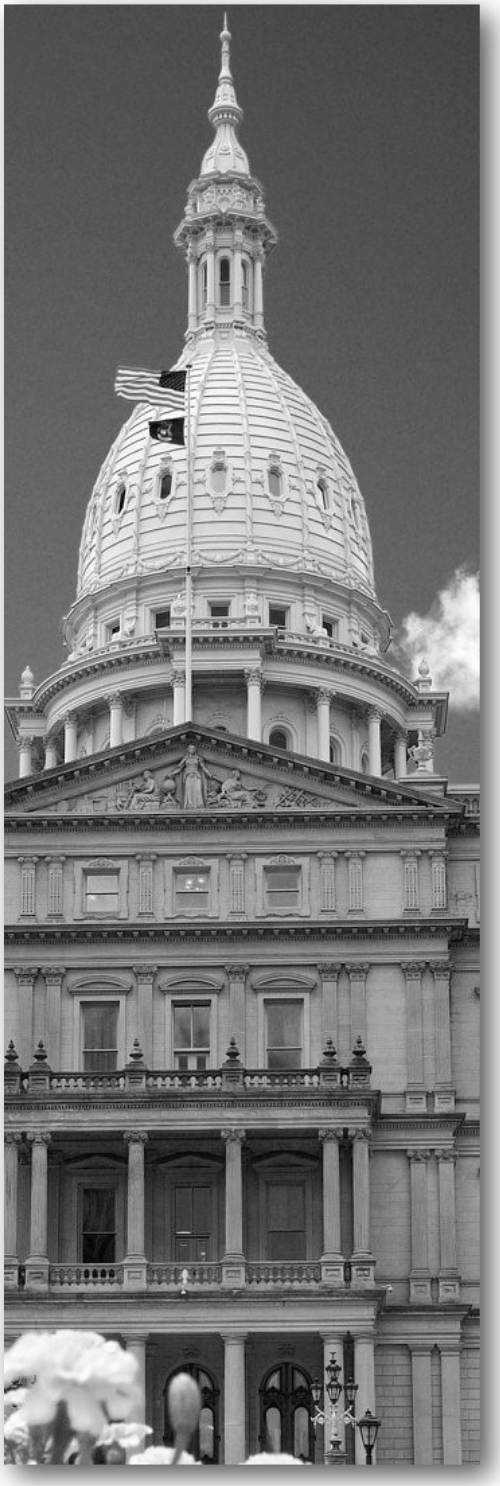
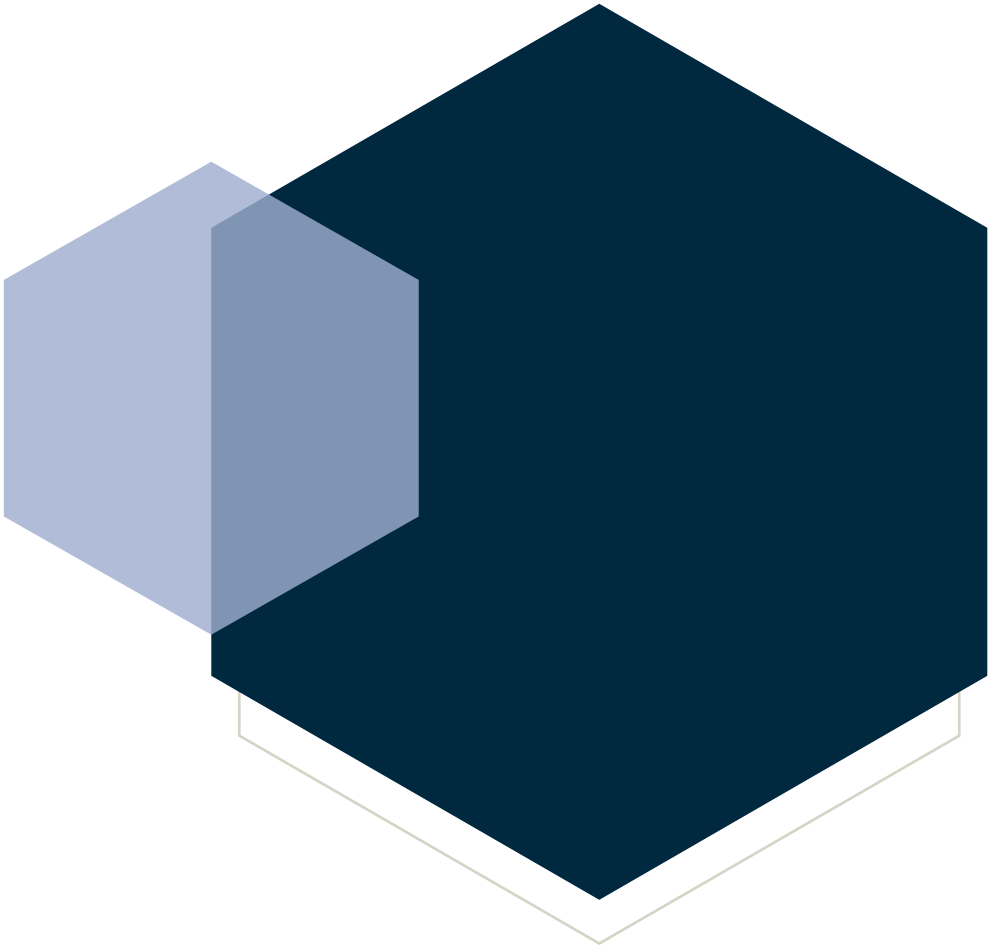


OVERVIEW OF GOVERNOR WHITMER'S FY 2023-2024 BUDGET

APPROPRIATIONS REPORT - PART 1

Kathryn Summers, Director
Senate Fiscal Agency

February 15, 2023



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SUMMARY

On February 8, 2023, Governor Gretchen Whitmer presented her Executive Budget recommendations for fiscal year (FY) 2023-24 and budget projections for FY 2024-25. 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 2023-24 appropriation recommendation.

This document provides an overview of the Governor's Executive Budget Recommendation. Detailed information can be found in the accompanying appendices, which include tables and other relevant materials. The appendices, indicated by a number, will provide the comprehensive detail behind all the changes proposed by the Governor for FY 2023-24.

Appendices

- Table 1 outlines the sources of funding for each department and budget area
- Tables 2-4 compare the Governor's FY 2023-24 recommendation with current FY 2022-23 year-to-date appropriations
- Table 5 shows the proposed changes in the number of full-time equated (FTE) positions
- Table 6 provides a summary of one-time appropriations by department and fund source
- Table 6a shows the proposed one-time appropriations by fund source
- Table 7 displays the estimated State payments to local units of government for FYs 2022-23 and 2023-24
- Tables 8 and 9 present the GF/GP and School Aid Fund (SAF) balance sheets for FY 2022-23 and FY 2023-24, incorporating both the Governor's budget recommendation and the estimated fiscal impacts of House Bill 4001
- Table 10 shows a summary of the overall changes and Tables 11-16 provide the details for overall changes
- Table 17 shows FY 2023-24 School Aid Fund budget changes proposed by the Governor
- Tables 18-23 provide further detail regarding major budget areas (Community Colleges, Universities, Revenue Sharing, Debt Service, Merit Award Trust Fund)
- Table 24 includes the five supplemental requests for FY 2022-23 that accompanied the Governor's FY 2023-24 proposal
- Tables 25 and 26 provide fee proposals
- Table 27 lists projects recommended in the Michigan Natural Resources Trust Fund supplemental request 2023-4
- Table 28 provides historical State spending in select budget areas

PROPOSED ADJUSTMENTS TO GF/GP REVENUE

The FY 2023-24 budget recommendation from the Governor is based on the estimates agreed to on January 13, 2023 at the Consensus Revenue Estimating Conference (CREC). The Governor's budget proposes numerous ongoing and one-time adjustments to GF/GP revenue. Similar to the previous year, the recommendation again includes two proposed tax changes: increasing the Earned Income Tax Credit (EITC), renamed the Working Families Tax Credit, and phasing in reductions to the taxation of retirement income. It should be noted that House Bill 4001 (moving through the Legislature) contains these proposals, as well as an $800.0 million one-time deposit into a fund to provide 'inflation relief' checks. (The 'inflation relief checks' portion of HB 4001 is not reflected in the Executive Budget recommendation.) In addition, a Child Care Educators Tax Credit is proposed.

Other proposed ongoing revenue impacts (compared to the January CREC) include earmarks out of Corporate Income Tax revenue (which is deposited into the GF/GP) to the Strategic Outreach and Reserve (SOAR) Fund, to the Housing and Community Development Fund, to the Revitalization and Placemaking Fund (RAP), and a proposed ongoing increase of 7.0% in statutory revenue sharing. Proposed adjustments to one-time revenue include an Onshoring Clean Energy Supply Chain Tax Credit, an electric vehicle sales tax credit, and additional one-time increases for statutory revenue sharing. The estimated impacts to FY 2021-22, FY 2022-23, and FY 2023-24 revenue are detailed in Table A.

SUMMARY CONTINUED

Table A

Proposed Ongoing and One-Time Adjustments to GF/GP Revenue (dollars in millions)			
	FY 2021-22	**FY 2022-23**	**FY 2023-24**
Ongoing			
EITC*	$0.0	($441.6)	($441.6)
Pension Tax	0.0	(89.0)	(175.0)
SOAR	(800.0)	(460.0)	(465.0)
Housing	0.0	(50.0)	(50.0)
RAP	0.0	(50.0)	(50.0)
Child Care Educ	0.0	0.0	(24.0)
Revenue Sharing	0.0	0.0	(36.7)
One-Time			
Onshoring Supply	0.0	0.0	(200.0)
EV Tax Credit	0.0	(4.9)	(48.4)
Revenue Sharing	0.0	0.0	(56.4)
Totals: Ongoing	**($800.0)**	**($1,090.6)**	**($1,242.3)**
Totals: One-Time	**$0.0**	**($4.9)**	**($304.8)**

*Estimates shown are SFA estimates of the cost; Treasury's estimates are $384.0 million annually

PROPOSED SUPPLEMENTALS FOR FY 2022-23

The Executive budget recommendation includes five supplemental requests for FY 2022-23. The five supplementals are summarized in Table B and discussed in more detail later in this report.

