3.9%)	12,892.1	3.6%
Proposed Tax/Fee Changes	0.0	(13.0)	----	(369.0)	----
One-Time Revenue Adjustments & Other	(477.5)	(502.9)	5.3	(552.7)	9.9
Total GF/GP Revenue	\$14,836.2	\$16,190.9	9.1%	\$14,463.7	(10.7%)
School Aid Fund:					
Beginning Balance	\$1,190.5	\$2,877.2	----	\$535.8	----
Ongoing Earmarked Tax & Lottery Revenue ¹⁾	16,050.3	16,078.2	0.2%	16,246.6	1.0%
Proposed Tax/Revenue Changes	0.0	0.0	----	0.0	----
Federal Aid	7,870.0	2,445.2	(68.9)	2,191.2	(10.4)
Other Revenue (General Fund grant, etc.)	134.3	(741.1)	(652.0)	350.2	(147.3)
Total SAF Revenue	\$25,245.0	\$20,659.5	(18.2%)	\$19,323.8	(6.5%)
Other Funds:					
Gen'l Fund/Special Purpose & Special Rev./Perm. Funds...	\$8,309.4	\$10,141.1	22.0%	\$9,373.8	(7.6%)
Federal Aid (not included elsewhere)	27,392.9	30,104.6	9.9	26,482.6	(12.0)
Transportation Funds	6,342.4	7,632.9	20.3	7,726.2	1.2
Budget Stabilization Fund Beginning Balance/Revenue	829.2	1,382.3	66.7	1,457.2	5.4
Other Beginning Fund Balances (primarily GFSP)	553.1	74.9	(86.5)	33.0	(55.9)
Adjustments & Balances (not included elsewhere)	0.0	0.0	----	0.0	----
Total Other Funds with Beginning Balance	43,427.0	49,335.7	13.6	45,072.8	(8.6)
Gross Revenue	\$83,508.2	\$86,186.1	3.2%	\$78,860.3	(8.5%)
Less Interfund Transfers	(1,635.6)	(1,921.7)	17.5	(2,069.8)	7.7
Net Total Revenue	\$81,872.6	\$84,264.4	2.9%	\$76,790.5	(8.9%)

¹⁾ Estimates adopted at the January 14, 2022, Consensus Revenue Estimating Conference.

Source: Governor's Executive Budget for FY 2022-23, Appendix C, State Budget Office Balance Sheets, and Senate Fiscal Agency.

Table 29

GENERAL FUND/GENERAL PURPOSE REVENUE ESTIMATES: FY 2021-22 and FY 2022-23
(millions of dollars)

	FY 2021-22	FY 2022-23	Percent Change
Beginning Balance	\$4,257.1	\$2,493.3	(41.4%)
Consensus Estimates for Ongoing Revenue Sources¹⁾			
<u>Taxes:</u>			
Net Income Tax	\$7,712.9	\$8,159.9	5.8%
Michigan Business Tax.....	(594.3)	(527.6)	(11.2)
Corporate Income Tax.....	1,461.6	1,330.0	(9.0)
Sales.....	1,449.3	1,496.9	3.3
Use.....	1,169.1	1,154.8	(1.2)
Cigarette	175.0	172.5	(1.4)
Beer and Wine/Liquor.....	129.0	131.0	1.6
Insurance Company Premiums	380.0	390.0	2.6
Oil/Gas Severance.....	22.0	22.5	2.3
Essential Services Assessment	135.0	143.0	5.9
All Other Taxes.....	21.0	21.0	0.0
Subtotal Taxes.....	\$12,060.6	\$12,494.0	3.6%
Nontax Revenue.....	389.1	398.1	2.3
Total GF/GP Consensus Revenue Estimates	\$12,449.7	\$12,892.1	3.6%
Revenue Sharing Payments (Ongoing Plus One-Time)	(\$500.3)	(\$550.1)	10.0
Other Revenue Adjustments ²⁾	(2.6)	(2.6)	0.0
Proposed Tax Policy/Enforcement Changes	(13.0)	(369.0)	----
Total GF/GP Revenue (Current Fiscal Year)	\$11,933.8	\$11,970.4	0.3%
TOTAL GF/GP REVENUE WITH BEGINNING BALANCE	\$16,190.9	\$14,463.7	(10.7%)
1) Estimates adopted at the January 14, 2022, Consensus Revenue Estimating Conference.			
2) Represents a \$2.6 million reduction for legal settlements.			

Table 30

SCHOOL AID FUND REVENUE ESTIMATES: FY 2021-22 and FY 2022-23
(millions of dollars)

	FY 2021-22	FY 2022-23	Percent Change
Beginning Balance	\$2,877.3	\$535.8	(81.4)
Consensus Estimates for Earmarked Tax & Lottery Revenue¹⁾			
Taxes:			
Sales Tax & Use Tax	\$7,705.6	\$7,794.8	1.2%
Income Tax	3,506.3	3,514.4	0.2
State Education Property Tax	2,360.0	2,453.9	4.0
Real Estate Transfer Tax.....	487.5	475.0	(2.6)
Tobacco Taxes	318.2	312.5	(1.8)
Casino Gaming Tax and Other Gaming Taxes	227.0	232.4	2.4
Other Tax Revenue	193.6	203.6	5.2
Subtotal Taxes.....	\$14,798.2	\$14,986.6	1.3%
Lottery	1,280.0	1,260.0	(1.6)
Subtotal Earmarked Tax & Lottery Consensus Estimate.....	\$16,078.2	\$16,246.6	1.0%
GF/GP Grant.....	\$186.9	\$108.2	(42.1%)
Federal Aid.....	2,445.2	2,191.2	(10.4)
Proposed Tax Policy/Enforcement Changes	0.0	0.0	----
Other Revenue Adjustments ²⁾	(928.0)	242.0	(126.1)
Total SAF Revenue (Current Fiscal Year)	\$17,782.3	\$18,788.0	5.7%
TOTAL SAF REVENUE WITH BEGINNING BALANCE	\$20,659.6	\$19,323.8	(6.5%)

¹⁾ Estimates adopted at the January 14, 2022, Consensus Revenue Estimating Conference.

²⁾ Includes the following: \$72.0 million in both FY 2021-22 and FY 2022-23 from the Community District Trust Fund. FY 2021-22 also includes a \$1.0 billion transfer to the School Infrastructure Fund, while FY 2022-23 includes \$170.0 million transfer from the School Infrastructure Fund.

Budget Stabilization Fund

The Budget Stabilization Fund is the State's "Rainy Day" fund or cash reserve. In years of economic growth, deposits may be made to the Fund, and in years of recession, money may be withdrawn to cushion the budgetary impact of declining State revenue. Statutory formulas direct the amount of the pay-in or pay-out from the BSF; however, the Legislature has the authority to appropriate the formula amount or a different amount.

The BSF balance was estimated to be \$1,382.4 million at the close of FY 2020-21, after two deposits totaling \$535.0 million were authorized by PA 166 of 2020 (\$35.0 million) and PA 87 of 2021 (\$500.0 million). No deposits have been appropriated for FY 2021-22. The Michigan Trust Fund Act requires the deposit of \$17.5 million from tobacco settlement revenue into the BSF each year from FY 2014-15 to FY 2034-35. The Trust Fund Act transfers reimburse the BSF for a \$194.8 million withdrawal in FY 2013-14 related to the Detroit bankruptcy settlement. Based on the appropriated deposits and estimated interest earnings, the BSF balance at the close of FY 2021-22 is estimated at \$1,411.0 million. Assuming no further deposits or withdrawals and estimated interest earnings, the BSF balance at the close of FY 2022-23 would be \$1,453.9 million.

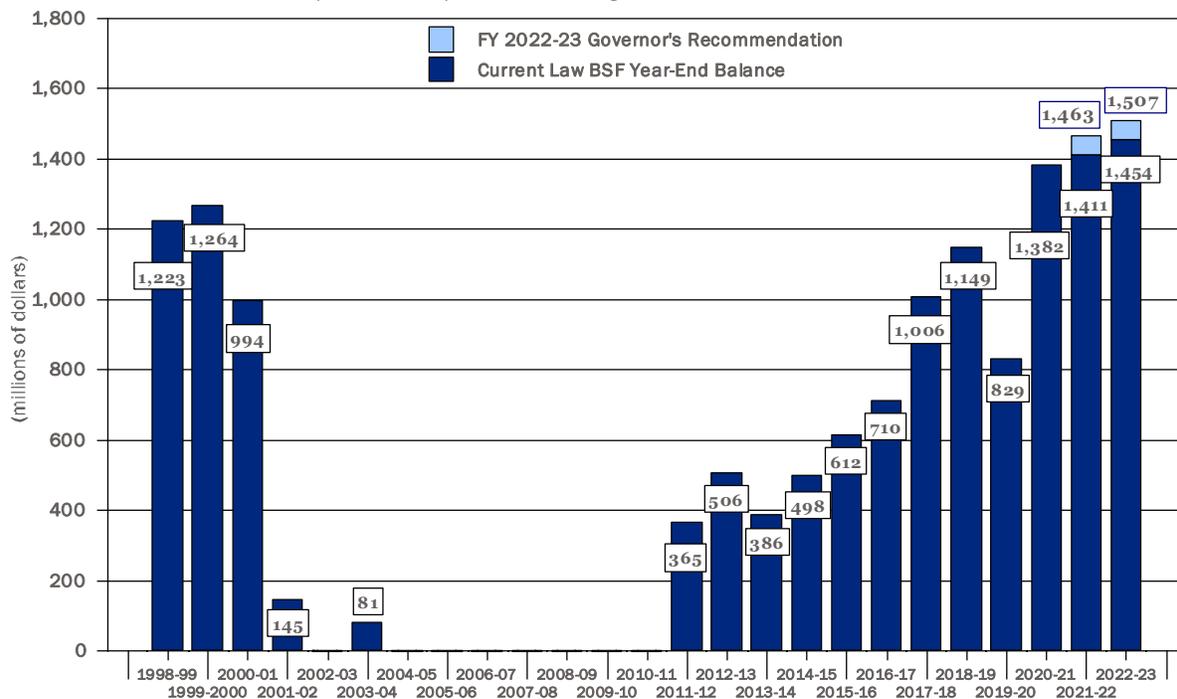
The Governor recommends a deposit of \$51.8 million to the BSF in FY 2021-22. If this deposit were enacted, it would bring the closing balance estimate for FY 2021-22 up to \$1,462.8 million. The closing balance estimate for FY 2022-23 would be \$1,506.6 million.

The history of the BSF year-end balances and the estimates for FY 2020-21, FY 2021-22, and FY 2022-23 are shown in [Figure G](#).

Figure G

Budget Stabilization Fund Year-End Balance

With Estimates for FY 2020-21, FY 2021-22, and FY 2022-23



Source: Michigan Comprehensive Annual Financial Reports through FY 2019-20, Public Act 166 of 2020, Public Act 87 of 2021, FY 2022-23 Executive Budget Recommendation, and Senate Fiscal Agency

FY 2021-22 SUPPLEMENTAL REQUESTS

In addition to the Executive Budget recommendations for FY 2022-23 and budget projections for FY 2023-24, Governor Whitmer also recommended a number of current year, FY 2021-22, supplementals. These supplementals, supplemental requests 2022-2 through 2022-4, represent meaningful alterations to the current year budget and are in addition to already-pending supplemental requests. In total, these three supplemental requests propose to increase current year spending by \$2.9 billion Gross, \$2.6 billion Federal, \$334.2 million State Restricted funds, and reduce GF/GP by \$50.6 million. [Table 31](#) lists the individual requests by fund sources. Highlights of the various supplemental requests are included below and a listing of supplemental requests delivered with the FY 2022-23 Executive Recommendation, by department, are included in [Table 32](#).

Table 31

FY 2021-22 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE					
Budget Area/Program	Gross	Federal	Local and Private	State Restricted	GF/GP
Supplemental 2022-2	\$3,049,226,300	\$2,645,864,100	\$6,731,800	(\$24,301,000)	\$420,931,400
Supplemental 2022-3	2,552,980,000	420,756,000	0	1,830,724,000	301,500,000
Supplemental 2022-4	45,592,200	0	0	45,592,200	0
TOTAL FY 2021-22 SUPPLEMENTAL REQUESTS	\$5,647,798,500	\$3,066,620,100	\$6,731,800	\$1,852,015,200	\$722,431,400

School Aid: The Governor's FY 2021-22 supplemental request (2022-3) would increase K-12 spending by \$2.3 billion above year-to-date appropriations. Of that, \$420.8 million would be from Federal funds, \$101.5 million would be from GF/GP, and the remaining \$1.8 billion would be from the SAF. The primary spending components of the supplemental include the following: \$1.5 billion for school employee retention bonuses; \$150.0 million each for a future educator fellowship, stipends for student teachers, and grow-your-own programs; \$94.4 million for Detroit Schools literacy, \$75.0 million for innovation grants, and \$50.0 million each for school leaders scholarships and educator onboarding programs.

In addition to the spending proposed, the supplemental also requests that \$1.0 billion of SAF be deposited into an infrastructure fund. The Governor's budget for FY 2022-23 proposes to spend \$170.0 million from that fund for infrastructure grants.

Community Colleges and Higher Education: Also contained in supplemental request 2022-3 is \$200.0 million GF/GP for infrastructure, technology, equipment, and maintenance (ITEM) grants. The proposal would provide \$58.5 million in one-time ITEM grants to community colleges and \$141.5 million to universities. Funds would be distributed based on enrollment.

Attorney General: Supplemental request 2022-2 includes \$4.1 million GF/GP for the Attorney General for UIA fraud enforcement.

Department of Health and Human Services: Supplemental request 2022-2 includes \$1.3 billion Gross (-\$216.0 million GF/GP) for the DHHS. The largest piece of the supplemental is \$1.2 billion in Federal funds for public assistance caseload. Other large spending pieces of the DHHS request include \$186.2 million (all GF/GP) and 169.0 FTEs for behavioral health capacity and access, \$99.3 million Gross for Medicaid special financing (\$6.8 million GF/GP), and \$63.9 million Gross (-\$7.0 million GF/GP) for health and aging services base and caseload.

Department of Labor and Economic Opportunity: The Governor's FY 2021-22 supplemental recommendation for LEO includes a \$500.0 million GF/GP deposit into the SOAR Fund, \$60.0 million Federal disaster recovery funding, and \$25.0 million GF/GP for mobility futures initiative.

Department of Natural Resources. Supplemental request 2022-4 includes \$22.3 million for development grants and \$23.3 million for acquisition grants for 117 projects supported with revenue from the Michigan Natural Resources Trust Fund (MNRTF). The 117 projects were approved by the MNRTF Board on December 1, 2021.

Department of Transportation: The Governor's \$491.0 million supplemental request in 2022-2 would be funded primarily with Federal dollars. The largest piece is \$237.5 million for State trunkline, Federal aid, and road and bridge construction, with another \$92.8 million for airport infrastructure grants, \$79.2 million for local Federal aid and road and bridge construction, and \$41.0 million for transit capital.

Department of Treasury: The Governor's FY 2021-22 supplemental budget recommendation for the Department of Treasury includes \$500.0 million of Federal State and Local Fiscal Recovery Funds (SLFRF) for hero pay, \$50.0 million (\$20.0 million SLFRF, \$30.0 million GF/GP) for first responder retention payments, \$50.0 million GF/GP to hold cities, villages, and townships harmless from revenue sharing payment losses because of the 2020 census, and \$3.0 million for responsible gaming advertising.

Table 32

FY 2021-22 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Attorney General						
UIA fraud enforcement.....	\$4,070,000	\$0	\$0	\$0	\$0	\$4,070,000
Total - Attorney General	\$4,070,000	\$0	\$0	\$0	\$0	\$4,070,000
Community Colleges						
Infrastructure, technology, equipment, and maintenance	\$58,507,600	\$0	\$0	\$0	\$0	\$58,507,600
Total - Community Colleges	\$58,507,600	\$0	\$0	\$0	\$0	\$58,507,600
Education						
Camp Tuhsmeheeta	\$1,300,000	\$0	\$0	\$1,300,000	\$0	\$0
Total - Education.....	\$1,300,000	\$0	\$0	\$1,300,000	\$0	\$0
Environment, Great Lakes, & Energy						
Environmental sustainability and stewardship	\$6,500,000	\$0	\$0	\$0	\$6,500,000	\$0
Total - Environment, Great Lakes, & Energy	\$6,500,000	\$0	\$0	\$0	\$6,500,000	\$0
Health & Human Services						
Public assistance caseload.....	\$1,150,032,500	\$1,152,158,400	\$0	\$0	(\$180,000)	(\$1,945,900)
Behavioral health capacity and access.....	186,225,000	0	0	0	0	186,225,000
Medicaid Special Financing	99,342,200	129,797,600	(3,529,000)	0	(33,712,400)	6,786,000
Health and Aging Services base and caseload.....	63,857,400	70,897,600	0	0	0	(7,040,200)
Federal Medicare Pharmaceutical Program Healthy dual-eligible individuals.....	41,575,500	0	0	0	0	41,575,500
Nursing home non-clinical wage increase.....	31,826,800	21,826,800	0	0	0	10,000,000
Opioid Settlement Fund	16,000,000	16,000,000	0	0	0	0
Federal Medicare Pharmaceutical Program Qualified Individuals.....	14,151,800	0	0	0	0	14,151,800
Behavioral and opioid Health Homes caseload adjustment.....	11,700,400	9,485,000	0	0	0	2,215,400
CCI non-contracted rate increases	10,800,000	0	0	0	0	10,800,000
Child welfare caseload adjustment	10,121,600	9,134,400	(8,139,000)	0	0	9,126,200
Behavioral health Medicaid special financing	8,993,900	8,085,300	0	0	687,300	221,300
Raise The Age Fund adjustment	7,688,900	0	0	0	0	7,688,900
Tribal pharmacy inflation adjustment	6,250,000	4,200,000	0	2,050,000	0	0
Public health authorization adjustments	3,584,400	301,100	0	2,883,300	400,000	0
Child Adolescent Health Centers increase	3,000,000	0	3,000,000	0	0	0
Federal authorization for aging community services and nutrition services	2,500,000	2,500,000	0	0	0	0
Congregate care pandemic relief grants.....	2,000,000	0	0	0	0	2,000,000
Behavioral Health Program Administration - Michigan Health						
Endowment Fund and vital strategies grants	1,900,000	0	0	1,900,000	0	0
Private grant for Behavioral Health Administration	1,900,000	0	0	1,900,000	0	0
Child protection authorization	1,000,000	1,000,000	0	0	0	0
Increase aging authorization.....	1,000,000	1,000,000	0	0	0	0
Security IT audit.....	500,000	333,300	0	0	0	166,700
County juvenile officers Reimbursement Increase.....	73,300	0	0	0	0	73,300

Table 32 - continued

FY 2021-22 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Health & Human Services (continued)						
E-FMAP: CSHCS.....	\$0	\$7,379,200	\$0	\$0	\$0	(\$7,379,200)
HCBS FMAP.....	0	(950,000)	0	0	0	950,000
Behavioral health E-FMAP.....	0	97,484,000	0	0	0	(97,484,000)
Behavioral health electronic verification FMAP penalty.....	0	(2,200,000)	0	0	0	2,200,000
Child welfare E-FMAP.....	0	7,432,300	0	0	0	(7,432,300)
Electronic verification penalty physical health.....	0	(5,060,000)	0	0	0	5,060,000
Title IV-E Federal funds overclaim.....	0	(32,916,100)	0	0	0	32,916,100
Bureau of community services and outreach.....	0	0	0	0	0	0
Foster care restricted Authorization.....	0	0	0	0	2,000,000	(2,000,000)
E-FMAP Health and Aging Services.....	0	298,199,600	0	0	0	(298,199,600)
Healthy Homes CHIP E-FMAP.....	0	524,000	0	0	0	(524,000)
State psychiatric hospitals E-FMAP.....	0	1,267,200	0	0	0	(1,267,200)
Behavioral health caseload.....	(201,479,800)	(137,293,800)	0	0	0	(64,186,000)
Health and Aging Services redetermination savings.....	(78,004,800)	(59,251,300)	0	0	(2,535,100)	(16,218,400)
CSHCS base and caseload.....	(29,550,900)	(14,887,700)	0	0	0	(14,663,200)
E-FMAP Federal Medicare Pharmaceutical Program.....	(28,000,000)	0	0	0	0	(28,000,000)
Behavioral health redetermination.....	(7,712,200)	(5,910,200)	0	0	0	(1,802,000)
Family Support Subsidy caseload.....	(795,300)	(795,300)	0	0	0	0
Total - Health & Human Services.....	\$1,330,480,700	\$1,579,741,400	(\$8,668,000)	\$8,733,300	(\$33,340,200)	(\$215,985,800)
Higher Education						
Infrastructure, technology, equipment, and maintenance.....	\$141,492,400	\$0	\$0	\$0	\$0	\$141,492,400
Total - Higher Education.....	\$141,492,400	\$0	\$0	\$0	\$0	\$141,492,400
Judiciary						
Foster care review board.....	\$0	(\$55,000)	\$0	\$0	\$0	\$55,000
Total - Judiciary.....	\$0	(\$55,000)	\$0	\$0	\$0	\$55,000
Labor & Economic Opportunity						
Strategic outreach and attraction reserve fund deposit.....	\$500,000,000	\$0	\$0	\$0	\$0	\$500,000,000
Community development block grant - disaster recovery.....	59,898,000	59,898,000	0	0	0	0
Mobility futures initiative.....	25,000,000	0	0	0	0	25,000,000
Unemployment insurance agency.....	8,980,000	0	0	0	8,980,000	0
Workers' compensation board of magistrate.....	500,000	0	0	0	0	500,000
Going pro - P&I to GF/GP.....	0	0	0	0	(9,540,800)	9,540,800
Bureau of services to blind persons - add 3.0 FTEs.....	0	0	0	0	0	0
Total - Labor & Economic Opportunity.....	\$594,378,000	\$59,898,000	\$0	\$0	(\$560,800)	\$535,040,800
Licensing & Regulatory Affairs						
COVID-19 nursing home survey activities.....	\$625,000	\$625,000	\$0	\$0	\$0	\$0
Task force on foreign-trained medical professional licensing.....	100,000	0	0	0	100,000	0
Total - Licensing & Regulatory Affairs.....	\$725,000	\$625,000	\$0	\$0	\$100,000	\$0

Table 32 - continued

FY 2021-22 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Military & Veterans Affairs						
Grand Rapids home for veterans.....	\$201,100	\$0	\$0	\$0	\$0	\$201,100
Chesterfield Township home for veterans.....	50,300	0	0	0	0	50,300
Total - Military & Veterans Affairs.....	\$251,400	\$0	\$0	\$0	\$0	\$251,400
Natural Resources						
Acquisition grants-in-aid.....	\$23,292,500	\$0	\$0	\$0	\$23,292,500	\$0
Development grants-in-aid.....	22,299,700	0	0	0	22,299,700	0
Total - Natural Resources	\$45,592,200	\$0	\$0	\$0	\$45,592,200	\$0
School Aid						
Retention bonuses.....	\$1,500,000,000	\$0	\$0	\$0	\$1,500,000,000	\$0
School lunch - federal share	374,700,000	374,700,000	0	0	0	0
Michigan future educator fellowship.....	150,000,000	0	0	0	150,000,000	0
Stipends for student teachers	150,000,000	0	0	0	150,000,000	0
Grow-your-own	150,000,000	0	0	0	150,000,000	0
DPSCD settlement payment.....	94,400,000	0	0	0	0	94,400,000
Innovation grants	75,000,000	0	0	0	75,000,000	0
School leaders scholarships	50,000,000	0	0	0	50,000,000	0
Educator onboarding programs	50,000,000	0	0	0	50,000,000	0
Reappropriate remaining sec. 23b - federal.....	45,437,800	45,437,800	0	0	0	0
GSRP startup grants.....	30,000,000	0	0	0	30,000,000	0
Reappropriate remaining sec. 23c - federal.....	6,618,200	6,618,200	0	0	0	0
Oxford response	6,000,000	0	0	0	6,000,000	0
Promise zone payments	1,000,000	0	0	0	1,000,000	0
School lunch - state share	715,000	0	0	0	715,000	0
Michigan educational workforce study	500,000	0	0	0	0	500,000
Great start readiness	250,000	0	0	0	0	250,000
Bus driver safety	159,000	0	0	0	159,000	0
Fund shift.....	0	0	0	0	(6,350,000)	6,350,000
Proposal A obligation payment	(222,000,000)	0	0	0	(222,000,000)	0
Special education Headlee	(47,000,000)	0	0	0	(47,000,000)	0
Discretionary payment	(34,000,000)	0	0	0	(34,000,000)	0
Special education foundations & sped.....	(20,100,000)	0	0	0	(20,100,000)	0
PRIME	(6,000,000)	(6,000,000)	0	0	0	0
Special ed non sec. 52 to ISDs.....	(1,400,000)	0	0	0	(1,400,000)	0
Renaissance zone reimbursement	(1,300,000)	0	0	0	(1,300,000)	0
Total - School Aid	\$2,352,980,000	\$420,756,000	\$0	\$0	\$1,830,724,000	\$101,500,000
State Police						
Disaster and emergency contingency fund.....	\$10,000,000	\$0	\$0	\$0	\$0	\$10,000,000
Highway safety planning.....	25,000	0	0	25,000	0	0
Total - State Police.....	\$10,025,000	\$0	\$0	\$25,000	\$0	\$10,000,000

Table 32 - continued

FY 2021-22 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Technology, Management, & Budget						
Enterprise identity management	\$2,500,000	\$0	\$0	\$0	\$0	\$2,500,000
Total - Technology, Management, & Budget	\$2,500,000	\$0	\$0	\$0	\$0	\$2,500,000
Transportation						
State trunkline federal aid and road and bridge construction	\$237,500,000	\$237,500,000	\$0	\$0	\$0	\$0
IIJA airport infrastructure grants.....	92,827,000	92,827,000	0	0	0	0
Local federal aid and road and bridge construction	79,166,700	79,166,700	0	0	0	0
Transit capital	41,000,000	41,000,000	0	0	0	0
Detroit new center intermodal facility	10,000,000	10,000,000	0	0	0	0
Nonurban operating capital.....	9,817,700	9,817,700	0	0	0	0
Service initiatives	7,677,200	7,677,200	0	0	0	0
Airport safety, protection, and improvement program	4,991,500	0	4,991,500	0	0	0
Specialized services	3,227,400	3,227,400	0	0	0	0
Marine passenger service.....	2,652,000	2,652,000	0	0	0	0
Intercity services	1,558,800	1,558,800	0	0	0	0
Aviation services.....	350,000	0	0	350,000	0	0
Passenger transportation services.....	227,900	227,900	0	0	0	0
Total - Transportation	\$490,996,200	\$485,654,700	\$4,991,500	\$350,000	\$0	\$0
Treasury - Operations						
ARP - hero pay	\$500,000,000	\$500,000,000	\$0	\$0	\$0	\$0
First responder retention payment	50,000,000	20,000,000	0	0	0	30,000,000
Wrongful imprisonment compensation fund.....	5,000,000	0	0	0	0	5,000,000
Responsible gaming advertising	3,000,000	0	0	0	3,000,000	0
Total - Treasury - Operations	\$558,000,000	\$520,000,000	\$0	\$0	\$3,000,000	\$35,000,000
Treasury - Revenue Sharing						
2020 census city, village and township hold harmless.....	\$50,000,000	\$0	\$0	\$0	\$0	\$50,000,000
Total - Treasury - Revenue Sharing.....	\$50,000,000	\$0	\$0	\$0	\$0	\$50,000,000
TOTAL CURRENT YEAR SUPPLEMENTAL REQUESTS.....	\$5,647,798,500	\$3,066,620,100	(\$3,676,500)	\$10,408,300	\$1,852,015,200	\$722,431,400

DETAILS FOR DEPARTMENTS AND BUDGET AREAS

This section of the report presents tables that summarize the Governor's FY 2022-23 Gross and GF/GP appropriation changes to FY 2021-22 (as of February 9, 2022) for each department and budget area. [Tables 33](#) and [34](#) summarize the Gross and GF/GP changes, respectively. [Table 35](#) provides detail by budget area for the Gross and GF/GP changes. Following [Table 35](#) is an Appendix that includes highlight sheets for individual departments and budget areas that summarize the Gross appropriation and boilerplate language changes from FY 2021-22 year-to-date (as of February 9, 2022) to the Governor's recommendation for FY 2022-23.

Table 33

FY 2022-23 GOVERNOR'S RECOMMENDATION COMPARED TO FY 2021-22 YEAR-TO-DATE			
Department/Budget Area	FY 2021-22 Year-To-Date Gross Appropriations	FY 2022-23 Gov's Rec. Gross Appropriations	Gov's Gross Change To FY 2021-22
Agriculture & Rural Development	\$155,685,300	\$17,216,5100	\$16,479,800
Attorney General	108,398,800	126,888,000	18,489,200
Capital Outlay	0	0	0
Civil Rights	17,834,100	21,601,600	3,767,500
Community Colleges	431,417,000	470,028,400	38,611,400
Corrections	2,065,873,000	2,139,968,000	74,095,000
Education	1,928,027,900	419,531,000	(1,508,496,900)
Environment, Great Lakes, & Energy	699,770,600	1,004,099,200	304,328,600
Executive	7,318,600	7,708,600	390,000
Health & Human Services	31,977,203,400	33,444,665,900	1,467,462,500
Higher Education	1,807,751,200	1852,614,900	44,863,700
Insurance & Financial Services	72,987,600	80,335,500	7,347,900
Judiciary	320,463,100	506,371,900	185,908,800
Labor & Economic Opportunity	3,250,153,600	2,305,571,500	(944,582,100)
Legislature	213,762,800	212,605,800	(1,157,000)
Licensing & Regulatory Affairs	517,236,400	513,345,500	(3,890,900)
Military & Veterans Affairs	220,852,600	355,266,000	134,413,400
Natural Resources	464,341,400	534,152,200	69,810,800
Natural Resources (Trust Fund)	0	0	0
School Aid	16,978,110,700	18,356,039,200	1,377,928,500
State	252,164,300	256,264,000	4,099,700
State Police	861,146,100	821,979,000	(39,167,100)
Technology, Management, & Budget	1,708,669,800	1,854,239,700	145,569,900
Transportation	5,429,855,500	6,300,948,900	871,093,400
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100
Treasury (Operations)	1,151,235,900	764,994,200	(386,241,700)
Treasury (Revenue Sharing)	1,486,280,400	1,515,037,200	28,756,800
Total Budget Area Appropriations	\$72,225,604,100	\$74,136,505,400	\$1,910,901,300

Note: Includes ongoing and one-time appropriations as of February 9, 2022.

Table 34

FY 2022-23 GOVERNOR'S RECOMMENDATION COMPARED TO FY 2021-22 YEAR-TO-DATE			
Department/Budget Area	FY 2021-22 Year-To-Date GF/GP Appropriations	FY 2022-23 Gov's Rec. GF/GP Appropriations	Gov's GF/GP Change To FY 2021-22
Agriculture & Rural Development	\$97,366,900	\$107,439,800	\$10,072,900
Attorney General	43,056,000	60,044,800	16,988,800
Capital Outlay	0	0	0
Civil Rights	14,607,300	18,633,500	4,026,200
Community Colleges	0	0	0
Corrections	2,005,369,400	2,095,108,300	89,738,900
Education	102,508,100	98,541,500	(3,966,600)
Environment, Great Lakes, & Energy	163,375,300	218,280,700	54,905,400
Executive	7,318,600	7,708,600	390,000
Health & Human Services	5,448,429,200	6,456,860,100	1,008,430,900
Higher Education	1,317,821,500	1,382,300,200	64,478,700
Insurance & Financial Services	0	6,000,000	6,000,000
Judiciary	209,280,900	394,346,000	185,065,100
Labor & Economic Opportunity	1,517,995,800	881,925,400	(636,070,400)
Legislature	200,134,300	198,227,700	(1,906,600)
Licensing & Regulatory Affairs	184,195,900	188,593,500	4,397,600
Military & Veterans Affairs	78,758,800	145,865,000	67,106,200
Natural Resources	48,612,500	95,775,700	47,163,200
Natural Resources (Trust Fund)	0	0	0
School Aid	85,400,000	108,200,000	22,800,000
State	12,435,600	13,746,600	1,311,000
State Police	527,822,500	555,905,100	28,082,600
Technology, Management, & Budget	517,745,100	676,209,000	158,463,900
Transportation	0	279,900,000	279,900,000
Treasury (Debt Service)	99,064,000	100,084,100	1,020,100
Treasury (Operations)	241,014,200	219,591,800	(21,422,400)
Treasury (Revenue Sharing)	433,000	0	(433,000)
Total Budget Area Appropriations	\$12,922,744,900	\$14,309,287,400	\$1,386,542,500

Note: Includes ongoing and one-time appropriations as of February 9, 2022.