Table B

FY 2022-23 Supplemental Recommendations by Fund Source					
Budget Area/Program	**Gross**	**Federal**	**Local and Private**	**State Restricted**	**GF/GP**
Supplemental 2023-2 (GEN.)	$3,297,492,100	$2,646,873,900	($16,432,400)	$347,963,800	$319,086,800
Supplemental 2023-3 (EDUC.)	1,245,843,000	142,800,000	0	922,914,200	180,128,800
Supplemental 2023-4 (DNR)	23,306,200	0	0	23,306,200	0
Supplemental 2023-5 (SFRF)	752,000,000	752,000,000	0	0	0
Supplemental 2023-6 (FEDL)	446,156,000	446,156,000	0	0	0
Total FY 2022-23 Supplemental Requests	**$5,764,797,300**	**$3,297,492,100**	**($16,432,400)**	**$1,294,184,200**	**$499,215,600**

SUMMARY

PROPOSED BUDGET FOR FY 2023-24

The Governor recommends FY 2023-24 Gross appropriations of $80.6 billion and Adjusted Gross appropriations of $79.4 billion. Table C illustrates the fund sources in the Governor's recommendation. Figures A and B illustrate the total funding by source and major spending category. Compared with FY 2022-23 year-to-date appropriations (not including proposed supplementals), the Governor's FY 2023-24 budget includes a Gross appropriation increase of $1.6 billion, or 2.0%, an increase in State Spending from State Resources appropriations of $307.4 million, or 0.7%, and a decrease in GF/GP appropriations of $2.2 billion, or 12.9%.

Table C

FY 2022-23 Year-to-Date (YTD) and FY 2023-24 Governor's Recommendation (dollars in billions)				
	FY 2022-23 YTD*	**FY 2023-24 Governor**	**Dollar Change**	**Percent Change**
Gross	$79.0	$80.6	$1.6	2.0%
IDGs	1.2	1.3	0.1	8.3
Adjusted Gross	77.8	79.4	1.6	2.1
Federal	31.4	32.7	1.3	4.1
Local/Private	0.5	0.5	0.0	0.0
State Restricted	28.9	31.4	2.5	8.7
GF/GP	17.0	14.8	(2.2)	(12.9)

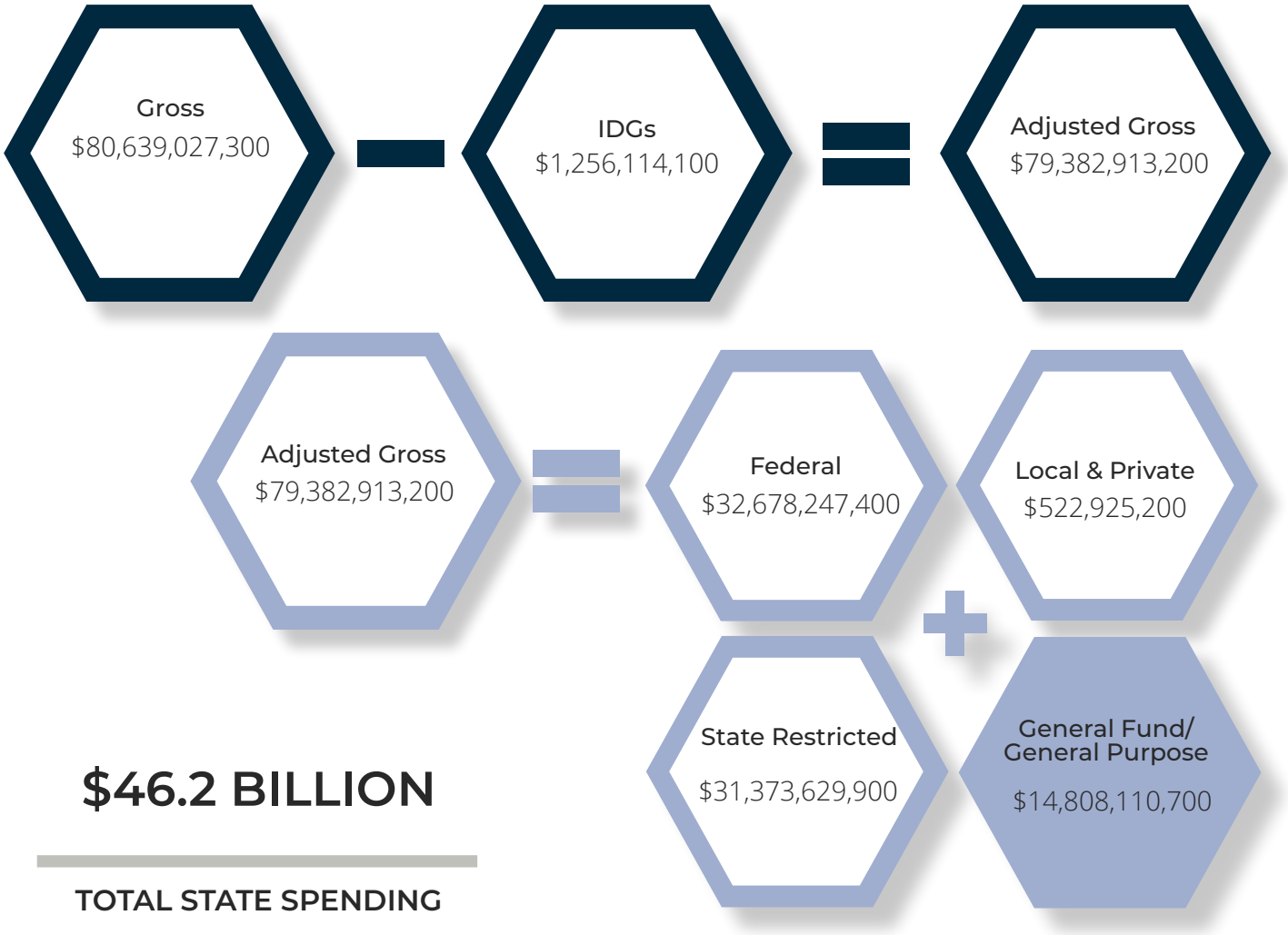
*As of 2/7/23; does not reflect Governor's proposed supplementals

The Governor's budget proposal includes $3.8 billion in one-time funds and $76.8 billion in ongoing spending. Large departmental initiatives (i.e., not School Aid) include $1.1 billion for caseload adjustments in the Food Assistance Program, $583.1 million in costs for reversing savings assumed from Medicaid redetermination, $500.0 million for a deposit of earmarked revenue into the Strategic Outreach and Attraction Reserve (SOAR) Fund, $280.5 million for water revolving fund authorization, $210.1 million for wage increases for health care workers, $200.0 million for bridge bundling, $200.0 million for lead service line replacement, $200.0 million for regional economic empowerment programming, $160.0 million for intermodal capital investment grants, and $150.0 million for insulin cost and manufacturing attraction, among other new programs and program increases.

The Governor's proposal for the School Aid Fund (SAF) recommends additional SAF in FY 2023-24 for a $458 per-pupil increase in the foundation allowance ($614.0 million SAF), $577.6 million for costs and proposals related to the Michigan Public School Employees' Retirement System (MPSERS), $300.0 million each for school safety and mental health per-pupil grants, $300.0 million for professional development and curriculum supports, $245.0 million for consolidation incentive payments, $160.0 million for expanding school breakfast and lunch, $168.8 million for additional special education costs, and numerous other program increases.

FY 2023-24 GOVERNOR'S RECOMMENDATION

BY SOURCE OF FUNDS



$46.2 BILLION

TOTAL STATE SPENDING

FY 2023-24 GOVERNOR'S RECOMMENDATION

BY SOURCE OF FUNDS

FIGURE A

ADJUSTED GROSS APPROPRIATIONS BY SOURCE OF FUNDS

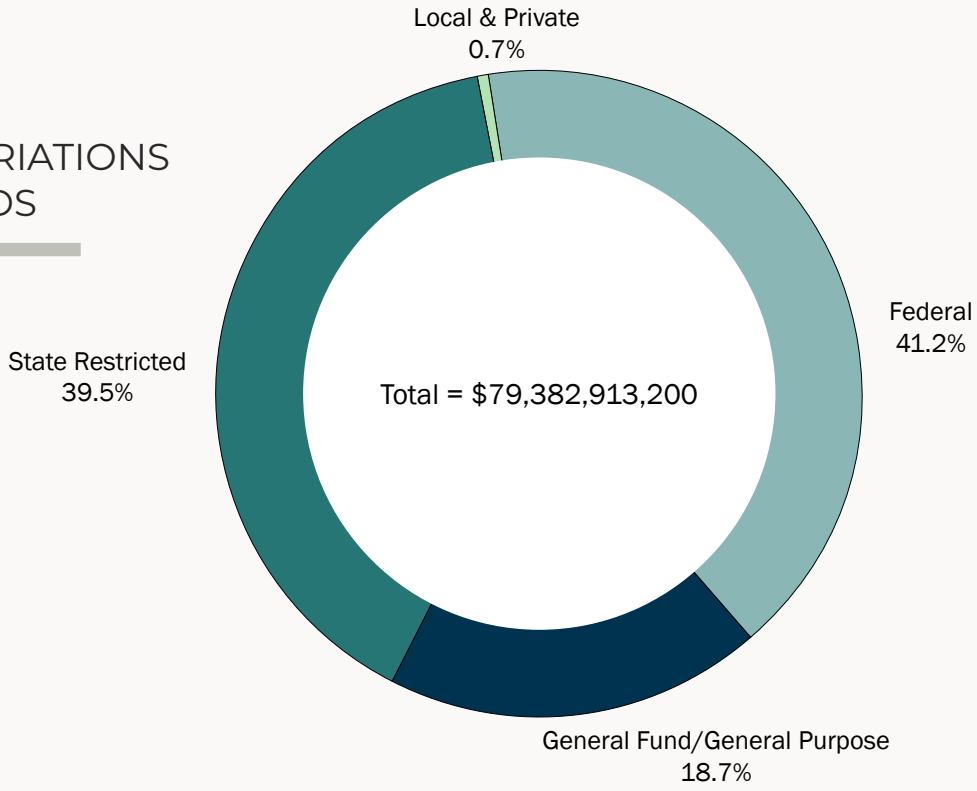
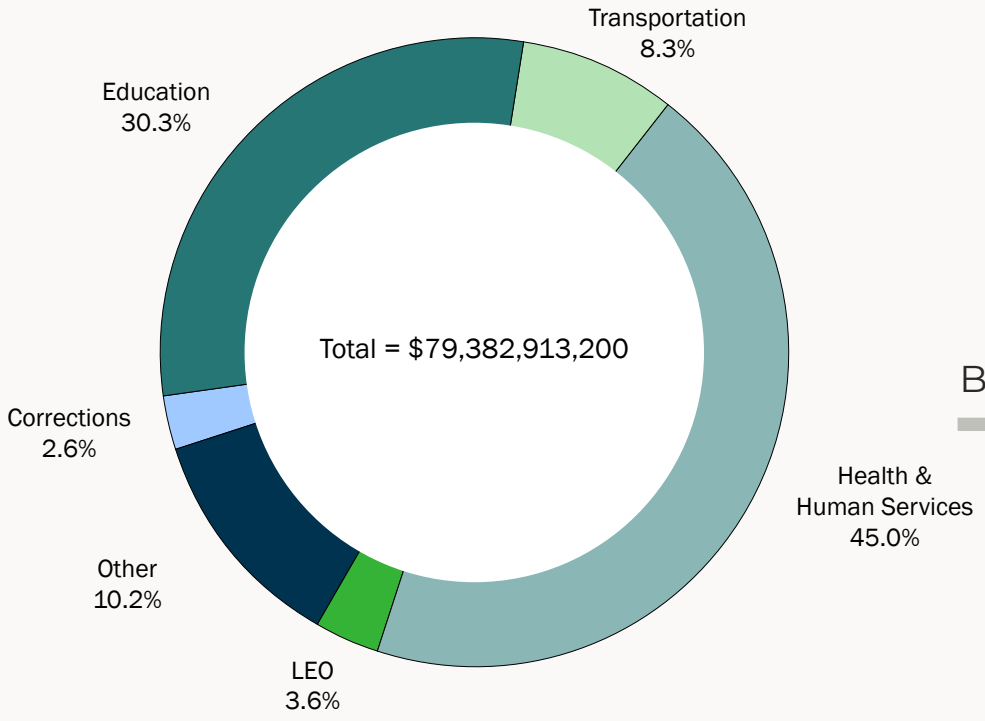


FIGURE B

ADJUSTED GROSS APPROPRIATIONS BY MAJOR CATEGORY



FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION DIFFERENCES

Table 2

$1,577,394,500

OR

2.0%

Adjusted Gross Appropriations

Table 3

$307,354,000

OR

0.7%

State Spending from State Resources Appropriations

Table 7

$1,014,920,000

OR

4.3%

State Payments to Local Units of Government

General Fund/ General Purpose

($2,149,451,500)

OR

-12.7%

Table 4

551.3 Positions

OR

1.0%

Table 5

Full-Time Classified Positions

Department detail can be found in the Tables noted above, located in the Appendix.

FY 2023-24 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE

$3,781,774,100

$70,563,400

$1,802,180,600

$1,904,102,100

The FY 2023-24 recommendation includes appropriations that the Governor has designated as either "ongoing" or "one-time". The proposed FY 2023-24 one-time appropriations sum to an Adjusted Gross total for all budget areas of $3.8 billion. The Governor's budget includes a recommended deposit for the Budget Stabilization Fund (BSF) for FY 2022-23 of $200.0 million but does not propose a deposit for FY 2023-24. Table 6 provides a summary of one-time appropriations by Department, and Table 6a details one-time appropriations recommended for each department.

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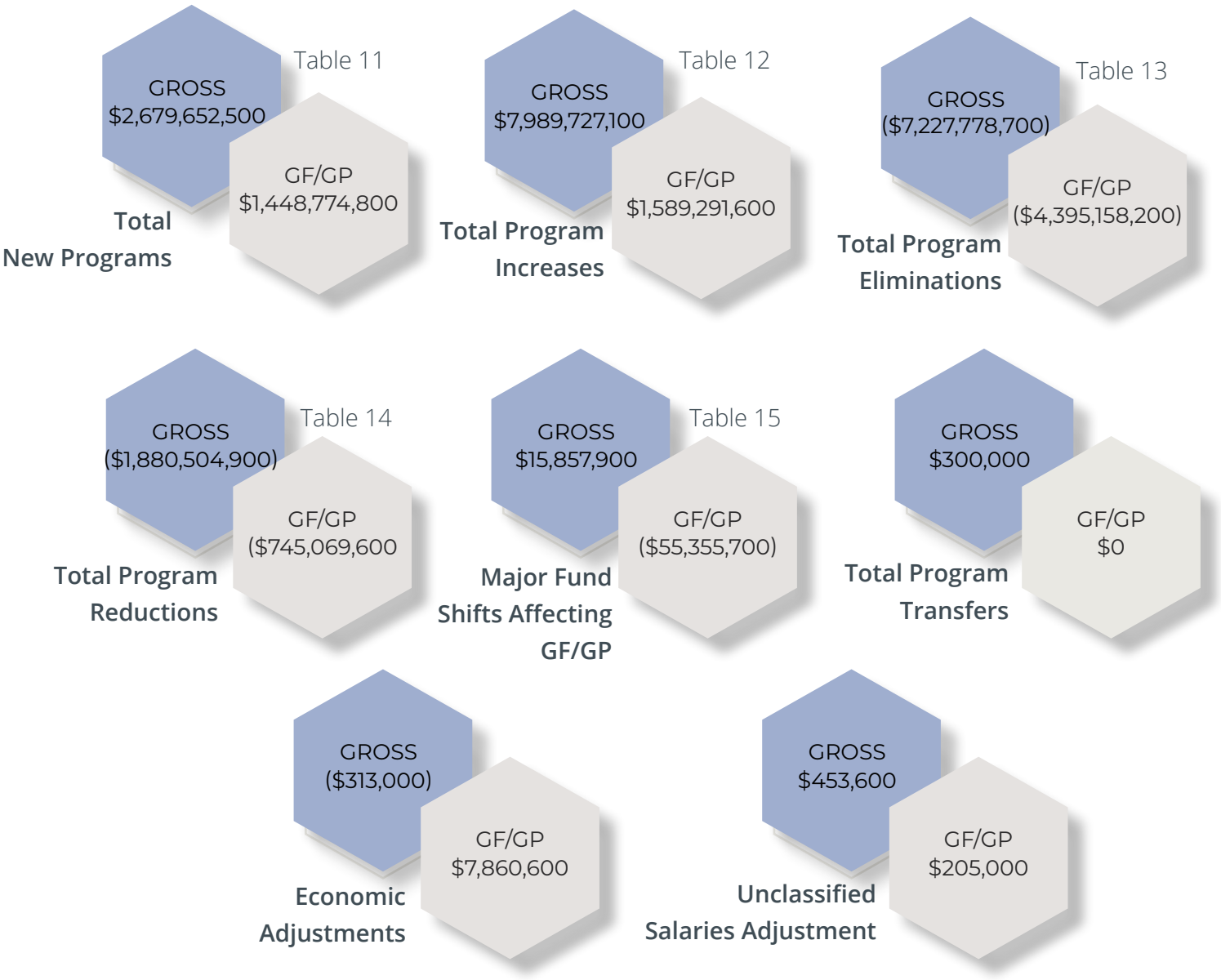
FY 2023-24 GROSS AND GF/GP BUDGET CHANGES

GOVERNOR'S APPROPRIATIONS RECOMMENDATION

Summary of Changes From FY 2022-23 Year-To-Date Gross and General Fund/General Purpose Appropriations

The total dollar changes from FY 2022-23 to FY 2023-24 are an increase of $1.6 billion Gross and a decrease of $2.1 billion GF/GP. Table 10 shows that the $2.1 billion GF/GP decrease consists of $1.4 billion of GF/GP funding for new programs, $1.6 billion of GF/GP funding increases, a $4.4 billion reduction from GF/GP program eliminations, $745.1 million of GF/GP program reductions, a $55.4 million GF/GP decrease due to fund shifts, and an increase of $8.1 million due to economic and unclassified salaries' adjustments. Tables 11-15 provide the details for the majority of these changes.



Department detail can be found in the Tables noted above, located in the Appendix.

MAJOR BUDGET AREAS APPROPRIATION SUMMARIES

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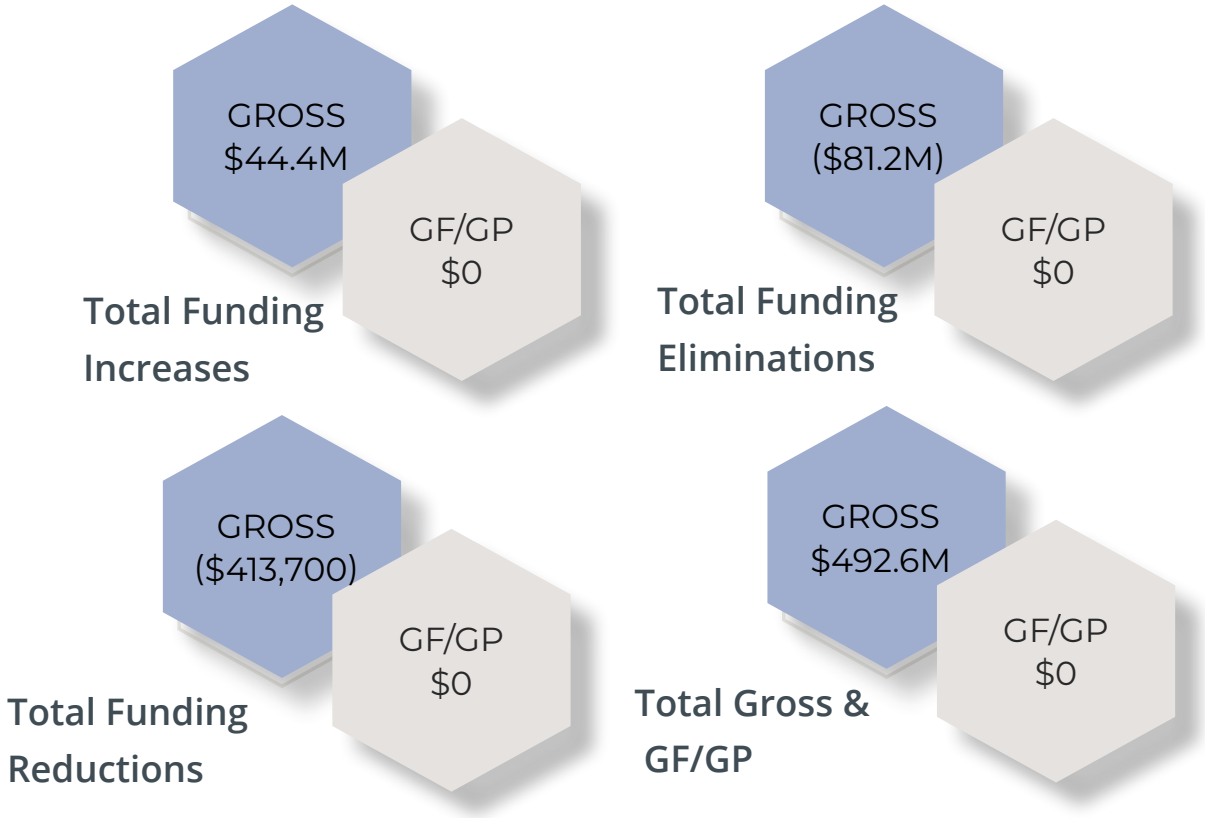
CAPITAL OUTLAY, HIGHER EDUCATION AND COMMUNITY COLLEGES

CAPITAL OUTLAY

Governor Whitmer's budget for FY 2023-24 does not recommend any capital outlay projects for funding. However, the State Budget Office received, reviewed, and scored a total of 36 priority project requests: 15 from universities, and 21 from community colleges. One project request was not scored as it was determined to be non-bondable through the State Building Authority as submitted. If all 36 scored projects were funded, they would have a total cost of $1.3 billion with the State's share at $747.9 million, funded through bonds issued by the State Building Authority.