Table 35

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Agriculture & Rural Development		
Economic development for food and agriculture	\$30,000,000	\$30,000,000
Office of rural development.....	10,000,000	10,000,000
Reforestation.....	5,400,000	0
Food and agriculture preparedness, readiness, and response	1,600,000	1,600,000
Pesticide safety - pesticide and plant pest management	1,170,000	1,170,000
Buy Michigan campaign.....	1,000,000	1,000,000
Animal welfare and veterinary care	650,000	650,000
Chronic wasting disease study	500,000	0
Community supported agriculture program	500,000	500,000
Fund shift of \$50,000 - private to federal	0	0
One-time funding	(36,055,000)	(36,055,000)
Unclassified salaries	34,000	34,000
Economic adjustments.....	1,680,800	1,173,900
Total - Agriculture & Rural Development	\$16,479,800	\$10,072,900
Attorney General		
PACC digital evidence storage	\$10,000,000	\$10,000,000
Job court	5,000,000	5,000,000
Organized retail crime unit.....	1,115,000	1,115,000
Price gouging	1,000,000	1,000,000
PACC trainers	410,100	410,100
FY 2021-22 one-time removal	(1,560,000)	(1,560,000)
Unclassified salaries	46,900	46,900
Economic adjustments.....	2,477,200	976,800
Total - Attorney General.....	\$18,489,200	\$16,988,800
Civil Rights		
Complaint investigation backlog - one-time	\$3,151,900	\$3,151,900
Indian boarding school study	500,000	500,000
American with disabilities act fund shift	0	298,900
FY 2021-22 one-time removal	(250,000)	(250,000)
Unclassified salaries	41,100	41,100
Economic adjustments.....	324,500	284,300
Total - Civil Rights	\$3,767,500	\$4,026,200
Community Colleges		
Community college operations - ongoing	\$16,184,000	\$0
Community college operations - one-time	12,947,500	0
MPSERS UAAL stabilization payment.....	5,400,000	0
MPSERS retiree healthcare.....	5,286,400	0
MPSERS normal costs	(900,000)	0
Indian tuition waiver reimbursement	(306,500)	0
Total - Community Colleges	\$38,611,400	\$0
Corrections		
WiFi/Electronic prisoner-staff communications devices - one-time	\$30,000,000	\$30,000,000
<i>John Doe(s) v. MDOC</i> settlement - one-time.....	15,000,000	15,000,000
Live tracking prisoner movement pilot program - one-time	10,000,000	10,000,000
Temporary nursing staff contract rate increase	3,721,100	3,721,100
Information management system maintenance and support.....	1,195,500	1,195,500
Security service contract rate increase	244,400	244,400
City of Jackson water and sewer rate increase	212,000	212,000

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Corrections (continued)		
Removal of FY 22 one-time funding	(\$27,050,000)	(\$27,050,000)
Public works user fees	(1,000,000)	0
DOJ residential substance abuse treatment	(250,200)	0
GASB 84 removal of funding from part 1	(100,000)	0
Fund Shift - Restricted to GF/GP, net zero gross change	0	14,805,900
Unclassified salaries	111,700	111,700
Economic adjustments	42,010,500	41,498,300
Total - Corrections	\$74,095,000	\$89,738,900
Department of Education		
Michigan school for the deaf	\$3,000,000	\$3,000,000
Educator recruitment	800,000	800,000
Great start readiness operations	700,000	700,000
Technical adjustments	504,700	0
Mental health administration	200,000	200,000
Child development and care matching adjustment	0	624,200
FY 2021-22 one-time removal	(1,499,773,500)	(3,910,000)
FY 2021-22 supplemental removal	(16,000,000)	(6,000,000)
Unclassified salaries	56,300	43,300
Economic adjustments	2,015,600	575,900
Total - Department of Education	(\$1,508,496,900)	(\$3,966,600)
Environment, Great Lakes, & Energy		
Infrastructure Act Funding for Water State Revolving Funds	\$214,000,000	\$0
Community technical, managerial, and financial support for lead line replacement: one-time appropriation	48,000,000	48,000,000
Infrastructure Act Match Rqmts. for Water State Revolving Funds ...	36,369,900	36,369,900
High water infrastructure grants: one-time appropriation	34,325,000	34,325,000
Infrastructure Act Funding for Orphan Wells (2.0 FTEs)	31,000,000	0
Legacy contamination cleanup (16.0 FTEs)	30,168,100	175,000
Contaminated site cleanup rapid response fund: one-time approp. ...	20,000,000	20,000,000
Legacy contamination cleanup: one-time appropriation	19,170,900	0
Infrastructure Act Funding for Energy Efficiency Grants (5.0 FTEs)	15,800,000	0
Safe drinking water enforcement and monitoring (19.0 FTEs)	9,157,800	9,157,800
Infrastructure Act Funding for Energy Efficiency Grants	7,200,000	0
Reducing air permit application wait times & improving air quality monitoring (24.0 FTEs)	4,439,800	4,439,800
Grants and records management: one-time appropriation	2,000,000	2,000,000
Water infrastructure loans (4.0 FTEs)	1,407,700	0
Grants and records management (6.0 FTEs)	935,400	935,400
Contaminated site cleanup contingency reserve fund:		
Boilerplate appropriation	(9,999,900)	(9,999,900)
CSB technical adjustment	(27,700,000)	0
Removal of FY 2021-22 one-time Federal and GF/GP funding	(136,675,100)	(91,675,000)
Unclassified salaries	47,000	12,100
Economic adjustments	4,682,000	1,165,300
Total - Environment, Great Lakes, & Energy	\$304,328,600	\$54,905,400
Executive		
Unclassified salaries	\$77,100	\$77,100
Economic adjustments	312,900	312,900
Total - Executive	\$390,000	\$390,000

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Health & Human Services		
Food Assistance Program base and caseload	\$1,155,716,600	\$0
One-time: State-operated psychiatric complex	325,000,000	325,000,000
Medicaid and Healthy Michigan Plan dental program redesign	247,577,100	69,846,400
Healthy Michigan Plan base and caseload adjustments	143,768,400	14,376,800
Medicaid special financing	99,342,400	7,250,500
Traditional Medicaid base and caseload adjustments	95,718,700	53,134,100
Actuarial soundness: HMP - physical health	95,057,700	9,505,800
Actuarial soundness: Medicaid HMO	93,364,100	32,948,200
Actuarial soundness: Medicaid behavioral health PIHP	87,656,100	30,933,800
Medicaid CCBHC demonstration base and caseload	75,654,800	14,728,400
Behavioral health capacity and access initiative	69,282,100	54,950,000
Nursing home non-clinical care staff wage increase	59,989,700	21,200,000
One-time: Food security council recommendations	50,000,000	50,000,000
Healthy Michigan Plan: Medicare Part D drug program clawback for dual-eligible members	41,575,500	41,575,500
One-time: minor home repair and plumbing assistance	40,000,000	40,000,000
Foster care family maintenance payment increase	33,664,600	13,316,500
Actuarial soundness: HMP behavioral health services	30,920,200	3,092,000
One-time: CCWIS IT project continuation	27,825,400	13,912,700
One-time: Michigan Essential Health Provider Program - mental health professional expansion	25,000,000	25,000,000
One-time: projects to reduce racial disparities in health care	20,000,000	15,000,000
Foster Care Payments base and caseload	16,828,400	12,658,600
Opioids settlement fund	16,000,000	0
Local authorization adjustment: child and adolescent health centers	16,000,000	0
Health equity initiatives across vulnerable populations	15,479,800	6,307,000
One-time: Jail Diversion Fund	15,000,000	15,000,000
One-time: child welfare congregate care pandemic relief grants	15,000,000	15,000,000
Federal Medicare Pharmaceutical Program costs	14,151,800	14,151,800
Medicaid rate increase for non-COVID vaccine administration	14,061,200	4,516,700
Enhanced FMAP net changes with end of national emergency	14,000,000	220,588,500
Health Homes program caseload	11,700,400	2,500,500
Increase for residential child welfare institutions	10,519,500	8,976,000
One-time: gun violence prevention	10,000,000	10,000,000
Actuarial soundness: Home and Community Based Waiver	9,110,900	3,215,200
Behavioral health Medicaid special financing	8,993,900	185,900
One-time: multicultural integration funding	8,600,000	8,600,000
FIP family increase \$100 per month per child under 5	8,308,800	0
Actuarial soundness: integrated care organizations	7,954,200	2,807,000
Raise the Age fund increase	7,688,900	7,688,900
Authorization adjustment for tribal pharmacy rate	6,250,000	0
Actuarial soundness: Autism	5,988,800	2,113,400
Employment verification contract increase	5,374,700	3,243,600
Actuarial soundness: PACE	5,310,000	1,873,900
PACE site expansion	4,673,100	1,649,100
IT base system maintenance adjustment	3,631,200	2,749,200
Establish occupational health clinics at state psychiatric hospitals and centers	3,550,000	3,246,000
Child Care Fund base and caseload	3,502,700	15,823,200
Personal protective equipment warehouse	3,400,000	3,400,000
Actuarial soundness: dental services	2,768,900	977,100
Actuarial soundness: Medicaid substance use disorder	2,614,700	922,700
One-time: cross-enrollment expansion	2,500,000	1,325,000

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Health & Human Services (continued)		
One-time: first responder mental health funding.....	\$2,500,000	\$2,500,000
Federal authorization adjustment: community services and nutrition for Area Agencies on Aging	2,500,000	0
Child welfare day treatment program.....	2,480,000	2,480,000
IT contract inflation increase	2,074,800	1,362,400
Private authorization adjustment: sexual transmitted disease program...	2,000,000	0
Private authorization adjustment: behavioral health program administration	1,900,000	0
One-time: IT MMIS maintenance and operations	1,750,000	1,750,000
Hospice room and board payment increase	1,682,000	1,682,000
Ongoing CCWIS development staff costs	1,652,900	859,500
DTMB-owned building security	1,400,000	783,800
Federal authorization adjustment: AIDS prevention, testing, & care program	1,181,600	0
Centralized admin. support for state psychiatric hospital activities ..	1,087,900	1,087,900
Federal child protection grant authorization increase	1,000,000	0
Federal authorization adjustment: carryforward and grant balances for Area Agencies on Aging	1,000,000	0
State restricted funds adjustment: newborn screening fee CPI increase ...	967,300	0
Private authorization adjustment: WIC vendor fines and penalties.....	883,300	0
Ongoing CCWIS IT project continuation	741,400	370,700
Federal match sickle cell disease outreach and testing	650,000	0
Technology security audit	500,000	166,700
Federal authorization adjustment: smoking prevention program.....	500,000	0
5% pharmacy inflation for state hospitals and centers	436,700	357,700
CHAMPS funding from one-time to ongoing.....	400,000	400,000
Dementia care activities	400,000	400,000
State restricted fund adjustment: body art facility fees	400,000	0
Behavioral health treatment recipient mediation services	350,000	350,000
Child support IT software upgrade for new hire & incarceration data...	278,200	37,800
Guardianship Assistance Program base and caseload	261,600	250,900
Private authorization for local office donated funds	250,000	0
CSHCS parent participant revenue	250,000	(500,000)
County juvenile officers reimbursement increase	73,300	73,300
Federal Title IV-E overclaim backfill	0	34,945,000
Bay Pines Center recognize increased county authority	0	273,400
FIP child support pass-through increase	0	1,100,000
State restricted fund authorization for SSI/foster care recipients	0	(2,000,000)
Restricted fund adjustments	0	22,000,000
Healthy Michigan Plan IPA fund shift.....	0	5,527,300
Backout remaining FMAP savings for HCBS.....	0	950,000
FY23 FMAP: Healthy Homes Program CHIP (75.30% from 75.84%)..	0	131,000
Change in Federal FMAP from 65.48% to 64.71%	0	103,874,500
Marihuana Revenue Adjustment.....	(200,500)	0
Sexual Assault Evidence Kit (SEAK) tracking system.....	(430,500)	369,500
State Disability Assistance base and caseload	(452,800)	(452,800)
Federal authorization adjustment for rural health services	(1,380,500)	0
Family Support Subsidy base and caseload.....	(1,637,300)	0
State Supplementation base and caseload	(2,807,100)	(2,807,100)
Food Assistance Program reinvestment adjustment	(3,551,500)	(3,551,500)
Family Independence Program Base and Caseload	(3,738,200)	0
Adoption Subsidies base and caseload	(4,146,400)	(10,055,100)
Healthy Michigan Plan (HMP) behavioral health base and caseload...	(12,770,700)	(1,277,000)

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Health & Human Services (continued)		
CSHCS base and caseload	(\$20,207,500)	(\$10,027,000)
Removal of excess authorization in electronic health records line	(29,477,500)	0
Back out FY 2021-22 Exec. Rec. supplemental items	(40,035,300)	(40,035,300)
Medicaid Autism services base and caseload	(46,728,500)	(16,575,200)
Behavioral Health Services redetermination resumptions	(143,671,400)	(39,295,500)
Medicaid behavioral health services base and caseload	(154,303,600)	(54,480,500)
Back out FY 2021-22 one-time items	(202,343,900)	(84,358,300)
Removal of FY21-22 supplemental items	(325,395,400)	(40,554,200)
Health and Aging Services redetermination resumptions	(704,937,500)	(96,411,300)
Unclassified salaries	69,700	47,100
Economic Adjustments	47,982,600	21,391,200
Total - Health & Human Services	\$1,467,462,500	\$1,008,430,900
Higher Education		
University operations - ongoing	\$76,291,700	\$76,291,700
University operations - one-time	61,033,400	61,033,400
University per-FYES funding floor	12,740,000	12,740,000
One-time MPSERS obligation paydown	(84,741,700)	(84,741,700)
MPSERS UAAL stabilization payment	(13,425,000)	0
Tuition incentive program - restrict to 2.5 x CC tuition	(6,100,000)	0
One-time Japan Center for MI Universities	(500,000)	(500,000)
Indian tuition waiver reimbursement	(344,700)	(344,700)
MPSERS normal costs	(90,000)	0
Total - Higher Education	\$44,863,700	\$64,478,700
Insurance & Financial Services		
Auto no-fault insurance market evaluation	\$5,000,000	\$5,000,000
Behavioral health parity review	1,000,000	1,000,000
Unclassified salaries	46,700	0
Economic adjustments	1,301,200	0
Total - Insurance & Financial Services	\$7,347,900	\$6,000,000
Judiciary		
One-time statewide judicial case management system	\$175,000,000	\$175,000,000
Justice for all self-help center expansion	1,050,000	1,050,000
Administrative funding restoration	1,005,900	1,005,900
Continuing judicial education	467,300	467,300
State appellate defender office (SADO) administration	445,100	445,100
Private grant authorization	300,000	0
SADO wrongful prosecution unit	287,900	287,900
SADO federal grant authorization	250,000	0
One-time judicial workload assessment contract	225,000	225,000
One-time judicial tenure commission backlog	223,000	223,000
Judicial tenure commission backlog	169,800	169,800
SADO juvenile lifer unit	23,800	23,800
Foster care review board backfill of federal funds	0	55,000
Judgeship changes	(212,100)	(212,100)
Remove prior year one-time line items	(1,002,000)	(1,002,000)
Unclassified salaries	0	0
Economic adjustments	7,675,100	7,326,400
Total - Judiciary	\$185,908,800	\$185,065,100

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Labor & Economic Opportunity		
Transformational education infrastructure: one-time	\$230,000,000	\$230,000,000
MI regional empowerment program: one-time.....	200,000,000	200,000,000
Nature, science, and cultural experiences grants: one-time.....	75,000,000	75,000,000
Talent retention and expansion in key industries: one-time	20,000,000	20,000,000
Removal of barriers to employment: one-time.....	15,000,000	15,000,000
International talent attraction: one-time	15,000,000	15,000,000
Young professionals plus: one-time.....	15,000,000	15,000,000
Home ownership and apprenticeship program: one-time	11,000,000	11,000,000
MI Local Heroes marketing campaign: one-time	10,000,000	10,000,000
Office of Future Mobility	4,000,000	4,000,000
State trade export program: one-time	3,000,000	0
Technical restricted, Federal, and private funds adj.....	2,048,500	0
Pre-apprenticeship program: one-time	2,000,000	2,000,000
State historic preservation office: one-time.....	750,000	0
Office of Global Michigan: one-time.....	700,000	700,000
MiStem advisory council	600,000	600,000
Helmets to Hardhats: one-time	500,000	500,000
Office of Global Michigan: ongoing	268,700	268,700
Ethnic commissions	170,000	170,000
Remove FY22 supplementals and one-time appn.	(1,540,446,700)	(1,242,323,400)
Pure Michigan	(15,000,000)	5,000,000
UIA benefit claims monitoring system.....	(4,000,000)	(4,000,000)
MI Reconnect fund source adj.	(45,100)	4,954,900
Unclassified salaries	237,400	27,100
Economic adjustments	9,635,100	1,032,300
Total - Labor & Economic Opportunity	(\$944,582,100)	(\$636,070,400)
Legislature		
House 5.5% overall increase	\$3,511,400	\$3,511,400
Senate 5.5% overall increase	2,380,800	2,380,800
Legislative auditor general field operations 5.5% overall increase	1,470,600	1,002,200
Legislative council 5.5% overall increase	773,400	773,400
State Capitol historic site general operations 5.5% overall increase	313,800	291,500
Legislative retirement system 5.5% overall increase.....	299,800	230,000
Senate fiscal agency 5.5% overall increase	226,100	226,100
House fiscal agency 5.5% overall increase	226,100	226,100
State Capitol historic site maintenance 5.5% overall increase	189,100	0
Legislative corrections ombudsman 5.5% overall increase.....	56,200	56,200
Legislative auditor general unclassified salaries 5.5% overall increase...	20,700	20,700
Michigan veterans facility ombudsman 5.5% overall increase	17,600	17,600
Worker's compensation 5.5% overall increase	8,500	8,500
Removal of FY 22 one-time funding	(7,542,200)	(7,542,200)
Removal of Independent citizens redistricting commission	(3,108,900)	(3,108,900)
Total - Legislature.....	(\$1,157,000)	(\$1,906,600)
Licensing & Regulatory Affairs		
Michigan saves	\$3,500,000	\$3,500,000
Corporations online filing system	2,343,600	0
State nursing home surveyors	1,580,000	1,580,000
CSB technical adjustments	1,068,400	0
Task force on foreign-trained medical professional licensing.....	1,000,000	0
Marijuana Regulatory Agency.....	813,700	0
Liquor Control Commission staffing.....	600,000	0

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Licensing & Regulatory Affairs (continued)		
Public service commission community education and outreach.....	\$282,600	\$0
Utility consumer participation board revenue increase	100,000	0
Marihuana treatment research	(20,000,000)	0
Removal of FY 2021-22 one-time items.....	(1,350,000)	(1,350,000)
Unclassified salaries.....	145,600	1,800
Economic adjustments	6,025,200	665,800
Total - Licensing & Regulatory Affairs	(\$3,890,900)	\$4,397,600
Military & Veterans Affairs		
Armory modernization	\$115,000,000	\$55,000,000
Grand Rapids home for veterans transition	6,456,000	4,065,000
Selfidge air guard base enhancement project.....	6,100,000	6,100,000
Michigan Veterans Facility Authority	6,000,000	6,000,000
NG tuition assistance - add spouses, children.....	5,000,000	5,000,000
Suicide prevention outreach program	1,200,000	1,200,000
Military retirement payments	582,000	582,000
State military cemetery feasibility study	250,000	250,000
Security cost increase - veterans homes	251,400	251,400
Fund shift - \$6.0 million from GF/GP to federal	0	(6,000,000)
One-time funding	(8,956,000)	(6,565,000)
Unclassified salaries.....	88,800	88,800
Economic adjustments	2,441,200	1,134,000
Total - Military & Veterans Affairs	\$134,413,400	\$67,106,200
Natural Resources		
State fish hatchery upgrades and improvements: one-time approp... ..	\$30,000,000	\$30,000,000
Natural resource equipment modernization: one-time approp.....	12,421,700	10,871,700
State park employee recruitment and retention (40.8 FTEs).....	9,159,700	0
Great Lakes vessel modernization: one-time appropriation.....	4,000,000	4,000,000
State parks repair and maintenance	\$3,100,000	0
Off road vehicle trail improvements (13.1 FTEs).....	3,059,900	0
Align authorization - State park and harbor system authority operations ...	2,820,000	0
Newberry customer service center construction completion: one-time appropriation	2,000,000	2,000,000
State game and wildlife area infrastructure.....	1,400,000	0
State boating infrastructure maintenance	1,100,000	0
Wetland restoration, enhancement and acquisition	1,000,000	0
Emergency response and wildfire suppression	751,900	751,900
Recruitment and retention of short-term workers.....	678,800	0
Tribal relations and fisheries co-management (4.0 FTEs).....	652,800	652,800
Digitization of archival records: one-time appropriation	485,000	485,000
Local boating infrastructure maintenance and improvements	300,000	0
MiConnect outdoors credit card processing fees	300,000	0
Align spending authorization with available revenue from pheasant license fees	100,000	0
MiConnect outdoors maintenance and support	50,000	0
Align spending authorization - youth hunting and fishing education and outreach fund.....	(52,200)	0
Eliminate State park improvement revenue bond debt service appropriation	(1,201,800)	0
Removal of FY 2021-22 one-time Federal and GF/GP funding.....	(\$8,495,800)	(\$2,495,800)
Unclassified salaries.....	46,800	0
Economic adjustments	6,134,000	897,600
Total - Natural Resources	\$69,810,800	\$47,163,200

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
School Aid		
Foundation allowance - increase \$435 (5%)	\$580,000,000	\$0
School lunch - federal share	359,000,000	0
At-risk programs.....	222,000,000	0
School infrastructure	171,000,000	1,000,000
TRAILS.....	150,000,000	0
Special education cost reimbursement.....	150,000,000	0
Michigan future educator fellowship	100,000,000	0
Educator onboarding programs	50,000,000	0
Before and after school programs	50,000,000	50,000,000
Mental health grants and admin	50,000,000	0
School safety grants	41,000,000	(2,500,000)
Great start readiness	33,000,000	0
Universal mental health screenings.....	25,000,000	0
Cross-system interventions - school safety	15,000,000	0
MPSERS cost offset	12,071,000	31,000
Adolescent teen health centers.....	11,000,000	0
ISD vocational ed millage reimbursement	10,810,000	0
Special education - federal IDEA.....	10,000,000	0
Vocational education.....	10,000,000	0
Great start early childhood block grants	9,500,000	0
MPSERS UAAL rate stabilization payment	9,500,000	0
Student assessments - state share	8,000,000	0
Early on.....	7,100,000	0
Specialized mental health needs	5,000,000	0
GSRP home pilot	5,000,000	0
MPSERS transition costs.....	4,000,000	0
ISD general operations	3,595,200	0
CTE equipment upgrades	2,500,000	2,500,000
Bilingual education.....	1,275,000	0
Promise zone payments	1,000,000	0
School aid fund borrowing costs.....	900,000	0
School lunch - state share	715,000	0
Isolated districts	421,000	0
First robotics.....	0	(600,000)
Foundation allowance - technical adjustment.....	(361,000,000)	0
Wraparound services staffing	(120,000,000)	0
Year-round schools: one-time HVAC/etc.....	(75,000,000)	0
Year-round schools: 3% foundation increase	(60,000,000)	0
Dissolved district debt	(25,500,000)	0
Special education Headlee	(23,400,000)	0
Special education foundations and sped	(8,700,000)	0
Attendance recovery program.....	(6,000,000)	(6,000,000)
Imagine learning	(6,000,000)	(6,000,000)
PRIME.....	(6,000,000)	0
MPSERS normal cost offset	(5,310,000)	(10,000)
Civics and model government programs	(3,750,000)	(3,750,000)
COOR ISD CTE program.....	(2,500,000)	0
Boys and girls club.....	(2,000,000)	(2,000,000)
EVAAS	(2,000,000)	(2,000,000)
Detroit public TV	(2,000,000)	0
Algebra nation.....	(2,000,000)	(2,000,000)
Navigate 360.....	(1,947,000)	(1,947,000)
Jewish foundation	(1,700,000)	(1,700,000)

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
School Aid (continued)		
K-12 baseline expenditure study.....	(\$1,500,000)	(\$1,500,000)
Special education taskforce.....	(1,500,000)	0
Project SEARCH.....	(1,500,000)	0
Special ed non sec 52 to ISDs.....	(1,400,000)	0
Flint declaration of emergency.....	(1,384,900)	(1,384,900)
Renaissance zone reimbursement.....	(1,300,000)	0
Dyslexia tool.....	(1,000,000)	(1,000,000)
Innovative community libraries.....	(1,000,000)	0
Teach for America.....	(1,000,000)	(1,000,000)
Nonpublic school reimbursements.....	(1,000,000)	(1,000,000)
Chaldean community foundation.....	(750,000)	(750,000)
Digital literacy program.....	(500,000)	0
Mi alma - exito educativo.....	(450,000)	(450,000)
Fitness foundation.....	(400,000)	(400,000)
MI-STEM council supports.....	(300,000)	(300,000)
Children's choice.....	(250,000)	(250,000)
Conductive learning.....	(250,000)	(250,000)
MI-STEM network regions - federal.....	(235,000)	0
Michigan council for women in technology.....	(150,000)	(150,000)
MITES.....	(50,000)	(50,000)
Technical fix GF/SAF fund shift.....	0	6,031,100
Economic adjustments.....	268,200	229,800
Total - School Aid.....	\$1,377,928,500	\$22,800,000
State		
Mobile office expansion of services.....	\$1,067,300	\$1,067,300
Enhanced driver license processing cost increase.....	1,000,000	0
Security contract cost increase.....	300,000	0
Branch operations.....	(\$1,179,400)	0
Departmental operations.....	(600,000)	0
Legal services operations.....	(396,600)	0
Central operations.....	(358,500)	0
IT services and projects.....	(195,800)	0
Unclassified salaries.....	39,100	39,100
Economic adjustments.....	4,423,600	204,600
Total - State.....	\$4,099,700	\$1,311,000
State Police		
Trooper School.....	\$9,239,800	\$9,239,800
FY 2021-22 trooper school annualization.....	5,670,800	5,670,800
Traffic stop data collection.....	3,700,000	3,700,000
Training and professional development.....	3,000,000	3,000,000
Fleet rate increase.....	2,069,000	1,942,300
Victim support program.....	1,814,300	1,814,300
Investigative services - cyber crime unit.....	1,130,900	1,130,900
Recruitment, training and outreach.....	1,000,000	1,000,000
Align spending authority.....	575,300	0
Boilerplate receive and expend authority FY 2021-22.....	(24,732,400)	0
One-time funding.....	(68,541,500)	(20,985,500)
Unclassified salaries.....	29,000	16,800
Economic adjustments.....	25,877,700	21,553,200
Total - State Police.....	(\$39,167,100)	\$28,082,600

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Technology, Management, & Budget		
Information technology investment fund (ITIF)	\$115,000,000	\$115,000,000
One-time enterprisewide special maintenance	70,000,000	70,000,000
State fleet electric vehicle transition	10,000,000	10,000,000
Michigan Infrastructure Office	5,000,000	5,000,000
MiLogin.....	5,000,000	5,000,000
Cyber security and infrastructure protection	3,070,200	3,070,200
Data analytics center	2,000,000	2,000,000
Michigan State Police Grand Rapids Facility operations	2,000,000	0
State office space use assessment	1,000,000	1,000,000
Delegated procurement services	872,100	0
Central procurement services	473,300	473,300
Removal of FY 2021-22 one-time funding	(53,100,000)	(53,100,000)
Removal of FY 2021-22 supplemental funding	(6,800,000)	(1,700,000)
Building operations security services.....	(200,000)	(1,500,000)
Bureau of Lottery IT transfer	(1,459,300)	0
Additional CSB technical adjustments	(18,982,500)	(23,400)
Unclassified salaries	53,500	23,800
Economic adjustments	11,642,600	3,220,000
Total - Technology, Management, & Budget	\$145,569,900	\$158,463,900
Transportation		
State trunkline road and bridge construction	\$307,119,500	\$0
One-time critical road and bridge infrastructure.....	150,000,000	150,000,000
Airport infrastructure grants - IIJA	95,000,000	0
Local federal aid road and bridge construction	94,400,000	0
Transit and rail federal increases.....	76,161,000	0
One-time pump station back-up generators	66,000,000	66,000,000
One-time priority rail grade crossing/separation	60,000,000	60,000,000
County road commissions.....	56,271,700	0
Transit and rail restricted fund increases	56,162,900	0
Airport safety improvement program	36,885,400	0
Cities and villages	31,374,000	0
Program staffing - department wide	26,651,300	0
Highway maintenance materials increase	9,950,300	0
Transportation economic development programs	4,349,100	0
One-time aviation weather equipment	3,900,000	3,900,000
Highway maintenance contract services	3,106,900	0
Construction services support contracts	1,788,700	0
Information technology	1,725,000	0
Interdepartmental grant adjustments	1,115,000	0
Detroit metropolitan Wayne County airport.....	650,000	0
Traffic signal billing program	400,000	0
Movable bridge revenue adjustment.....	305,400	0
Local agency software administration tool.....	206,000	0
Local bridge fund revenue adjustment.....	(831,000)	0
Debt service reductions	(28,343,100)	0
FY 2021-22 supplemental backout	(193,236,300)	0
Unclassified salaries	47,000	0
Economic adjustments	9,934,600	0
Total - Transportation	\$871,093,400	\$279,900,000

Table 35 - continued

GOVERNOR'S FY 2022-23 GROSS AND GF/GP CHANGES TO FY 2021-22		
Budget Area/Line Items	Gov's Changes to FY 2021-22	
	Gross	GF/GP
Treasury - Debt Service		
Great Lakes water quality bond	\$878,100	\$878,100
Quality of life bond.....	153,000	153,000
Clean Michigan initiative.....	(11,000)	(11,000)
Total - Treasury - Debt Service.....	\$1,020,100	\$1,020,100
Treasury - Operations		
Rebates for electrical vehicle purchase	\$50,000,000	\$50,000,000
Local transition support grants	40,000,000	40,000,000
Recreational marihuana grants.....	20,580,000	0
Technical adjustments.....	8,160,300	0
Casino gaming control operations.....	3,659,400	0
Responsible gaming advertising	3,000,000	0
Office of postsecondary financial planning.....	2,936,100	2,936,100
Casino control information technology	1,801,400	0
Flow-through entity tax implementation	1,376,900	1,376,900
Treasury information technology	1,250,000	795,000
Retirement income tax reform implementation	1,200,000	0
Office of organizational development.....	751,300	751,300
Senior citizen cooperative housing	150,000	150,000
FY 2021-22 supplemental removal	(484,000,000)	(75,000,000)
FY 2021-22 one-time removal.....	(43,600,000)	(43,600,000)
Unclassified salaries.....	62,100	37,200
Economic adjustments	6,430,800	1,131,100
Total - Treasury - Operations.....	(\$386,241,700)	(\$21,422,400)
Treasury - Revenue Sharing		
CVT revenue sharing	\$26,624,600	\$0
County revenue sharing	23,189,400	0
Emmet County revenue sharing.....	376,000	0
Constitutional revenue sharing.....	(21,000,200)	0
FY 2021-22 one-time removal.....	(433,000)	(\$433,000)
Total - Treasury - Revenue Sharing	\$28,756,800	(\$433,000)
TOTAL BUDGET AREA CHANGES	\$1,910,901,300	\$1,386,542,500

APPENDICES

Governor's Recommendation
Highlight Sheets

2021 Natural Resources Trust Fund
Acquisition Projects



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	521.0	531.0	10.0	1.9
GROSS	155,685,300	172,165,100	16,479,800	10.6
Less:				
Interdepartmental Grants Received	320,000	326,700	6,700	2.1
ADJUSTED GROSS	155,365,300	171,838,400	16,473,100	10.6
Less:				
Federal Funds	13,599,800	19,670,900	6,071,100	44.6
Local and Private	71,300	21,300	(50,000)	(70.1)
TOTAL STATE SPENDING	141,694,200	152,146,200	10,452,000	7.4
Less:				
Other State Restricted Funds	44,327,300	44,706,400	379,100	0.9
GENERAL FUND/GENERAL PURPOSE	97,366,900	107,439,800	10,072,900	10.3
PAYMENTS TO LOCALS	11,800,000	15,800,000	4,000,000	33.9

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$155,685,300	\$97,366,900
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$155,685,300	\$97,366,900
Changes from FY 2021-22 Year-to-Date:		
1. Economic Development for Food and Agriculture. The Governor recommended \$30.0 million in GF/GP funding in support of Michigan's agriculture processes including supply chain, infrastructure, workforce resources that have been affected because of the pandemic, and also to reduce environmental risks in food processing facilities and support domestic marketing programs.	30,000,000	30,000,000
2. Office of Rural Development. The Governor recommended \$10.0 million in GF/GP funding for grant assistance to rural communities faced with challenges in the areas of economic and workforce development, affordable housing, infrastructure, education, and high-speed internet connection.	10,000,000	10,000,000
3. Reforestation in Northern Lower Peninsula. The Governor recommended \$5.4 million Federal funds to reforest 16,100 acres of private and State-owned land.	5,400,000	0

4. Food and Agriculture Preparedness, Readiness, and Response. The Governor recommended \$1.6 million GF/GP.	1,600,000	1,600,000
5. Pesticide Safety. The Governor recommended funding to expand agriculture worker protection program to protect workers from pesticide exposure.	1,170,000	1,170,000
6. Buy Michigan Campaign. The Governor recommended funding to create a buy local campaign for Michigan grown and raised products.	1,000,000	1,000,000
7. Animal Welfare and Veterinary Care. The Governor recommended funding for support to Michigan registered animal shelters that have experienced adverse effects because of the pandemic.	650,000	650,000
8. Animal Industry Federal Support - Chronic Wasting Disease. The Governor recommended \$500,000 in Federal funds to implement a biological study on chronic wasting disease.	500,000	0
9. Community Supported Agriculture Program. The Governor recommended \$500,000 GF/GP to assist in bringing fresh fruits and vegetables to families facing food insecurities.	500,000	500,000
10. Fund Shift. The Governor recommended a shift of \$50,000 in funding from Private to Federal, to reflect funds received.	0	0
11. Elimination of FY 2021-22 One-Time Funding. The Governor recommended the elimination of FY 2021-22 one-time funding of \$36,055,000 GF/GP, including \$25.0 million for Agriculture Nutrient Best Management Voluntary Practices Program, \$3.2 million for Agriculture Equine Industry Development Fund, \$3,180,000 for Farm Innovation Program, \$1,950,000 for County Fairs, Shows, and Expositions, \$1.1 million for Fair Food Network - Double Up Food Bucks, \$1.0 million for Local Conservation Districts, \$400,000 for Bovine TB Quarantine - Producer Reimbursement, and \$225,000 for Farm Stress Program.	(36,055,000)	(36,055,000)
12. Economic Adjustments. Includes \$1,714,800 Gross and \$1,207,900 GF/GP for total economic adjustments, of which an estimated negative \$686,400 Gross and negative \$476,200 GF/GP is for legacy retirement costs.	1,714,800	1,207,900
Total Changes	\$16,479,800	\$10,072,900
FY 2022-23 Governor's Recommendation	\$172,165,100	\$107,439,800

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Acronyms and Definitions.** The Governor removed definition of "Fiscal Agencies", "HHS", "LARA", "MDEGLE", and "subcommittee", terms currently used throughout FY 2020-21 boilerplate. (Sec. 203)
2. **Reporting Requirements.** The Governor removed a subsection that required notification when a report has been placed on the Department's website. (Sec. 204)
3. **General Fund Lapse Report.** The Governor amended the language to shift the due date of the report from no later than November 30 to December 30. (Sec. 209)
4. **Contingency Fund Legislative Transfers.** The Governor amended language to increase the maximum of Federal fund transfers from \$3.0 million to \$5.0 million, increase the maximum for Restricted funds from \$2.0 million to \$6.0 million, and keep the local and private funds limit that would be eligible for transfer at \$100,000. (Sec. 210)

5. **Web-Based Fiscal Status Reporting.** The Governor amended language by changing it from the Department shall "cooperate with the SBO" to "shall report to SBO." (Sec. 211)
6. **Restricted Fund Balances Report.** The Governor amended language by changing it from the Department shall "cooperate with the SBO" to "shall report to SBO". (Sec. 212)
7. **Disciplinary Action.** The Governor recommended elimination of this section, which prohibited action against an employee for communicating with legislative staff. (Sec. 215)
8. **Quarterly Employee Status Reports.** The Governor deleted this reporting requirement. (Sec. 216)
9. **Work Project Expenditures.** The Governor deleted this section, which required that, to the extent possible, appropriations in part 1 not be spent until all existing work project funds for that same purpose have been spent. (Sec. 217)
10. **Administrative Board Transfers.** The Governor deleted this section, which allows the Legislature to transfer funds via resolution should the Administrative Board transfer funds. (Sec. 218)
11. **Retention of Reports.** The Governor recommended elimination of this section, which requires the Department to receive and retain records. (Sec. 219)
12. **Policy Changes Made to Implement Public Acts.** The Governor deleted language that required the Department to report annually on policy changes made to implement recent public acts. (Sec. 220)
13. **Severance Pay Report.** The Governor deleted a requirement for a report on any severance pay spent by the Department. (Sec. 221)
14. **COVID-19 Requirements.** The Governor deleted language prohibiting certain departmental requirements for COVID-19 vaccinations or testing. (Sec. 222)
15. **Farmland and Open Space Preservation Program.** The Governor deleted language requiring timely processing of tax credits. (Sec. 610)
16. **Food and Agriculture Investment Program.** The Governor removed language requiring project guidelines be approved by the Michigan Agriculture Commission and added that the estimated cost of the project would be \$2,472,600. (Sec. 701)
17. **Unspent Industry Support Revenues.** The Governor added new language allowing industry support funds to be carried forward into the following year and not lapse to the General Fund. (Sec. 707)
18. **County Fairs, Shows, and Expositions Grant Program.** The Governor deleted language that stated "[a]ll grants will be distributed in accordance with this section and the grant guidelines published prior to the request for proposals" and added the cost of the project would be \$500,000. (Sec. 805)
19. **Agriculture Nutrient Best Management Voluntary Practices Program.** The Governor deleted this section referring to one-time appropriations for a water quality enhancement program. (Sec. 1001)
20. **Agriculture Equine Industry Development Fund (AEIDF).** The Governor deleted this section referring to one-time appropriations to the AEIDF. (Sec. 1002)
21. **Bovine TB Quarantine Producer Reimbursement.** The Governor deleted this section referring to one-time appropriations for financial assistance to livestock producers. (Sec. 1003)
22. **Farm Innovation Grant Program.** The Governor deleted this section referring to one-time appropriations for grant assistance to farmers. (Sec. 1004)
23. **Farm Stress Program.** The Governor deleted this section referring to one-time appropriations for behavioral healthcare assistance to farmers. (Sec. 1005)
24. **Office of Rural Development.** The Governor recommended new language providing guidelines for distributing \$10.0 million in grant funds proposed in part 1, to be used for enhancing broadband, housing, infrastructure, education, and workforce development. (Sec. 1-900)
25. **Economic Development for Food and Agriculture.** The Governor recommended new language providing guideline for the expenditure of a \$30.0 million program proposed in part 1, to support the food supply chain from Michigan farms and improve food safety and security. (Sec. 1-901)