COMMUNITY COLLEGES

Governor Whitmer's proposed FY 2023-24 budget for Community Colleges reduces gross funding by $37.2 million, primarily due to the elimination of four one-time programs totaling $81.2 million that were funded from Federal SFRF dollars. Much of this reduction was offset by a 4% increase for college operations as well as a total increase of $30.9 million for Michigan Public School Employee Retirement System (MPSERS) contributions based on actuarial need.



CAPITAL OUTLAY, HIGHER EDUCATION, & COMMUNITY COLLEGES CONTINUED

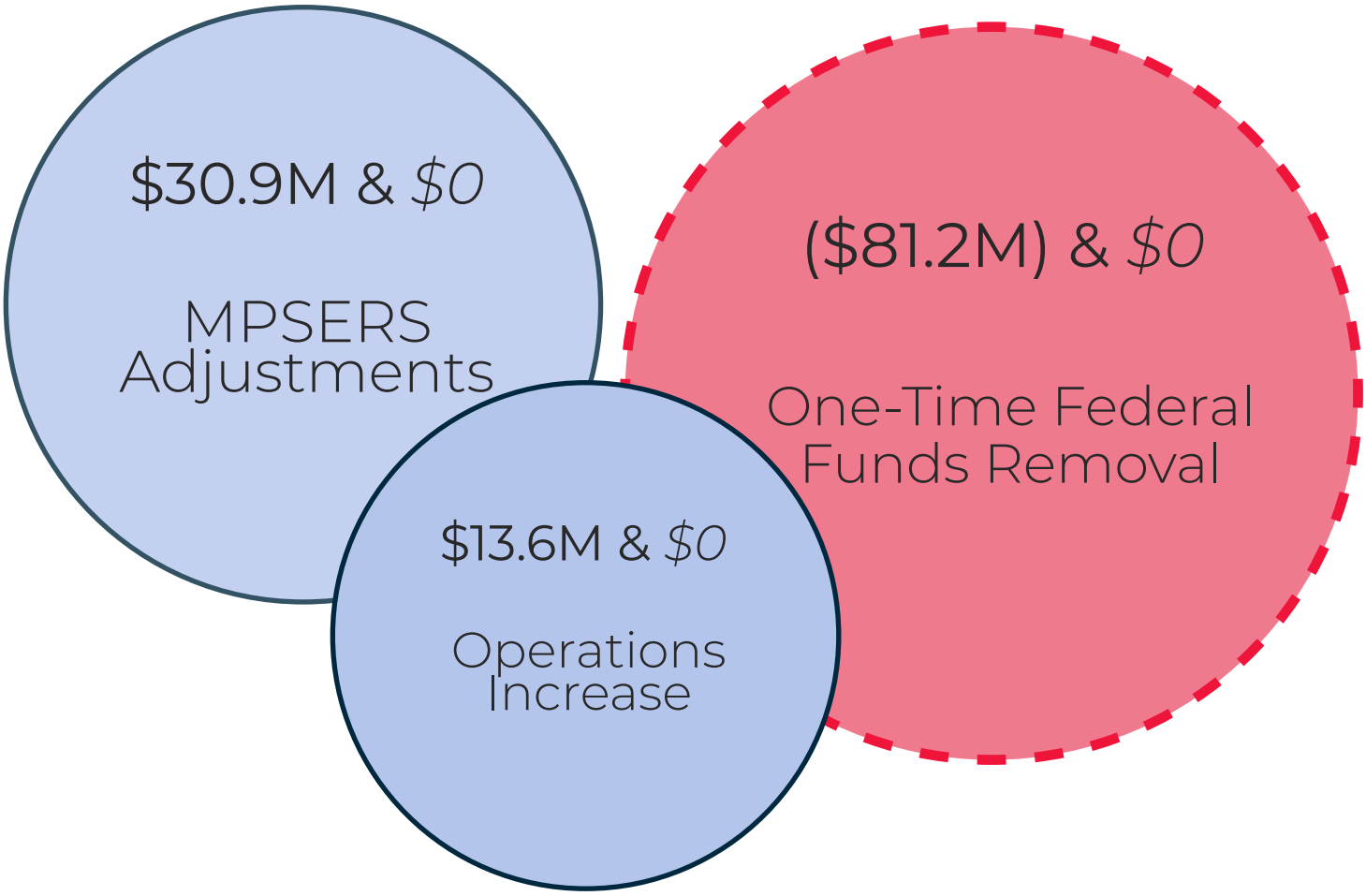
01 The Governor's budget includes a 4.0% ongoing increase for college operations using the existing performance funding formula at a total cost of $13.6 million SAF.

02 The budget includes MPSERS adjustments totaling a $30.9 million increase. The changes bring total MPSERS appropriations in the Community Colleges budget to $136.0 million.

03 North American Indian Tuition Waiver (ITW) reimbursements were reduced by $413,700 to reflect the most recent waiver cost data.

04 The Governor recommends tuition restraint of 4.5% or $205. For FY 2022-23 the maximum increase is the greater of 5.0% or $226.

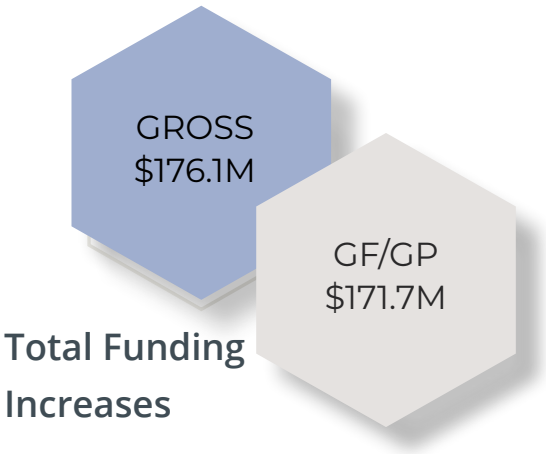
The Governor's budget also includes two FY 2022-23 supplemental requests: $58.7 million SAF for information technology, equipment, and maintenance grants, and $16.1 million SAF for student wellness grants. Funding for both grant programs would be distributed to colleges based on full-year equated student counts.

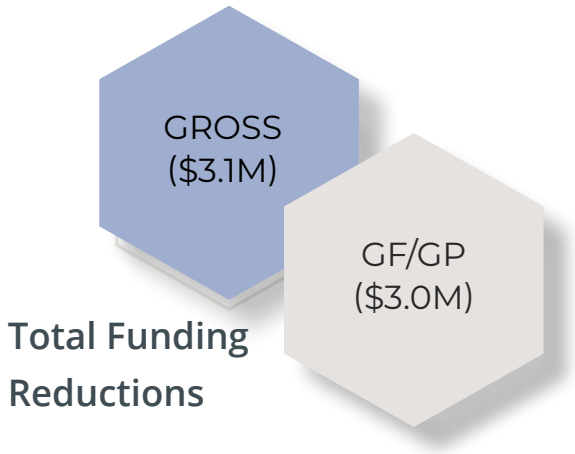


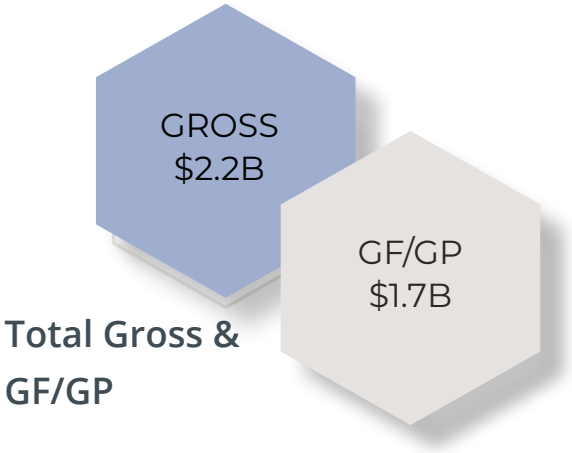
CAPITAL OUTLAY, HIGHER EDUCATION AND COMMUNITY COLLEGES

HIGHER EDUCATION

Governor Whitmer's proposed FY 2023-24 budget for Higher Education increases gross appropriations by $173.0 million, $168.7 million GF/GP and $4.4 million School Aid Fund (SAF). Most of this increase is attributable to a $100.0 million increase in the annual GF/GP appropriation to the Postsecondary Scholarship Fund, and $71.3 million for increases to university operations.







CAPITAL OUTLAY, HIGHER EDUCATION, & COMMUNITY COLLEGES CONTINUED

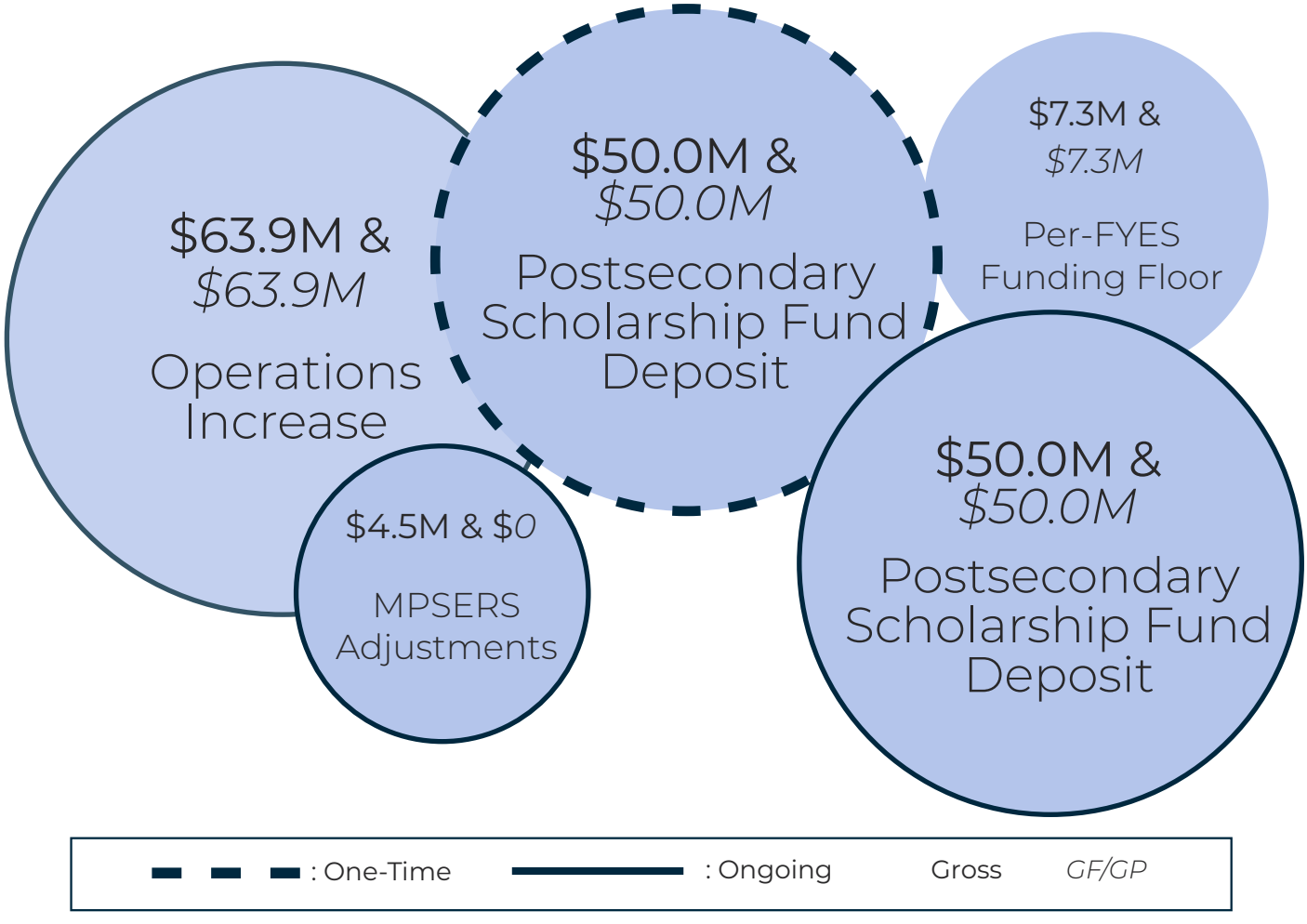
01 The Governor's budget includes a $100.0 million increase in the GF/GP deposit to the Postsecondary Scholarship Fund (PSF), which provides the revenue source for the Michigan Achievement Scholarship. Half of this increase is characterized as ongoing, and half as one-time. The proposal would bring the total FY 2023-24 PSF deposit to $350.0 million.

02 University operations would receive a 4.0% across-the-board increase totaling $64.0 million GF/GP. In addition, three universities with State operations amounts of less than $4,500 per full-year equated student (FYES) would receive a total of $7.3 million as the second year of an intended 3-year effort to bring those institutions up to at least $4,500 per FYES.

03 The proposed budget includes an additional $4.5 million SAF for MPSERS normal costs, bringing the total for that item to $9.1 million.

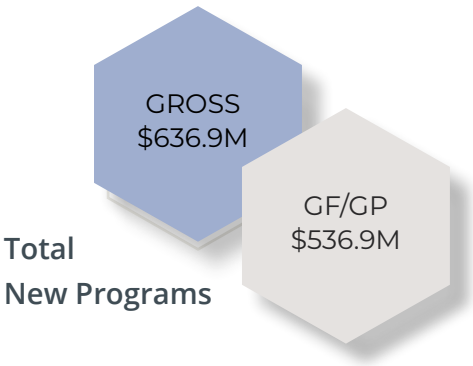
04 The Governor recommends a $3.0 million GF/GP reduction to the Michigan Competitive Scholarship (MCS), reflecting a provision in the Michigan Achievement Scholarship (MAS) program that prohibits a student from receiving an award from both the MCS and the MAS.

In total, the Governor's budget increases gross appropriations for Higher Education by $173.0 million, or 8.6%. General Fund appropriations would increase by $168.7 million, or 11.0%, and SAF appropriations would increase by $4.4 million, or 1.3%. The proposal also includes two FY 2022-23 supplemental requests: $141.3 million GF/GP for information technology, equipment, and maintenance grants, and $38.9 million GF/GP for student wellness grants. Funding for both grant programs would be distributed to colleges based on FYES counts.

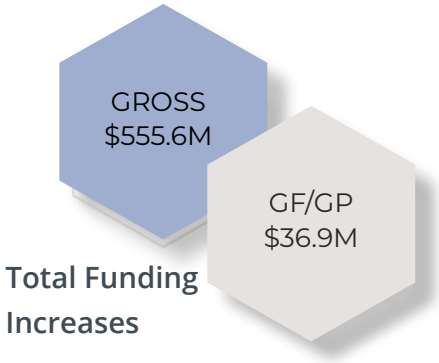


DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

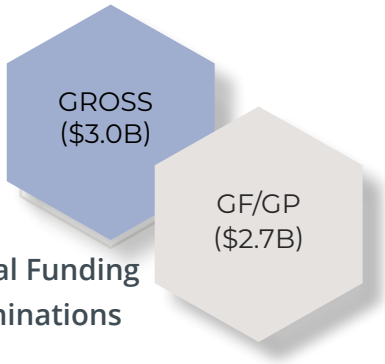
The Governor's recommended budget for the Department of Labor and Economic Opportunity totals $2.9 billion, of which $832.4 million is GF/GP. Ongoing appropriations are recommended at $2.3 billion, of which $278.3 million is GF/GP. Twelve one-time recommendations total $554.1 million, all which is GF/GP.



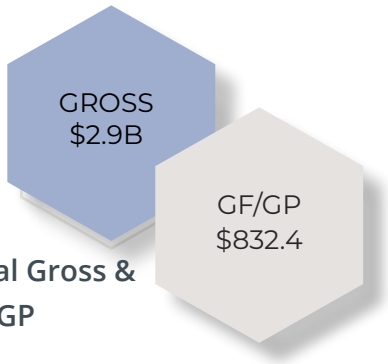
Total New Programs



Total Funding Increases



Total Funding Eliminations



Total Gross & GF/GP

LABOR AND ECONOMIC OPPORTUNITY CONTINUED

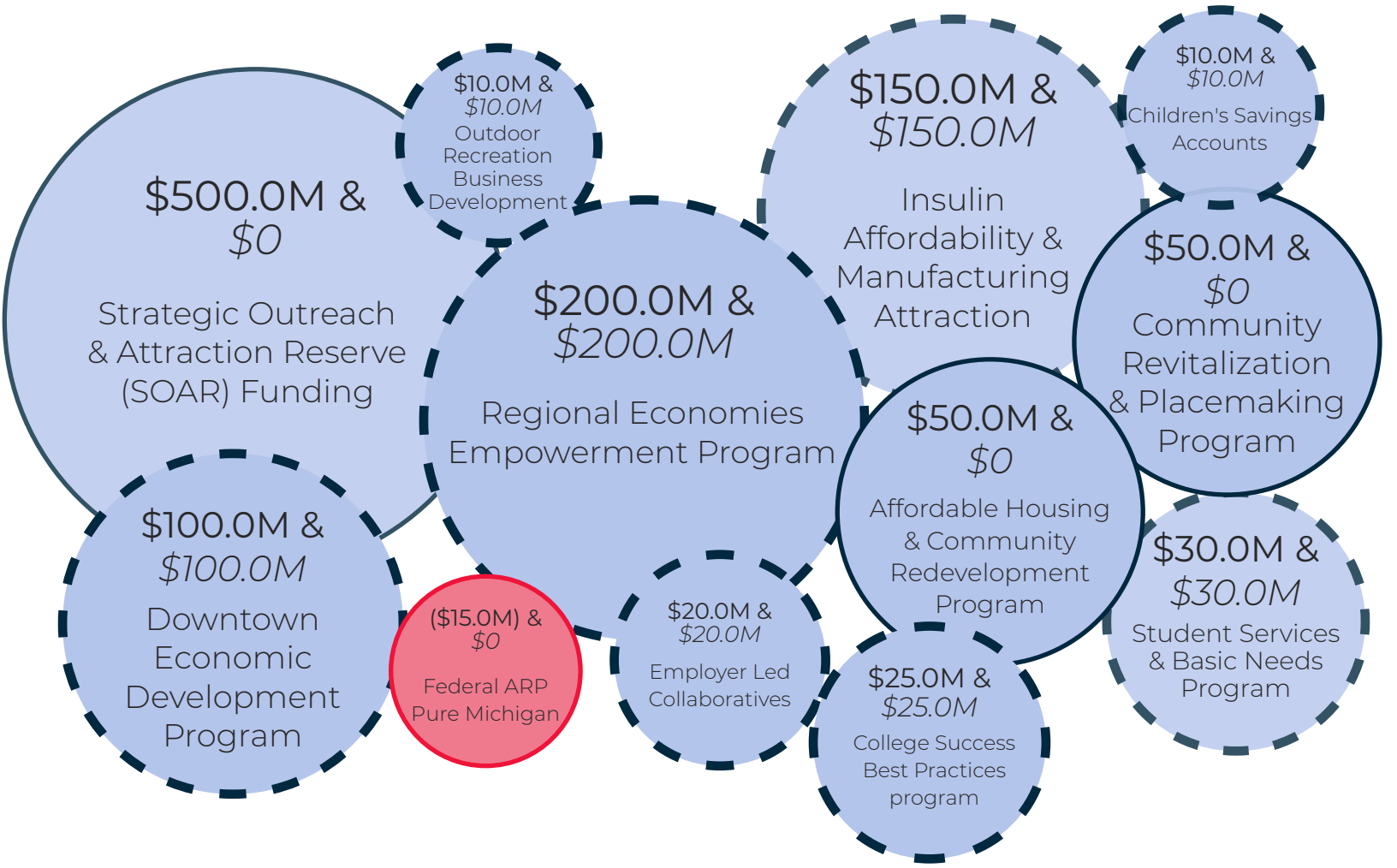
01 The Governor's recommendation includes a baseline increase of $500.0 million for the Strategic Outreach and Attraction Reserve (SOAR) Fund. Technical placeholders of $100 also are included to activate the Critical Industry Program and Michigan Strategic Site Readiness Program lines so they may be used for transfers.

02 The Governor's recommendation includes $200.0 million GF/GP for a one-time Regional Empowerment Grant Program intended to support regional economies statewide in growth, development, diversification, and resiliency. Local units of government will have to match State grants at 20%.

03 The Governor's recommendation includes $150.0 million GF/GP for a one-time program to attract and establish insulin manufacturing in Michigan to create jobs and reduce insulin costs for Michigan residents.