Date Completed: 3-22-22

Fiscal Analyst: Bruce Baker

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	541.4	549.9	8.5	1.6
GROSS	108,398,800	126,888,000	18,489,200	17.1
Less:				
Interdepartmental Grants Received	35,083,600	35,954,600	871,000	2.5
ADJUSTED GROSS	73,315,200	90,933,400	17,618,200	24.0
Less:				
Federal Funds	9,868,400	10,101,900	233,500	2.4
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	63,446,800	80,831,500	17,384,700	27.4
Less:				
Other State Restricted Funds	20,390,800	20,786,700	395,900	1.9
GENERAL FUND/GENERAL PURPOSE	43,056,000	60,044,800	16,988,800	39.5
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$108,398,800	\$43,056,000
Changes from FY 2021-22 Year-to-Date:		
1. UIA Fraud Enforcement. The Governor included \$4,070,000 Gross and GF/GP in Operations to support 12.0 limited-term employees for fraud enforcement of the Unemployment Insurance Agency (UIA).	4,070,000	4,070,000
Total Supplemental Changes	\$4,070,000	\$4,070,000

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$108,398,800	\$43,056,000
Changes from FY 2021-22 Year-to-Date:		
1. Prosecuting Attorneys Coordinating Council (PACC) Digital Evidence Storage. The Governor included \$10.0 million Gross and GF/GP in one-time appropriation to modernize the computer technology for the PACC because of an increase in digital evidence involved in cases.	10,000,000	10,000,000
2. Job Court. The Governor included \$5.0 million Gross and GF/GP in one-time appropriation to reduce the criminal backlog for those who obtained employment.	5,000,000	5,000,000

3. Organized Retail Crime Unit. The Governor included \$1.1 million Gross and GF/GP and 6.5 FTE positions to the Organized Retail Fraud Unit within the Department's criminal division. The Unit would be a statewide initiative aimed at protecting Michigan businesses by reducing organized retail crime.	1,115,000	1,115,000
4. Price Gouging. The Governor included \$1.0 million Gross and GF/GP for consumer protection efforts against price gouging.	1,000,000	1,000,000
5. PACC Trainers. The Governor included \$410,100 Gross and GF/GP and 2.0 FTE positions to the PACC to expand the online training for prosecution staff.	410,100	410,100
6. FY 2021-22 One-Time Removal. The Governor included the removal of \$1,560,000 Gross and GF/GP in FY 2021-22 One-Time Appropriations.	(1,560,000)	(1,560,000)
7. Economic Adjustments. Includes \$2,524,100 Gross and \$1,023,700 GF/GP for total economic adjustments, of which an estimated negative \$1,020,000 Gross and negative \$395,000 GF/GP is for legacy retirement costs (pension and retiree health).	2,524,100	1,023,700
Total Changes	\$18,489,200	\$16,988,800
FY 2022-23 Governor's Recommendation	\$126,888,000	\$60,044,800

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **UIA Enforcement Work Projects.** The Governor included language to designate any unspent appropriation for UIA fraud enforcement as a work project until September 30, 2026.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Federal Lawsuit Notification (Deleted).** The Governor deleted the notification requirement on lawsuits filed against the Federal government. (Sec. 321)
2. **PASS Data and Case Management (Deleted).** The Governor deleted the language tied to One-Time appropriation for NextGen case management for PACC. (Sec. 323)
3. **Technical Adjustments.** The Governor made a number of technical modifications that include date changes, Part 1 appropriation changes, legacy cost adjustments, and standardized language. (Secs. 201, 214, 309, and 314)

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	109.0	109.0	0.0	0.0
GROSS	17,834,100	21,601,600	3,767,500	21.1
Less:				
Interdepartmental Grants Received	298,900	0	(298,900)	(100.0)
ADJUSTED GROSS	17,535,200	21,601,600	4,066,400	23.2
Less:				
Federal Funds	2,850,700	2,890,900	40,200	1.4
Local and Private	18,700	18,700	0	0.0
TOTAL STATE SPENDING	14,665,800	18,692,000	4,026,200	27.5
Less:				
Other State Restricted Funds	58,500	58,500	0	0.0
GENERAL FUND/GENERAL PURPOSE	14,607,300	18,633,500	4,026,200	27.6
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$17,834,100	\$14,607,300
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$17,834,100	\$14,607,300
Changes from FY 2021-22 Year-to-Date:		
1. Complaint Investigation Backlog. The Governor included \$3.1 million Gross and GF/GP in one-time appropriation and 25.0 limited-term FTE positions to address a backlog of 2,500 cases in complaint investigations.	3,151,900	3,151,900
2. Indian Boarding School Study. The Governor included \$500,000 Gross and GF/GP in one-time appropriation to conduct a statewide study of Native American children forced to attend boarding schools in Michigan.	500,000	500,000
3. American with Disabilities Act Fund Shift. The Governor included a fund shift of \$298,900 from interdepartmental grants (IDG) to GF/GP due to unrealized revenue to support the Department's responsibilities of the Americans with Disabilities Act.	0	298,900

4. FY 2021-22 One-Time Removal. The Governor included the removal of \$250,000 Gross and GF/GP in FY 2021-22 one-time appropriation.	(250,000)	(250,000)
5. Other. The Governor transferred \$1,475,800 Gross and GF/GP and 13.0 FTE positions from the Law and Policy line item to the Complaint Investigation and Enforcement line item.	0	0
6. Economic Adjustments. Includes \$365,500 Gross and \$325,400 GF/GP for total economic adjustments, of which an estimated negative \$139,300 Gross and negative \$120,900 GF/GP is for legacy retirement costs (pension and retiree health).	365,600	325,400
Total Changes	\$3,767,500	\$4,026,200
FY 2022-23 Governor's Recommendation	\$21,601,600	\$18,633,500

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Receive and Expenditure Authorization.** The Governor removed the \$85,000 cap on the amount of Local and Private funds the Department is allowed to receive and spend in addition to Part 1 appropriations. (Sec. 402)
2. **Discrimination Awareness Appropriation (Deleted).** The Governor deleted the language for the one-time appropriation for crimes of discrimination and discrimination awareness. (Sec. 412)
3. **Indian Boarding School Study (NEW).** The Governor included a new section that outlines the one-time appropriation to study Native American children who attended boarding school in the State and included a deadline for the study by January 30, 2024. (Sec. 412)
4. **Compliant Investigation Backlog (NEW).** The Governor included a new section that outlines the one-time appropriation to address complaint investigation and enforcement case backlog. The funds would be used to hire 25.0 limited-term employees to address the backlog and designate any unspent fund as a work project to be completed by September 30, 2027. (Sec. 413)
5. **Technical Adjustments.** The Governor made a number of technical modifications that include date changes, Part 1 appropriation changes, legacy cost adjustments, and standardized language. (Secs. 201, 214, and 403)

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	431,417,000	470,028,400	38,611,400	8.9
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	431,417,000	470,028,400	38,611,400	8.9
Less:				
Federal Funds	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	431,417,000	470,028,400	38,611,400	8.9
Less:				
Other State Restricted Funds	431,417,000	470,028,400	38,611,400	8.9
GENERAL FUND/GENERAL PURPOSE	0	0	0	0.0
PAYMENTS TO LOCALS	431,417,000	470,028,400	38,611,400	8.9

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$431,417,000	\$0
Changes from FY 2021-22 Year-to-Date:		
1. Infrastructure, Technology, Equipment, and Maintenance (ITEM). The Governor requested supplemental funding for this program. Funds would be distributed to community colleges proportionately to their FY 2020-21 full-year equated student (FYES) numbers, and could be used for improvements to existing buildings, deferred maintenance, technology, and other physical infrastructure.	58,507,600	58,507,600
Total Supplemental Changes	\$58,507,600	\$58,507,600

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$431,417,000	\$0
Changes from FY 2021-22 Year-to-Date:		
1. One-Time Operations Increase. The Governor included a 5.0% one-time operations increase for community colleges using the existing community college funding formula.	16,184,000	0
2. Ongoing Operations Increase. The Governor included a 5.0% ongoing operations increase for community colleges using the existing community college funding formula.	16,184,000	0

3. Michigan Public School Employees' Retirement System (MPERS) UAAL Stabilization Payment. The Governor included an adjustment for MPERS unfunded actuarially accrued liability (UAAL) costs that exceed the statutory payroll rate cap of 20.96%. This adjustment would bring the total amount for this item to \$92.6 million.	5,400,000	0
4. MPERS Retiree Healthcare. The Governor included an increase in support for MPERS retiree health care to meet the State's projected share of those costs. This adjustment would bring the total amount for this item to \$7.0 million.	5,286,400	0
5. FY 2021-22 One-Time Increase. The Governor removed the 2.0% one-time operations increase that was provided to community colleges for FY 2021-22.	(3,236,500)	0
6. MPERS Normal Cost Adjustment. The Governor reduced the MPERS normal cost offset to reflect the contributions necessary to support the reduction to the assumed rate of return on investment funds that has been enacted over the past few years. This adjustment would bring the total amount for this item to \$10.8 million.	(900,000)	0
7. North American Indian Tuition Waiver (ITW) Adjustment. The Governor reduced North American Indian tuition waiver payments based on the most recent cost data provided by the colleges. The total amount included for this item is \$1.4 million.	(306,500)	0
Total Changes	\$38,611,400	\$0
FY 2022-23 Governor's Recommendation	\$470,028,400	\$0

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **ITEM Payment Amounts.** The Governor included a new section that appropriates the individual ITEM grants to each college. Amounts are based on FY 2020-21 FYES numbers. (Sec. 201f)

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Schedule of Payments to Community Colleges.** The Governor removed language requiring the State Budget Director to notify the House and Senate Subcommittees before funds are withheld because of a failure to report certain information as required by statute. (Sec. 206)
2. **Use and Finance Noncompliance Penalty.** The Governor removed a section that imposes a 1% reduction in State funding to a community college for each violation of certain requirement of the Management and Budget Act. (Sec. 208)
3. **Transparency Reporting - Noncompliance Penalty.** The Governor removed language that allows the State Budget Director to withhold monthly payments to community colleges if the colleges do not comply with statutory transparency reporting requirements. The Governor also removed various reporting requirements from this section, as well as a requirement that the State Budget Office compile a single report from the various reports submitted by colleges under this section. (Sec. 209)
4. **Campus Safety Information.** The Governor removed the requirement that colleges certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. (Sec. 209a)
5. **Bachelor of Nursing Report.** The Governor removed a report on articulation agreements on Bachelor of Nursing programs between community colleges and universities (Sec. 210g)
6. **COVID-19 Mandatory Vaccine Exemptions.** The Governor removed a section requiring community colleges that have a mandatory COVID-19 vaccine policy to grant exceptions to that policy under certain circumstances. (Sec. 210h)
7. **Cost Containment.** The Governor removed a section requiring community colleges to pursue various efficiencies in their operations. (Sec. 212)

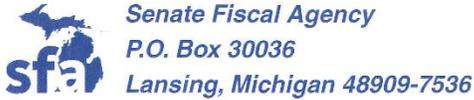
8. **Performance Audits.** The Governor removed a section allowing the Auditor General to conduct performance audits on community colleges. (Sec. 220)
9. **COVID-19 Federal Funds Report.** The Governor removed a report on COVID-19-related Federal funds received by community colleges. (Sec. 226b)
10. **Campus Free Speech Report.** The Governor removed a section of legislative intent language requesting a report from each college on strategic planning and other activities related to free speech on campus. (Sec. 226d)
11. **Postsecondary Achievement Goal.** The Governor included a new section stating a goal that 60% of Michigan residents achieve some type of postsecondary credential by 2030. (Sec. 226e)
12. **Campus Advocacy Policy.** The Governor removed a section of legislative intent requesting that each college adopt an advocacy policy for faculty, staff, students, and other people on campus. (Sec. 226g)
13. **Communication with the Legislature.** The Governor removed a section prohibiting a community college from taking disciplinary action against an employee who communicates with members of the Legislature or their staff. (Sec. 228)

Date Completed: 3-22-22

Fiscal Analyst: Josh Sefton

Table 1: FY 2022-23 Community College Appropriations

College	FY 2021-22 Year-To-Date	FY 2022-23 Governor's Recommendation		
		Adjustments	Appropriation	Percent Change
Alpena	\$5,830,600	\$483,400	\$6,314,000	8.3%
Bay de Noc	5,772,400	488,500	6,260,900	8.5
Delta	15,364,000	1,292,100	16,656,100	8.4
Glen Oaks	2,684,500	268,500	2,953,000	10.0
Gogebic	4,968,100	407,300	5,375,400	8.2
Grand Rapids	19,193,200	1,750,500	20,943,700	9.1
Henry Ford	22,753,900	2,144,500	24,898,400	9.4
Jackson	12,912,300	964,300	13,876,600	7.5
Kalamazoo Valley	13,320,400	1,188,500	14,508,900	8.9
Kellogg	10,419,200	849,500	11,268,700	8.2
Kirtland	3,404,000	416,500	3,820,500	12.2
Lake Michigan	5,768,200	498,300	6,266,500	8.6
Lansing	33,255,300	2,460,800	35,716,100	7.4
Macomb	34,629,700	2,956,500	37,586,200	8.5
Mid Michigan	5,396,300	433,100	5,829,400	8.0
Monroe	4,798,100	464,300	5,262,400	9.7
Montcalm	3,612,600	343,100	3,955,700	9.5
Mott	16,623,500	1,161,900	17,785,400	7.0
Muskegon	9,431,700	788,000	10,219,700	8.4
North Central	3,612,700	393,700	4,006,400	10.9
Northwestern	9,906,900	695,100	10,602,000	7.0
Oakland	22,485,200	2,277,900	24,763,100	10.1
Schoolcraft	13,386,700	1,317,300	14,704,000	9.8
Southwestern	7,081,900	631,400	7,713,300	8.9
St. Clair	7,478,700	727,900	8,206,600	9.7
Washtenaw	14,080,600	1,789,800	15,870,400	12.7
Wayne County	17,782,100	1,385,300	19,167,400	7.8
West Shore	2,630,600	247,000	2,877,600	9.4
Subtotal Operations:	\$328,583,400	\$28,825,000	\$357,408,400	8.8%
MPERS Normal Cost Offset	\$11,700,000	(\$900,000)	\$10,800,000	(7.7%)
MPERS Retiree Health Care	1,733,600	5,286,400	7,020,000	304.9
MPERS Reform Costs	87,200,000	5,400,000	92,600,000	6.2
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0
Total Appropriations:	\$431,417,000	\$38,611,400	\$470,028,400	8.9%
State School Aid Fund	431,417,000	38,611,400	470,028,400	8.9
GF/GP	\$0	\$0	\$0	0.0%



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	13,484.4	13,498.4	14.0	0.1
GROSS	2,065,873,000	2,139,968,000	74,095,000	3.6
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	2,065,873,000	2,139,968,000	74,095,000	3.6
Less:				
Federal Funds	5,364,100	5,148,400	(215,700)	(4.0)
Local and Private	9,646,100	9,879,500	233,400	2.4
TOTAL STATE SPENDING	2,050,862,800	2,124,940,100	74,077,300	3.6
Less:				
Other State Restricted Funds	45,493,400	29,831,800	(15,661,600)	(34.4)
GENERAL FUND/GENERAL PURPOSE	2,005,369,400	2,095,108,300	89,738,900	4.5
PAYMENTS TO LOCALS	122,895,500	124,615,400	1,719,900	1.4

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$2,065,873,000	\$2,005,369,400
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$2,065,873,000	\$2,005,369,400
Changes from FY 2021-22 Year-to-Date:		
1. Electronic Prisoner-Staff Communications. The Governor included one-time GF/GP funding of \$30.0 million for the buildout of secure Wi-Fi at each correctional facility to ease communication between prisoners and staff.	30,000,000	30,000,000
2. John Doe(s) v. MDOC Settlement. The Governor included a one-time final payment of \$15.0 million GF/GP for this settlement agreement that totaled \$80.0 million. Payments of \$40.0 million and \$25.0 million were made in FYs 2020-21 and 2021-22, respectively.	15,000,000	15,000,000
3. Live Tracking of Prisoner Movement. The Governor provided \$10.0 million in one-time GF/GP funding to implement a system to live track prisoner movement within a facility through the use of RFID tags imbedded in tamper-resistant wristbands that would be provided to each prisoner at an MDOC facility.	10,000,000	10,000,000

4. Information Management System Maintenance and Support. The Governor included \$1.2 million in GF/GP funding to add 10.0 FTEs to support the development and ongoing maintenance and implementation of the new Corrections Offender Management System (COMS). This would replace the old system that is used for several nonoffender human resource applications (training, overtime, litigation tracking, etc.).	1,195,500	1,195,500
5. Temporary Nursing Staff Contract Rate Increase. The Governor increased GF/GP funding to support increased contract rates for nurses used on a temporary basis at MDOC facilities.	3,721,100	3,721,100
6. State Contracted Security Services. The Governor included additional GF/GP funding due to increased contract costs for DTMB-contracted security for the MDOC headquarters and at parole and probation offices across the State.	244,400	244,400
7. City of Jackson Water Sewer Rate Increase. The Governor increased GF/GP funding to support increased water and sewer rates in the City of Jackson where four MDOC facilities are located.	212,000	212,000
8. Unclassified Salaries. The Governor included a \$39,100 increase in unclassified salaries.	111,700	111,700
9. Program and Special Equipment Fund. The Governor replaced funding from the Program and Special Equipment Fund with GF/GP for a zero change in the gross appropriation but increased GF/GP expenditures by \$14.8 million to replace this restricted revenue. Fees collected from prisoner telephone charges per contract agreement are deposited into the Program and Special Equipment Fund. The elimination of the use of the Fund ultimately would lower telephone surcharges for prisoners.	0	14,805,900
10. Removal of FY 2021-22 One-Time Funding. The Governor removed all FY 2021-22 one-time funding totaling \$27.1 million GF/GP.	(27,050,000)	(27,050,000)
11. CSB Adjustments. The Governor included several CSB adjustments for internal transfers and the alignment of revenues with actual revenue collections. This resulted in a negative adjustment of \$1.4 million and the addition of 4.0 FTEs.	(1,350,200)	0
12. Economic Adjustments. Includes \$42,010,500 Gross and \$41,498,300 GF/GP for total economic adjustments, of which an estimated negative \$16,369,800 Gross and negative \$16,155,200 GF/GP is for legacy retirement costs (pension and retiree health).	42,010,500	41,498,300
Total Changes	\$74,095,000	\$89,738,900
FY 2022-23 Governor's Recommendation	\$2,139,968,000	\$2,095,108,300

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- Deletions.** The Governor proposed to eliminate the following sections from current-year boilerplate: 216, 219, 221, 222, 223 (severance payouts), 224 (COVID-19 Vaccinations), 225, 239, 309, 314, 318, 406, 417, 423, 611, 612, 902, 940, 943, and 944. These deletions include a variety of reporting requirements, record retention requirements, and statements of legislative intent.
- Sections Deemed Unenforceable.** The Governor declared the following sections unenforceable: 206 (communication with legislators); 218 (State administrative board transfers); 304 (staff savings program); 316 (staff training hiring goals); and 942 (access to State-owned facilities).

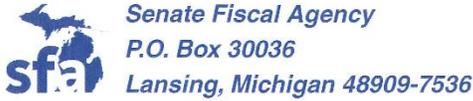
3. **Definitions.** Nine definitions were eliminated from the bill. These included acronyms that are no longer referenced in the bill.
4. **Contingency Funds.** The current budget provided only Federal contingency funds up to \$2.5 million. The Governor restored all contingency funds, including increasing the Federal limit to \$10.0 million and providing up to \$10.0 million for State Restricted Funds and up to \$2.0 million each for local or private funds. (Sec. 210)
5. **Updated amounts for Total Legacy Costs.** The Governor updated total legacy costs for FY 2022-23 to \$270,855,400. The pension-related costs for FY 2022-23 are \$164,444,700 and the retiree health care costs are \$106,410,700. (Sec. 214)
6. **Prisoner Telephone Contract/Program and Special Equipment Fund.** The Governor deleted language outlining prisoner telephone services and the expenditure of the funds collected from prisoner telephone calls, including that 75% of revenue received be used for prisoner programming. These restricted funds would be replaced with GF/GP. (Sec. 219)
7. **NEW - Boilerplate Reporting.** The Governor added a new section mandating boilerplate reports required under part 2 be submitted to the Senate and House of Representatives appropriations subcommittees on corrections, the Senate and House of Representatives Fiscal Agencies, the Legislative Corrections Ombudsman, and the State Budget Office. Inclusion of this new section would amend 29 sections without substantively changing them. (New Sec. 248)
8. **Staff Retention Strategies Report.** The Governor eliminated the specific reporting requirements and, instead, stated that the report must be submitted by March 1 and must include the Department's staff retention strategies. (Sec. 302)
9. **New Custody Staff Trainings.** The Governor added language stating that funding must be used to hire and train new corrections officers to address attrition and reduce overtime costs. Also, eliminated language outlining a strategy to achieve a 5% or lower officer vacancy rate. (Sec. 313)
10. **Offender Success Report.** The Governor removed the requirement to report details on planned expenditures and requires only the reporting of previous-year expenditures. (Sec. 402)
11. **Documents for Prisoners.** The Governor removed language requiring relevant departments to cooperate with access to documents, such as birth certificates and DDE Form 214 for military service, and to require instead that the MDOC facilitate prisoners' access to these records. Also requires the MDOC to retain the prisoner's identification materials in the prisoner's personal file but only if the prisoner provides these documents. (Sec. 418)
12. **Curfew Monitoring Program.** The Governor deleted language pertaining to the Curfew Monitoring Program administered by the Department including language stating that a county with outstanding curfew monitoring charges over 60 days is considered in violation and loses access to the program. (Sec. 603)
13. **Residential Alternative to Prison Program.** The Governor removed the specific metrics and stated that the Department must measure and set metric goals. (Sec. 617)
14. **Critical Incident Report.** The Governor eliminated the requirement that critical incidents be reported within 72 hours of the incident and instead report annually by March 1 on the total number of incidents for each month. (Sec. 911)

15. **Current Law Sections that are Retained but Renumbered.** The Governor renumbered several boilerplate sections to better align with the appropriation unit in part 1 to which it pertains as follows:

Current Section Number:	New Section Number:
401	319
405	814
407	321
408	323
414	325
419	327
422	619
907	430
1009	948
1011	950
1013	433

Date Completed: 3-22-22

Fiscal Analyst: Joe Carrasco, Jr.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	615.5	626.5	11.0	1.8
GROSS	1,928,027,900	419,531,000	(1,508,496,900)	(78.2)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,928,027,900	419,531,000	(1,508,496,900)	(78.2)
Less:				
Federal Funds	1,807,625,600	302,950,800	(1,504,674,800)	(83.2)
Local and Private	8,108,800	8,119,000	10,200	0.1
TOTAL STATE SPENDING	112,293,500	108,461,200	(3,832,300)	(3.4)
Less:				
Other State Restricted Funds	9,785,400	9,919,700	134,300	1.4
GENERAL FUND/GENERAL PURPOSE	102,508,100	98,541,500	(3,966,600)	(3.9)
PAYMENTS TO LOCALS	18,327,700	18,327,700	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,928,027,900	\$102,508,100
Changes from FY 2021-22 Year-to-Date:		
1. Camp Tuhsmeheeta. The Governor included an additional \$1.3 million Gross and Private funds for Camp Tuhsmeheeta to support renovations of Elm Hall into a nature center for students who are blind or visually impaired.	1,300,000	0
Total Supplemental Changes	\$1,300,000	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,928,027,900	\$102,508,100
Changes from FY 2021-22 Year-to-Date:		
1. Michigan School for the Blind. The Governor included \$3.0 million Gross and GF/GP to support ongoing costs at the Michigan School for the Blind.	3,000,000	3,000,000
2. Educator Recruitment initiatives. The Governor included an additional \$800,000 Gross and GF/GP and 4.0 FTE positions in the Educator Excellence line item to oversee programs in the School Aid budget that are focused on the recruitment and retention of educators in Michigan.	800,000	800,000

3. Great Start Readiness Operations. The Governor included an additional \$700,000 Gross and GF/GP and 6.0 FTE positions in the Great Start Readiness Operations line item to oversee the expansion of early childhood programs in the School Aid budget.	700,000	700,000
4. Mental Health Support. The Governor included \$200,000 Gross and GF/GP and 1.0 FTE position to coordinate and provide technical assistance to schools receiving mental health funding.	200,000	200,000
5. Child Development and Care Matching Adjustment. The Governor included a fund shift of \$624,200 from Federal funds to GF/GP to align with Federal matching requirements.	0	624,200
6. FY 2021-22 One-Time Removal. The Governor included the removal of \$1,499,773,500 Gross and \$3,910,000 GF/GP in FY 2021-22 one-time appropriations. Of this, \$1,495,863 Gross and Federal was related to one-time child care enhancements.	(1,499,773,500)	(3,910,000)
7. FY 2021-22 Supplemental Removal. The Governor included the removal of \$16.0 million Gross and \$6.0 million GF/GP in FY 2021-22 supplemental appropriation from PA 133 of 2021.	(16,000,000)	(6,000,000)
8. Other Changes. The Governor rolled up the TEACH Scholarship line item into the Child Development and Care Contracted Services line item. The Governor continued the one-time appropriation for the School Board Member Training Reimbursement (\$260,000 Gross and GF/GP) and Poet Laureate (\$100,000 Gross and GF/GP).	0	0
9. Economic Adjustments. Includes \$2,576,600 Gross and \$619,200 GF/GP for total economic adjustments, of which an estimated negative \$800,800 Gross and negative \$217,700 GF/GP is for legacy retirement costs (pension and retiree health).	2,576,600	619,200
Total Changes	(1,508,496,900)	(\$3,966,600)
FY 2022-23 Governor's Recommendation	\$419,531,000	\$98,541,500

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- Deleted Sections.** The Governor deleted a number of sections, which include the following: 216 (FTE Quarterly Report), 218 (State Administrative Board transfers), 221 (policy change report), 222 (protects employees who communicate with the Legislature), 223 (retention of reports), 224 (work project prioritization), 225 (Severance Pay Report), 227 (Vaccine Requirement Prohibition), 229 (Federal Accountability Plan amendment notification), 230 (nonpublic school mandate report), 235 (Department Survey), 236 (Rural Transportation Funding Report), 1004 (\$5.0 million to the TEACH Scholarship Program), 1010 (notification of Federal changes to the Child Development and Care Program).
- Deleted One-Time Child Care Enhancement.** The Governor deleted the one-time child care enhancement sections and work project authorizations. (Secs. 1012, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1030, 1031, 1032, 1033, and 1034)
- General Fund Lapse Report.** The Governor modified the date for the General Fund lapse report from November 30 to December 31. (Sec. 209)
- Contingency Funds.** The Governor increased the Federal contingency fund amount from \$5.0 million to \$10.0 million, the Restricted amount from \$400,000 to \$700,000, and the Private amount from \$1.5 million to \$3.0 million. (Sec. 210)

5. **Early Childhood Literacy Program Administration.** The Governor modified the appropriation for the administration of early childhood literacy programs from "not to exceed \$1.0 million" to "not less than \$1.0 million". (Sec. 702)
6. **Before and After School Program.** Replaced the language for the before and after school programs from a competitive grant program to appropriating \$500,000 to administer section 32n in the School Aid Act. (Sec. 1001)
7. **Income Entry Threshold.** The Governor increased the income entry threshold for the Child Development and Care program from 185% to 200% of the Federal Poverty Level and removed the trigger for implementing a waiting list if enrollment exceeds 40,000 children and the triggers that allow the entry threshold to be increased or decreased depending on enrollment. (Sec. 1009)
8. **Technical Changes.** The Governor made a number of technical modifications that include date changes, Part 1 appropriation changes, legacy cost adjustments, and standardized language. (Secs. 201, 205, 206, 207, 212, 214, 505, 601, 701, and 1007)

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino

Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,461.0	1,537.0	76.0	5.2
GROSS	699,770,600	1,004,099,200	304,328,600	43.5
Less:				
Interdepartmental Grants Received	3,544,900	3,406,400	(138,500)	(3.9)
ADJUSTED GROSS	696,225,700	1,000,692,800	304,467,100	43.7
Less:				
Federal Funds	226,889,200	453,641,700	226,752,500	99.9
Local and Private	1,411,200	1,415,500	4,300	0.3
TOTAL STATE SPENDING	467,925,300	545,635,600	77,710,300	16.6
Less:				
Other State Restricted Funds	304,550,000	327,354,900	22,804,900	7.5
GENERAL FUND/GENERAL PURPOSE	163,375,300	218,280,700	54,905,400	33.6
PAYMENTS TO LOCALS	54,146,000	30,716,000	(23,430,000)	(43.3)

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$699,770,600	\$163,375,300
Changes from FY 2021-22 Year-to-Date:		
1. Supplemental Letter # 2022-2 - Environmental Sustainability and Stewardship. The Governor proposed \$6.5 million in repurposed funding from a revolving loan fund previously provided by the American Recovery and Investment Act of 2009. The supplemental would provide grant assistance to Michigan's public and private sectors.	6,500,000	0
Total Supplemental Changes	\$6,500,000	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$699,770,600	\$163,375,300
Changes from FY 2021-22 Year-to-Date:		
1. Infrastructure Act Funding for Water State Revolving Funds. The Governor proposed \$214.0 million in Federal Infrastructure Investment and Jobs Act (IIJA) funding for the Water State Revolving Funds. Funding would provide loans, grants, and direct funding to local communities for eligible water infrastructure.	214,000,000	0
2. Community Technical, Managerial, and Financial Support for Lead Line Replacement. The Governor proposed \$48.0 million in GF/GP as a one-time appropriation to provide grants to local communities to assist with lead line replacements and performing water treatment upgrades.	48,000,000	48,000,000

<p>3. Infrastructure Act Match Requirements for Water State Revolving Funds. The Governor proposed \$36.4 million in GF/GP as one-time appropriation to meet Federal match requirements necessary to access IJA funding for the Water State Revolving Funds. The appropriation would allow the State to access funding allocated to Michigan over the next two fiscal years.</p>	36,369,900	36,369,900
<p>4. High Water Infrastructure Grants. The Governor proposed \$34.3 million in GF/GP in a one-time appropriation for high water infrastructure grants to provide grants to local communities to support their needs related to high water levels, resiliency planning, and infrastructure needs</p>	34,325,000	34,325,000
<p>5. Infrastructure Act Funding for Orphan Wells (2.0 FTEs). The Governor proposed \$31.0 million in Federal IJA funding and 2.0 FTEs to support the State's orphan well program. The funding would assist in identifying, sealing, and performing remediation at sites in the State.</p>	31,000,000	0
<p>6. Legacy Contamination Cleanup (16.0 FTEs). The Governor proposed \$49.3 million in State restricted funds (\$175,000 GF/GP) for contamination cleanup: \$30.2 million in funding and 16.0 FTEs as an ongoing appropriation and \$19.2 million in GF/GP as a one-time appropriation to assist in providing resources to identify, assess, and clean up legacy contaminated sites.</p>	49,339,000	175,000
<p>7. Contaminated Site Cleanup Rapid Response Fund. The Governor proposed \$20.0 million in GF/GP as a one-time appropriation. The funding would support rapid response remediation efforts at new high-risk contaminated sites that arise throughout the year.</p>	20,000,000	20,000,000
<p>8. Infrastructure Act Funding for Energy Efficiency Grants (5.0 FTEs). The Governor proposed \$23.0 million in Federal IJA funding: \$15.8 million in funding and 5.0 FTEs for the environmental sustainability and stewardship program, and \$7.2 million in funding for the Energy Efficiency and Renewable Energy Revolving Loan Fund. The funding would be used to provide energy efficiency grants to assist local communities and businesses in implementing infrastructure and policies that are energy efficient.</p>	23,000,000	0
<p>9. Safe Drinking Water Enforcement and Monitoring (19.0 FTEs). The Governor proposed \$9.2 million in GF/GP: \$1.8 million in funding and 12.0 FTEs for the drinking water program, and \$7.4 million and 7.0 FTEs for the environmental health program. The funding would assist in providing safe drinking water through improved oversight, enforcement, accelerated issuance of permits, and support to local health departments that perform water monitoring and testing.</p>	9,157,800	9,157,800
<p>10. Reducing Air Permit Application Wait Times and Improving Air Quality Monitoring (24.0 FTEs). The Governor proposed \$4.4 million in GF/GP to assist in reducing air permit application wait times and improving air quality monitoring in the State.</p>	4,439,800	4,439,800
<p>11. Grants and Records Management (6.0 FTEs). The Governor proposed \$2.9 million in GF/GP appropriations: \$2.0 million as a one-time appropriation, and \$935,400 and 6.0 FTEs as an ongoing appropriation management to increase efficiency, transparency, and public access through improved digitization.</p>	2,935,400	2,935,400
<p>12. Federal Funding for Water Infrastructure Loans (4.0 FTEs). The Governor proposed a \$1.4 million appropriation: \$1.2 million in Federal funding and 4.0 FTEs to support water infrastructure loans and assist with the administration of the program.</p>	1,407,700	0
<p>13. Contaminated Site Cleanup Contingency Reserve Fund - Boilerplate Appropriation. The Governor proposed the removal of current year one-time funding.</p>	(9,999,900)	(9,999,900)

14. CSB Technical Adjustment. The Governor proposed five funding source adjustments totaling a negative \$27.7 million. These adjustments would align department spending with available resources.	(27,700,000)	0
15. Removal of FY 2021-22 One-Time Federal and GF/GP Funding. The Governor proposed the removal of current year one-time funding.	(136,675,100)	(91,675,000)
16. Unclassified Salaries. The Governor included \$47,000 increase in unclassified salaries; \$12,100 in GF/GP.	47,000	12,100
17. Economic Adjustments. Includes \$4,682,000 Gross and \$1,165,300 GF/GP for total economic adjustments, of which an estimated negative \$1,989.200 Gross and a negative \$491,900 GF/GP is for legacy retirement costs (pension and retiree health).	4,682,000	1,165,300
Total Changes	\$304,328,600	\$54,905,400
FY 2022-23 Governor's Recommendation	\$1,004,099,200	\$218,280,700

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **New - Environmental Sustainability and Stewardship Work Project.** The Governor proposed adding work project language outlining the use of the supplemental appropriation. (Supplemental Letter # 2022-2)