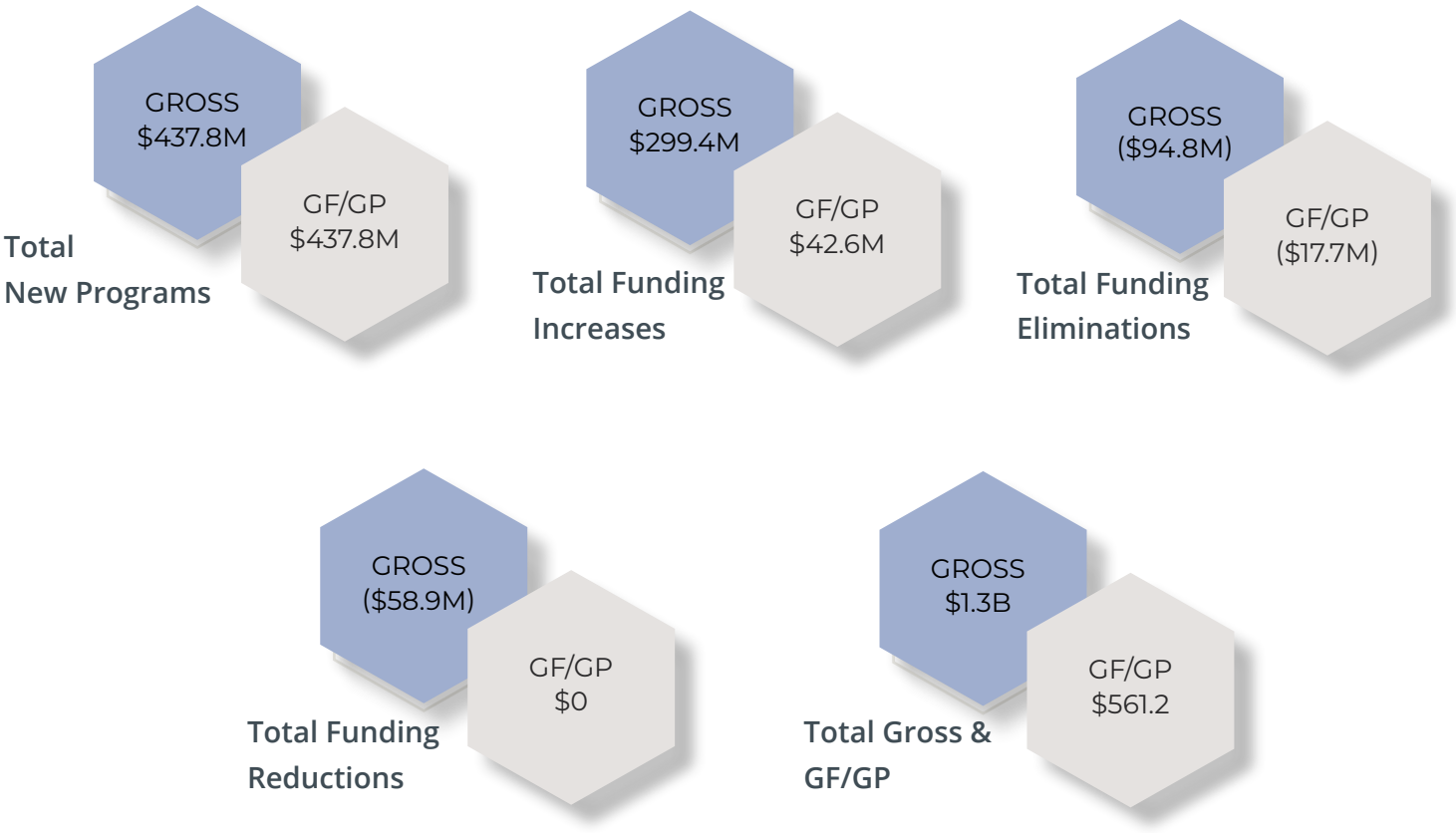
04 The Governor's recommendation includes $100.0 million GF/GP for a one-time program for Community Downtown Development. Grants for downtown infrastructure and community development will be awarded on a competitive basis. Local matching requirements will be at 20% or 10%, depending on the size of the local unit.

Governor Whitmer's proposed FY 2023-24 budget for Labor and Economic Opportunity decreases gross and GF/GP funding from the current year by $1.8 billion and $2.1 billion, respectively. The proposal includes $554.1 million GF/GP in one-time spending for twelve separate line items. Current year supplemental spending proposals include 24 separate line items totaling $1.2 billion gross and $11.5 million GF/GP.



DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

The Governor's proposed FY 2023-24 budget for the Department of Environment, Great Lakes, and Energy (EGLE) increases funding by $582.8 million Gross and $462.4 GF/GP when compared to the year-to-date FY 2022-23 EGLE budget. The proposed budget has significant investments recommended in a variety of areas including clean water infrastructure, remediation and contaminated site clean-up, orphan wells, and renewable energy implementation. Numerous items include the implementation of Federal funding made available through the Infrastructure Investment and Jobs Act (IIJA).



ENVIRONMENT, GREAT LAKES, & ENERGY CONTINUED

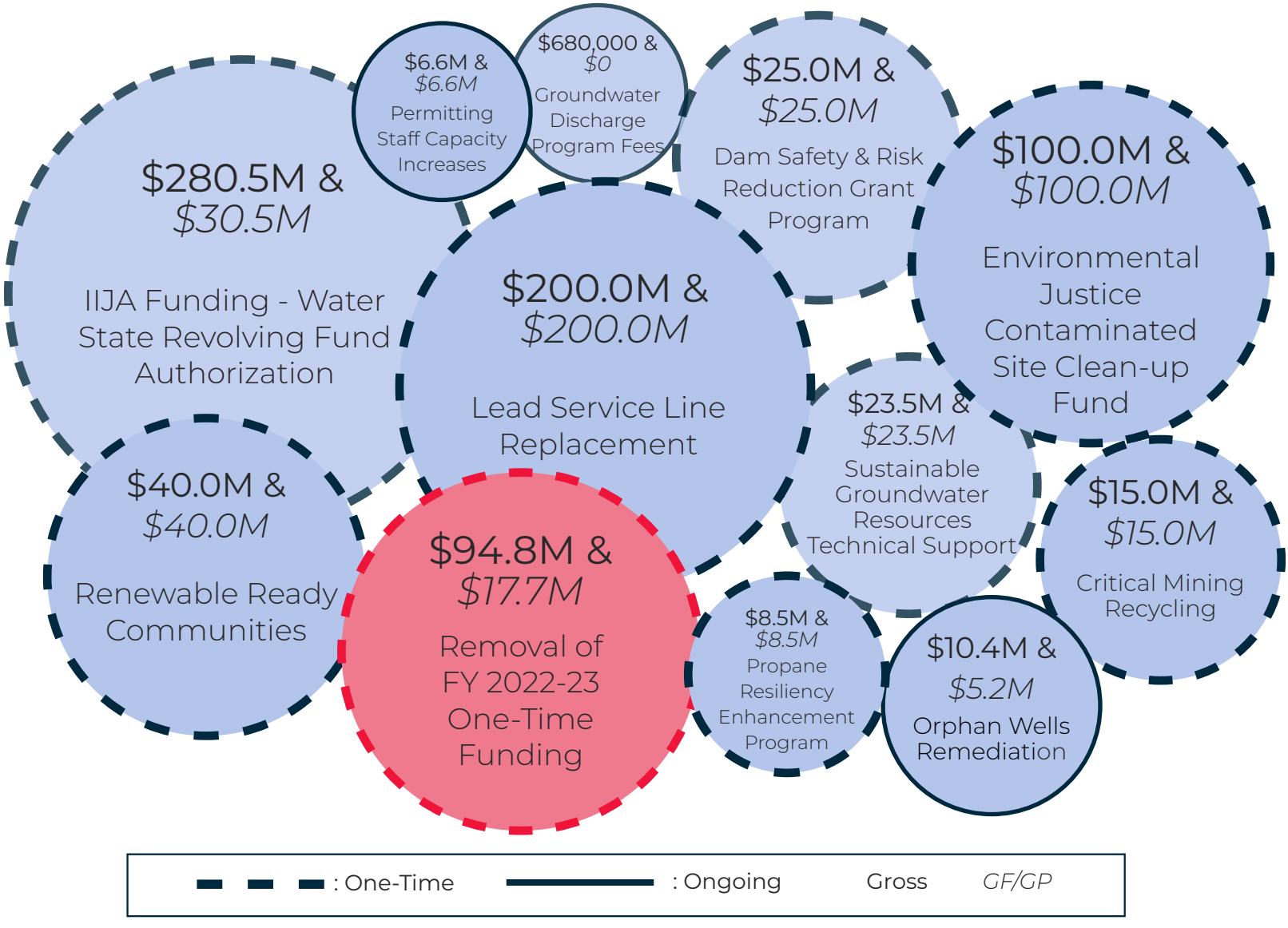
01 The Governor's budget focuses on new one-time investments totaling $412.0 million in Gross and GF/GP. These investment proposals cover several areas including clean water resources infrastructure and local clean-up assistance.

02 Program increases totaling $299.4 million are included. This includes $250.0 million in Federal IIJA funding for the Water State Revolving Fund and an additional $30.5 million GF/GP for matching funds.

03 In addition to Federal fund increases, the Governor's budget includes $6.6 million GF/GP to provide for an increase in permitting staff (44.0 FTEs) to improve the efficiency of the department permitting process. An additional $10.4 million Gross, including $5.2 million GF/GP, is included to match Federal IIJA funding for orphan well remediation.

04 The Governor's recommendation extends the sunset of current groundwater discharge permit fees and adds an application fee to adjust for the current CPI totaling $680,000 in restricted funds.