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Deleted - Citing a variety of reasons such as Constitutionality, Enforceability, and Necessity.** The Governor proposed eliminating the following sections from current-year boilerplate. These deletions include a variety of reporting requirements, record retention requirements, and statements of legislative intent. (Secs. 206, 216, 217, 218, 219, 220, 221, 222, 225, 237, 238, 302, 305, and 306)
2. **Modified - Deprived and Depressed Communities.** The Governor proposed making some technical changes and relocated language to Sec. 206. (former Sec. 215)
3. **Modified - Unexpended Settlement Revenues.** The Governor proposed revising the programs listed in this section by adding the contaminated site cleanup, the renew Michigan program, and removing the environmental protection bonds. (Sec. 223)
4. **Modified - Consolidated Cleanup Reports.** The Governor proposed revising the section by deleting the maximum \$2.5 million carry forward limit. (Sec. 224)
5. **Modified - Michigan Initiative Bond Fund Annual Report.** The Governor proposed reducing the scope of the reporting requirements. (Sec. 235)
6. **Modified - Unexpended Cleanup Funds.** The Governor proposed adding brownfield grants to the list of projects covered under this section. (Sec. 308)
7. **New - Receive and Expend Settlement Revenue.** The Governor proposed adding language that allows the immediate use of settlement revenue for the purpose of remediation activities as authorized by a court. (Sec. 315)
8. **New - Renew Michigan Work Project.** The Governor proposed adding work project language to this year's renew Michigan funding. (Sec. 801)
9. **New - Water State Revolving Funds Work Project.** The Governor proposed adding work project language outlining the use of a one-time appropriation. (Sec. 1001)
10. **Deleted - Prior Year One-Time Appropriations.** The Governor proposed removing all sections related to one-time appropriation from the current-year boilerplate. (Secs. 312, 351, 411, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, and 1018)

Date Completed: 3-22-22

Fiscal Analyst: Ben Dawson

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	79.2	79.2	0.0	0.0
GROSS	7,318,600	7,708,600	390,000	5.3
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	7,318,600	7,708,600	390,000	5.3
Less:				
Federal Funds	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	7,318,600	7,708,600	390,000	5.3
Less:				
Other State Restricted Funds	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE	7,318,600	7,708,600	390,000	5.3
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$7,318,600	\$7,318,600
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0
FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$7,318,600	\$7,318,600
Changes from FY 2021-22 Year-to-Date:		
1. Economic Adjustments. Includes \$390,000 Gross and \$390,000 GF/GP for total economic adjustments, of which an estimated \$0 Gross and \$0 GF/GP is for legacy retirement costs (pension and retiree health).	390,000	390,000
Total Changes	\$390,000	\$390,000
FY 2022-23 Governor's Recommendation	\$7,708,600	\$7,708,600

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	15,581.5	15,794.5	213.0	1.4
GROSS	31,977,203,400	33,444,665,900	1,467,462,500	4.6
Less:				
Interdepartmental Grants Received	14,593,500	14,696,000	102,500	0.7
ADJUSTED GROSS	31,962,609,900	33,429,969,900	1,467,360,000	4.6
Less:				
Federal Funds	23,187,321,000	23,617,962,500	430,641,500	1.9
Local and Private	340,227,600	363,219,200	22,991,600	6.8
TOTAL STATE SPENDING	8,435,061,300	9,448,788,200	1,013,726,900	12.0
Less:				
Other State Restricted Funds	2,986,632,100	2,991,928,100	5,296,000	0.2
GENERAL FUND/GENERAL PURPOSE	5,448,429,200	6,456,860,100	1,008,430,900	18.5
PAYMENTS TO LOCALS	1,777,476,300	1,898,726,500	121,250,200	6.8

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$31,977,203,400	\$5,448,429,200

Changes from FY 2021-22 Year-to-Date:

- 1. Medicaid Base and Caseload Adjustments.** The Governor included adjustments to reflect projected costs for the Medicaid program. (156,268,200) (83,674,000)
- 2. Public Assistance Base and Caseload Adjustments.** The Governor included adjustments to reflect projected public assistance caseloads and costs, with the largest being the all-Federal increase in the Food Assistance Program (\$1.15 billion Gross). 1,150,032,500 (1,945,900)
- 3. Child Welfare Base and Caseload Adjustments.** The Governor included adjustments to reflect projected child welfare caseload costs, in particular, Foster Care Payments. 10,121,600 9,126,200
- 4. Other Fund Source Adjustments.** The Governor included other fund source adjustments resulting in a net increase in GF/GP need: \$32.9 million to backfill lost Federal revenue due to an overclaim of Title IV-E funds, \$7.3 million to backfill lost Federal revenue due to noncompliance with the CURES Act, and recognition of \$2.0 million in reduced GF/GP need due to the establishment of a new State restricted fund source to house SSI benefits for foster children. 0 38,179,100
- 5. Enhanced Federal Medical Assistance Percentage (FMAP) Extension.** The Governor included assumed savings resulting from the extension of the enhanced Medicaid match rate of 6.2% for two additional quarters, and \$950,000 to backfill Federal revenue upon the expiration of the enhanced match rate for the MiChoice Program. (28,000,000) (439,336,300)

<p>6. Resumption of Medicaid Redeterminations. The Governor included assumed savings resulting from the resumption of eligibility redeterminations upon the expiration of the declaration of the public health emergency in March 2022.</p>	(85,717,000)	(18,020,400)
<p>7. Program Increases. The Governor included several program increases including \$186.2 million Gross and GF/GP for the behavioral health capacity and access initiative, \$55.7 million Gross and GF/GP for one-time costs include Healthy Michigan Plan (HMP) Dual Eligibles and Qualified Individuals in the Federal Medical Pharmaceutical Program to comply with CMS guidelines, \$31.8 million Gross and \$10.0 million GF/GP to extend the \$2.35/hour to nonclinical nursing home employees, \$16.0 million Gross and \$0 GF/GP for the Opioid Settlement Fund, \$10.8 million Gross and GF/GP for an increase in the noncontracted rates of child caring institutions, \$7.7 million Gross and GF/GP for adjustments to the Raise the Age Fund, \$3.0 million Gross and \$0 GF/GP to reflect increased School Aid funding for Child and Adolescent Health Centers, and \$2.0 million Gross and GF/GP to provide pandemic relief grants to residential child care facilities.</p>	323,675,700	272,681,200
<p>8. Medicaid Special Financing Adjustments. The Governor included adjustments in the Health and Aging Services and Behavioral Health Services units to reflect changes in special payments to hospitals that are funded with provider tax revenue.</p>	108,336,100	7,007,300
<p>9. Non-General Fund Authorization Adjustments. The Governor included a \$4.5 million increase in Federal authorization for aging community services and nutrition services, child protection services, and aging services, as well as a \$3.8 million increase in Private authorization to recognize grants for behavioral health services from the Michigan Health Endowment Fund and Vital Strategies.</p>	8,300,000	0

Total Supplemental Changes	\$1,330,480,700	(\$215,982,800)
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FY 2022-23 CHANGES REQUESTED TO FY 2021-22

	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$31,977,203,400	\$5,448,429,200

Changes from FY 2021-22 Year-to-Date:

<p>1. Medicaid and Title XXI Match Rate Adjustment. The base Medicaid match rate will decrease from 65.48% to 64.71% and the CHIP match rate will decrease from 75.84% to 75.30%.</p>	0	104,005,500
<p>2. Medicaid Base and Caseload. The Governor included adjustments to reflect projected costs for the Medicaid program.</p>	91,194,700	2,380,100
<p>3. Public Assistance Base and Caseload. The Governor included adjustments to reflect projected public assistance caseloads and costs, with the largest adjustment being a \$1.2 billion all Federal increase in the Food Assistance Program.</p>	1,148,718,500	(3,259,900)
<p>4. Child Welfare Base and Caseload. The Governor included adjustments to reflect projected child welfare caseloads and costs.</p>	16,446,300	18,677,600
<p>5. Medicaid Actuarial Soundness Adjustments. The Governor included increases for managed care entities that provide Medicaid services to reflect the Federal requirement that capitation rates paid be actuarially sound.</p>	340,745,600	88,389,100
<p>6. Medicaid Special Financing and Provider Tax Adjustments. The Governor included adjustments to special payments to hospitals that are funded with provider tax revenue.</p>	108,336,300	7,436,400

<p>7. Resumption of Medicaid Redeterminations. The Governor included assumed savings resulting from the resumption of eligibility redeterminations upon the expiration of the declaration of the public health emergency in March 2022.</p>	<p>(848,608,900)</p>	<p>(135,706,800)</p>
<p>8. Expiration of Enhanced FMAP. The Governor included adjustments resulting from the expiration of the 6.2% COVID-19 pandemic-related match rate enhancement.</p>	<p>14,000,000</p>	<p>220,588,500</p>
<p>9. Medicaid Dental Program Redesign. The Governor included funding to restructure the Medicaid dental benefit through consolidation of child and adult Medicaid and HMP dental benefits and increase reimbursement rates for dental procedures completed at outpatient hospitals and ambulatory surgical centers.</p>	<p>247,577,100</p>	<p>69,846,400</p>
<p>10. Program Increases. The Governor included a number of program increases including \$69.3 million Gross and \$55.0 million GF/GP for the behavioral health capacity and access initiative, \$33.7 million Gross and \$13.3 million GF/GP to increase maintenance payments to child welfare families, \$15.7 million Gross and GF/GP for one-time costs include Healthy Michigan Plan Dual Eligibles and Qualified Individuals in the Federal Medical Pharmaceutical Program to comply with CMS guidelines, \$15.5 million Gross and \$6.3 million GF/GP for health equity initiatives across vulnerable populations, \$14.1 million Gross and \$4.5 million GF/GP to increase Medicaid reimbursement rates for non-COVID-19 vaccinations, \$60.0 million Gross and \$21.2 million GF/GP to annualize the proposed \$2.35/hour supplemental increase for nonclinical nursing home employees, \$16.0 million Gross and \$0 GF/GP for the Opioid Settlement Fund, \$10.5 million Gross and \$9.0 million GF/GP to provide a 5.0% reimbursement increase for residential child caring institutions and a 12.0% increase to private residential juvenile justice providers, \$8.3 million Gross and \$0 GF/GP to provide a \$100/month per child age 5 or younger increase to families receiving cash assistance, \$7.7 million Gross and GF/GP for adjustments to the Raise the Age Fund, \$11.0 million Gross and \$0 GF/GP to reflect increased School Aid funding for Child and Adolescent Health Centers, and \$4.7 million Gross and \$1.6 million GF/GP to increase the enrollment cap at PACE sites in Wayne, Traverse City and Central Michigan.</p>	<p>302,372,800</p>	<p>156,846,800</p>
<p>11. Removal of FY 2021-22 One-Time Appropriations.</p>	<p>(202,343,900)</p>	<p>(84,358,300)</p>
<p>12. FY 2022-23 One-Time Appropriations. The Governor funded construction of a new psychiatric hospital to replace the Hawthorn Center and Walter P. Reuther Hospital (\$325.0 million Gross and GF/GP), implementation of Food Security Council recommendations (\$50.0 million Gross and GF/GP), minor home repairs and plumbing assistance (\$40.0 million Gross and GF/GP), continuation of the CCWIS enhancement (\$27.8 million Gross and \$13.9 million GF/GP), student loan repayment for behavioral health professionals (\$25.0 million Gross and GF/GP), projects to reduce racial disparities in health care (\$20.0 million Gross and \$15.0 million GF/GP), a deposit into the Jail Diversion Fund (\$15.0 million Gross and GF/GP), pandemic relief grants for residential childcare facilities (\$15.0 million Gross and GF/GP), a study of gun violence prevention (\$10.0 million Gross and GF/GP), multicultural integration funding (\$8.6 million Gross and GF/GP), cross-enrollment expansion (\$2.5 million Gross and \$1.3 million GF/GP), first responder mental health funding (\$2.5 million Gross and GF/GP), and MMIS maintenance and operations (\$1.8 million Gross and GF/GP).</p>	<p>543,175,400</p>	<p>523,087,700</p>
<p>13. Removal of FY 2021-22 Supplemental COVID and One-Time Appropriations. The Governor adjusted out one-time Federal money related to the COVID-19 pandemic.</p>	<p>(320,395,400)</p>	<p>(40,554,200)</p>

14. Non-General Fund Authorization Adjustments. The Governor included a net \$24.0 million decrease in Federal authorization (mainly comprised of a \$29.5 million reduction in authorization due to the expiration of the Electronic Health Records project and the recognition of \$3.5 million in grants for Area Agencies on Aging), a \$5.0 million increase in Private authorization, and a \$1.4 million increase in Restricted authorization.	(17,826,300)	0
15. Other Fund Source Adjustments. The Governor included other fund source adjustments resulting in a net increase in GF/GP need including \$34.9 million to backfill lost Federal revenue due to an overclaim of Title IV-E funds, \$22.0 million to replace decreases in Restricted funds used to support Medicaid, and \$5.5 million to backfill IPA revenue used to cover increased caseload costs in the Healthy Michigan Plan	0	62,795,700
16. Other Changes. Other changes resulted in minor adjustments.	(3,912,300)	(3,134,900)
17. Economic Adjustments. Includes \$47,982,600 Gross and \$21,391,200 GF/GP for total economic adjustments, of which an estimated negative \$18,291,500 Gross and negative \$8,278,900 GF/GP is for legacy retirement costs (pension and retiree health).	47,982,600	21,391,200
Total Changes	\$1,467,462,500	\$1,008,430,900
FY 2022-23 Governor's Recommendation	\$33,444,665,900	\$6,456,860,100

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. Congregate Care Pandemic Relief Grants.** The Governor designated the funding included in Part 1 to support relief grants for residential childcare facilities as a work project.
- 2. Child Caring Institution Non-Contracted Rates.** The Governor designated the funding included in Part 1 to support the child caring institution noncontracted rates supplemental payment as a work project.
- 3. State Psychiatric Facility Renovations.** The Governor included language to appropriate \$25.0 million to renovate and open two additional units at the Hawthorn Center and a Center for Forensic Psychiatry satellite facility.
- 4. Behavioral Health Care Worker Bonus Payments.** The Governor included language to appropriate \$135.0 million as one-year bonus payments for eligible behavioral health direct care workers.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. Deletions.** The Governor eliminated the following sections from current year boilerplate: 215, 217, 218, 225, 229, 232, 233, 234, 236, 237, 239, 240, 241, 242, 250, 251, 258, 264, 274, 280, 289, 297, 299, 301, 461, 462, 506, 514, 517, 518, 519, 520, 527, 538, 539, 541, 542, 543, 553, 555, 573, 576, 577, 578, 579, 595, 603, 908, 912, 927, 959, 960, 965, 970, 979, 1006, 1007, 1011, 1012, 1013, 1062, 1148, 1151, 1152, 1183, 1184, 1302, 1303, 1304, 1305, 1309, 1310, 1320, 1347, 1508, 1512, 1513, 1517, 1615, 1616, 1627, 1645, 1696, 1697, 1763, 1792, 1803, 1812, 1857, 1858, 1867, 1875, 1907, 1950, 1951, 1952, 1953, 1955, 1956, 1957, 1958, 1959, 1960, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, and 1978.
- 2. Renumbering.** The Governor moved Sec. 523(2) to Sec. 463 (Runaway Youth Grants), Sec. 689 moved to Sec. 464 (Diaper Assistance Program), Sec. 1402 moved to Sec. 1602 (Food Bank Council Collaboration), Sec. 1403 moved to Sec. 1519 (Home Delivered Meals Waiting List), Sec. 1417 moved to Sec. 1604 (Area Agency on Aging Reporting), Sec. 1421 moved to Sec. 1608 (Allocation of Aging Funding), Sec. 1422 moved to Sec. 826 (Prosecuting Attorney Contracts), Sec. 1425 moved to Sec. 1610 (Nursing Home Closures), Sec. 1426 moved to Sec. 1612 (Senior Call Check Program), and Sec. 1782 moved to Sec. 1349 (Immunization Awareness).
- 3. Contingency Fund Authorization.** The Governor increased the Federal contingency fund limit from \$20.0 million to \$200.0 million, State restricted contingency fund limit from \$20.0 million to \$90.0 million, local contingency fund limit from \$5.0 million to \$40.0 million, and private contingency fund limit from \$2.0 million to \$60.0 million. (Sec. 210)

4. **Legacy Costs.** The Governor modified language to specify legacy costs for FY 2022-23 including \$187.8 million for pension-related costs and \$121.5 million for retiree health care costs. (Sec. 214)
5. **COVID-19 Vaccine Status Prohibitions.** The Governor removed language prohibiting the use of funds from being used to develop, create, implement, or enforce vaccine passports or any similar document, require vaccination as a condition of access to services or facilities, develop or utilize an existing database to make an individual's vaccine status publicly available, require proof of vaccination as a condition of employment, implement any negative employment consequences because of vaccine status. The language also specified that vaccine information may be transmitted if the individual consents, and specified exemptions that must be allowed when establishing a vaccine policy due to Federal mandate. (Sec. 237)
6. **Salary/Wage and Remote Work Report.** The Governor removed language requiring a quarterly report on the number of FTEs in pay status by type of staff and an annual report on remote work statistics. (Sec. 297)
7. **Uniform Statewide Sexual Assault Evidence Kit Tracking.** The Governor modified language by allocating \$369,500.00 in GF/GP to backfill \$800,000.00 in State Restricted funding that will be exhausted by the end of FY 2021-22. (Sec. 457)
8. **Child Care Fund Report.** The Governor removed language that requires a report on days of care and funding levels for counties and tribal entities provided through the Child Care Fund. (Sec. 520)
9. **Public Assistance Income Change Notification.** The Governor removed language that requires the Department to notify recipients of public assistance within 15 days if an income change will result in a benefit decrease. (Sec. 603)
10. **Behavioral Health Uniform Auditing Process.** The Governor removed language requiring the Department to consult with the CMH Association to establish a uniform mental health services auditing process. (Sec. 927)
11. **Health Homes.** The Governor modified language to direct the expansion of behavioral health homes in Prepaid Inpatient Health Plan (PIHP) regions 6 and 7, and the expansion of substance use disorder health homes in regions 6, 7, and 10. The Governor added a quarterly report on the number of individuals being served by the health homes by PIHP region by site. (Sec. 1005)
12. **Michigan Emergency Data Information System (Mi-EMSiS) Reporting.** The Governor removed language prohibiting the Department from requiring volunteer medical first response services located in counties below a certain population level from submitting data to Mi-EMSiS. The medical first response service must provide information specified in this section to paramedics or other qualified technicians. (Sec. 1183)
13. **Medicaid Utilization and Net Cost (MUNC) Report.** The Governor removed language that requires the Department to separate nonclinical administrative costs from actual medical claims and encounter data. (Sec. 1512)
14. **Specialty Medicaid Plan for Foster Children - Actuarial Analysis.** The Governor removed language that appropriated \$500,000 for an actuarial study to create a specialty Medicaid managed care health plan for children in foster care. (Sec. 1517)
15. **Veterans Benefits Eligibility.** The Governor modified language that required the Department to report on various aspects of identifying Medicaid eligible veterans and working with the Department of Military and Veterans Affairs. (Sec. 1804)

Date Completed: 3-22-22

Fiscal Analyst: Ellyn Ackerman and John Maxwell

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	N/A
GROSS	1,807,751,200	1,852,614,900	44,863,700	2.5%
Less:				
Interdepartmental Grants Received	0	0	0	N/A
ADJUSTED GROSS	1,807,751,200	1,852,614,900	44,863,700	2.5
Less:				
Federal Funds	128,526,400	122,426,400	(6,100,000)	(4.7)
Local and Private	0	0	0	N/A
TOTAL STATE SPENDING	1,679,224,800	1,730,188,500	50,963,700	3.0
Less:				
Other State Restricted Funds	361,403,300	347,888,300	(13,515,000)	(3.7)
GENERAL FUND/GENERAL PURPOSE	1,317,821,500	1,382,300,200	64,478,700	4.9
PAYMENTS TO LOCALS	0	0	0	N/A

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,807,751,200	\$1,317,821,500
Changes from FY 2021-22 Year-to-Date:		
1. Infrastructure, Technology, Equipment, and Maintenance. The Governor requested supplemental funding for this program. Funds would be distributed to universities proportionately to their FY 2020-21 full-year equated student (FYES) numbers. Funds could be used for improvements to existing buildings, deferred maintenance, technology, and other physical infrastructure.	141,492,400	141,492,400
Total Supplemental Changes	\$141,492,400	\$141,492,400

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,807,751,200	\$1,317,821,500
Changes from FY 2021-22 Year-to-Date:		
1. One-Time 5% Operations Increase. The Governor included a 5.0% one-time increase for university operations. The increase was calculated across-the-board based on FY 2021-22 ongoing operations funding, and includes 5.0% adjustments for MSU AgBioResearch and MSU Extension.	76,291,700	76,291,700

2. Ongoing 5% Operations Increase. The Governor included a 5.0% ongoing increase for university operations. The increase was calculated across-the-board based on FY 2021-22 ongoing operations funding, and includes 5.0% adjustments for MSU AgBioResearch and MSU Extension.	76,291,700	76,291,700
3. Per-FYES Funding Floor. The Governor included a new initiative to provide an increase to the universities with the lowest State operations amounts per FYES over a period of four years. The stated goal is to ensure each university receives at least \$4,500 in ongoing State operations funds per FYES. Grand Valley, Oakland, Saginaw Valley, U of M - Dearborn, and U of M - Flint would receive additional funding under this proposal.	12,740,000	12,740,000
4. MPSERS UAAL Stabilization Payment. The Governor included an adjustment for MPSERS (UAAL costs that exceed the statutory payroll rate cap of 20.96%. This adjustment would bring the total amount for this item to \$70,000.	(13,425,000)	0
5. MPSERS Normal Cost Adjustment. The Governor reduced the MPSERS normal cost offset to reflect the contributions necessary to support the reduction to the assumed rate of return on investment funds that has been enacted over the past few years. This adjustment would bring the total amount for this item to \$4.7 million.	(90,000)	0
6. Limit TIP Phase I Payments. The Governor included a boilerplate change that would limit Phase I payments under the Tuition Incentive Program (TIP) to 2.5 times the average in-district community college tuition. This reduction reflects the savings that would be realized from that change.	(6,100,000)	0
7. North American ITW Adjustment. The Governor reduced North American ITW payments based on the most recent cost data provided by the universities. The total payments for FY 2022-23 would be \$12.1 million.	(344,700)	(344,700)
8. Remove FY 2021-22 One-Time Items. The Governor removed three one-time items: \$84.7 million for MPSERS Paydown, \$14.6 million for a 2.0% one-time operations payment increase, and \$500,000 for the Japan Center for Michigan Universities.	(100,500,000)	(100,500,000)
Total Changes	\$44,863,700	\$64,478,700
FY 2022-23 Governor's Recommendation	\$1,852,614,900	\$1,382,300,200

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **ITEM Payment Amounts.** The Governor included a new section that appropriates the individual ITEM grants to each university. Amounts are based on FY 2020-21 FYES numbers. (Sec. 236j)

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Per-FYES Funding Floor.** The Governor included a new section detailing a funding formula that would increase the universities with the lowest per-FYES State operating appropriations from their current levels to \$4,500 per FYES over a period of four years. (Sec. 236k)
2. **Transparency Reporting.** The Governor removed certain transparency reporting requirements, language that allows the State Budget Director to withhold monthly payments to universities if they fail to comply with statutory financial transparency requirements, and a requirement that the State Budget Office create a single statewide report from the individual reports submitted by each university. (Sec. 245)

3. **Campus Safety Information.** The Governor removed the requirement that universities certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. (Sec. 245a)
4. **State Competitive Scholarship Amounts.** The Governor increased award amounts for this program from \$1,000 to \$1,200. No corresponding funding increase was included, as the program routinely lapses funds sufficient to pay for this increase. (Sec. 251)
5. **Michigan Tuition Grants - Institutional Limitation.** The Governor removed language that specifies that the \$4.8 million institutional limit for Tuition Grants does not apply to other financial aid programs. (Sec. 252)
6. **Michigan Tuition Grants - Increase Grant Amount.** The Governor increased the maximum grant amount from \$2,800 to \$2,900. No corresponding funding increase was included, as the program routinely lapses funds sufficient to pay for this increase. (Sec. 252)
7. **Tuition Incentive Program - Limit Payment Size.** The Governor included new language that would limit payments made to universities under Phase I of this program to a per-credit payment that does not exceed 2.5 times the average community college in-district tuition rate. (Sec. 256)
8. **Tuition Incentive Program - Qualification.** The Governor modified the TIP program to require recipients to be Medicaid-eligible for 24 of the 36 months before high school graduation rather than 24 of the 36 months before application. (Sec. 256)
9. **Financial Aid Resources Website.** The Governor removed two required specifications to the financial aid informational website required to be created under this section: information on creating a plan for borrowing and repayment and a list of student loan servicers. (Sec. 260)
10. **U of M Douglas Lake Biological Station.** The Governor removed a section that designates Douglas Lake a special reserve and states the intent of the Legislature that no State programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake. (Sec. 261)
11. **Tuition Restraint - Lower Threshold.** The Governor increased the allowable tuition increase under this section from 4.2%, or \$590, to 5.0%, or \$722. (Sec. 265)
12. **Tuition Restraint - Exceeding Limit.** The Governor removed language that restricts a university that exceeds the rate cap from receiving a capital outlay planning or construction authorization, as well as language that specifies that the Legislature may adjust the appropriation to any university that exceeds the rate cap. (Sec. 265)
13. **Performance Funding.** The Governor removed the performance funding formula, and instead tied existing statutory qualifications for performance funding to increases in operational support payments, which would be proportional to each university's FY 2021-22 operations funding. (Sec. 265a)
14. **Campus Safety Programs.** The Governor removed a section stating the intent of the Legislature that a portion of State appropriations be used for campus safety, sexual assault prevention programs, and student mental health programs. (Sec. 265e)
15. **ITW Reimbursement for Saginaw Chippewa Tribal College.** The Governor increased the pass-through payment for ITW reimbursement to Saginaw Chippewa Tribal College from \$82,400 to \$31,000 to reflect most recent ITW cost data. (Sec. 269)
16. **ITW Reimbursement for Keweenaw Bay Ojibwa Community College.** The Governor increased the pass-through payment for ITW reimbursement to Keweenaw Bay Ojibwa Community College from \$50,000 to \$87,800 to reflect most recent ITW cost data. (Sec. 270c)
17. **Discouraged Instruction Activity.** The Governor removed a section stating the intent of the Legislature that public universities not use State funds to offer instructional activities that target companies or groups of companies for unionization or decertification of a union. (Sec. 271a)
18. **Human Embryonic Stem Cell Research.** The Governor removed a section stating the intent of the Legislature that public and private organizations stem cell research provide certain information to the Director of the Department of Health and Human Services. (Sec. 274)
19. **Use and Finance Noncompliance Penalty.** The Governor removed a section that imposes a 1% reduction in State funding to a community college for each violation of certain requirement of the Management and Budget Act. (Sec. 275a)

20. **Communications with the Legislature.** The Governor removed a section urging universities not to take disciplinary action against employees who communicate with members of the Legislature or their staff. (Sec. 275d)
21. **Campus Free Speech Report.** The Governor removed a section of legislative intent language requesting a report from each university on strategic planning and other activities related to free speech on campus. (Sec. 275f)
22. **COVID-19 Federal Funds Report.** The Governor removed a report on COVID-19-related Federal funds received by community colleges. (Sec. 275g)
23. **Campus Advocacy Policy.** The Governor removed a section of legislative intent requesting that each university adopt an advocacy policy for faculty, staff, students, and other people on campus. (Sec. 275h)
24. **Postsecondary Achievement Goal.** The Governor included a new section stating a goal that 60% of Michigan residents achieve some type of postsecondary credential by 2030. (Sec. 275h)
25. **COVID-19 Mandatory Vaccine Exemptions.** The Governor removed a section requiring a community college that has a mandatory COVID-19 vaccine policy to grant exceptions to that policy under certain circumstances. (Sec. 275i)
26. **King-Chavez-Parks (KCP) Future Faculty - Returned and Defaulted Funds.** The Governor increased the timeframe for re-appropriation of unspent program funds to two years instead of one, and added language to allow LEO to re-appropriate loan payments received from defaulted fellowship agreements. (Sec. 276)
27. **KCP Programs - Award Periods.** The Governor included language in three of the KCP programs (Select Student Support Services, College/University Partnership, and Visiting Professors) to specify that program awards have a period of no more than two years. (Secs. 278, 279, and 280)
28. **KCP Programs Report.** The Governor removed a section requiring detailed reports on all six KCP programs. (Sec. 281a)
29. **Bachelor of Nursing Report.** The Governor removed a report on articulation agreements on Bachelor of Nursing programs between community colleges and universities. (Sec. 286b)
30. **Performance Audits.** The Governor removed a section allowing the Auditor General to conduct performance audits of universities. (Sec. 291)

Date Completed: 3-22-22

Fiscal Analyst: Josh Sefton

Table 1: FY 2022-23 Higher Education Appropriations

University	FY 2021-22 Year-To-Date	Governor's Recommendation		
		FY 2022-23 Gov. Rec.	Dollar Change	Percent Change
Central	\$90,440,500	\$98,153,100	\$7,712,600	8.5%
Eastern	78,305,900	85,332,700	7,026,800	9.0
Ferris	56,541,600	61,355,000	4,813,400	8.5
Grand Valley	74,213,800	86,277,500	12,063,700	16.3
Lake Superior	14,366,600	15,426,600	1,060,000	7.4
Michigan State	292,137,800	318,111,300	25,973,500	8.9
Michigan Tech	51,371,900	55,959,200	4,587,300	8.9
Northern	49,338,700	53,751,400	4,412,700	8.9
Oakland	54,012,900	64,195,700	10,182,800	18.9
Saginaw Valley	31,043,500	33,875,500	2,832,000	9.1
UM-Ann Arbor	326,265,400	355,005,000	28,739,600	8.8
UM-Dearborn	26,593,700	30,265,400	3,671,700	13.8
UM-Flint	24,197,400	26,990,500	2,793,100	11.5
Wayne State	205,496,400	223,649,600	18,153,200	8.8
Western	113,432,700	123,273,900	9,841,200	8.7
Subtotal University Operations:	\$1,487,758,800	\$1,631,622,400	\$143,863,600	9.7%
MPSERS Reimbursement	\$13,495,000	\$70,000	(\$13,425,000)	(99.5%)
MPSERS Normal Cost Offset	4,740,000	4,650,000	(90,000)	(1.9)
MSU AgBioResearch	35,286,700	38,431,100	3,144,400	8.9
MSU Extension	30,437,500	33,149,900	2,712,400	8.9
Higher Education Database	200,000	200,000	0	0.0
Midwest Higher Ed Compact	116,800	116,800	0	0.0
King-Chavez-Parks	2,691,500	2,691,500	0	0.0
MPSERS Obligation Paydown	84,741,700	0	(84,741,700)	(100.0)
Japan Center for Michigan Universities	500,000	0	(500,000)	(100.0)
Total Universities	\$1,659,968,000	\$1,710,931,700	\$50,963,700	3.1%
School Aid Fund	361,403,300	347,888,300	(13,515,000)	(3.7)
State GF/GP	\$1,298,564,700	\$1,363,043,400	\$64,478,700	5.0%
Grants and Financial Aid				
State Competitive Scholarships	\$29,861,700	\$29,861,700	\$0	0.0%
Tuition Grants	42,021,500	42,021,500	0	0.0
Tuition Incentive Program (TIP)	71,300,000	65,200,000	(6,100,000)	(8.6)
Children of Veterans & Officer's Tuition	1,400,000	1,400,000	0	0.0
Project Gear-Up	3,200,000	3,200,000	0	0.0
Total Grants/Financial Aid	\$147,783,200	\$141,683,200	(\$6,100,000)	(4.1%)
Federal Higher Ed Act	3,200,000	3,200,000	0	0.0
Federal TANF	125,326,400	119,226,400	(6,100,000)	(4.9)
State GF/GP	\$19,256,800	\$19,256,800	\$0	0.0%
TOTAL HIGHER EDUCATION				
TOTAL ALL FUNDS	\$1,807,751,200	\$1,852,614,900	\$44,863,700	2.5%
TOTAL FEDERAL	128,526,400	122,426,400	(6,100,000)	(4.7)
TOTAL STATE RESTRICTED	361,403,300	347,888,300	(13,515,000)	(3.7)
TOTAL STATE GF/GP	\$1,317,821,500	\$1,382,300,200	\$64,478,700	4.9%



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	372.5	381.5	9.0	2.4
GROSS	72,987,600	80,335,500	7,347,900	10.1
Less:				
Interdepartmental Grants Received	724,600	736,500	11,900	1.6
ADJUSTED GROSS	72,263,000	79,599,000	7,336,000	10.2
Less:				
Federal Funds	1,017,100	1,017,100	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	71,245,900	78,581,900	7,336,000	10.3
Less:				
Other State Restricted Funds	71,245,900	72,581,900	1,336,000	1.9
GENERAL FUND/GENERAL PURPOSE	0	6,000,000	6,000,000	--
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$72,987,600	\$0
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$72,987,600	\$0
Changes from FY 2021-22 Year-to-Date:		
1. Auto No-Fault Insurance Market Examination. The Governor included \$5.0 million GF/GP one-time funding for a study of auto insurers to ensure that practices and policies meet statutory requirements.	5,000,000	5,000,000
2. Behavioral Health Parity Review. The Governor included \$1.0 million GF/GP one-time for a review of the health insurance market to ensure compliance with behavioral health parity requirements.	1,000,000	1,000,000
3. FTE Shift (net zero change). The Governor shifted 7.0 FTEs from Consumer Services and Protection to Insurance Evaluation.	0	0
4. FTE Increase. The Governor included 9.0 additional FTEs in three units: Consumer Services and Protection (3.0 FTEs), Financial Institutions Evaluation (2.0 FTEs), and Insurance Evaluation (4.0 FTEs). No additional appropriation was requested.	0	0

5. Economic Adjustments. Includes \$1.3 million Gross and \$0 GF/GP for total economic adjustments, of which an estimated negative \$538,400 Gross and \$0 GF/GP is for legacy retirement costs (pension and retiree health).	1,347,900	0
Total Changes	\$7,347,900	\$6,000,000
FY 2022-23 Governor's Recommendation	\$80,335,500	\$6,000,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Disciplinary Action.** The Governor deleted and declared unenforceable language prohibiting the Department from taking disciplinary action against an employee for communicating with the Legislature unless otherwise prohibited by law. (Sec. 206)
2. **Contingency Authorizations.** The Governor revised "authorization" to "funds" and increased amounts to the following levels: Federal - \$1.0 million; State Restricted - \$5.0 million. (Sec. 210)
3. **FTE and Remote Work Report.** The Governor deleted a section requiring the Department to submit a quarterly report on FTEs and remote work. (Sec. 216)
4. **Work Project Authorization Requirement.** The Governor deleted and declared unenforceable language that prohibited the Department from spending funds until all existing work project authorization available for the same purpose are exhausted. (Sec. 217)
5. **Ad Board Transfers.** The Governor deleted and declared unenforceable language that allowed for the intertransfer of funds by the Legislature under certain conditions if those funds had been previously transferred by the State Administrative Board. (Sec. 218)
6. **Report Retention.** The Governor deleted language requiring the Department to retain all reports funded from part 1 appropriations and to follow related State and Federal guidelines. (Sec. 219)
7. **Policy Change Reporting Requirement.** The Governor deleted a report that required the Department to specify policy changes made to implement enacted legislation in the previous fiscal year. (Sec. 220)
8. **Severance Pay Reports.** The Governor deleted reporting and webpage requirements related to severance pay for certain Department officials. (Sec. 221)
9. **COVID-19 Vaccine Passport.** The Governor deleted prohibitions on certain government agencies or bodies from requiring a vaccine or vaccine passport as well as other vaccine-related language. (Sec. 222)
10. **TV and Radio Productions.** The Governor deleted language requiring the Department to submit a report on payments for TV and radio productions made to third-party vendors. (Sec. 224)
11. **Insurance Bureau Fund.** The Governor deleted language permitting use of the Insurance Bureau Fund for legislative participation in activities coordinated by insurance associations; permissions are contained in statute. (Sec. 225)
12. **Rate Filing Report.** The Governor deleted required report detailing health insurance rate filings. (Sec. 301)
13. **Conservatorship and Insurance Liquidation Funds.** The Governor deleted the \$400,000 appropriations cap on funds collected in relation to conservatorships, corporate liquidation, and the sale of customized listings of nonconfidential information. (Secs. 302 and 303)

14. **Annual Report Transmission.** The Governor deleted language requiring DIFS to electronically transmit its Annual Report directly to the relevant subcommittees, fiscal agencies, and the State Budget Director. (Sec. 306)
15. **Marijuana Banking Guidance.** The Governor deleted a requirement that DIFS update examination manuals and letters of guidance to State-chartered financial institutions as necessary with relation to providing financial services to marijuana businesses, as marijuana is still illegal at the Federal level. (Sec. 307)
16. **Health Care Claims Database Criteria.** The Governor deleted this section as the referenced database does not currently exist. (Sec. 308)

Date Completed: 3-22-22

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	524.0	534.0	10.0	1.9
GROSS	320,463,100	506,371,900	185,908,800	58.0
Less:				
Interdepartmental Grants Received	1,652,300	1,902,300	250,000	15.1
ADJUSTED GROSS	318,810,800	504,469,600	185,658,800	58.2
Less:				
Federal Funds	6,374,800	6,381,500	6,700	0.1
Local and Private	8,842,400	9,306,800	464,400	5.3
TOTAL STATE SPENDING	303,593,600	488,781,300	185,187,700	61.0
Less:				
Other State Restricted Funds	94,312,700	94,435,300	122,600	0.1
GENERAL FUND/GENERAL PURPOSE	209,280,900	394,346,000	185,065,100	88.4
PAYMENTS TO LOCALS	148,056,300	149,059,200	1,002,900	0.7

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$320,463,100	\$209,280,900
Changes from FY 2021-22 Year-to-Date:		
1. Foster Care Review Board Fund Shift	0	55,000
Total Supplemental Changes	\$0	\$55,000

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$320,463,100	\$209,280,900
Changes from FY 2021-22 Year-to-Date:		
1. One-time Statewide Judicial Case Management System. The Governor included one-time GF/GP funding to overhaul the computer management systems for State trial courts. If approved, the project would take several years and be classified as a work project.	175,000,000	175,000,000
2. Justice for All Self-Help Center Expansion. The Governor included GF/GP for the Justice for All Initiative, moving 2.0 current year one-time FTEs to ongoing and increasing funding to expand legal self-help to rural communities.	1,050,000	1,050,000
3. Administrative Funding Restoration. The Governor included GF/GP to restore funding levels that were previously cut in FY 2020-21 because of pandemic-related statewide reductions.	1,005,900	1,005,900
4. Continuing Education for Judges. The Governor included GF/GP and 3.0 FTEs to support the implementation of new continuing legal education requirements for judges.	467,300	467,300

5. State Appellate Defender Office (SADO) Administration. The Governor included GF/GP and 4.0 FTEs to improve administration in human resources, finance, information technology support, and the Criminal Defense Resource Center.	445,100	445,100
6. Private Grant Authorization. The Governor included increased private funding authorization to reflect anticipated increased private grants.	300,000	0
7. SADO Wrongful Prosecution Unit. The Governor included GF/GP to support the continuing work of SADO's Wrongful Prosecution Unit following the expiration of a Federal grant.	287,900	287,900
8. SADO Federal Grant Authorization. The Governor included increased Federal grant authorization in part 1 to align with current Federal grant authorization identified in part 2 of the current year budget.	250,000	0
9. One-Time Judicial Workload Assessment Contract. The Governor included one-time GF/GP to assess judicial workloads for the Judicial Resources Recommendation.	225,000	225,000
10. One-Time Judicial Tenure Commission (JTC) Backlog. The Governor included one-time GF/GP for JTC's continuing judicial investigation backlog.	223,000	223,000
11. Ongoing JTC Backlog. The Governor included ongoing GF/GP and 1.0 additional FTE for JTC's continuing judicial investigation backlog.	169,800	169,800
12. SADO Juvenile Lifer Unit. The Governor included a slight increase in funding for SADO's continuing work in Federally mandated resentencing hearings for the State's juvenile lifers.	23,800	23,800
13. Foster Care Review Board Backfill of Federal Funding. The Governor replaced decreased federal funding with GF/GP.	0	55,000
14. Judgeship Changes. The Governor adjusted funding for judges that includes an additional circuit court judge and two fewer district judges.	(212,100)	(212,100)
15. Removal of Current Year One-Time Line Items. The Governor removed current year one-time line item spending. Spending for juvenile lifer resentencing hearings was moved to ongoing.	(1,002,000)	(1,002,000)
16. Economic Adjustments. Includes \$7,675,100 Gross and \$7,326,400 GF/GP for total economic adjustments, of which an estimated negative \$813,800 Gross and a negative \$662,100 GF/GP is for legacy retirement costs (pension and retiree health).	7,675,100	7,326,400
Total Changes	\$185,908,800	\$185,065,100
FY 2022-23 Governor's Recommendation	\$506,371,900	\$394,346,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Definitions.** The Governor removed unused definitions, including definitions for "DOJ", "DOT", "HHS", "SADO", Title IV-D", and "Title IV-E". (Sec. 203)
2. **Lapse Reporting.** The Governor amended a section requiring the State Budget report annually on GF/GP lapses. The amended section would push the reporting date back one month to December 31, annually. (Sec. 209)

3. **Deleted - Disciplinary Action.** The Governor removed a section prohibiting disciplinary action against judicial employees who communicate with legislative members or staff. (Sec. 215)
4. **Deleted - Interagency Collaboration for Swift & Sure.** The Governor removed a requirement that the State Court Administrative Office identify programs available for Swift & Sure participants. (Sec. 218)
5. **NEW - Boilerplate Reporting.** The Governor added a new section mandating boilerplate reports required under part 2 be submitted to the Senate and House of Representatives appropriations subcommittees, the Senate and House Fiscal Agencies, and the State Budget Office. Inclusion of this new section would amend sections 308, 309, 310, 320, and 321 without substantively changing them. (New Sec. 218)
6. **Deleted - Report Retention.** The Governor removed a requirement that the judicial branch retain copies of all reports funded from appropriations. (Sec. 219)
7. **Deleted - Parental Rights Reporting Requirement.** The Governor removed a section requiring a report on the number of petitions filed and granted of minors seeking a waiver of parental consent. (Sec. 312)
8. **Juvenile Lifer Resentencing and Report.** The Governor moved previous-year boilerplate language concerning the Juvenile Lifer Resentencing program and annual report from the one-time section to the ongoing section and amended the reporting date from September to December so that the report can include previous fiscal year book closings. (Sec. 323)
9. **NEW - One-Time Statewide Judicial Case Management System.** The Governor included a new section identifying the part 1 spending amount of \$175.0 million for the Statewide Judicial Case Management System as a work project with a tentative completion date of September 30, 2027. (Sec. 400)

Date Completed: 3-22-22

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,553.4	2,589.4	36.0	1.4%
GROSS	\$3,250,153,600	\$2,305,571,500	(\$944,582,100)	(29.1%)
Less:				
Interdepartmental Grants Received	0	0	0	N/A
ADJUSTED GROSS	3,250,153,600	2,305,571,500	(944,582,100)	(29.1)
Less:				
Federal Funds	1,433,813,200	1,154,595,000	(279,218,200)	(19.5)
Local and Private	24,491,900	23,130,700	(1,361,200)	(5.6)
TOTAL STATE SPENDING	1,791,848,500	1,127,845,800	(664,002,700)	(37.1)
Less:				
Other State Restricted Funds	273,852,700	245,920,400	(27,932,300)	(10.2)
GENERAL FUND/GENERAL PURPOSE	1,517,995,800	881,925,400	(636,070,400)	(41.9)
PAYMENTS TO LOCALS	51,944,500	252,274,900	200,330,400	385.7

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$3,250,153,600	\$1,517,995,800
Changes from FY 2021-22 Year-to-Date:		
1. Strategic Outreach and Attraction Reserve (SOAR) Fund Deposit. This item would be an additional deposit into the SOAR Fund, which received a \$1.0 billion deposit under PA 132 of 2021, and would be used, upon legislative transfer, to support business attraction.	500,000,000	500,000,000
2. Community Development Block Grant (CDBG) – Disaster Recovery. These funds would be used to support projects for low- and moderate-income populations that were affected by the May 2020 dam failure and flooding in mid-Michigan.	59,898,000	0
3. Mobility Futures Initiative. Of this funding, \$15.0 million would support Michigan's electric vehicle workforce, \$7.0 million would support access to safer, more reliable, and more ecological transportation, and \$3.0 million would support development of mobility technologies.	25,000,000	25,000,000
4. Other Items. This would include \$9.0 million Penalty & Interest (P&I) Revenue for the UIA for limited-term staff and other resources, \$500,000 GF/GP for the Workers' Compensation Board of Magistrates for limited-term employees to help with the Board's backlog, a \$9.5 million P&I to GF/GP fund shift in Going Pro to facilitate the UIA item above, and 3.0 additional FTEs for the Bureau of Services for Blind Persons.	9,480,000	10,040,800
Total Supplemental Changes	\$594,378,000	\$535,040,800

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$3,250,153,600	\$1,517,995,800
Changes from FY 2021-22 Year-to-Date:		
1. Transformational Education Infrastructure. The Governor included one-time funds for a grant or grants to universities for improvements to medical education, health sciences, and electric vehicle teaching, training, and development.	230,000,000	230,000,000
2. Michigan Regional Empowerment Program. The Governor included one-time matching funds for regional economic development and resilience.	200,000,000	200,000,000
3. Nature, Science, and Cultural Experiences Grants. The Governor included a one-time competitive grant program for projects that promote Michigan's cultural diversity and natural beauty.	75,000,000	75,000,000
4. Talent Retention and Expansion. The Governor included one-time funds to support employer-led collaboratives and sector strategies to fill talent gaps and other workforce issues.	20,000,000	20,000,000
5. Barrier Removal and Employment Supports. The Governor included one-time funds to remove barriers to employment for low-income, poor, and working poor residents.	15,000,000	15,000,000
6. International Talent Attraction. The Governor included one-time funds for a competitive grant program to attract international businesses and start-ups to locate in Michigan.	15,000,000	15,000,000
7. Young Professionals Plus. The Governor included one-time funds to help young people connect with employers and participate in skill-building work experiences.	15,000,000	15,000,000
8. Homeownership and Apprenticeship Program. The Governor included one-time funds to assist local land banks with homes in their inventories. The program would partner with workforce development organizations to utilize paid apprenticeships on those job sites.	11,000,000	11,000,000
9. MI Local Heroes Marketing Campaign. The Governor included one-time funds to create a marketing campaign promoting public sector employment, IT upgrades for job-matching software, and market research for studying barriers to filling public-sector jobs.	10,000,000	10,000,000
10. Statewide Pre-Apprenticeship Program. The Governor included one-time funds to connect un- and under-employed residents in underserved communities with resources necessary to achieve gainful employment.	10,000,000	10,000,000
11. Tri-Share Child Care. The Governor included one-time funds to continue support of this program, currently funded as a one-time item.	2,500,000	2,500,000
12. Focus: HOPE. The Governor included one-time funds to continue support of this program, currently funded as a one-time appropriation.	1,000,000	1,000,000
13. Office of Global Michigan - Language Access Plan. The Governor included \$700,000 one-time and \$268,700 ongoing to establish a statewide program to ensure residents with limited English proficiency have comparable access to programs as English-speaking individuals.	968,700	968,700
14. Helmets to Hardhats. The Governor included one-time funds for a program to connect former active and former members of the military with skilled trade training and careers in the construction industry.	500,000	500,000
15. Office of Future Mobility. The Governor included ongoing funds to support Michigan's position in the electric vehicle industry.	4,000,000	4,000,000

FY 2022-23 LABOR AND ECONOMIC OPPORTUNITY BUDGET

GOVERNOR'S RECOMMENDATION

16. MiSTEM Advisory Council. The Governor included a \$300,000 fund shift from the School Aid budget, and \$300,000 in new ongoing funds to support the Council.	600,000	600,000
17. Pure Michigan. The Governor removed \$20.0 million in Federal ARP funds from this program and replaced them with \$5.0 million GF/GP. This change would bring total funding for Pure Michigan to \$25.0 million.	(15,000,000)	5,000,000
18. UIA Benefit Claims Monitoring System. The Governor removed funding for this item, as the UIA is using a different system for this purpose that is approved by the Federal government.	(4,000,000)	(4,000,000)
19. Remove FY 2021-22 One-Time and Supplemental Appropriations. These include \$1.0 billion GF/GP for a deposit into the Strategic Outreach and Attraction Reserve Fund, \$146.9 million GF/GP for Michigan Enhancement Grants, \$48.0 million GF/GP for Michigan Infrastructure Grants, and various other items.	(1,551,946,700)	(1,253,823,400)
20. Reflect Anticipated Federal, Restricted, and Private Revenue. The Governor made numerous adjustments to Federal, restricted, and private fund sources to reflect anticipated revenue in those areas. Increases include \$9.6 million Federal for the Office of Global Michigan, \$4.8 million Federal for Workforce Development, \$3.6 million Federal for Michigan Rehabilitation Services, \$3.0 million Federal for the State Trade Export Program, \$1.0 million private and \$100,000 restricted for the Women's Commission, \$750,000 one-time Federal for Lakeshore Heritage Grants, \$200,000 Federal and \$99,000 restricted for MIOSHA, \$160,000 private for the Michigan Community Service Commission, and \$156,400 Federal for the Wage and Hour Program. This item also includes reductions of (\$17,381,800) Federal, (\$200,000) local, and (\$39,100) restricted to various programs to reflect anticipated revenue that are lower than what are currently included in the FY 2021-22 budget.	5,798,500	0
21. Other Changes. The Governor included an additional \$170,000 GF/GP for the Commission on Middle Eastern American Affairs and the Michigan Asian Pacific American Affairs Commission, a \$45,100 GF/GP reduction for MI Reconnect to properly reflect economics, and a \$5.0 million fund shift in MI Reconnect from the Talent Investment Fund to GF/GP.	124,900	5,124,900
22. Economic Adjustments. Includes \$9,872,500 Gross and \$1,059,400 GF/GP for total economic adjustments, of which an estimated negative \$3,912,300 Gross and negative \$391,500 GF/GP is for legacy retirement costs (pension and retiree health).	9,872,500	1,059,400
Total Changes	(\$944,582,100)	(\$636,070,400)
FY 2022-23 Governor's Recommendation	\$2,305,571,500	\$881,925,400

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **SOAR Fund Deposit.** Technical section specifying that the \$500.0 million SOAR Fund deposit must comply with statutory requirements.
2. **Federal Contingency Authorization.** Increases Federal contingency authorization by \$500.0 million to allow for use of the SOAR Fund deposit.
3. **Mobility Futures Initiative.** Earmarks this appropriation as follows: \$15.0 million for support of Michigan's electric vehicle workforce, \$7.0 million for support of access to safer, more reliable, and more ecological transportation, and \$3.0 million for development of mobility technologies.
4. **Work Project Language.** Specifies that the \$59.9 million for CDBG-Disaster Recovery, \$9.0 million for UIA fraud enforcement, \$25.0 million for Mobility Futures Initiative, and \$500,000 for Workers' Compensation Board of Magistrates would have work project authorization, and that those appropriations could be spent in future years.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Deleted Reports.** The Governor deleted a number of sections containing reporting or notification requirements, including: 216 (remote work), 222 (severance pay), 229 (savings identified from audit), 235 (Federal funds contingency plan), 240 (new/increased program metrics), 990 (MSHDA annual report), 995 (MSF report), 1006 (business attraction and community revitalization report), 1033 (Michigan Film Office report), 1066(d) (notification of Legislature for Going Pro), 1069 (Healthy Michigan job training), 1079 (interagency agreement for use of TANF).
2. **Other Deleted Sections.** The Governor deleted a number of other sections including: 206 (communication with the Legislature), 217 (work project expenditures), 218 (State Administrative Board transfers), 219 (report retention guidelines), 220 (policy changes), 221 (spend Federal/private funds first), 224 (prohibit purchase of casino), 225 (mandatory COVID-19 vaccination), 983 (prohibit bonding for broadband), 984 (require use of SIGMA), 989 (workers' comp. rules updates), 989b (UIA solution proposal), 1005d (Pure Michigan prioritization), 1009 (limit on land purchases), 1013 (limit on MEDC staff involved in private fundraising), 1042 (limit on business attraction and community revitalization fund transfers), 1056 (anonymity of employers in MIOSHA press communication under emergency rules), 1077 (UIA limited-term employees), 1078 (Federal authorization for Federal UIA funds), 1091 (ethnic commissions expenditures), 1094 (Futures for Frontliners one-time appropriation), 1094a (wraparound services one-time appropriation), 1094b (child care facilitator pilot one-time appropriation), 1094c (child savings accounts one-time appropriation), 1094d (poverty task force one-time appropriation), 1094e (Focus: HOPE one-time appropriation), 1094g (training center equipment grants one-time appropriation), 1094h (rural jobs and capital investment fund one-time appropriation), 1094i (Michigan Career and Technical Institute one-time appropriation), 1094j (centers for employment opportunity one-time appropriation), 1094k (West Michigan Construction Institute one-time appropriation), 1094l (diploma equity project one-time appropriation), 1094m (community revitalization and placemaker one-time appropriation), 1095 (Michigan infrastructure grants one-time appropriation), 1096 (Michigan enhancement grants one-time appropriation).
3. **Contingency Authorization.** The Governor increased doubled Federal, restricted, and local amounts, and increased private authorization from \$1.0 million to \$5.0 million. (Sec. 980)
4. **Arts and Cultural Grants.** The Governor removed language prohibiting appropriations for this program from being used for administration of the grants. (Sec. 1035)
5. **Appropriation of Employment Opportunity Fund.** The Governor included a new section appropriating tax capture revenue under this program. The section would be needed or relevant only if Senate Bill 615 and House Bill 5246 or substantially similar bills were enacted. (NEW Sec. 1054)
6. **MiSTEM Advisory Council.** The Governor included a new section (moved from the School Aid Act) to direct expenditure of Council funds and direct the activities of MiSTEM Network staff. (NEW Sec. 1067)
7. **Jobs for Michigan Graduates Earmark.** The Governor increased the earmark of program funds for the Michigan franchise holder of the national Jobs for America's Graduates program from \$3.75 million to \$4.75 million. (Sec. 1071)
8. **UIA Limited-Term Employees.** The Governor increased the number of limited-term employees the UIA may hire from 500.0 to 700.0. (Sec. 1077a)
9. **Michigan Rehabilitation Services Earmark.** The Governor removed a \$6.1 million earmark that directs funds to community-based rehabilitation organizations. (Sec. 1085)
10. **Statewide Pre-Apprenticeship Program.** The Governor retained this one-time appropriation section, but increased the award amount to \$10.0 million from \$5.5 million. (Sec. 1097)
11. **New One-Time Appropriation Program Boilerplate.** The Governor included program specifications for several new one-time appropriations: 1094 (nature, science, and cultural experiences grants), 1096 (Michigan regional empowerment grants), 1098 (transformational education infrastructure), 1099 (attainable homeownership and apprenticeship program), 1100 (MI Local Heroes marketing campaign), 1101 (talent retention and expansion), 1102 (barrier removal and employment supports), 1103 (Young Professionals Plus).

Date Completed: 3-22-22

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	213,762,800	212,605,800	(1,157,000)	(0.5)
Less:				
Interdepartmental Grants Received	6,345,200	6,654,800	309,600	4.9
ADJUSTED GROSS	207,417,600	205,951,000	(1,466,600)	(0.7)
Less:				
Federal Funds	0	0	0	0.0
Local and Private	406,000	428,300	22,300	5.5
TOTAL STATE SPENDING	207,011,600	205,522,700	(1,488,900)	(0.7)
Less:				
Other State Restricted Funds	6,877,300	7,295,000	417,700	6.1
GENERAL FUND/GENERAL PURPOSE	200,134,300	198,227,700	(1,906,600)	(1.0)
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$213,762,800	\$200,134,300
Changes from FY 2021-22 Year-to-Date:		
NONE		
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$213,762,800	\$200,134,300
Changes from FY 2021-22 Year-to-Date:		
1. House Increase. The Governor provided a 5.5% overall increase for the Michigan House of Representatives.	3,737,500	3,737,500
2. Senate Increase. The Governor provided a 5.5% overall increase for the Michigan Senate.	2,606,900	2,606,900
3. Legislative Auditor General Increase. The Governor provided a 5.5% overall increase for the Legislative Auditor General.	1,491,300	1,022,900
4. Legislative Council Increase. The Governor provided a 5.5% overall increase for the Legislative Council.	855,700	855,700

5. State Capitol Historic Site Increase. The Governor provided an increase totaling \$502,900 that consists of an increase of \$313,800 for General Operations and an increase of \$189,100 for Restoration, Renewal, and Maintenance.	502,900	291,500
6. Legislative Retirement System Increase. The Governor provided a 5.5% overall increase for the Legislative Retirement System.	299,800	230,000
7. Removal of FY 2021-22 One-Time Appropriations. The Governor removed a total of \$7.5 million in one-time GF/GP funding for the Legislative IT design special project.	(7,542,200)	(7,542,200)
8. Independent Citizens Redistricting Commission (ICRC). The Governor removed the statutorily required funding for the Commission as the ICRC will cease operations in FY 2022-23 until the next decennial census and no longer will require an appropriation.	(3,108,900)	(3,108,900)
Total Changes	(\$1,157,000)	(\$1,906,600)
FY 2022-23 Governor's Recommendation	\$212,605,800	\$198,227,700

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Governor.** Moved boilerplate from the FY 2019-20 general sections that applied to all General Government budgets to the Article for the Legislature. Changes to those items can be found in the highlight sheet for the General Sections.
2. **DELETED. Administration of ICRC Compensation and Benefits.** The Governor deleted language requiring the Legislative Council to administer the compensation and benefits for ICRC members as the ICRC will cease operations in FY 2021-22. (Sec. 616)
3. **DELETED. ICRC Quarterly Report.** The Governor deleted the reporting requirements for the ICRC due to its being disbanded in FY 2021-22. (Sec. 617)
4. **DELETED. Legislative IT Design Special Project.** The Governor deleted work project language for the Legislative IT design program as it was a one-time appropriation; therefore, language is no longer needed. (Sec. 618)
5. **Sections Deemed Unenforceable.** The Governor declared the following sections unenforceable: 624 (savings and efficiencies of executive branch audits) and 625 (Legislative Auditor General access to confidential information).

Date Completed: 3-22-22

Fiscal Analyst: Joe Carrasco, Jr.

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,827.9	1,844.9	17.0	0.9
GROSS	517,236,400	513,345,500	(3,890,900)	(0.8)
Less:				
Interdepartmental Grants Received	45,079,800	47,026,900	1,947,100	4.3
ADJUSTED GROSS	472,156,600	466,318,600	(5,838,000)	(1.2)
Less:				
Federal Funds	29,030,900	29,659,200	628,300	2.2
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	443,125,700	436,659,400	(6,466,300)	(1.5)
Less:				
Other State Restricted Funds	258,929,800	248,065,900	(10,863,900)	(4.2)
GENERAL FUND/GENERAL PURPOSE	184,195,900	188,593,500	4,397,600	2.4
PAYMENTS TO LOCALS	169,417,400	169,417,400	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$517,236,400	\$184,195,900
Changes from FY 2021-22 Year-to-Date:		
1. COVID-19 Survey Activities. The Governor included \$625,000 in Federal CARES Act funds to conduct survey activities in nursing homes.	625,000	0
2. Task Force on Foreign Trained Medical Professional Licensing. The Governor included \$100,000 in Restricted funds to establish a task force to address barriers to the licensing for foreign-trained medical professionals.	100,000	0
Total Supplemental Changes	\$725,000	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$517,236,400	\$184,195,900
Changes from FY 2021-22 Year-to-Date:		
1. Michigan Saves. The Governor included a total of \$5.0 million GF/GP for the Michigan Saves Green Bank, a \$3.5 million increase from YTD.	3,500,000	3,500,000
2. Corporations Online Filing System. The Governor included \$2.3 million in one-time Restricted funds to update the Corporations Online Filing system.	2,343,600	0
3. State Nursing Home Surveyors. The Governor included \$1.6 million GF/GP and 10.0 FTEs for education and consultation activities to improve care at skilled nursing facilities.	1,580,000	1,580,000

FY 2022-23 LICENSING AND REGULATORY AFFAIRS BUDGET

GOVERNOR'S RECOMMENDATION

4. CSB Technical Adjustments. The Governor made \$1.1 million Gross in IDG and State Restricted technical adjustments because of changes in revenue estimates.	1,068,400	0
5. Task Force on Foreign-Trained Medical Professional Licensing. The Governor included \$1.0 million in State Restricted funds to implement recommendations of the new Task Force.	1,000,000	0
6. Marijuana Regulatory Agency. The Governor included \$813,600 in Restricted funds and 5.0 FTEs for the Marijuana Regulatory Agency because of increased workloads related to the adult-use marijuana market.	813,700	0
7. Liquor Control Commission Staffing. The Governor included \$600,000 in Restricted Funds to support additional staff because of increased workloads.	600,000	0
8. Public Service Commission Community Education and Outreach. The Governor included 2.0 FTEs and \$282,600 for the Public Service Commission to undertake additional community outreach and education related to the Customer Education and Participation MI Power Grid and the Energy Affordability and Accessibility Collaborative.	282,600	0
9. Utility Consumer Participation Board. The Governor included \$100,000 from Restricted funds for the Board because of increased revenue.	100,000	0
10. Removal of Marihuana Treatment Research. The Governor removed a \$20.0 million appropriation for research on the use of marijuana to treat veterans' medical conditions, as it is no longer required under Initiated Law 1 of 2018.	(20,000,000)	0
11. Removal of FY 2021-22 One-time Appropriations. The Governor removed FY 2021-22 one-time GF/GP appropriations for Nursing Home Infection Control Surveys (\$1.1 million) and a Renewable Natural Gas Study (\$250,000).	(1,350,000)	(1,350,000)
12. Marihuana Funding Alignments (net to zero). The Governor shifted 49.0 FTEs and \$5.3 million from Medical Marihuana Facilities Licensing and Tracking line to the Recreational Marihuana Regulation line, and an additional \$200,000 from the Medical Marihuana Program to the Recreational Marihuana Regulation line because of market changes.	0	0
13. Economic Adjustments. Includes \$6.2 million Gross and \$667,600 GF/GP for total economic adjustments, of which an estimated negative \$2.4 million Gross and negative \$283,000 GF/GP is for legacy retirement costs (pension and retiree health).	6,170,800	667,600
Total Changes	(\$3,890,900)	\$4,397,600
FY 2022-23 Governor's Recommendation	\$513,345,500	\$188,593,500

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Michigan Task Force on Foreign - Trained Medical Professional Licensing.** The Governor included language outlining the membership and purpose of the Task Force and requiring a report.
2. **Homeowner Construction Lien Recovery Fund.** The Governor restored previous budget boilerplate appropriating funds remaining in the Homeowner Construction Lien Fund. (Sec. 512)

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Disciplinary Action.** The Governor deleted and declared unenforceable language prohibiting the Department from taking disciplinary action against an employee for communicating with the Legislature unless otherwise prohibited by law. (Sec. 206)
2. **FTE and Remote Work Report.** The Governor deleted language requiring the Department to submit a quarterly report on FTEs and remote work. (Sec. 216)
3. **Work Project Authorization Requirement.** The Governor deleted and declared unenforceable language prohibiting the Department from spending funds until all existing work project authorization available for the same purpose were exhausted. (Sec. 217)
4. **Ad Board Transfers.** The Governor deleted and declared unenforceable language that allowed for the intertransfer of funds by the Legislature under certain conditions if those funds had been previously transferred by the State Administrative Board. (Sec. 218)
5. **Report Retention.** The Governor deleted language requiring the Department to retain all reports funded from part 1 appropriations and to follow related State and Federal guidelines. (Sec. 219)
6. **Policy Change Reporting Requirement.** The Governor deleted a report that required the Department to specify policy changes made to implement enacted legislation in the previous fiscal year. (Sec. 220)
7. **Severance Pay Reports.** The Governor deleted reporting and webpage requirements related to severance pay for certain Department officials. (Sec. 221)
8. **COVID-19 Vaccine Passport.** The Governor deleted prohibitions on certain government agencies or bodies from requiring a vaccine or vaccine passport as well as other vaccine-related language. (Sec. 222)
9. **Regulatory Programs Report.** The Governor changed report content to refer only to the previous fiscal year rather than the previous three. (Sec. 228)
10. **Employee Performance Monitoring Process.** The Governor deleted language requiring LARA to establish an employee performance monitoring process. (Sec. 229)
11. **Pending Litigation Delays.** The Governor deleted language stating that pending litigation must not delay investigations or licensing actions unless otherwise prohibited by law. (Sec. 232)
12. **Direct Shipper Enforcement.** The Governor deleted portions of this section prioritizing unlicensed out-of-state retailers and third-party marketers, requiring those identified to be referred to the Attorney General, and related reporting requirements. (Sec. 401)
13. **Prohibition on Children's Masking Enforcement.** The Governor deleted language prohibiting LARA from enforcing any directive requiring children under five to wear masks. (Sec. 510)
14. **Homeowner Construction Lien Recovery Fund.** The Governor restored language deleted in FY 2021-22 to allow LARA to receive outstanding restitution payments for the Fund. (Sec. 512)
15. **MIDC Grants for New Structures.** The Governor deleted and declared unenforceable a prohibition on locals using MIDC grants to support construction expenses for new structures. (Sec. 803)
16. **Renewable Natural Gas Study.** The Governor deleted one-time language pertaining to a one-time study included in FY 2021-22. (Sec. 1002)

Date Completed: 3-22-22

Fiscal Analyst: Elizabeth Raczkowski

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,054.5	1,055.5	1.0	0.1
GROSS	220,852,600	355,266,000	134,413,400	60.9
Less:				
Interdepartmental Grants Received	101,800	101,800	0	0.0
ADJUSTED GROSS	220,750,800	355,164,200	134,413,400	60.9
Less:				
Federal Funds	120,015,300	189,864,300	69,849,000	58.2
Local and Private	640,000	640,000	0	0.0
TOTAL STATE SPENDING	100,095,500	164,659,900	64,564,400	64.5
Less:				
Other State Restricted Funds	21,336,700	18,794,900	(2,541,800)	(11.9)
GENERAL FUND/GENERAL PURPOSE	78,758,800	145,865,000	67,106,200	85.2
PAYMENTS TO LOCALS	4,386,500	4,386,500	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$220,852,600	\$78,758,800
Changes from FY 2021-22 Year-to-Date:		
1. Grand Rapids Home for Veterans. The Governor recommended funding to cover increases in building security contracts.	201,100	201,100
2. Chesterfield Township Home for Veterans. The Governor recommended funding to cover increases in building security contracts.	50,300	50,300
Total Supplemental Changes	\$251,400	\$251,400

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$220,852,600	\$78,758,800
Changes from FY 2021-22 Year-to-Date:		
1. Armory Modernization. The Governor recommended \$115.0 million gross, including \$60.0 million Federal, and \$55.0 million GF/GP to modernize State armories, including improvements necessary to accommodate female guard members.	115,000,000	55,000,000
2. Grand Rapids Home for Veterans. The Governor recommended \$6,456,000 gross, including \$1,831,000 Federal, \$560,000 Restricted, and \$4,065,000 GF/GP to cover transition costs related to assuming operation of a new facility.	6,456,000	4,065,000
3. Selfridge Air Guard Base. The Governor recommended \$6.1 million GF/GP to improve/expand facilities at Selfridge Air Base to prepare it for future generation aircraft flying missions.	6,100,000	6,100,000

4. Michigan Veterans Facility Authority (MVFA). The Governor recommended \$6.0 million GF/GP to assist the Authority to achieve self-sufficiency as an independent authority.	6,000,000	6,000,000
5. National Guard Tuition Assistance Program. The Governor recommended an increase of \$5.0 million to allow for inclusion of spouses and children of guard members to be eligible for the program, which would bring the total appropriation for the program to \$11,521,900 GF/GP for FY 2022-23.	5,000,000	5,000,000
6. Suicide Prevention Outreach. The Governor recommended \$1.2 million GF/GP for the Michigan Veterans Affairs Agency to conduct a suicide prevention outreach program.	1,200,000	1,200,000
7. Military Retirement. The Governor recommended \$582,000 GF/GP to accommodate anticipated retirement cost obligations, which would result in a total FY 2022-23 retirement appropriation of \$1,457,000 GF/GP.	582,000	582,000
8. State Cemetery Feasibility Study. The Governor recommended \$250,000 GF/GP for a contracted study to determine the feasibility and cost of a proposed State military cemetery.	250,000	250,000
9. Grand Rapids Home for Veterans. The Governor recommended funding to cover increases in building security contracts	201,100	201,100
10. Chesterfield Township Home for Veterans. The Governor recommended funding to cover increases in building security contracts.	50,300	50,300
11. Fund Shifts. The Governor recommended fund shift of \$6.0 million GF/GP to Federal (Medicaid) and a fund shift of \$2,745,100 from Restricted to Federal (Veterans Health Administration).	0	(6,000,000)
12. Elimination of FY 2021-22 One-Time Funding. The Governor recommended the elimination of FY 2021-22 one-time funding of \$8,956,000 Gross, including \$6,456,000 Gross, \$1,831,000 Federal, \$560,000 Restricted and \$4,065,000 GF/GP for Grand Rapids Home for Veterans Transition, and \$2.5 million GF/GP for Record Consolidation and Digitization.	(8,956,000)	(6,565,000)
13. Economic Adjustments. Includes \$2,530,000 Gross and \$1,222,800 GF/GP for total economic adjustments, of which an estimated negative \$1,036,000 Gross and negative \$493,300 GF/GP is for legacy retirement costs.	2,530,000	1,222,800
Total Changes	\$134,413,400	\$67,106,200
FY 2022-23 Governor's Recommendation	\$355,266,000	\$145,865,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

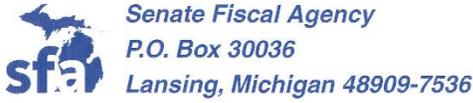
1. **Acronyms and Definitions.** The Governor removed definition of "subcommittee", "core services", "support services", "work project", and recommended other changes. (Sec. 203)
2. **Disciplinary Action.** The Governor recommended elimination of this section, which prohibited action against an employee for communicating with legislative staff. (Sec. 206)
3. **General Fund Lapse Report.** The Governor recommended amending language to shift the due date of the report from no later than November 30 to December 31. (Sec. 209)