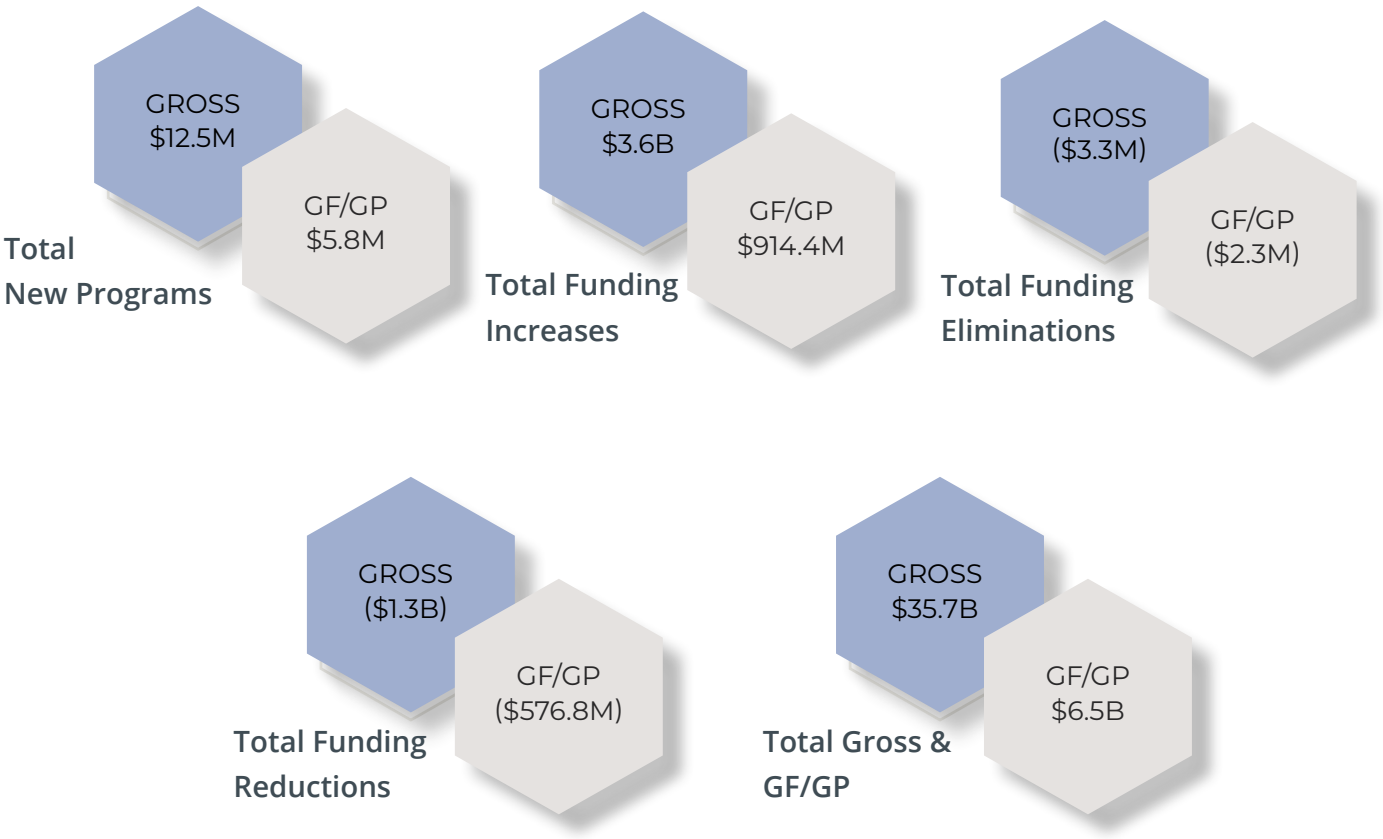
The Governor's budget includes new programs and program increases totaling $737.2 million Gross and $480.4 million GF/GP. Of these new and increased programs, $325.2 million Gross and $68.1 million GF/GP are ongoing requests while the remainder are one-time in nature. The remaining one-time appropriations address significant investments in lead service line replacement, environmental justice initiatives, and other infrastructure projects focused on community assistance and remediation programs.



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Governor Whitmer's proposed FY 2023-2024 budget for the Department of Health and Human Services (DHHS) increases funding by $2.3 billion Gross and $255.3 million GF/GP when compared to the year-to-date FY 2022-23 DHHS budget (which includes supplemental funding from PA 194 of 2022).

The proposed budget prioritizes several key policy areas, including local and community health services, reduction of racial health disparities, healthcare workforce development, maternal health, juvenile justice, and child welfare initiatives. The budget also includes adjustments to caseloads due to the end of the Medicaid continuous coverage requirement and the corresponding phase-out of the temporary 6.2% increase in the Federal share of Medicaid costs.



HEALTH AND HUMAN SERVICES CONTINUED

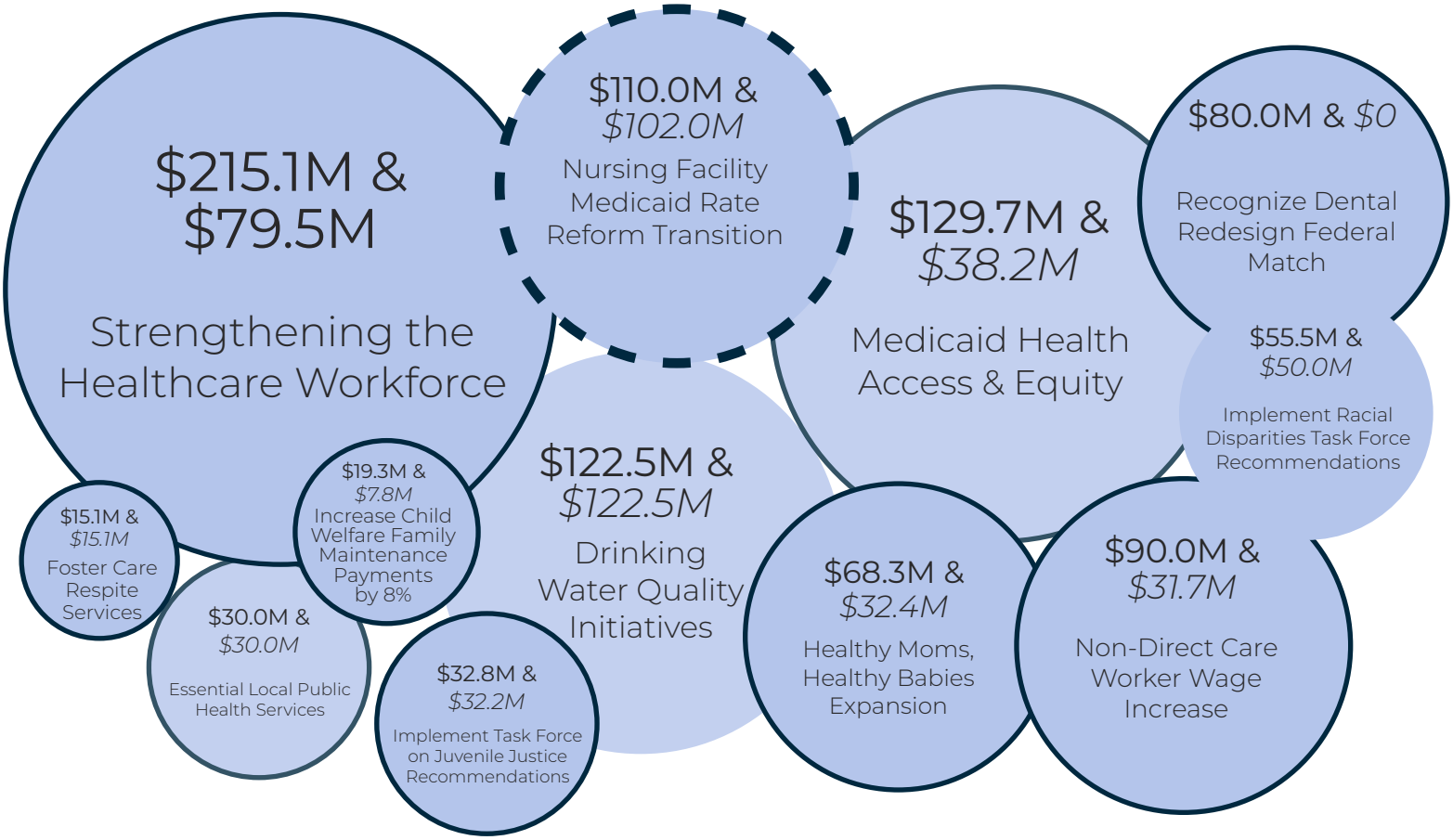
01 The Governor's budget includes funding to expand the Healthy Moms, Healthy Babies Program to increase support for the Perinatal Quality Collaborative, provide grants to CenteringPregnancy sites, strengthen hospital maternal health incentives by using MI-AIM bundles, re-establish the Medicaid Family Planning benefit, and remove the 5-year Medicaid waiting period for lawfully residing children and pregnant women.

02 The recommendation increases funding to improve access and equity within the Medicaid program. The proposal expands coverage for the Children's Special Health Care program from age 21 up to age 26, establishes a Medicaid recuperative care benefit for beneficiaries experiencing homelessness, and increases reimbursement rates for specific Medicaid services.

03 To support the healthcare workforce in Michigan, the budget proposes three initiatives. This includes a 10% increase in direct support for wages paid to the same direct service provider groups that received the $2.35/ hour uplift during COVID; provides a wage subsidy to non-direct care nursing home staff; and allocates funding for recruiting and scholarship programs aimed at students interested in a behavioral health services career.

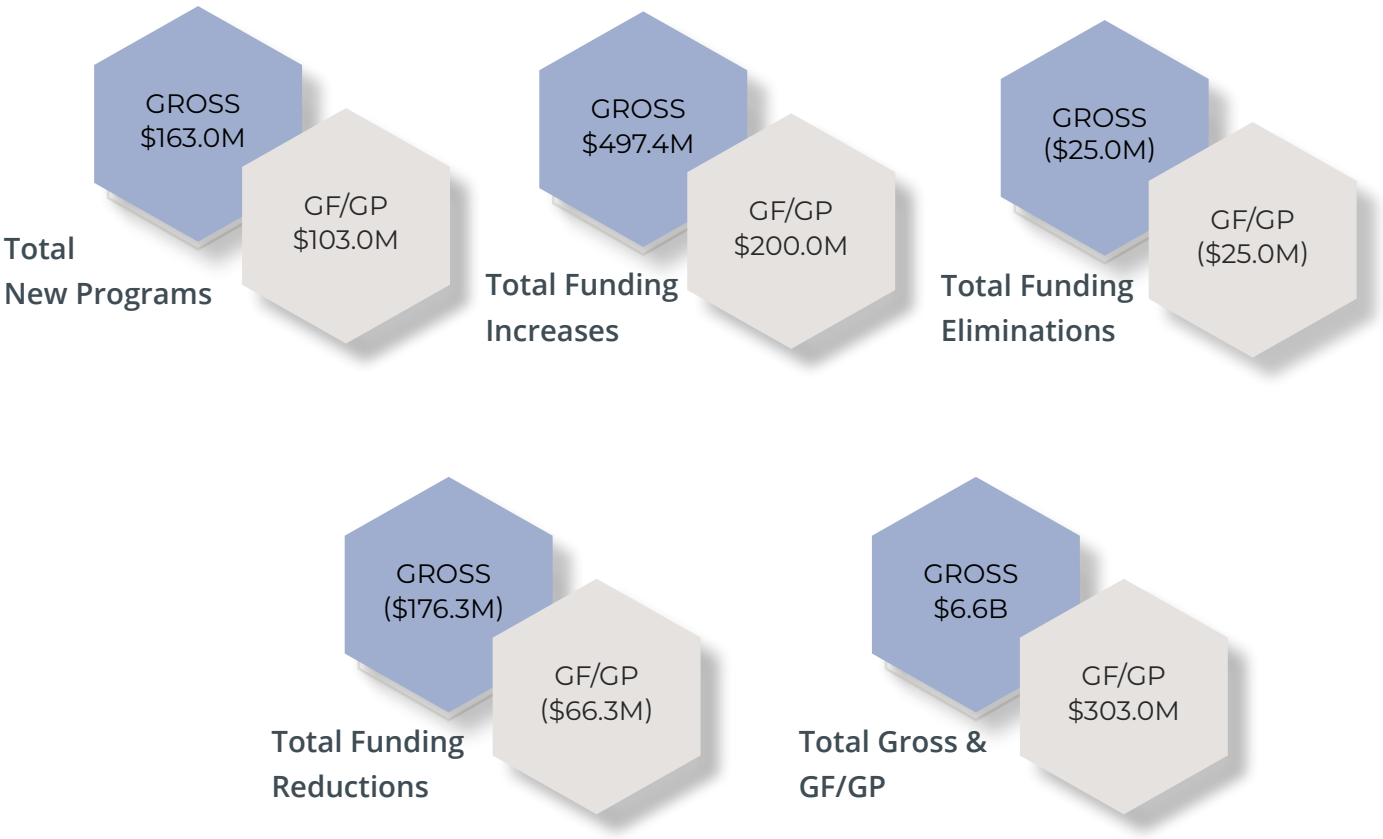
04 The budget provides funding to address the health impacts of lead, including funding for lead investigations and abatements; threat investigations and assessments; community-based testing; water distribution; replacement of filters, faucets, and plumbing (one-time only); and the establishment of a public health data sharing infrastructure (one-time only).