4. **Contingency Fund Legislative Transfers.** The Governor recommended language to increase the maximum of Federal fund transfers from \$8.6 million to \$12.0 million, increase the maximum for Restricted funds from \$1.1 million to \$3.0 million, Local funds from \$250,000 to \$500,000 and keep private funds limit at \$100,000 that would be eligible for transfer. (Sec. 210)
5. **FTE and Remote Work Report.** The Governor recommended the elimination of language requiring a quarterly FTE and remote work report. (Sec. 216)
6. **Work Project Expenditures.** The Governor deleted this section, which required that, to the extent possible, appropriations in part 1 not be spent until all existing work project funds for that same purpose have been spent. (Sec. 217)
7. **Administrative Board Transfers.** The Governor deleted this section, which allows the Legislature to transfer funds via resolution if the Administrative Board transferred funds. (Sec. 218)
8. **Retention of Reports.** The Governor recommended elimination of this section, which requires the Department to receive and retain records. (Sec. 219)
9. **Policy Changes Made to Implement Public Acts.** The Governor deleted language that required the Department to report annually on policy changes made to implement recent public acts. (Sec. 220)
10. **Biannual Reports.** The Governor recommended removing language requiring biannual reports to be sent to subcommittees and removed employee status report. (Sec. 221)
11. **Core Services Listing.** The Governor recommended elimination of listing of Department core services upon which appropriations in part 1 is based. (Sec. 222)
12. **Standardized List of Report Recipients.** The Governor recommended new language that standardizes what entities would receive any required report. (Sec. 224)
13. **Notice of Intention to Sell Real Property.** The Governor recommended deletion of required notification to Legislature of intent to sell real property. (Sec. 224)
14. **Payment of Court Judgments.** The Governor deleted language that requires a report of tentative plans of how to pay required court judgments against the Department. (Sec. 225)
15. **Severance Pay Report.** The Governor deleted a requirement for a report on any severance pay spent by the Department. (Sec. 227)
16. **COVID-19 Requirements.** The Governor deleted language prohibiting certain departmental requirements for COVID-19 vaccinations or testing. (Sec. 228)
17. **Unclassified Salaries Quarterly Report.** The Governor recommended elimination of language that required quarterly status and notification of when a new unclassified position has been added or changed. (Sec. 301)
18. **National Guard Armories.** The Governor removed language concerning armory appropriations general purpose. (Sec. 302)
19. **Michigan Youth Challenge Academy.** The Governor removed performance metrics language. (Sec. 303)
20. **Military Family Relief Fund.** The Governor removed language requiring grants, statutory references, and report requirement. (Sec. 304)
21. **Billeting Fund.** The Governor added language to require an annual report by December 15. (Sec. 306)
22. **National Guard Tuition Assistance Program.** The Governor recommend elimination of statutory reference, unmet needs report and performance metrics. (Sec. 307)
23. **Michigan Veterans Trust Fund.** The Governor recommended elimination of statutory reference and performance metrics. (Sec. 405)
24. **Michigan Veterans Affairs Agency (MVAA).** The Governor recommended elimination of language pertaining to goals and performance metrics. (Sec. 406)
25. **Veterans Service Organization Grants.** The Governor recommended several changes to guidelines for the grant program, including removal of biannual and quarterly reports, and details contained in reports by grantees. (Sec. 407/412)

26. **Interagency Agreement with the Department of Health and Human Services.** The Governor recommended elimination of this section calling for an interagency agreement to identify Medicaid recipients who may qualify for veterans benefits. (Sec. 409)
27. **County Veterans Service Fund.** The Governor recommended increasing the amount for the MVAA to use for administration of the program from \$200,000 to \$260,000. (Sec. 410/411)
28. **Michigan Veterans Facility Authority.** The Governor recommended removing language stating MVFA authority over State veterans homes. (Sec. 451)
29. **Veterans Facility Operations.** The Governor recommended reorganization of section and removal of certain goals and metrics. (Sec. 452)
30. **Veterans Homes Quality of Care.** The Governor recommended elimination of this section which calls to "meet or exceed" the Centers for Medicare And Medicaid Services certification standards. (Sec. 453)
31. **Private Revenues - Veterans Facilities.** The Governor recommended new language to allow for private revenue held by the State on a nonfiduciary basis for a member to be appropriated for medical or other expenses incurred by a member, per GASP requirements. (Sec. 464)
32. **Special Maintenance - Veterans Homes.** The Governor recommended language mentioning examples of specific projects be eliminated. (Sec. 503)
33. **Record Consolidation and Digitization.** The Governor recommended language providing guidelines for one-time appropriations be eliminated. (Sec. 601)
34. **Veterans Suicide Prevention Outreach.** The Governor recommended new language providing guidelines for proposed veterans suicide prevention outreach program in part 1. (Sec. 602)

Date Completed: 3-22-22

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,354.9	2,412.8	57.9	2.5
GROSS	464,341,400	534,152,200	69,810,800	15.0
Less:				
Interdepartmental Grants Received	203,100	203,100	0	0.0
ADJUSTED GROSS	464,138,300	533,949,100	69,810,800	15.0
Less:				
Federal Funds	91,291,300	93,630,000	2,338,700	2.6
Local and Private	7,039,200	7,039,200	0	0.0
TOTAL STATE SPENDING	365,807,800	433,279,900	67,472,100	18.4
Less:				
Other State Restricted Funds	317,195,300	337,504,200	20,308,900	6.4
GENERAL FUND/GENERAL PURPOSE	48,612,500	95,775,700	47,163,200	97.0
PAYMENTS TO LOCALS	10,491,100	10,971,400	480,300	4.6

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	464,341,400	48,612,500
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	0	0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	464,341,400	48,612,500

Changes from FY 2021-22 Year-to-Date:	Gross	GF/GP
<p>1. State Fish Hatchery Upgrades and Improvements. The Governor proposed \$30.0 million in a one-time appropriation supporting upgrades to the Wolf Lake hatchery, located in Mattawan. Additionally, funding would be used to refresh outdated equipment at all of the State's hatcheries; the focus being on improving biosecurity, disease control, and overall health. This would represent the most significant investment that all State's hatcheries have received in 20 years.</p>	\$30,000,000	\$30,000,000
<p>2. Natural Resource Equipment Modernization. The Governor proposed \$12.4 million in a one-time appropriation to improve efficiency and safety by funding the replacement of aging vehicles for wildfire control, forestry, fishery, and law enforcement operations.</p>	12,421,700	10,871,700

<p>3. State Park Employee Recruitment and Retention (40.8 FTEs) and Recruitment and Retention of Short-Term Workers. The Governor proposed \$9.8 million: \$9.2 million in funding for long-term employees and \$678,000 for short-term workers. The funding would provide additional park rangers, increase ranger work hours, increase short-term worker pay rates, and provide essential resources to State parks to improve State park experiences for the public.</p>	<p>9,838,500</p>	<p>0</p>
<p>4. Great Lakes Vessel Modernization. The Governor proposed a one-time appropriation of \$4.0 million GF/GP to modernize the Lake Michigan Survey Vessel. The current vessel is the Steelhead, which was constructed in 1967 (54 years old). It is at the end of its expected lifecycle. The proposed replacement would be a modern vessel, which would increase efficiency, safety, and reduce maintenance costs and annual emissions.</p>	<p>4,000,000</p>	<p>4,000,000</p>
<p>5. State Parks Repair and Maintenance. The Governor proposed \$3.1 million for capital outlay spending to perform renovations, maintenance, and upgrades to Michigan's State parks infrastructure. The increase is from recreation passport fees; no constitutional adjustments were required to the Parks Endowment Fund revenue.</p>	<p>3,100,000</p>	<p>0</p>
<p>6. Off Road Vehicle Trail improvements (13.1 FTEs). The Governor proposed \$3.1 million to support the improvement of the off-road vehicle (ORV) trail system through increased enforcement and local maintenance grants. Additionally, \$1.0 million of this investment would be in the form of grants for ORV trail maintenance and expansion.</p>	<p>3,059,900</p>	<p>0</p>
<p>7. Align Authorization - State Park and Harbor System Authority Operations. The Governor proposed \$2.8 million in State restricted authorization to align with anticipated revenues.</p>	<p>2,820,000</p>	<p>0</p>
<p>8. Newberry Customer Service Center Construction Completion. The Governor proposed a one-time appropriation of \$2.0 million in GF/GP funding that would allow for construction of a 30,000-square-foot customer service center and storage facility in Newberry. This facility would allow for the consolidation of staff and equipment from different locations.</p>	<p>2,000,000</p>	<p>2,000,000</p>
<p>9. State Game and Wildlife Area Infrastructure. The Governor proposed \$1.4 million for capital outlay spending; \$1.1 million in Federal Pittman-Robertson funds matched by \$350,000 of State restricted funds. This appropriation would have to be used for the protection and restoration of wildlife.</p>	<p>1,400,000</p>	<p>0</p>
<p>10. State Boating Infrastructure Maintenance. The Governor proposed \$1.1 million for capital outlay spending: \$400,000 in Federal funding and the remaining \$700,000 from State waterways funding. The appropriation would support the Department as it administers, maintains, and operates the 19 State harbors and over 1,000 State boating access sites.</p>	<p>1,100,000</p>	<p>0</p>
<p>11. Wetland Restoration, Enhancement and Acquisition. The Governor proposed \$1.0 million for capital outlay spending. This appropriation would provide State-restricted Waterfowl Hunt Stamp revenue for wetland acquisition, enhancement, and restoration with the goal of providing the public with additional recreational opportunities.</p>	<p>1,000,000</p>	<p>0</p>
<p>12. Emergency Response and Wildfire Suppression. The Governor proposed \$751,900 in GF/GP funding for an increase in wildfire protection capacity focusing on covering overtime needs, filling existing vacancies, and expanding State wildfire prevention activities.</p>	<p>751,900</p>	<p>751,900</p>

13. Tribal Relations and Fisheries Co-Management (4.0 FTEs). The Governor proposed \$652,800 in GF/GP funding to support the improvement of State and tribal relations, and the co-management of natural resources.	652,800	652,800
14. Digitization of Archival Records. The Governor proposed a one-time appropriation of \$458,000 GF/GP to support the digitization, indexing, and online access of historical records at risk of loss because of decay.	485,000	485,000
15. Local Boating Infrastructure Maintenance and Improvements. The Governor proposed \$300,000 in capital outlay spending for grants to assist local communities in improving and sustaining their boating facilities. Currently, the Department provides 63 harbors, along with 183 boating access sites, and technical and financial support from State restricted Waterways funding.	300,000	0
16. MiConnect Outdoors Credit Card Processing Fees and Maintenance and Support. The Governor proposed a \$300,000 appropriation for credit card processing fees and \$50,000 for increased maintenance and software support costs.	350,000	0
17. Align Spending Authorization with Available Revenue from Pheasant License Fees. The Governor proposed a \$100,000 appropriation to cultivate and increase the State's pheasant population for ongoing hunting activities. This would be the first appropriation authorizing the Department to use the funding accumulating in the fund.	100,000	0
18. Align Spending Authorization - Youth Hunting and Fishing Education and Outreach Fund. The Governor proposed a reduction of \$52,200 to align State restricted resources with anticipated revenues.	(52,200)	0
19. Eliminate State Park Improvement Revenue Bond Debt Service Appropriation. The Governor proposed eliminating the debt service appropriation as no additional payments are required after FY 2021-22.	(1,201,800)	0
20. Removal of FY 2021-22 One-Time Funding. The Governor proposed the removal of current year one-time funding.	(\$8,495,800)	(\$2,495,800)
21. Unclassified Salaries. The Governor included \$46,800 increase in unclassified salaries.	46,800	0
22. Economic Adjustments. Includes \$6,134,000 Gross and \$897,600 GF/GP for total economic adjustments, of which an estimated negative \$2,461,800 Gross and a negative \$342,500 GF/GP is for legacy retirement costs (pension and retiree health).	6,134,000	897,600
Total Changes	\$69,810,800	\$47,163,200
FY 2022-23 Governor's Recommendation	\$534,152,200	\$95,775,700

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Deleted - Citing a Variety of Reasons such as Constitutionality, Enforceability, and Necessity.** The Governor proposed eliminating the following sections from current-year boilerplate. These deletions include a variety of reporting requirements, record retention requirements, and statements of legislative intent. (Secs. 206, 216, 217, 218, 219, 220, 221, 222, 225, 408, 506, 601, 602, 901, and 902)
2. **Modified - Deprived and Depressed Communities.** The Governor proposed making some technical changes and relocated language to Sec. 206. (former Sec. 215)

3. **Modified - Boilerplate Appropriation for Department of Technology, Management, and Budget.** The Governor proposed revising amounts in subsections (1) through (4) and making a technical adjustment in subsection (5), which included a source change in the restricted funds that were referenced. (Sec. 223)
4. **Modified - Antlerless Deer License Fees and Discount.** The Governor proposed changing subsection (4) to give the Department authority to terminate the discount after November 15. Additionally, allocates the remaining funding to cover costs of chronic wasting disease (CWD) testing for deer harvested outside the established CWD zone. (Sec. 507)
5. **Modified - Report on Timber Marking and State Sales.** The Governor proposed retaining and modifying. The change deleted reporting requirements in parts (a) through (c) and largely reverted the language back to what was in Article 11, Sec. 802 of PA 166 of 2020. (Sec. 802)
6. **Modified - Report on Timber Marking and State Sales.** The Governor retained, updated date, and modified language to add "hazard incident" as part of the referenced Federal compact citing changes in Federal regulations as the reason for addition. (Sec. 803)
7. **Deleted - Previous-Year One-Time Appropriations.** The Governor proposed removing all sections related to one-time appropriation from the current-year boilerplate. (Sec. 1201 and 1202)

Date Completed: 3-22-22

Fiscal Analyst: Ben Dawson



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	16,978,110,700	18,356,039,200	1,377,928,500	8.1
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	16,978,110,700	18,356,039,200	1,377,928,500	8.1
Less:				
Federal Funds	2,024,478,500	2,191,243,500	166,765,000	8.2
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	14,953,632,200	16,164,795,700	1,211,163,500	8.1
Less:				
Other State Restricted Funds	14,868,232,200	16,056,595,700	1,188,363,500	8.0
GENERAL FUND/GENERAL PURPOSE	85,400,000	108,200,000	22,800,000	26.7
PAYMENTS TO LOCALS	14,743,857,700	15,788,938,300	1,045,080,600	7.1

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$16,978,110,700	\$85,400,000

Changes from FY 2021-22 Year-to-Date:

- | | | |
|--|---------------|------------|
| <p>1. Retention Bonuses. The Governor included funding for teachers and other certified staff for retention bonuses of up to \$11,000 if they stay at their current school or move to a Title I eligible school. Also includes bonuses for administrators, paraprofessionals, and noninstructional staff of up to \$4,000 if they stay for two years or move to a Title I eligible school.</p> | 1,500,000,000 | 0 |
| <p>2. Teacher and Staff Recruiting. The Governor included funding for various programs to recruit new teachers and staff, including the Michigan Future Educator Fellowship (\$150.0 million), stipends for student teachers (\$150.0 million), grow-your-own programs (\$150.0 million), innovation grants to attract and retain talent (\$75.0 million), School Leaders scholarships (\$50.0 million), educator onboarding programs (\$50.0 million), and a Michigan educational workforce study (\$500,000).</p> | 625,500,000 | 500,000 |
| <p>3. Federal Funding Increases and Reappropriation. The Governor included increased authorization for Federal school lunch program (\$374.7 million) as increased eligibility and flexibility during the COVID-19 pandemic is expected to continue. Also reappropriates \$52,056,000 in Federal funds for summer programs to be used in the summer 2022.</p> | 426,756,000 | 0 |
| <p>4. DPSCD Settlement Payment. The Governor included funding for literacy initiatives, per the <i>Gary B. v. Whitmer</i> settlement.</p> | 94,400,000 | 94,400,000 |

5. Great Start Readiness Program (GSRP) Startup Grants. The Governor included grants for intermediate school districts (ISDs) to create new GSRP classrooms or expand existing classrooms. Grants would be for up to \$25,000 per new or expanded classroom.	30,000,000	0
6. Oxford Response. The Governor included funding for Oxford school district for personnel and additional student supports, including psychologists, family liaisons, mental health staff, school security, additional learning time, and the repair or replacement of carpets, ceilings, and furniture.	6,000,000	0
7. School Infrastructure Fund. The Governor reserved \$1.0 billion from the School Aid Fund for a new School Infrastructure Fund, which would be housed within the School Aid Fund. Funds could be used upon appropriation for aid to school districts or ISDs for qualifying infrastructure projects. Money in the fund remaining at the end of the fiscal year would not lapse to the School Aid Fund.	0	0
8. Other Changes. The Governor included various increases, decreases, and fund shifts to align funding with current costs. Increases included promise zone payments (\$1.0 million), State share of school lunch programs (\$715,000), Great Start readiness (\$250,000), and bus driver safety (\$159,000). Decreases included foundation allowance payments (\$256.0 million), special education payments (\$68.5 million), PRIME (\$6.0 million), and renaissance zone reimbursements (\$1.3 million).	(329,676,000)	6,600,000
Total Supplemental Changes	\$2,352,980,000	\$101,500,000

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$16,978,110,700	\$85,400,000

Changes from FY 2021-22 Year-to-Date:

1. Foundation Allowance Increase. The Governor increased the target foundation allowance \$435 (5%) to \$9,135 per pupil. All districts below the target would receive at least \$9,135 per pupil, except for 100% online cyber schools, which would continue to receive \$8,700 per pupil.	580,000,000	0
2. Federal Funds. The Governor adjusted Federal funds authorizations to align with expected revenue, including school lunch programs (\$359.0 million), special education - Federal IDEA (\$10.0 million), and MI-STEM Network Regions (negative \$235,000).	368,765,000	0
3. At-Risk Programs. The Governor increased funding for at-risk programs so that all districts would receive full funding under the program (11.5% of the target foundation allowance).	222,000,000	0
4. School Infrastructure. The Governor included a new program to allow districts to apply for financial support for infrastructure and capital projects.	171,000,000	1,000,000
5. Educator Recruitment and Retention. The Governor included two new programs to increase educator recruitment and retention. The Michigan Future Educator Fellowship (\$100.0 million) would provide tuition reimbursement for students seeking to become PreK-12 teachers. The educator onboarding programs (\$50.0 million) would provide funding to districts to create onboarding and mentoring programs for new teachers.	150,000,000	0
6. Special Education. The Governor included funding to raise the special education cost reimbursement rate from 3.0% to 8.0% (\$150.0 million) and increase funding for the Early On program by 50.0% (\$7.1 million). Also reduced funding to various special education lines to align funding with current costs (negative \$33.5 million).	123,600,000	0

<p>7. Mental Health. The Governor included several new programs and increased funding to others to address student mental health needs. Funding was included to expand the TRAILS program statewide (\$150.0 million), help districts purchase mental health screening tools (\$25.0 million), and provide school-based personnel access to professional development and same-day consultation via telehealth with behavioral health clinicians to respond to complex student mental health needs (\$5.0 million). Also included \$50.0 million for ISDs to hire mental health professionals, and \$11.0 million to open an estimated 40 school-based health clinics.</p>	<p>121,000,000</p>	<p>0</p>
<p>8. Great Start Readiness Program. The Governor expanded funding for the GSRP (\$33.0 million) and shifted \$121.0 million in funds from Federal to SAF. Also included funding to expand enrollment efforts for early childhood programs (\$7.5 million), a GSRP home pilot program (\$5.0 million), and home visitation programs (\$2.0 million).</p>	<p>47,500,000</p>	<p>0</p>
<p>9. Student Safety. The Governor increased funding for school safety grants (\$41.0 million) and included funding for a pilot program (Cross-Systems Interventions) to identify and help middle and high school students at risk of committing acts of violence (\$15.0 million). Also shifted \$2.5 million from GF/GP to SAF to eliminate school safety grants for nonpublic schools.</p>	<p>56,000,000</p>	<p>(2,500,000)</p>
<p>10. Before and After School Programs. The Governor included new funding for a competitive grant program for eligible applicants to expand access to quality, affordable programming before and after the school day for children in grades K-12.</p>	<p>50,000,000</p>	<p>50,000,000</p>
<p>11. Vocational and Career and Technical Education (CTE). The Governor increased funding for ISD vocational education millage reimbursement (\$10.8 million), vocational education (\$10.0 million), and CTE equipment upgrades (\$2.5 million).</p>	<p>23,310,000</p>	<p>2,500,000</p>
<p>12. MPSERS Rate Adjustments. The Governor increased funding for MSPERS cost offset (\$12,071,000) to allow ISDs and libraries to offset costs at the same rate as districts and made other adjustments to align funding with current costs.</p>	<p>20,261,000</p>	<p>21,000</p>
<p>13. Student Assessments. The Governor increased funding for the State share of student assessments because of increased requirements and costs.</p>	<p>8,000,000</p>	<p>0</p>
<p>14. 5% Increase to Other Programs. The Governor increased funding by 5% for ISD general operations (\$3,595,200), bilingual education (\$1,275,000), and funding for isolated districts (\$421,000).</p>	<p>5,291,200</p>	<p>0</p>
<p>15. Remove Funding for Nonpublic Schools. The Governor eliminated funding for nonpublic school reimbursements under section 152b (\$1.0 million) and shifted \$600,000 from GF/GP to the School Aid Fund to remove funding for nonpublic schools in the First Robotics program.</p>	<p>(1,000,000)</p>	<p>(1,600,000)</p>
<p>16. One-Time Program Eliminations. The Governor eliminated funding for one-time programs funded in the FY 2021-22 budget, most notably wraparound services staffing (\$240.0 million), funding for year round schools (\$135.0 million), Inkster school district debt (\$25.5 million), attendance recovery program (\$6.0 million), Imagine Learning (\$6.0 million), civics and model government programs (\$3.75 million), and other programs (\$25.8 million).</p>	<p>(208,081,900)</p>	<p>(32,581,900)</p>
<p>17. Other Changes. The Governor made several changes to align funding with current costs, most notably reductions to the foundation allowance because of reduced pupils (\$361.0 million). Also moved MI-STEM council supports to the Department of Education (\$300,000). Other changes came to a net increase of \$1,315,000.</p>	<p>(359,985,000)</p>	<p>5,731,100</p>

18. Economic Adjustments. Includes \$268,200 Gross and \$38,400 GF/GP for total economic adjustments, of which an estimated negative \$108,100 Gross and negative \$92,900 GF/GP is for legacy retirement costs (pension and retiree health).	268,200	229,800
Total Changes	\$1,377,928,500	\$22,800,000
FY 2022-23 Governor's Recommendation	\$18,356,039,200	\$108,200,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

- School Infrastructure Fund.** The Governor added a section to establish the School Infrastructure Fund as a separate account within the School Aid Fund. Money in the School Infrastructure Fund may be spent only upon appropriation to districts and ISDs for infrastructure projects, and money remaining in the Fund does not lapse to the SAF at the end of the year. (Sec. 11x)
- Wraparound Services.** The Governor added language to make ISDs eligible for payments to hire mental health professionals. (Sec. 31o)
- Benchmark Assessments.** The Governor added language allowing MDE to specify the length of time allowed for districts to submit benchmark assessment data. Also changed the due date for MDE to submit the report of benchmark assessment data from June 15, 2023, to September 30, 2023. (Sec. 104h)
- Technical Changes for Sec. 20m Payments.** The Governor added language in multiple sections to ensure that districts receiving supplemental foundation allowance payments under section 20m have their State payments for the foundation allowance and at-risk payments properly calculated. (Sec. 20 and 31a)

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- At Risk.** The Governor changed language so that all districts receive 11.5% of the target foundation allowance. (Sec. 31a)
- Mental Health.** The Governor added language to allow ISDs to contract with other ISDs for mental health and support services (Sec. 31n) and added language to make ISDs eligible for wraparound services funding. (Sec. 31o)
- Great Start Early Childhood Block Grants.** The Governor added language so the goal of Great Start collaboratives and parent coalitions includes increasing the number of eligible children that are enrolled from birth to age eight in publicly funded programs and services. The percent of funding an ISD may carry over is reduced from 20% to 15%. (Sec. 32p)
- GSRP Payment per Full-Day Slot.** The Governor increased the slot payment from \$8,700 to \$9,135. (Sec. 32d)
- Michigan Integrated Behavior and Learning Support Initiative (MiBLSI) Name Change.** The Governor changed references to the MiBLSI to Michigan's Multi-Tiered System of Supports (MIMTSS) Center. (Sec. 54b)
- ISD Special Education and Vocational/CTE Education Millage Equalization.** The Governor modified reimbursement to consider Brownfield Redevelopment reimbursements under Sec. 26d. (Sec. 56 and 62)
- School Safety Grants.** The Governor added as an acceptable use for grant "hire school resource officers" and removed "conduct school building safety assessments". Added a requirement that applicants document how they used community input to guide their grant applications, and, once approved, must host at least one community conversation about school safety and mental health. Removed from priority consideration "projects that involve multiple agencies working in partnership". Allowed applicants to use funding to create new school resource officer positions and allowed grants to be given in relation to the same school building in different grant application periods. Also, added language to allow MDE to use up to \$1.0 million to evaluate the effectiveness of grants awarded. (Sec. 97)
- First Robotics.** The Governor added language to allow MDE to require programs to report certain metrics. (Sec. 99h)
- Benchmark Assessments.** The Governor added language allowing MDE to specify the length of time allowed for districts to submit benchmark assessment data. Also changed the due date for MDE to submit the report of benchmark assessment data from June 15, 2023, to September 25, 2024, and updated references to years throughout. (Sec. 104h)

10. **Adult Education.** The Governor reduced, from 25% to 15%, the percent of adult education participants served to have a diploma or certificate at time of enrollment and receive remediation services. (Sec. 107)
11. **Repealed Sections.** The Governor repealed sections related to the School Mental Health and Support Services Fund (Sec. 31m), first-year teacher incentives (Sec. 99z), legal action against the State (Sec. 164g), collective bargaining agreement prohibitions (Sec. 164h), and abortion referrals (Sec. 166). Also repealed various sections related to program eliminations above.
12. **Technical Changes for Sec. 20m Payments.** The Governor added language in multiple sections to ensure that districts receiving supplemental foundation allowance payments under section 20m have their State payments for the foundation allowance properly calculated. (Sec. 20)
13. **Membership Definitions for Pandemic Learning.** The Governor eliminated special membership provisions and definitions related to pandemic learning. The calculation of pupils in membership for FY 2022-23 would be 90% applied to the count of students in October 2022 plus 10% applied to the count of students in February 2022. (Sec. 6)
14. **FY 2021-22 Terms, Definitions, Provisions.** Throughout the bill, one-year provisions related to pandemic learning, days and hours, assessments, and more are removed. (Various sections)

Date Completed: 3-22-22

Fiscal Analyst: Ryan M. Bergan



Fiscal Years 2021-22 and 2022-23 Governor's Recommendations
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
11j	School Bond Loan Fund Payments - Debt Service	\$111,000,000		\$111,000,000	\$0
11m	Cash Flow Borrowing Costs	\$9,500,000		\$10,400,000	\$900,000
11s	Flint Declaration of Emergency	\$8,075,100		\$8,075,100	\$0
11s	Educare	\$1,000,000		\$1,000,000	\$0
11s	Early Childhood Collaborative	\$1,384,900		\$0	(\$1,384,900)
11v	DPSCD Settlement Payment	\$0	\$94,400,000	\$0	\$0
11w	Oxford Response	\$0	\$6,000,000	\$0	\$0
11y	School Infrastructure	\$0		\$171,000,000	\$171,000,000
20f	Categorical Offset Payments	\$18,000,000		\$18,000,000	\$0
21h	Partnership Model Districts	\$6,137,400		\$6,137,400	\$0
22a	Proposal A Obligation Payment	\$4,742,000,000		\$4,421,000,000	(\$321,000,000)
22b	Discretionary Payment - State	\$5,204,000,000		\$5,744,000,000	\$540,000,000
22c	Equity Payment	\$3,000,000		\$3,000,000	\$0
22d	Isolated Districts Funding	\$8,420,000		\$8,841,000	\$421,000
22g	Inkster Debt	\$25,500,000		\$0	(\$25,500,000)
22m	Technology Regional Data Hubs	\$2,200,000		\$2,200,000	\$0
24	Court-Placed Pupils	\$7,650,000		\$7,650,000	\$0
24a	Juvenile Detention Facilities	\$1,355,700		\$1,355,700	\$0
25f	Strict Discipline Academies	\$1,600,000		\$1,600,000	\$0
25g	Dropout Recovery	\$750,000		\$750,000	\$0
25i	Attendance Recovery	\$6,000,000		\$0	(\$6,000,000)
26a	Renaissance Zone Costs	\$15,300,000		\$14,000,000	(\$1,300,000)
26b	PILT Reimbursement	\$4,710,000		\$4,710,000	\$0
26c	Promise Zone	\$13,800,000		\$14,800,000	\$1,000,000
26d	ISD Brownfield Redevelopment Reimbursement	\$7,500,000		\$7,500,000	\$0
27a	Michigan Future Educator Fellowship	\$0	\$150,000,000	\$100,000,000	\$100,000,000
27a	Stipends for student teachers	\$0	\$150,000,000	\$0	\$0
27a	School Leaders Scholarships	\$0	\$50,000,000	\$0	\$0
27b	Grow-Your-Own	\$0	\$150,000,000	\$0	\$0
27c	Retention Bonuses	\$0	\$1,500,000,000	\$0	\$0
27d	Educator Onboarding Programs	\$0	\$50,000,000	\$50,000,000	\$50,000,000
27e	Innovation Grants	\$0	\$75,000,000	\$0	\$0
27f	Michigan Educational Workforce Study	\$0	\$500,000	\$0	\$0
31a	"At Risk" Pupil Support - Base	\$512,500,000		\$746,500,000	\$234,000,000
31a(7)	Child and Adolescent Health Centers	\$8,000,000		\$19,000,000	\$11,000,000
31a(8)	Vision/Hearing/Dental Screening	\$6,650,000		\$6,650,000	\$0
31a(17)	At Risk Hold Harmless	\$12,000,000		\$0	(\$12,000,000)
31d	School Lunch Programs - State Share	\$23,838,400		\$24,553,400	\$715,000
31d	School Lunch Programs - Federal Share	\$556,000,000		\$915,000,000	\$359,000,000
31f	School Breakfast	\$11,900,000		\$11,900,000	\$0
31j	Support of Local Produce in School Meals	\$4,500,000		\$4,500,000	\$0
31n	School Mental Health	\$53,900,000		\$103,900,000	\$50,000,000
31n(11)	Specialized Mental Health Needs	\$0		\$5,000,000	\$5,000,000
31n(12)	Universal Mental Health Screenings	\$0		\$25,000,000	\$25,000,000
31o	School Nurses, Counselors	\$240,000,000		\$120,000,000	(\$120,000,000)
31p	TRAILS	\$0		\$150,000,000	\$150,000,000
31y	Year-Round Schools: 3% Foundation Increase	\$60,000,000		\$0	(\$60,000,000)
31z	Year-Round Schools: One-Time HVAC/etc.	\$75,000,000		\$0	(\$75,000,000)
32d	Great Start Readiness Program - State	\$297,470,000		\$451,470,000	\$154,000,000
32d	Great Start Readiness Program - Federal	\$121,000,000		\$0	(\$121,000,000)
32d	GSRP Startup Grants	\$0	\$30,000,000	\$0	\$0
32n	Before and After School Programs	\$0		\$50,000,000	\$50,000,000
32p	Great Start Early Childhood Block Grants	\$13,400,000		\$22,900,000	\$9,500,000
32s	GSRP Home Pilot	\$0		\$5,000,000	\$5,000,000
35a(3)	Investment in Literacy Coaches for K-3 Teachers	\$31,500,000		\$31,500,000	\$0
35a(4)	Early Literacy District Grants	\$19,900,000		\$19,900,000	\$0
35a(7)	Literacy Peer-to-Peer Coaching and Math Essentials	\$6,000,000		\$6,000,000	\$0
35a(8)	Michigan Education Corps	\$3,500,000		\$3,500,000	\$0
35a(10)	LETRS: Professional Learning Early Literacy	\$4,000,000		\$4,000,000	\$0
35b	Children's Choice Initiative	\$250,000		\$0	(\$250,000)



Fiscal Years 2021-22 and 2022-23 Governor's Recommendations
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

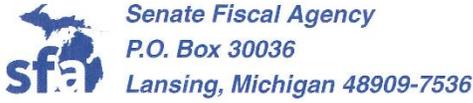
Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
35d	Orton Gillingham Dyslexic Tool	\$1,000,000		\$0	(\$1,000,000)
35e	Boys and Girls Club	\$2,000,000		\$0	(\$2,000,000)
35f	Chaldean Community Foundation	\$750,000		\$0	(\$750,000)
35g	Innovative Community Libraries	\$1,000,000		\$0	(\$1,000,000)
35h	Jewish Federation	\$1,700,000		\$0	(\$1,700,000)
39a(1)	NCLB Federal DOE Grants	\$752,300,000		\$752,300,000	\$0
39a(2)	Other Non-NCLB Federal DOE Grants	\$56,500,000		\$56,500,000	\$0
41	Bilingual Education	\$25,200,000		\$26,475,000	\$1,275,000
41a	Mi Alma - Exito Educativo	\$450,000		\$0	(\$450,000)
51a	Special Education - Federal IDEA	\$380,000,000		\$390,000,000	\$10,000,000
51a(2)	Spec. Ed. Foundations - State Share	\$332,000,000		\$323,300,000	(\$8,700,000)
51a(3)	Spec. Ed. Hold Harmless to ISDs - State Share	\$1,000,000		\$1,000,000	\$0
51a(6)	Spec. Ed. Rules Change - State Share	\$2,200,000		\$2,200,000	\$0
51a(11)	Spec. Ed. Non Sec. 52 to ISDs - State Share	\$2,900,000		\$1,500,000	(\$1,400,000)
51c	Special Education Headlee - State Share	\$733,400,000		\$710,000,000	(\$23,400,000)
51d	Special Education - Other Federal	\$71,000,000		\$71,000,000	\$0
51f	Special Education - additional percentage	\$90,207,000		\$240,207,000	\$150,000,000
51g	Special Education Learning Library	\$3,000,000		\$3,000,000	\$0
53a	Court-Placed Spec. Ed. FTEs - State Share	\$10,500,000		\$10,500,000	\$0
54	MI School for Deaf and Blind - State Share	\$1,688,000		\$1,688,000	\$0
54b	Integrated Behavior and Learning Support (MiBLSi)	\$1,600,000		\$1,600,000	\$0
54d	Special Ed Taskforce - Early On	\$14,150,000		\$21,250,000	\$7,100,000
55	Conductive Learning Center	\$250,000		\$0	(\$250,000)
56	Spec. Ed. Millage Equalization - State Share	\$40,008,100		\$40,008,100	\$0
56(7)	ISD special education millage equalization bonus	\$34,200,000		\$34,200,000	\$0
61a	Vocational Education	\$37,611,300		\$47,611,300	\$10,000,000
61b	Career and Technical Education/Dual Enrollment	\$8,000,000		\$8,000,000	\$0
61c	CTE Equipment Upgrades	\$7,500,000		\$10,000,000	\$2,500,000
61d	CTE Incentive Payments	\$5,000,000		\$5,000,000	\$0
61g	COOR ISD CTE Program	\$2,500,000		\$0	(\$2,500,000)
62	ISD Vocational Ed Millage Equalization	\$9,190,000		\$20,000,000	\$10,810,000
65	Detroit Precollege Engineering	\$400,000		\$400,000	\$0
67	College and Career Readiness Tools	\$3,000,000		\$3,000,000	\$0
67a	MITES	\$50,000		\$0	(\$50,000)
67b	PRIME Schools - Federal	\$6,000,000		\$0	(\$6,000,000)
74	Bus Driver Safety Instruction	\$2,025,000		\$2,025,000	\$0
74	School Bus Inspections	\$1,780,800		\$1,819,200	\$38,400
81	ISD General Operations Support	\$71,903,600		\$75,498,800	\$3,595,200
94	Advanced Placement (AP) Incentive Program	\$1,200,000		\$1,200,000	\$0
94a	Center for Educ. Perf. and Information - State Share	\$18,802,500		\$19,032,300	\$229,800
94a	Center for Educ. Perf. and Information - Federal	\$193,500		\$193,500	\$0
94c	Launch Michigan Streamlining Data/Spending Analysis	\$1,500,000		\$0	(\$1,500,000)
94d	Task Force - Personnel for Children with Disabilities	\$1,500,000		\$0	(\$1,500,000)
95b	EVAAS	\$2,000,000		\$0	(\$2,000,000)
97	School Safety Grants	\$10,000,000		\$51,000,000	\$41,000,000
97a	Navigate 360	\$1,947,000		\$0	(\$1,947,000)
97b	Cross-System Interventions - School Safety	\$0		\$15,000,000	\$15,000,000
98	Michigan Virtual High School - State	\$7,500,000		\$7,500,000	\$0
98d	DPTV Online Curriculum	\$2,000,000		\$0	(\$2,000,000)
99h	Robotics for Public Schools	\$4,723,200		\$5,323,200	\$600,000
99h	Robotics for Nonpublics	\$600,000		\$0	(\$600,000)
99i	Women in Technology	\$150,000		\$0	(\$150,000)
99s(4)	Comprehensive STEM Grants	\$3,050,000		\$3,050,000	\$0
99s(5)	Math/Science Centers - Federal	\$235,000		\$0	(\$235,000)
99s(5)	MiSTEM Network Regions	\$3,834,300		\$3,834,300	\$0
99s(7)	MiSTEM Professional Development and Curriculum	\$750,000		\$750,000	\$0
99s(12)	Comprehensive STEM Initiative (Administration)	\$300,000		\$0	(\$300,000)
99t	Algebra Nation	\$2,000,000		\$0	(\$2,000,000)
99u	Imagine Learning (\$1.0m literacy, \$2.45m math)	\$6,000,000		\$0	(\$6,000,000)
99w	Fitness Foundation	\$400,000		\$0	(\$400,000)



Fiscal Years 2021-22 and 2022-23 Governor's Recommendations
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
99x	Teach for America	\$1,000,000		\$0	(\$1,000,000)
99aa	Project SEARCH	\$1,500,000		\$0	(\$1,500,000)
99bb	YMCA Youth in Government	\$3,750,000		\$0	(\$3,750,000)
104	Assessment Testing - State Share	\$29,509,400		\$37,509,400	\$8,000,000
104	Assessment Testing - Federal Share	\$6,250,000		\$6,250,000	\$0
104f	Digital Literacy Training	\$500,000		\$0	(\$500,000)
104h	Benchmark Assessments for FY 2022-23	\$11,500,000		\$11,500,000	\$0
107	Adult Education - State	\$30,500,000		\$30,500,000	\$0
147a(1)	MPSERS District Reimbursement	\$100,000,000		\$112,071,000	\$12,071,000
147a(2)	MPSERS Normal Cost - Lower AROR/Dedicated Gains	\$177,460,000		\$172,150,000	(\$5,310,000)
147c	MPSERS Rate Cap (Section 41 of MPSERS Act)	\$1,469,000,000		\$1,478,500,000	\$9,500,000
147e	2017	\$65,300,000		\$69,300,000	\$4,000,000
152a	<i>Adair v State of Michigan</i>	\$38,000,500		\$38,000,500	\$0
152b	Nonpublic School Health/Safety Reimbursement	\$1,000,000		\$0	(\$1,000,000)
TOTAL SCHOOL AID APPROPRIATIONS		\$16,978,110,700	\$2,255,900,000	\$18,356,039,200	\$1,377,928,500
REVENUE SOURCES					
11	Federal Aid	\$2,024,478,500	\$0	\$2,191,243,500	\$166,765,000
11	School Aid Fund (SAF)	\$14,796,232,100	\$2,161,000,000	\$15,814,595,600	\$1,018,363,500
11	MPSERS Reforms Fund	\$0	\$0	\$0	\$0
11	General Fund/General Purpose	\$85,400,000	\$94,900,000	\$108,200,000	\$22,800,000
11	CDTF/Other SR Funds	\$72,000,100	\$0	\$242,000,100	\$170,000,000
TOTAL REVENUE		\$16,978,110,700	\$2,255,900,000	\$18,356,039,200	\$1,377,928,500

*Supplemental Request 2022-3 also included a \$1.0 billion deposit from the School Aid Fund to the School Infrastructure Fund.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,586.0	1,596.0	10.0	0.6
GROSS	252,164,300	256,264,000	4,099,700	1.6
Less:				
Interdepartmental Grants Received	20,000,000	20,000,000	0	0.0
ADJUSTED GROSS	232,164,300	236,264,000	4,099,700	1.8
Less:				
Federal Funds	1,460,000	1,460,000	0	0.0
Local and Private	50,100	50,100	0	0.0
TOTAL STATE SPENDING	230,654,200	234,753,900	4,099,700	1.8
Less:				
Other State Restricted Funds	218,218,600	221,007,300	2,788,700	1.3
GENERAL FUND/GENERAL PURPOSE	12,435,600	13,746,600	1,311,000	10.5
PAYMENTS TO LOCALS	1,343,800	1,417,200	73,400	5.5

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$252,164,300	\$12,435,600
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$252,164,300	\$12,435,600
Changes from FY 2021-22 Year-to-Date:		
1. Mobile Office Expansion. The Governor included 1.1 million in GF/GP funding and 10.0 FTEs to expand staffing to increase services for its seven mobile offices across the State. These mobile offices provide Secretary of State services to vulnerable populations in congregate facilities, COVID-19-sensitive populations, and rural areas.	1,067,300	1,067,300
2. Enhanced Driver License (EDL) Processing Costs. The Governor increased restricted funding authorization by \$1.0 million to support the increase in the number of EDLs being issued because of the upcoming implementation of REAL ID requirements.	1,000,000	0
3. State Contracted Security Services. The Governor included additional funding because of increased contract costs for DTMB-contracted security for State buildings.	300,000	0

4. CSB Revenue Adjustments. The Governor reduced authorizations across five line items to more accurately align restricted revenues with the decline in revenue receipts for the following: State Lottery fund (\$1.0 million); Reinstatement Fees (\$487,600); Vehicle Theft Prevention Fund (\$396,600); Parking Ticket Court Fines (\$358,500); Driver Improvement Course Fund (\$308,200); and Child Support Clearance Fees (\$163,600).	(2,730,300)	0
5. Unclassified Salaries. The Governor included a \$39,100 increase in unclassified salaries.	39,100	39,100
6. Look-Up Fee Increase. The Governor included a \$4 increase in the Look-Up fee from \$11 to \$15. The increased fee would generate an estimated \$19.0 million in Transportation Administration and Collection Fund (TACF) revenue, the major funding source for the Department of State. The increase is shown as zero here as it is included in the individual line items that comprise the Gross increase from FY 2021-22 to the Executive Recommendation for FY 2022-23.	0	0
7. Transportation Administration and Collection Fund Restoration. The Governor restored \$18.0 million of one-time FY 2021-22 authorization from the Transportation Administration Support Fund (TASF) back to the TACF. This fund shift affects several line items in four funding units and nets to zero as both funds are restricted funds.	0	0
8. Economic Adjustments. Includes \$4,423,600 Gross and \$204,600 GF/GP for total economic adjustments, of which an estimated negative \$1,470,800 Gross and negative \$76,200 GF/GP is for legacy retirement costs (pension and retiree health).	4,423,600	204,600
Total Changes	\$4,099,700	\$1,311,000
FY 2022-23 Governor's Recommendation	\$256,264,000	\$13,746,600

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

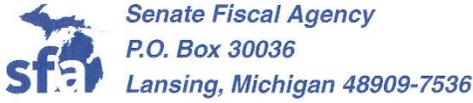
FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- Governor.** Moved boilerplate from the FY 2020-21 general sections that applied to all General Government budgets to the Article for the Department of State. Changes to those items can be found in the highlight sheet for the General Sections.
- Contingency Funds.** The Governor increased funding for contingency funds for Federal, State restricted funds, local funds, and private funds. The Federal funds limit increased from \$500,000 to \$2.0 million; the State restricted funds limit increased from \$500,000 to \$7.5 million; the Local funds limit increased from \$25,000 to \$50,000; and the Private funds limit increased from \$50,000 to \$100,000. (Sec. 701)
- Record Look-Up Fees.** The Governor increased the look-up fee from \$11 per record to \$15 per record. The increased fee is estimated to bring in additional revenues totaling \$19.0 million annually. (Sec. 703)
- DELETED. Branch Office Closure Notification.** The Governor deleted all language requiring the Department to give at least a 180-day notice to the Legislature before any branch offices are closed, relocated, or consolidated. (Sec. 714)

5. **DELETED. In-Person Services at Branch Offices.** The Governor deleted language stating that the funds provided in Part 1 for Branch Operations must be used to provide adequate in-person services as defined in section 1a of the Michigan Vehicle Code. (Sec. 718)
6. **DELETED. Election Mailings.** The Governor deleted language requiring a notice to Legislative leadership before the Secretary of State sends any election-related materials to 20% or more of the electorate unless the Secretary of State is exercising supervisory authority over the administration of local elections under applicable State law. (Sec. 720)
7. **DELETED. Redistricting Commission Report.** The Governor deleted the report detailing the Department's expenditures associated with the role of the Secretary of State serving as the secretary of the ICRC. (Sec. 721)
8. **DELETED. Voter Registration Report.** The Governor deleted the report required detailing the Department's expenditures associated with voter registrations. (Sec. 721a)
9. **DELETED. Legacy System Replacements.** The Governor deleted language requiring the Department to modernize and expand the entire system and remove existing programs from the legacy mainframes. (Sec. 722)
10. **Legacy Cost Estimates.** The Governor provided the following Legacy Costs estimates for FY 2022-23: Total legacy costs estimated at \$28,229,500. Of that total, \$17,139,000 is for pension-related legacy costs and \$11,090,500 is for retiree health care legacy costs for the fiscal year ending September 30, 2022. (Sec. 725)

Date Completed: 3-22-22

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	3,692.0	3,764.0	72.0	2.0
GROSS	861,146,100	821,979,000	(39,167,100)	(4.5)
Less:				
Interdepartmental Grants Received	24,816,300	25,502,400	686,100	2.8
ADJUSTED GROSS	836,329,800	796,476,600	(39,853,200)	(4.8)
Less:				
Federal Funds	150,241,500	81,804,300	(68,437,200)	(45.6)
Local and Private	4,867,700	4,939,500	71,800	1.5
TOTAL STATE SPENDING	681,220,600	709,732,800	28,512,200	4.2
Less:				
Other State Restricted Funds	153,398,100	153,827,700	429,600	0.3
GENERAL FUND/GENERAL PURPOSE	527,822,500	555,905,100	28,082,600	5.3
PAYMENTS TO LOCALS	20,253,300	19,407,000	(846,300)	(4.2)

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$861,146,100	\$527,822,500

Changes from FY 2021-22 Year-to-Date:

- | | | |
|--|---------------------|---------------------|
| 1. Disaster and Emergency Contingency Fund. The Governor recommended \$10.0 million GF/GP for deposit into the restricted Disaster and Emergency Contingency Fund created by PA 390 of 1976 for use to assist local units of government in the event of a disaster. | 10,000,000 | 10,000,000 |
| 2. Highway Safety Planning. The Governor recommended \$25,000 in Private revenue from the Governors Highway Safety Association to use to help combat teen speeding. | 25,000 | 0 |
| Total Supplemental Changes | \$10,025,000 | \$10,000,000 |

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$861,146,100	\$527,822,500

Changes from FY 2021-22 Year-to-Date:

- | | | |
|---|-----------|-----------|
| 1. Trooper School. The Governor recommended \$4,694,200 GF/GP one-time and \$4,545,600 GF/GP ongoing to support a trooper school to graduate 50 new troopers. In addition, another 120 troopers are anticipated to be hired and trained using existing attrition savings (approximately \$18.0 million GF/GP). | 9,239,800 | 9,239,800 |
| 2. FY 2021-22 Trooper Recruit School Annualization. The Governor recommended funding for the full year FY 2022-23 costs of FY 2021-22 trooper recruit school graduates. | 5,670,800 | 5,670,800 |

3. Traffic Stop Data Collection. The Governor recommended \$3.7 million GF/GP for data collection of traffic stops, per recommendations of a Michigan State University Traffic Stop Study.	3,700,000	3,700,000
4. Training and Professional Development. The Governor recommended \$3.0 million GF/GP to expand MSP in-service training on cultural competency, implicit bias, and decision-making to expand positive interactions between Department members, minority groups, and diverse communities.	3,000,000	3,000,000
5. Fleet Rate Increase. The Governor recommended \$2,069,000 Gross, \$38,800 IDG, \$33,400 Local, \$54,500 Restricted, and \$1,942,300 GF/GP to cover increased departmentwide fleet leasing costs.	2,069,000	1,942,300
6. Victim Support Program. The Governor recommended adding \$1,814,300 GF/GP to hire 14.0 FTEs to serve in a new victim services program.	1,814,300	1,814,300
7. Cyber Crime Unit. The Governor recommended adding \$1,130,900 GF/GP and 8.0 FTEs to expand capabilities of MSP's Cyber Crime Unit.	1,130,900	1,130,900
8. Recruitment, Training and Outreach. The Governor recommended adding \$1.0 million to recruitment efforts to broaden racial, ethnic, and gender makeup of the Department.	1,000,000	1,000,000
9. Align Spending Authority. The Governor recommended an adjustment to reflect actual funds received, including \$100,000 IDGs, and \$475,300 Restricted.	575,300	0
10. Boilerplate Receive and Expend Authority. Adjustment for FY 2021-22 appropriations from boilerplate receive and expend authorization, including \$21,732,400 Federal and \$3.0 million Restricted.	(24,732,400)	0
11. Elimination of FY 2021-22 One-Time Funding. The Governor recommended the elimination of FY 2021-22 one-time funding of \$45.0 million Federal for Emergency and Disaster Response and Mitigation, \$8.5 million GF/GP for Lawsuit Settlement, \$4,885,000 GF/GP for FY 2021-22 Trooper School One-time, \$3.1 million for Contracts and Services, \$2,556,000 Federal for COVID-19 Emergency Management Performance Grants, \$2.5 million GF/GP for Breathalyzer Replacement, and \$2.0 million GF/GP for Secondary Road Patrol Grants.	(68,541,500)	(20,985,500)
12. Economic Adjustments. Includes \$25,906,700 Gross and \$21,570,000 GF/GP for total economic adjustments, of which an estimated \$5,634,600 Gross and \$5,583,600 GF/GP is for legacy retirement costs.	25,906,700	21,570,000
Total Changes	(\$39,167,100)	\$28,082,600
FY 2022-23 Governor's Recommendation	\$821,979,000	\$555,905,100

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. **Disaster and Emergency Contingency Fund.** The Governor recommended language which requires deposit of part 1 appropriations into the restricted Disaster and Emergency Contingency Fund.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. **Acronyms and Definitions.** The Governor removed definition of "subcommittee" and "core services". (Sec. 203)
- 2. **Disciplinary Action.** The Governor recommended elimination of this section, which prohibited action against an employee for communicating with legislative staff. (Sec. 206)

3. **General Fund Lapse Report.** The Governor recommended amending language to shift the due date of the report from no later than November 30 to December 31. (Sec. 209)
4. **Contingency Fund Legislative Transfers.** The Governor recommended language to increase the maximum of Federal fund transfers from \$2.0 million to \$10.0 million and added \$1.0 million in Local contingency funds and \$200,000 in Private contingency funds that would be eligible for transfer. (Sec. 210)
5. **Quarterly Employee Status Reports.** The Governor deleted this reporting requirement. (Sec. 216)
6. **Work Project Expenditures.** The Governor deleted this section, which required that, to the extent possible, appropriations in part 1 not be spent until all existing work project funds for that same purpose have been spent. (Sec. 217)
7. **Administrative Board Transfers.** The Governor deleted this section that allows the Legislature to transfer funds via resolution should the Administrative Board transfer funds. (Sec. 218)
8. **Retention of Reports.** The Governor recommended elimination of this section, which requires the Department to receive and retain records. (Sec. 219)
9. **Severance Pay Report.** The Governor deleted a requirement for a report on any severance pay spent by the Department. (Sec. 221)
10. **COVID-19 Requirements.** The Governor deleted language prohibiting certain departmental requirements for COVID-19 vaccinations or testing. (Sec. 222)
11. **Closure or Consolidation of MSP Post.** The Governor deleted language requiring notification of recommendation of closure or consolidation of an MSP post and the local impact. (Sec. 225)
12. **Privatization Notification.** The Governor eliminated section that required the submission of a privatization plan to the Legislature at least 90 days before beginning efforts to privatize. (Sec. 226)
13. **Contractual Services Provided by MSP.** The Governor recommended elimination of the requirement that reimbursement include "...not limited to, retirement and overtime costs". (Sec. 227)
14. **Receive and Expend Donation Authorization.** The Governor recommended adding language allow for receive and expend authority for private revenue - with a report to the Legislature within ten days of receipt. (Sec. 230)
15. **Payment of Court Judgments.** The Governor deleted language that requires a report of tentative plans of how to pay required court judgments against the Department. (Sec. 234)
16. **Listing of Core Services Provided by the Department Under Part 1.** The Governor recommended elimination. (Sec. 236)
17. **Core Service Description/Performance Metrics/Reporting Requirements for Criminal Justice Information Systems.** The Governor recommended adding language raising the traffic crash report fee from \$10 to \$15 and removed performance metrics and CPL report requirements. (Sec. 402)
18. **Core Service Description/Performance Metrics/Reporting Requirements for Post Operations.** The Governor recommended elimination of all performance metrics. (Sec. 601)
19. **Core Service Description/Performance Metrics/Reporting Requirements for Investigative Services.** The Governor recommended the elimination of all division goals and performance metrics. (Sec. 602)
20. **Core Service Description/Performance Metrics/Reporting Requirements for Tobacco Tax and Marijuana Enforcement.** The Governor recommended elimination of performance metrics. (Sec. 603)
21. **Core Service Description/Performance Metrics/Reporting Requirements for Fire Investigation Services.** The Governor recommended elimination of performance metrics. (Sec. 604)
22. **Core Service Description/Performance Metrics/Reporting Requirements for Intelligence Operations.** The Governor recommended elimination of all goals and performance metrics. (Sec. 701)
23. **Core Service Description/Performance Metrics/Reporting Requirements for Special Operations.** The Governor recommended the elimination of all goals and performance metrics, including for the Canine Unit, Bomb Squad, emergency support teams, aviation services, and property inspections by Capitol Security of State-owned and -leased facilities. (Sec. 702)

24. **Emergency Management and Homeland Security.** The Governor recommended removing language that places limits on receive-and-spend authority on Federal and restricted revenues, removing a requirement that funds in the Disaster and Emergency Contingency Fund not be spent unless approved by the State Budget Director and appropriations committees notified (including removal of monthly reports); removal of a requirement that upon a declaration of a state of emergency or disaster by the Governor, approval of the State Budget Director and notification of subcommittees and Fiscal Agencies, funds may be spent from any line item in part 1 for expenses incurred. The Governor also recommended the deletion of a requirement for a critical infrastructure report. (Sec. 704)
25. **One-Time Federal Fund Authorization for Emergency and Disaster Response.** The Governor recommended elimination of boilerplate associated with one-time authorization of \$300.0 million in Federal disaster assistance funding, if and when available for transfer to a line item in part 1. (Sec. 801)
26. **One-Time Secondary Road Patrol Supplemental Support.** The Governor recommended the elimination of language referring to a one-time supplemental appropriation to the Secondary Road Patrol Program. (Sec. 802)
27. **Michigan International Speedway/Contracts and Services.** The Governor recommended the elimination of language referring to a one-time appropriation from the contracts and services line to support traffic control costs at the Michigan International Speedway. (Sec. 803)

Date Completed: 3-22-22

Fiscal Analyst: Bruce Baker



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	3,141.0	3,177.0	36.0	1.1
GROSS	1,708,669,800	1,854,239,700	145,569,900	8.5
Less:				
Interdepartmental Grants Received	1,057,210,900	1,047,125,600	(10,085,300)	(1.0)
ADJUSTED GROSS	651,458,900	807,114,100	155,655,200	23.9
Less:				
Federal Funds	10,129,800	5,217,200	(4,912,600)	(48.5)
Local and Private	2,563,400	2,468,600	(94,800)	(3.7)
TOTAL STATE SPENDING	638,765,700	799,428,300	160,662,600	25.2
Less:				
Other State Restricted Funds	121,020,600	123,219,300	2,198,700	1.8
GENERAL FUND/GENERAL PURPOSE	517,745,100	676,209,000	158,463,900	30.6
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,708,669,800	\$517,745,100
Changes from FY 2021-22 Year-to-Date:		
1. MiLogin - Enterprise Identity Management. The Governor included \$2.5 million GF/GP for MiLogin because of a substantial increase in use during the COVID-19 pandemic.	2,500,000	2,500,000
Total Supplemental Changes	\$2,500,000	\$2,500,000

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,708,669,800	\$517,745,100
Changes from FY 2021-22 Year-to-Date:		
1. Information Technology Investment Fund (ITIF) - One-Time. The Governor maintained the ongoing ITIF line at \$35.0 million and included \$115 million as a one-time ITIF appropriation for 13 projects, including \$75.0 million for an Unemployment Insurance System replacement.	115,000,000	115,000,000
2. Enterprise Special Maintenance - One-Time. The Governor included \$70.0 million GF/GP for infrastructure maintenance and improvements at State buildings, structures, and facilities.	70,000,000	70,000,000
3. State Fleet Electric Vehicle (EV) Transition. The Governor included \$10.0 million GF/GP to begin transitioning the State auto fleet to EVs.	10,000,000	10,000,000

4. Michigan Infrastructure Office. The Governor included \$5.0 million GF/GP for a new Michigan Infrastructure Office to coordinate the use and expenditure of resources from the Federal Infrastructure Investment and Jobs Act.	5,000,000	5,000,000
5. Energy Efficiency Revolving Fund. The Governor continued one-time FY 2021-22 funding of \$5.0 million GF/GP for the Energy Efficiency Revolving Fund.	0	0
6. MiLogin. The Governor included \$5.0 million GF/GP and added 8.0 FTEs to maintain MiLogin operations and expansion.	5,000,000	5,000,000
7. Cyber Security and Infrastructure Protection. The Governor included \$3.1 million GF/GP and 19.0 FTEs to support cybersecurity staffing.	3,070,200	3,070,200
8. Data Analytics Center. The Governor included \$2.0 million GF/GP for a new Data Analytics Center for information sharing and research.	2,000,000	2,000,000
9. MSP Grand Rapids Facility Operations. The Governor included \$2.0 million IDG for ongoing facility operations costs at the Michigan State Police Grand Rapids Facility.	2,000,000	0
10. State Office Space Use Assessment. The Governor included \$1.0 million GF/GP for the assessment of State office space use.	1,000,000	1,000,000
11. Financial Services - Delegated Procurement. The Governor included 7.0 FTEs and \$872,100 for delegated IT procurement services.	872,100	0
12. Central Procurement Services. The Governor included 2.0 FTEs and \$473,300 GF/GP to support IT solicitation services and new procurement software.	473,300	473,300
13. Removal of FY 2021-22 One-time Funding. The Governor removed one-time funding from FY 2021-22 totaling \$53.1 million GF/GP.	(53,100,000)	(53,100,000)
14. Removal of FY 2021-22 Supplemental Funding. The Governor removed \$6.8 million in supplemental funding included in Public Act 133 of 2021.	(6,800,000)	(1,700,000)
15. Building Operations - Security Services. The Governor included \$1.3 million in IDG funding for security service support at DTMB facilities and removed \$1.5 million GF/GP included for this purpose in FY 2021-22.	(200,000)	(1,500,000)
16. Bureau of Lottery IT Transfer. The Governor transferred 11.0 FTEs and \$1.5 million IDG to the Michigan Bureau of Lottery for IT support.	(1,459,300)	0
17. Additional CSB Technical Adjustments. The Governor made other technical adjustments totaling negative \$19.0 million Gross and negative \$23,400 GF/GP.	(18,982,500)	(23,400)
18. Economic Adjustments. Includes \$11.7 million Gross and \$3.2 million GF/GP for total economic adjustments, of which an estimated negative \$4.6 million Gross and negative \$1.2 million GF/GP is for legacy retirement costs (pension and retiree health).	11,696,100	3,243,800
Total Changes	\$145,569,900	\$158,463,900
FY 2022-23 Governor's Recommendation	\$1,854,239,700	\$676,209,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Budget Stabilization Fund.** The Governor included a boilerplate appropriation totaling \$51.8 million for the Countercyclical Budget and Economic Stabilization Fund.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Contingency Authorization.** The Governor changed "authorization" to "funds" and increased the contingency authorization amounts to authorize the following levels: Federal - \$4.0 million; State Restricted - \$8.0 million; Local - \$150,000; and Private - \$2.0 million. (CL 801; proposed 210)
2. **Automatic Appropriation (Special Maintenance).** The Governor added language appropriating Federal and State Restricted funds earned from initiatives undertaken with General Fund appropriations for special maintenance in part 1. (Sec. 815)
3. **Automatic Appropriation (IT).** The Governor added a section appropriating Federal and State Restricted funds earned from initiatives undertaken with General Fund appropriations for information technology in part 1. (Sec. 816)
4. **Privatization RFPs.** The Governor deleted and declared unenforceable a section requiring RFPs for privatization to include a list of factors used in evaluating and determining price. (Sec. 816)
5. **ORS Report.** The Governor deleted a detailed Office of Retirement Services report on retirement systems. (Sec. 821)
6. **Rate Schedule Report.** The Governor deleted a report on DTMB fee and rate schedules and changes, which are available online. (Sec. 822d)
7. **Details for Posted Request for Proposals (RFPs).** The Governor deleted a requirement that RFPs on the DTMB's website include the proposal's department and agency. (Sec. 822n)
8. **Center for Shared Solutions Report.** The Governor deleted a report detailing funding and expenditures from agreements to supply spatial information and technical services to departments, agencies, local governments, and other organizations. (Sec. 824)
9. **IT Lifecycle Report.** The Governor deleted a report analyzing and making recommendations on IT hardware and software. (Sec. 829)
10. **Enterprise Portfolio Management Office (EPMO) Quarterly Reporting.** The Governor deleted a quarterly EPMO report on IT projects. (Sec. 830)
11. **Child Support Enforcement System Penalty Reporting.** The Governor deleted a section requiring the DTMB to report on Federal penalties related to the system, as full certification was received in 2003. (Sec. 832)
12. **Vendor for UIA RFP.** The Governor deleted and declared unenforceable a requirement that the DTMB use a third-party vendor to compile requirements for an RFP for the rebid of the unemployment insurance benefits system. (Sec. 836)
13. **Solar Energy Projects RFPs and Report.** The Governor deleted language outlining requirements for solar energy RFPs and requiring a report to the Legislature on implementation. (Sec. 838)
14. **EPMO Metrics.** The Governor deleted required metrics for the EMPO. (Sec. 840)
15. **Capital Outlay Report.** The Governor deleted a report on the status of authorized capital outlay projects. (Sec. 862)
16. **JCOS Approval Requirements.** The Governor deleted and declared unenforceable a section requiring Joint Capital Outlay Subcommittee approval for certain rent increases or renewals. (Sec. 863)
17. **Office Space Report.** The Governor deleted an FY 2021-22 report on office and building space usage. (Sec. 863a)
18. **Energy Efficiency Revolving Fund.** The Governor modified Sec. 890 from PA 133 of 2021 to reflect part 1 appropriations and moved the language to Sec. 866. (Sec. 866)
19. **Removal of One-Time Boilerplate.** The Governor removed language for FY 2021-22 one-time items. (Secs. 891- 895)
20. **Space Realignment and Optimization.** The Governor included a section designating the funds appropriated in part 1 for space realignment and optimization as a work project. (Sec. 901)

Date Completed: 3-22-22

Fiscal Analyst: Elizabeth Raczkowski

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,936.3	3,136.3	200.0	6.8
GROSS	5,429,855,500	6,300,948,900	871,093,400	16.0
Less:				
Interdepartmental Grants Received	4,044,800	4,123,800	79,000	2.0
ADJUSTED GROSS	5,425,810,700	6,296,825,100	871,014,400	16.1
Less:				
Federal Funds	1,641,755,300	2,026,480,000	384,724,700	23.4
Local and Private	81,682,000	86,673,500	4,991,500	6.1
TOTAL STATE SPENDING	3,702,373,400	4,183,671,600	481,298,200	13.0
Less:				
Other State Restricted Funds	3,702,373,400	3,903,771,600	201,398,200	5.4
GENERAL FUND/GENERAL PURPOSE	0	279,900,000	279,900,000	--
PAYMENTS TO LOCALS	2,196,214,200	2,384,253,600	188,039,400	8.6

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$5,429,855,500	\$0
Changes from FY 2021-22 Year-to-Date:		
1. State Trunkline Federal Aid and Road and Bridge Construction	237,500,000	0
2. IIJA Airport Grants	92,827,000	0
3. Local Federal Aid and Road and Bridge Construction	79,166,700	0
4. Transit Capital	41,000,000	0
5. Detroit Intermodal Passenger Rail & Intercity Bus Terminal	10,000,000	0
6. Nonurban Operating Capital	9,817,700	0
7. Service Initiatives	7,677,200	0
8. Airport Safety, Protection, and Improvement Program	4,991,500	0
9. Specialized Services	3,227,400	0
10. Marine Passenger Services	2,652,000	0
11. Intercity Services	1,558,800	0
12. Aviation Services	350,000	0
13. Passenger Transportation Services	227,900	0
Total Supplemental Changes	\$490,996,200	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22

Gross

GF/GP

FY 2021-22 Year-to-Date Appropriation \$5,429,855,500 \$0

Changes from FY 2021-22 Year-to-Date:

1. State Trunkline Road and Bridge Construction	307,119,500	0
2. One-time Critical Road and Bridge Infrastructure	150,000,000	150,000,000
3. IJJA Airport Infrastructure Grants	95,000,000	0
4. Local Federal Aid Road and Bridge Construction	94,400,000	0
5. Transit and Rail Federal Aid Increases	76,161,000	0
6. One-time Pump Station Back-up Generators	66,000,000	66,000,000
7. One-time Priority Rail Grade Crossing/Separation	60,000,000	60,000,000
8. County Road Commissions Restricted Fund Increases	56,271,700	0
9. Transit and Rail Restricted Fund Increases	56,162,900	0
10. Airport Safety Improvement Program	36,885,400	0
11. Cities and Villages Restricted Fund Increases	31,374,000	0
12. Program Staffing	26,651,300	0
13. Highway Maintenance Materials Increases	9,950,300	0
14. Transportation Economic Development Programs	4,349,100	0
15. One-time Aviation Weather Equipment	3,900,000	3,900,000
16. Highway Maintenance Contract Services	3,106,900	0
17. Construction Services Support Contracts	1,788,700	0
18. Information Technology	1,725,000	0
19. Interdepartmental Grant Adjustments	1,115,000	0
20. Detroit Metropolitan Wayne County Airport	650,000	0
21. Traffic Signal Billing Program	400,000	0
22. Movable Bridge Revenue Adjustment	305,400	0
23. Local Agency Software Administration Tool	206,000	0
24. Local Bridge Fund Revenue Adjustment	(831,000)	0
25. Debt Service Reductions	(28,343,100)	0
26. Fiscal Year 2021-22 Supplemental Backout	(193,236,300)	0
27. Economic Adjustments. Includes \$9,981,600 Gross and \$0 GF/GP for total economic adjustments, of which an estimated negative \$3,938,100 Gross and \$0 GF/GP is for legacy retirement costs (pension and retiree health).	9,981,600	0

Total Changes \$871,093,400 \$279,900,000

FY 2022-23 Governor's Recommendation \$6,300,948,900 \$279,900,000

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Definitions.** The Governor removed the definition for "CRRSSA" and added a definition for "IJA". (Infrastructure Investment and Jobs Act, 2021, Public Law 117-58.) (Sec. 203)
2. **GF Fund Lapses.** The Governor amended a section moving the reporting date for GF/GP lapses by program from November 30 to December 31. (Sec. 209)
3. **Contingency Fund Authorization.** The Governor amended a section by increasing Federal contingency fund authorization from \$40.0 million to \$200.0 million and State restricted fund contingency authorization from \$5.0 million to \$40.0 million. (Sec. 210)
4. **Legacy Costs.** The Governor amended a section updating pension-related and health care legacy costs. (Sec. 214)
5. **Removed - Disciplinary Action.** The Governor removed a section prohibiting disciplinary action against employees that communicate with members of the Legislature. (Sec. 215)
6. **Removed - FTE Reporting.** The Governor removed a section requiring a report on FTEs employed and working remotely. (Sec. 216)
7. **Removed - Exhausting Work Project Funding.** The Governor removed a section requiring MDOT to exhaust work project authorization before spending appropriations. (Sec. 217)
8. **Removed - Intertransfer of Funds following Administrative Board Action.** The Governor removed a section allowing the Legislature to transfer funds by concurrent resolution in response to a transfer by the Administrative Board. (Sec. 218)
9. **Removed - Record Retention.** The Governor removed a section requiring MDOT to retain copies of all reports funded from appropriations. (Sec. 219)
10. **Removed - Policy Reporting.** The Governor removed a section requiring MDOT to report on all policy changes made to implement public acts. (Sec. 220)
11. **Removed - Severance Pay Reporting.** The Governor removed a section requiring reporting on severance pay. (Sec. 220)
12. **Removed - Vaccine Status/Passports.** The Governor removed a section prohibiting vaccine passports or vaccine requirements for employment. (Sec. 222)
13. **Removed - Use of Remanufactured Parts.** The Governor removed a section requiring MDOT use remanufactured parts for its vehicle fleet. (Sec. 270)
14. **Removed - Debt Service Reporting.** The Governor removed a section estimating current year debt service and requiring reporting on debt service. (Sec. 302)
15. **Removed - Bond-Financed Project Signage.** The Governor removed a section requiring signage for bond-financed trunkline construction projects. (Sec. 303)
16. **Removed - MDOT Property Leasing.** The Governor removed a section allowing for the leasing of space on public passenger transportation properties and direction for leasing revenue. (Sec. 305)
17. **Removed - Winter Maintenance Pilot Program.** The Governor removed a section requiring MDOT to initiate a winter maintenance pilot program using agricultural additives. (Sec. 308)
18. **Removed - Local Bridge Bundling Initiative Report.** The Governor removed a section requiring MDOT report on the use of CRRSSA funds for the local bridge bundling initiative. (Sec. 311)
19. **Removed - State Infrastructure Bank Report.** The Governor removed a subsection requiring a report on the State infrastructure bank program. (Sec. 313)
20. **Removed - Rest Area Signage.** The Governor removed a section requiring MDOT post signs at rest areas. (Sec. 319)
21. **Removed - Prompt Payment of Contractors and Subcontractors.** The Governor removed a section requiring review of the payment process for contractors and requiring prompt payment of contractors and subcontractors. (Sec. 353)
22. **Removed - Local Federal Aid Projects.** The Governor removed a section requiring MDOT review all local Federal aid project submittals within 120 days of receipt. (Sec. 357)

23. **Removed - Groundbreaking Ceremonies.** The Governor removed a section prohibiting payments for groundbreaking ceremonies. (Sec. 375)
24. **Removed - Signage Study Ban.** The Governor removed a section prohibiting MDOT from studying the relationship between signage and highway safety. (Sec. 376)
25. **Removed - Final Cost-Sharing.** The Governor removed a section requiring MDOT submit final cost-sharing bills to local governments within two years of contract payment. (Sec. 382)
26. **Removed - Toll Credit Reporting.** The Governor removed a section requiring MDOT report on the toll credit program. (Sec. 386)
27. **Removed - Traffic Study Reporting.** The Governor removed a section requiring MDOT report on traffic studies. (Sec. 387)
28. **Removed - Long-Term Contract Reporting.** The Governor removed a section requiring MDOT report on any contractor agreements over five years or \$5.0 million. (Sec. 389)
29. **Removed - Best Transit Practices.** The Governor removed a section requiring MDOT employ best practices related to transit services. (Sec. 393)
30. **Removed - Preserving Existing Roadways.** The Governor removed a section requiring MDOT and local agencies prioritize existing roadways. (Sec. 394)
31. **New - Permissive use of Road and Bridge Construction Funds for Highway Maintenance.** The Governor added a section allowing MDOT to use up to \$10.0 million of restricted funds appropriated for trunkline road and bridge construction on highway maintenance, as needed. (Sec. 395)
32. **Removed - Preventative Maintenance Prioritization.** The Governor removed a section requiring MDOT prioritize capital preventative maintenance. (Sec. 399)
33. **Local Bridge Fund Carry Forward.** The Governor amended a section to allow lapsed local bridge funds to carry forward at the end of the fiscal year. (Sec. 503)
34. **Removed - Warranties.** The Governor removed a section requiring MDOT evaluate and update existing warranty policies. (Sec. 601)
35. **Removed - Contract Incentives & Disincentives.** The Governor removed a section requiring MDOT establish and report on contract incentives and disincentives for trunkline projects. (Sec. 612)
36. **Removed - Examination of Alternative Road Surface Materials.** The Governor removed a section encouraging the Department to examine alternative road surface materials. (Sec. 660)
37. **Removed - Rail Line Abandonment.** The Governor removed a section requiring MDOT report to the Legislature when a railroad company has filed to abandon a line. (Sec. 703)
38. **Removed - Farebox Goal.** The Governor removed a section encouraging transit agencies achieve a farebox recovery rate of 6.0%. (Sec. 720)
39. **Removed - Prohibition on Rail Freight Development as Alternative to Energy Pipeline.** The Governor removed a section prohibiting MDOT from developing a rail project that would support the cessation of pipeline operations across the Straits of Mackinac. (Sec. 736)
40. **Removed - Meeting with Rail.** The Governor removed a section encouraging MDOT meet with the rail industry to provide information and funding opportunities. (Sec. 752)
41. **Removed - Marine Passenger Spending.** The Governor removed a section directing the expenditure of the Marine Passenger appropriation. (Sec. 753)
42. **New - One-Time Critical Road and Bridge Infrastructure.** The Governor added a section outlining prioritization of one-time spending for critical road and bridge projects. (Sec. 1001)
43. **New - One-Time Rail Grade Crossing/Separation Initiative.** The Governor added a section outlining criteria for the selection or rail grade crossing projects. (Sec. 1002)

Date Completed: 3-22-22

Fiscal Analyst: Michael Siracuse

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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	99,064,000	100,084,100	1,020,100	1.0
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	99,064,000	100,084,100	1,020,100	1.0
Less:				
Federal Funds	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	99,064,000	100,084,100	1,020,100	1.0
Less:				
Other State Restricted Funds	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE	99,064,000	100,084,100	1,020,100	1.0
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$99,064,000	\$99,064,000
Changes from FY 2021-22 Year-to-Date:		
NONE	0	0
Total Supplemental Changes	\$0	\$0

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$99,064,000	\$99,064,000
Changes from FY 2021-22 Year-to-Date:		
1. Great Lakes Water Quality Bond. The Governor increased debt service payments to this bond because of a decrease of \$3,121,900 in existing debt service payments and an increase of \$4.0 million for estimated issuances of new bonds in FY 2022-23. This would increase total debt service payments to \$72,861,100.	878,100	878,100
2. Quality of Life Bond. The Governor increased debt service payments to this bond because of changes to existing debt service payments. This would increase total debt service payments to \$3,463,000.	153,000	153,000
3. Clean Michigan Initiative. The Governor decreased debt service payments to this bond because of changes to existing debt service payments. This would decrease total debt service payments to \$23,771,000.	(11,000)	(11,000)

Total Changes	\$1,020,100	\$1,020,100
FY 2022-23 Governor's Recommendation	\$100,084,100	\$100,084,100

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

NONE

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino



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Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,924.5	1,980.5	56.0	2.9
GROSS	1,151,235,900	764,994,200	(386,241,700)	(33.6)
Less:				
Interdepartmental Grants Received	13,073,500	11,153,100	(1,920,400)	(14.7)
ADJUSTED GROSS	1,138,162,400	753,841,100	(384,321,300)	(33.8)
Less:				
Federal Funds	436,361,400	24,970,700	(411,390,700)	(94.3)
Local and Private	13,063,000	13,240,600	177,600	1.4
TOTAL STATE SPENDING	688,738,000	715,629,800	26,891,800	3.9
Less:				
Other State Restricted Funds	447,723,800	496,038,000	48,314,200	10.8
GENERAL FUND/GENERAL PURPOSE	241,014,200	219,591,800	(21,422,400)	(8.9)
PAYMENTS TO LOCALS	331,634,700	305,267,900	(26,366,800)	(8.0)

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,151,235,900	\$241,014,200
Changes from FY 2021-22 Year-to-Date:		
1. ARP - Hero Pay. The Governor proposed \$500.0 million Gross and Federal funds to provide 'hero pay' to all essential workers in the State. Eligibility would be limited to eligible workers performing essential work as defined by the U.S. Department of Treasury.	500,000,000	0
2. First Responder Retention Payments. The Governor proposed \$50.0 million Gross, \$20.0 million Federal funds, and \$30.0 million GF/GP to provide payments of up to \$1,000 to first responders and other essential workers in the State.	50,000,000	30,000,000
3. Wrongful Imprisonment Compensation Fund. The Governor proposed a deposit of \$5.0 million Gross and GF/GP into the Wrongful Imprisonment Compensation Fund.	5,000,000	5,000,000
4. Responsible Gaming Advertising. The Governor proposed \$3.0 million Gross and Restricted to advertise responsible gaming.	3,000,000	0
Total Supplemental Changes	\$558,000,000	\$35,000,000
FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,151,235,900	\$241,014,200

Changes from FY 2021-22 Year-to-Date:

1. Rebates for Electric Vehicles. The Governor included \$50.0 million Gross and GF/GP in one-time appropriation to provide \$2,000 rebates for EV purchases and \$500 for at-home charging equipment.	50,000,000	50,000,000
2. Local Transition Support Grants. The Governor included \$40.0 million Gross and GF/GP in one-time appropriation to provide grants to local communities that have experienced the departure or disinvestment of large scale employers.	40,000,000	40,000,000
3. Recreational Marihuana Grant. The Governor included an increase of \$20.6 million Gross and Restricted revenue to Recreational Marihuana Grants to align with revenue forecasts.	20,580,000	0
4. Technical Adjustments. The Governor included an increase of \$8.2 million Gross and \$0 GF/GP in technical adjustments to align with revenue estimates.	8,160,300	0
5. Casino Gaming Control Operations. The Governor included an additional \$3.7 million Gross and Restricted revenue and 25.0 FTE positions to support additional administrative costs and workload due to internet gaming and to provide professional development.	3,659,400	0
6. Responsible Gaming Advertising. The Governor included \$3.0 million Gross and Restricted revenue in one-time appropriation to promote responsible gaming.	3,000,000	0
7. Office of Postsecondary Financial Support. The Governor included an additional \$2.9 million Gross and GF/GP and 5.0 FTE positions in the Student Financial Assistance Programs line item to assist students and administer new scholarship programs including the Michigan Reconnect and Educator Recruitment programs.	2,936,100	2,936,100
8. Casino Control Information Technology. The Governor included an additional \$1.8 million Gross and Restricted revenue for Gaming Control Information Technology to support additional IT support related to internet gaming and to increase network connection speeds.	1,801,400	0
9. Flow-Through Entity Tax Implementation. The Governor included an additional \$1.4 million Gross and GF/GP and 10.0 FTE positions for the administration of the flow-through entity tax created in PA 135 of 2021.	1,376,900	1,376,900
10. Treasury Information Technology. The Governor included \$1,250,000 Gross and \$795,000 GF/GP to Treasury Information Technology to support increased ongoing costs to support the Revenue Sharing and Motor Fuel and Tobacco Tax systems.	1,250,000	795,000
11. Retirement Income Tax Reform Implementation. The Governor included \$1.2 million Gross and Restricted revenue in one-time appropriation to support administration of proposed pension tax changes.	1,200,000	0
12. Office of Organizational Development. The Governor included \$751,300 Gross and GF/GP and 5.0 FTE positions to create the Office of Organizational Development to support the recruitment, development, and retention of employees.	751,300	751,300
13. Senior Citizen Cooperative Housing. The Governor included an increase of \$150,000 Gross and GF/GP to support new facilities that are expected to enter the program in Sturgis, Inkster, and Flint.	150,000	150,000
14. FY 2021-22 Supplemental Removal. The Governor included the removal of \$484.0 million Gross and \$75.0 million GF/GP in Supplemental Appropriations from FY 2021-22 in PA 132 of 2021.	(484,000,000)	(75,000,000)

15. FY 2021-22 One-Time Removal. The Governor included the removal of \$43.6 million Gross and GF/GP in FY 2021-22 one-time appropriations.	(43,600,000)	(43,600,000)
16. Other Changes. The Governor included the combining of the Office of Accounting and Financial Service total \$8.7 million Gross and 69.0 FTE positions, transferring the fund source for Millionaire Party from Lottery to Internet Gaming, and transferred \$1.5 million Gross and 11.0 FTEs from Lottery Information Technology in the DTMB to Lottery Operations.	0	0
17. Economic Adjustments. Includes \$6,492,900 Gross and \$1,168,300 GF/GP for total economic adjustments, of which an estimated negative \$2,383,400 Gross and negative \$371,000 GF/GP is for legacy retirement costs (pension and retiree health).	6,492,900	1,168,300
Total Changes	(\$386,241,700)	(\$21,422,400)
FY 2022-23 Governor's Recommendation	\$764,994,200	\$219,591,800

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. First Responder Retention Payments.** The Governor included language to provide grants for the payment of reimbursement retention payments provided to first responders, public safety personnel, law enforcement, and corrections staff for up to \$1,000 per eligible employee. Designates any unspent funds as a work project until December 30, 2022.
- 2. Hero Pay.** The Governor included new language that provides grants for the payment or reimbursement of premium pay to eligible workers performing essential work as defined by the US Department of Treasury. Allows up to 5.0% of the appropriation to be used for administering the payments and designates any unexpended funds as a work project until September 30, 2023.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

- 1. Deleted Sections.** The Governor deleted a number of sections, which include 924 (John R. Justice Grant Program), 949k (Transportation Administration Support Fund), 934(2) (MFA report), and 949n (NextGen Infrastructure).
- 2. Tax Collection Contracts.** The Governor modified the language for tax collection contracts to include infrastructure taxes. (Sec. 903)
- 3. Notification of Revenue Administrative Bulletins.** The Governor modified the notification of Revenue Administrative Bulletins from the same day as a bulletin's posting to five days after. (Sec. 921)
- 4. Employment Opportunity Fund (NEW).** The Governor included new language that allows the Department to capture tax revenue and make payments from the Employment Opportunity Fund in accordance with the Michigan Strategic Fund Act, Chapter 8f. (Sec. 949g)
- 5. Fostering Futures Scholarship Trust Fund (NEW).** The Governor included new language that allows the Department to deposit any gifts or donations for the Fostering Futures Scholarship Trust Fund and make those deposits available for expenditure in accordance to the Fostering Futures Scholarship Trust Fund Act. (Sec. 949n)
- 6. Compulsive Gaming Prevention Fund and Millionaire Party Oversight.** The Governor modified the language for the Compulsive Gaming Prevention Fund deposits and Millionaire Party Oversight to reflect the change of the fund source for Millionaire Party regulations to Internet Gaming Revenue and removed the report. (Secs. 971 and 979)
- 7. Internet Gaming Revenue Deposits (NEW).** The Governor included new language that requires that revenue generated from Fantasy Contests Gaming, Lawful Internet Gaming, and Lawful Sports Betting be transferred in accordance with statute and that any remaining funds be deposited into the School Aid Act Fund. (Sec. 972)
- 8. Native American Gaming Compacts.** The Governor modified the language for Native American Gaming Compacts to remove the report on local revenue sharing distributions. (Sec. 973)
- 9. Horse Racing Regulations.** The Governor modified the language for Horse Racing Regulations to remove the reference to horsemen organizations' funding of the regulatory costs. (Sec. 978)

10. **Electric Vehicle Rebate Program (NEW).** The Governor included new language that would implement a rebate program for EV purchases and \$10.0 million for purchases of at-home charging equipment. (Sec. 1200)
11. **Local Community Transition Support Program (NEW).** The Governor included new language that creates a local community transition grant program, outlines grant eligibility, the use of funds, allows up to 3% of the appropriation to be used for administration, and requires a report by September 30, 2023. (Sec. 1201)
12. **Retirement Income Tax Reform Implementation (NEW).** The Governor included new language that requires that the appropriation for Retirement Income Tax Reform Implementation be used to support implementation cost if Section 30 of the Income Tax Act is amended. Designates unspent funds as a work project with a completion date of September 30, 2027. (Sec. 1202)
13. **Technical Changes.** The Governor made a number of technical modifications that include date changes, Part 1 appropriation changes, legacy cost adjustments, and standardized language. (Secs. 210 and 214)

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.

Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	1,486,280,400	1,515,037,200	28,756,800	1.9
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,486,280,400	1,515,037,200	28,756,800	1.9
Less:				
Federal Funds	0	0	0	0.0
Local and Private.....	0	0	0	0.0
TOTAL STATE SPENDING	1,486,280,400	1,515,037,200	28,756,800	1.9
Less:				
Other State Restricted Funds	1,485,847,400	1,515,037,200	29,189,800	2.0
GENERAL FUND/GENERAL PURPOSE	433,000	0	(433,000)	(100.0)
PAYMENTS TO LOCALS	1,486,280,400	1,515,037,200	28,756,800	1.9

*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,486,280,400	\$433,000
Changes from FY 2021-22 Year-to-Date:		
1. 2020 Census Hold Harmless Adjustment. The Governor included \$50.0 million Gross and GF/GP to ensure that local units of government do not experience a reduction in revenue sharing payments as a result of the 2020 Census.	50,000,000	50,000,000
Total Supplemental Changes	\$50,000,000	\$50,000,000

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$1,486,280,400	\$433,000
Changes from FY 2021-22 Year-to-Date:		
1. City, Village, and Township Revenue Sharing. The Governor recommended a 10.0% increase to City, Village, and Township Statutory Revenue Sharing (\$26.6 million Gross and Sales Tax). Of the total increase, half is designated as ongoing, and half is one-time appropriation. This would bring total FY 2022-23 Appropriations to \$292.9 million Gross and Sales Tax.	26,624,600	0

2. County Revenue Sharing. The Governor recommended a 10.0% increase to County Revenue Sharing (\$23.2 million Gross and Sales Tax). Of the total increase, half is designated as ongoing, and half as one-time. This would bring total FY 2022-23 County Revenue Sharing to \$255.1 million Gross and Sales Tax.	23,189,400	0
3. Emmet County Revenue Sharing. The Governor recommended an increase of \$306,700 for County Revenue Sharing and \$69,300 for the County Incentive Program to cover the first-year costs of Emmet County, which will re-enter State-paid revenue sharing in 2023. This is the last county to re-enter State-paid revenue sharing.	376,000	0
4. Constitutional Revenue Sharing. The January 2022 Consensus Revenue Estimating Conference decreased the estimated constitutional revenue sharing to \$964,585,400 for FY 2022-23, a 2.1% decrease from the revised estimate for FY 2021-22. Actual payments will be made based on actual revenue collections.	(21,000,200)	0
5. FY 2021-22 One-Time Removal. The Governor recommended the removal of \$433,000 Gross and GF/GP in one-time appropriation in FY 2021-22 for Coronavirus Relief Fund Lapse Reimbursement.	(433,000)	(433,000)
Total Changes	\$28,756,800	(\$433,000)
FY 2022-23 Governor's Recommendation	\$1,515,037,200	\$0

Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **2020 Census Hold Harmless.** The Governor included language that designates local units of government that experienced a population loss under the 2020 Federal decennial census as eligible to receive hold-harmless payment based on the Glenn Steil State Revenue Sharing Act of 1971.

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Revenue Sharing Adjustment.** The Governor modified the Statutory Revenue Sharing and County Revenue Sharing language to provide a 10% increase to reflect Part 1 appropriations. (Secs. 952(1) and 955(1))
2. **Underfunded Retirement System (Deleted).** The Governor deleted the language that requires a city, village, or township or county with a retirement benefits system that is underfunded as defined by statute to allocate any increased funding since FY 2019-20 to fund that retirement system. (Secs. 952(6) and 955(3))
3. **Financially Distressed Cities, Villages, and Townships.** The Governor modified the language for Financially Distressed Cities, Villages, and Townships to update the year and moved the reporting date from March 31 to September 30. (Sec. 956)
4. **Returned Coronavirus Relief Local Government Grants (Deleted).** The Governor deleted the language for the one-time appropriation that provided grants to local units of government that had lapsed Coronavirus Relief Grants. (Sec. 957)

Date Completed: 3-22-22

Fiscal Analyst: Cory Savino

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Appendix

2021 Natural Resources Trust Fund Acquisition Projects

Grant Number	Grantee	Project Name	County	Grant Amount	Matching Funds	Total Project Cost
TF21-0045	Muskegon County	Muskegon Sand - North Acquisition	Muskegon	\$5,075,200	\$2,500,000	\$7,575,200
TF21-0083	St. Clair County	North Channel Park Inholding Acquisition	St. Clair	148,000	52,000	200,000
TF21-0087	City of Hancock	Portage Canal Waterfront Property Acquisition	Houghton	171,600	60,300	231,900
TF21-0138	City of Marine City	Belle River Acquisition	St. Clair	272,000	96,000	368,000
TF21-0143	City of Traverse City & Charter Township of Garfield Recreational Authority	Hickory Forest Acquisition	Grand Traverse	467,600	200,600	668,200
TF21-0206	DNR - Forest Resources Division	Camp Pishtoning at Pigeon River Acquisition	Otsego	950,000	0	950,000
TF21-0080	Tittabawassee Township	Midland-Freeland Path Connector Acquisition	Saginaw	71,300	71,400	142,700
TF21-0022	Alabaster Township	Lake Huron Coastal Preserve Acquisition	Iosco	1,700,000	832,000	2,532,000
TF21-0079	Isabella County	Meridian Park Acquisition	Isabella	85,000	30,000	115,000
TF21-0122	DNR - Parks and Recreation Division	Waterloo-Pinckney Recreation Area Land Consolidation	Livingston	2,050,000	0	2,050,000
TF21-0040	Genoa Charter Township	Genoa Township Park Expansion	Livingston	300,000	1,501,000	1,801,000
TF21-0162	DNR - Wildlife Division	Berrien Springs State Game Area Acquisition	Berrien	4,700,000	0	4,700,000
TF21-0027	Kent County	Townsend Park Land Acquisition	Kent	1,120,000	480,000	1,600,000
TF21-0060	Littlefield Township	Milton Road to Alanson Trail Corridor Acquisition	Emmet	865,300	375,200	1,240,500
TF21-0161	DNR - Wildlife Division	Portland State Game Area Acquisition	Ionia	350,000	0	350,000
TF21-0204	Village of Baraga	Baraga Waterfront Park Inholding Acquisition	Baraga	250,000	265,000	515,000
TF21-0195	Baraga County	North Sturgeon River Recreation Area Acquisition	Baraga	2,737,500	912,500	3,650,000
TF21-0116	Jackson County	Little Wolf Lake County Park Expansion	Jackson	176,200	58,800	235,000
TF21-0128	City of Manistique	Lake Michigan Campground Acquisition	Schoolcraft	449,000	150,100	599,100
TF21-0205	Ganges Township	Pier Cove Beach Acquisition	Allegan	128,700	42,900	171,600
TF21-0108	City of Petoskey	Skyline Recreation Area - Inholding Acquisition	Emmet	187,500	62,500	250,000
TF21-0049	City of Grand Rapids	Plaza Roosevelt Acquisition	Kent	44,800	44,800	89,600
TOTAL TRUST FUND ACQUISITION PROJECTS				\$22,299,700	\$7,735,100	\$30,034,800

2021 Natural Resources Trust Fund Development Projects

Grant Number	Grantee	Project Name	Grant Amount	Matching Funds	Total Project Cost
TF21-0016	Huron-Clinton Metropolitan Authority	Lake Erie Metropark Cherry Island Trail Improvements	\$300,000	\$571,800	\$871,800
TF21-0118	Ingham County	Hawk Island Park Boardwalk and Fishing Pier	300,000	493,100	793,100
TF21-0130	Village of Paw Paw	Maple Island Boardwalk and Fishing Platform	300,000	189,500	489,500
TF21-0134	Antrim County	Grass River Natural Area River Access Improvements	300,000	679,900	979,900
TF21-0024	City of Grand Rapids	Development of River Edges Trail - Leonard to Ann Segment 1	300,000	1,082,200	1,382,200
TF21-0025	City of Grand Rapids	Development of River Edges Trail - Leonard to Ann Segment 2	300,000	891,900	1,191,900
TF21-0028	City of Grand Rapids	Development of River Edges Trail - Leonard to Ann Segment 4	300,000	1,087,200	1,387,200
TF21-0031	City of Lansing	Adado Riverfront Park Improvements	300,000	335,900	635,900
TF21-0148	City of Niles	Niles Dam Park Development	232,800	77,600	310,400
TF21-0136	Carrollton Township	Carrollton Iron Belle Trail Trailhead	134,500	57,700	192,200
TF21-0038	City of Ionia	Fred Thwaites Grand River Trail Reconstruction	300,000	240,000	540,000
TF21-0107	City of Rogers City	Lakeside Park Pavilion and Playground	185,000	80,000	265,000
TF21-0168	City of Alpena	Bay View Park Restroom and Pavilion	300,000	612,200	912,200
TF21-0043	Vienna Charter Township	Neff Road Bike Path Project	296,600	146,100	442,700
TF21-0101	Mecosta County	Brower County Park - Water Access	281,400	120,600	402,000
TF21-0140	Ottawa County	Idema Explorers Trail - Stearns Bayou Connector	300,000	3,239,200	3,539,200
TF21-0050	DNR - Parks and Recreation Division	Douglass Houghton Falls Scenic Site Development	300,000	315,000	615,000
TF21-0044	DNR - Parks and Recreation Division	Fort Custer Recreation Area - River Valley Trail	300,000	400,000	700,000
TF21-0120	Midland County	Pere Marquette Rail-Trail Revitalization	300,000	279,000	579,000
TF21-0014	Crystal Township	Crystal Township Park Redevelopment	300,000	207,000	507,000
TF21-0139	Ottawa County	Kirk Park Renovation	237,000	237,000	474,000
TF21-0157	City of Hamtramck	Veterans Park and Hamtramck Stadium Restroom Renovation	300,000	100,000	400,000
TF21-0158	Meridian Charter Township	MSU to Lake Lansing Connector Trail	300,000	2,300,000	2,600,000
TF21-0103	City of Jackson	Martin Luther King, Jr. Equality Trail	300,000	300,000	600,000

2021 Natural Resources Trust Fund Development Projects

Grant Number	Grantee	Project Name	Grant Amount	Matching Funds	Total Project Cost
TF21-0153	DNR - Fisheries Division	Platte River Hatchery Accessibility and Education	\$300,000	\$0	\$300,000
TF21-0170	City of Lansing	Fenner Pathway	300,000	688,600	988,600
TF21-0020	City of Dowagiac	Riverside Park Development	300,000	131,000	431,000
TF21-0082	DNR - Parks and Recreation Division	Mitchell State Park - Pavilion and Restroom Replacement	300,000	300,000	600,000
TF21-0033	Monitor Charter Township	Kawkawlin River Access Improvements	269,400	182,000	451,400
TF21-0057	Ingham County	Lake Lansing Park North Boardwalk/Trail	300,000	281,500	581,500
TF21-0112	City of Caseville	Riverside Park and Water Trailhead	298,800	200,000	498,800
TF21-0163	DNR - Wildlife Division	Gourdneck State Game Area Access Improvements	300,000	0	300,000
TF21-0056	City of Lowell	River Valley Rail-Trail - Lowell Connector	300,000	1,132,000	1,432,000
TF21-0069	City of Belding	Lightning Bend Trailhead and Pathways	300,000	130,000	430,000
TF21-0111	Casco Township	Casco Nature Preserve Park Improvements on Lake Michigan	291,000	97,000	388,000
TF21-0126	Village of Saranac	Scheid Park Improvements	300,000	200,000	500,000
TF21-0135	Mundy Charter Township	Miracle League Field	256,400	179,000	435,400
TF21-0174	Midland Charter Township	Great Lakes Bay Regional Trail Path Extension	300,000	773,700	1,073,700
TF21-0194	Ganges Township	Pier Cove Park Renovation	266,000	89,000	355,000
TF21-0086	DNR - Parks and Recreation Division	Menominee River - Piers Gorge Accessible Trail	300,000	0	300,000
TF21-0133	Niles Charter Township	Ontario Trailhead Development	124,600	44,900	169,500
TF21-0141	Lake County	Lake County ORV Park	300,000	180,000	480,000
TF21-0109	South Haven Area Recreation Authority	Phoenix Avenue Kayak Launch Development	229,800	98,500	328,300
TF21-0137	AuSable Charter Township	Iron Belle Trail Segment	300,000	2,613,800	2,913,800
TF21-0042	DNR - Parks and Recreation Division	Pinckney Recreation Area - Potawatomi Trail Renovation	300,000	0	300,000
TF21-0046	DNR - Parks and Recreation Division	W.G. Milliken State Park - Accessible Berm Development	300,000	0	300,000
TF21-0063	City of Grand Ledge	Ball Field Development at Fitzgerald Park	134,700	89,800	224,500
TF21-0065	DNR - Parks and Recreation Division	Harrisville State Park - Footbridge Replacement	50,000	0	50,000
TF21-0095	City of Ferndale	Martin Road Park Walkways and Pavilion	68,000	68,000	136,000

2021 Natural Resources Trust Fund Development Projects

Grant Number	Grantee	Project Name	Grant Amount	Matching Funds	Total Project Cost
TF21-0104	Plainfield Charter Township	Grand Rogue Park	\$300,000	\$304,600	\$604,600
TF21-0152	City of Port Huron	Sanborn Park and Nature Area Trail	100,000	105,000	205,000
TF21-0159	City of Grandville	Buck Creek Trailhead at Mill Race Park	231,300	231,300	462,600
TF21-0183	Sanilac County	Forester Park Playground Accessibility Renovation	80,200	80,200	160,400
TF21-0117	City of Kentwood	East Paris Park Improvements	214,100	214,100	428,200
TF21-0127	Webber Township	Webber Township ORV Park	183,800	64,600	248,400
TF21-0171	Missaukee County	Cadillac Single-Track Bike Trail	110,900	50,000	160,900
TF21-0019	Genesee County	Branch Road Universal Design Fishing Access	240,500	84,500	325,000
TF21-0124	City of Detroit	Patton Park - Joe Louis Greenway Development	300,000	350,000	650,000
TF21-0167	City of Midland	Tittabawassee River Pedestrian Corridor	300,000	131,000	431,000
TF21-0106	City of Hudsonville	Buttermilk Creek Park Bathrooms and Parking	152,600	152,600	305,200
TF21-0115	Jackson County	Sparks County Park Pickleball Courts	300,000	156,600	456,600
TF21-0041	City of Boyne City	Boyne City Open Space Pathway	300,000	120,000	420,000
TF21-0076	DNR - Parks and Recreation Division	Saginaw Riverfront Park - Phase 3 Development	300,000	0	300,000
TF21-0113	City of Iron Mountain	Pewabic Hill Mountain Bike Trail System	183,200	79,000	262,200
TF21-0125	City of Detroit	Romanowski Park - Joe Louis Greenway Development	300,000	200,000	500,000
TF21-0142	City of Lansing	Corporate Research Park Path Development	300,000	671,000	971,000
TF21-0197	City of Auburn	Auburn Community Park ADA Improvements	249,700	105,000	354,700
TF21-0052	Iron Ore Heritage Recreation Authority	Iron Ore Heritage Trail - Marshlands Boardwalk	218,200	100,000	318,200
TF21-0123	DNR - Michigan Historical Center	Straits State Park Improvements	300,000	311,900	611,900
TF21-0192	Cannon Township	Kies Road Iron Belle-North Country Trail Connector	300,000	1,216,600	1,516,600
TF21-0187	City of Ypsilanti	Frog Island Trailhead Accessibility	300,000	156,000	456,000
TF21-0094	City of Fennville	Paradise Park Improvements	300,000	300,000	600,000
TF21-0100	Village of Wolverine Lake	Clara Miller Park Playground	100,000	100,000	200,000
TF21-0144	City of Mason	Rayner Park Community-Build Playground	242,500	242,500	485,000
TF21-0155	City of Bridgman	Toth Park Playground Renovation	50,000	30,000	80,000
TF21-0186	City of Rochester	Memorial Grove All Abilities Park	225,000	75,000	300,000

2021 Natural Resources Trust Fund Development Projects

Grant Number	Grantee	Project Name	Grant Amount	Matching Funds	Total Project Cost
TF21-0090	Raisin Charter Township	Mitchell Park Shelter Renovation and Pathways	\$267,300	\$94,000	\$361,300
TF21-0131	City of Ludington	Cartier Park Bathhouse	300,000	316,500	616,500
TF21-0066	Thomas Township	Nature Preserve Trail and Amenities	300,000	300,000	600,000
TF21-0119	Superior Charter Township	Plymouth Road Pathway Development	300,000	178,000	478,000
TF21-0053	Clark Township	Peek-a-Boo Trail	200,300	69,400	269,700
TF21-0145	City of St. Johns	Scott Road Multi-Use Trail Connector	155,500	155,500	311,000
TF21-0200	Northfield Township	Northfield Community Park - Pathways and Parking	300,000	130,000	430,000
TF21-0015	Genesee County	Linden Park Pickleball Courts	296,000	104,000	400,000
TF21-0064	St. Joseph Charter Township	Carronde Park Tennis Court Renovation	50,000	42,400	92,400
TF21-0068	City of Petoskey	Winter Sports Park Hockey Rink Pavilion	298,000	302,000	600,000
TF21-0114	City of North Muskegon	Ball Fields and Universal Access Hunting Blind	300,000	753,700	1,053,700
TF21-0062	St. Joseph Charter Township	Kedzie Kids Park Playground Renovation	50,000	34,600	84,600
TF21-0154	Garfield Township	Veteran's Park Playground and Access	112,500	37,500	150,000
TF21-0147	City of Algonac	Community Outdoor Swimming Pool Renovation	300,000	1,400,000	1,700,000
TF21-0149	City of St. Johns	Main City Park Improvements	49,900	49,900	99,800
TF21-0175	City of Beaverton	Beaverton Trailhead	255,000	85,000	340,000
TF21-0096	DNR - Parks and Recreation Division	Yankee Springs Recreation Area - Beach Wall Replacement	50,000	0	50,000
TF21-0054	DNR - Parks and Recreation Division	Yankee Springs Recreation Area - Fishing Pier Replacement	120,000	0	120,000
TF21-0193	City of Escanaba	Webster Park Splash Pad	150,000	75,000	225,000
TOTAL TRUST FUND DEVELOPMENT PROJECTS			\$23,292,500	\$31,280,700	\$54,573,200



RECENT SENATE FISCAL AGENCY PUBLICATIONS

January 2022 <i>"FY 2021-22 Higher Education Appropriations Report"</i>	Appropriations Report	March 2021 <i>"Reports Required by Boilerplate in Appropriation Acts"</i>	Boilerplate Report
January 2022 <i>"Michigan's Economic Outlook and Budget Review FY 2020-21, FY 2021-22, FY 2022-23, and FY 2023-24"</i>	Economic Outlook	Winter 2021 <i>"An Overview of Dam Organization, Oversight, and Funding in Michigan"</i> <i>"First Responder Presumed Coverage Fund"</i> <i>"How Schools Are Paid for Pupils During Pandemic Learning: Membership Blends"</i>	State Notes
December 2021 <i>"Reports Required by the Boilerplate in Appropriations Acts"</i>	Boilerplate Report	Winter 2021 <i>"Transportation Since COVID-19"</i> <i>"A Review of the Unemployment Insurance Agency during COVID-19"</i> <i>"When Everything Isn't Coming Up Aces: Mitigating Adverse Childhood Experiences"</i>	State Notes
November 2021 <i>"FY 2019-20 Status of Lawsuits Involving the State of Michigan"</i>	Lawsuit Report	January 2021 <i>"Michigan's Economic Outlook and Budget Review FY 2019-20, FY 2020-21, FY 2021-22, and FY 2022-23"</i>	Economic Outlook
September 2021 <i>"Paid Parental and Family Leave in the United States"</i>	Issue Paper	December 2020 <i>"FY 2020-21 Higher Education Appropriations Report"</i>	Appropriations Report
Summer 2021 <i>"The Integration of Cash-Based Public Assistance and Workforce Funding"</i> <i>"And Then the Students Went Home: Federal COVID-19 Aid to Michigan Universities and Community Colleges"</i> <i>"What's Down with the Unemployment Rate Since COVID-19?"</i>	State Notes	December 2020 <i>"FY 2020-21 Appropriations Report Part II - Initial Appropriations"</i>	Appropriations Report
July 2021 <i>"FY 2019-20 Appropriations Report Part III - Year-End Appropriations"</i>	Appropriations Report	December 2020 <i>"FY 2018-19 Appropriations Report Part III - Year-End Appropriations"</i>	Appropriations Report
May 2021 <i>"Michigan's Economic Outlook and Budget Review FY 2020-21, FY 2021-22, and FY 2022-23"</i>	Economic Outlook	July 2020 <i>"FY 2018-19 Status of Lawsuits Involving the State of Michigan"</i>	Lawsuit Report
March 2021 <i>"FY 2021-22 Appropriations Report - Part I - Governor's Recommendations"</i>	Appropriations Report	Summer 2020 <i>"Information Technology Investment Fund: An Overview"</i> <i>"Michigan's Child Care Fund: History and Details of a Decentralized Juvenile Justice and Child Welfare System"</i> <i>"Tuition Incentive Program: An Update for 2020"</i> <i>"Emotional Support Animals: Reasonable Accommodations and Misrepresentation"</i>	State Notes
March 2021 <i>"Autism: Sources of Funding and Historic Appropriations"</i>	Issue Paper		

RECURRING SENATE FISCAL AGENCY REPORTS

- *Appropriations Report - Part I - Governor's Recommendations*
- *Appropriations Report - Part II - Initial Appropriations*
- *Appropriations Report - Part III - Year-End Appropriations*
- *Status of Lawsuits Against the State*
- *Higher Education Appropriations Report*
- *Michigan Economic Outlook and Budget Review*
- *Monthly Revenue Report*
- *Monthly Michigan Economic Indicators*
- *State Notes: Topics of Legislative Interest*