The Governor's budget includes a number of CSB adjustments related to changes in the base Medicaid match rate from 64.71% to 64.94%; Federally required actuarial soundness adjustments; projected base and caseload adjustments in Medicaid, Child Welfare and Public Assistance programs; adjustments to special financing mechanisms and provider taxes in Medicaid; the expiration of the temporary 6.2% enhancement to the base Medicaid match rate; and a reversal of assumed savings from the resumption of Medicaid eligibility redeterminations in the current fiscal year. Combined, these changes increase Gross costs by $1.7 billion and GF/GP costs by $146.2 million. The largest driver of the Gross cost increase is a $1.1 billion increase in projected Food Assistance Program base and caseload related costs, which is completely Federally funded.



DEPARTMENT OF TRANSPORTATION

Governor Whitmer's proposed 2023-24 budget increases gross funding by $453.0 million compared to the FY 2022-23 year-to-date Transportation budget. The proposed budget includes $303.0 million in GF/GP funding, an increase of $211.8 million compared to the FY 2022-23 year-to-date budget. The largest program increase, excluding one-time items, is debt service, which is an increase of $118.4 million.



TRANSPORTATION CONTINUED

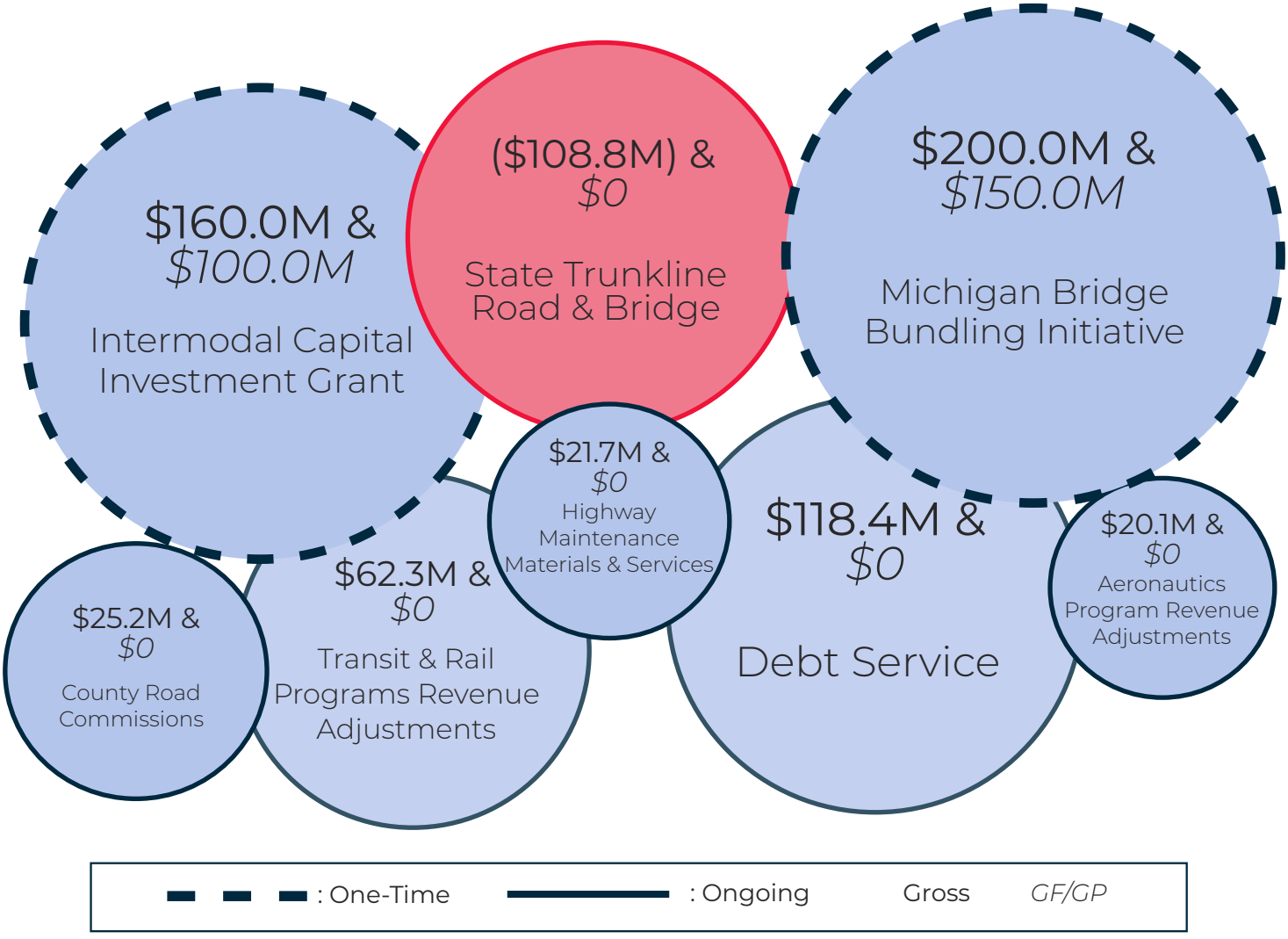
01 The Governor proposes a one-time $200.0 million (all GF/GP) bridge bundling initiative program to repair local bridges as well as serious/critical state-owned bridges.

02 $160.0 million in one-time intermodal capital investment grants would support capital needs for rail, marine, intercity, and local transit infrastructure. Of the $160.0 million, $100.0 million is GF/GP.

03 The proposed budget would increase debt payments by $118.4 million to $343.7 million.

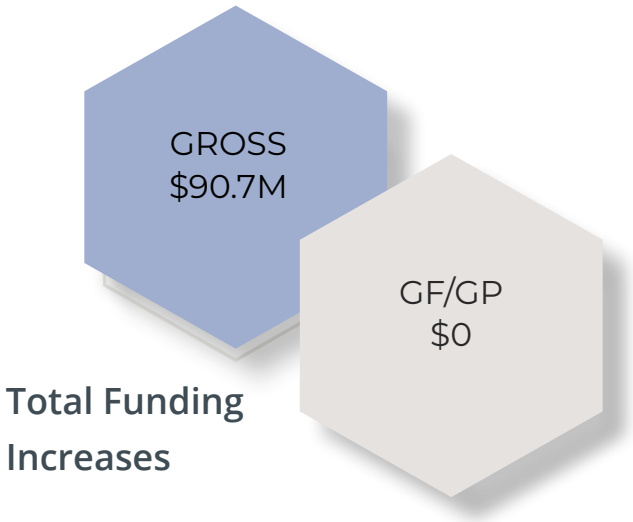
04 The Governor proposes a reduction of spending on State trunkline roads & bridges by $108.9 million.

The Governor's budget includes two new programs in one-time spending, $160.0 million Gross for intermodal capital investment and $3.0 million Gross for MI Contracting Opportunities. Major program increases include a $200.0 million Gross one-time bridge bundling initiative, a $118.4 million Gross debt service increase, and a $62.3 million Gross transit and rail program revenue increases. Program reductions include a decrease of $108.8 million Gross in spending on State trunkline roads & bridges.

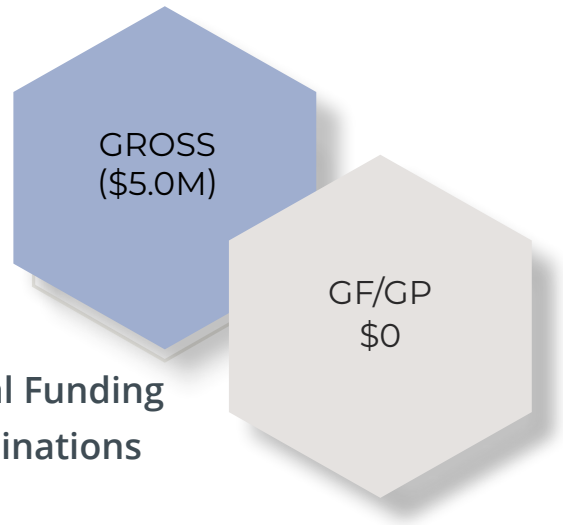


REVENUE SHARING

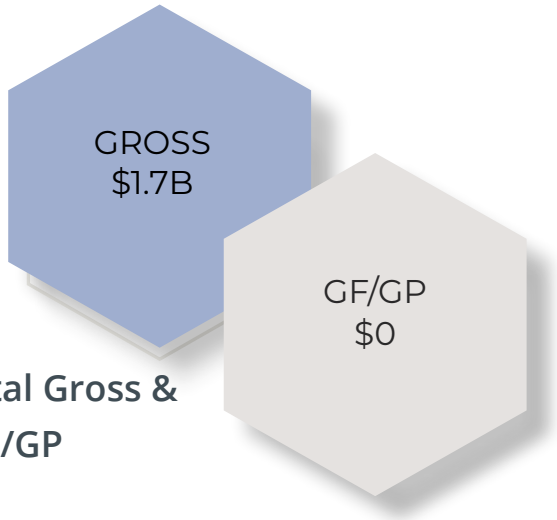
Governor Whitmer's proposed FY 2023-24 budget increased funding by $85.7 million Gross (sales tax revenue) when compared to the year-to-date FY 2022-23 Revenue Sharing budget. The proposed budget includes a 17% increase from ongoing appropriations for both City, Village, and Township Revenue Sharing and County Revenue Sharing.



Total Funding Increases



Total Funding Eliminations



Total Gross & GF/GP

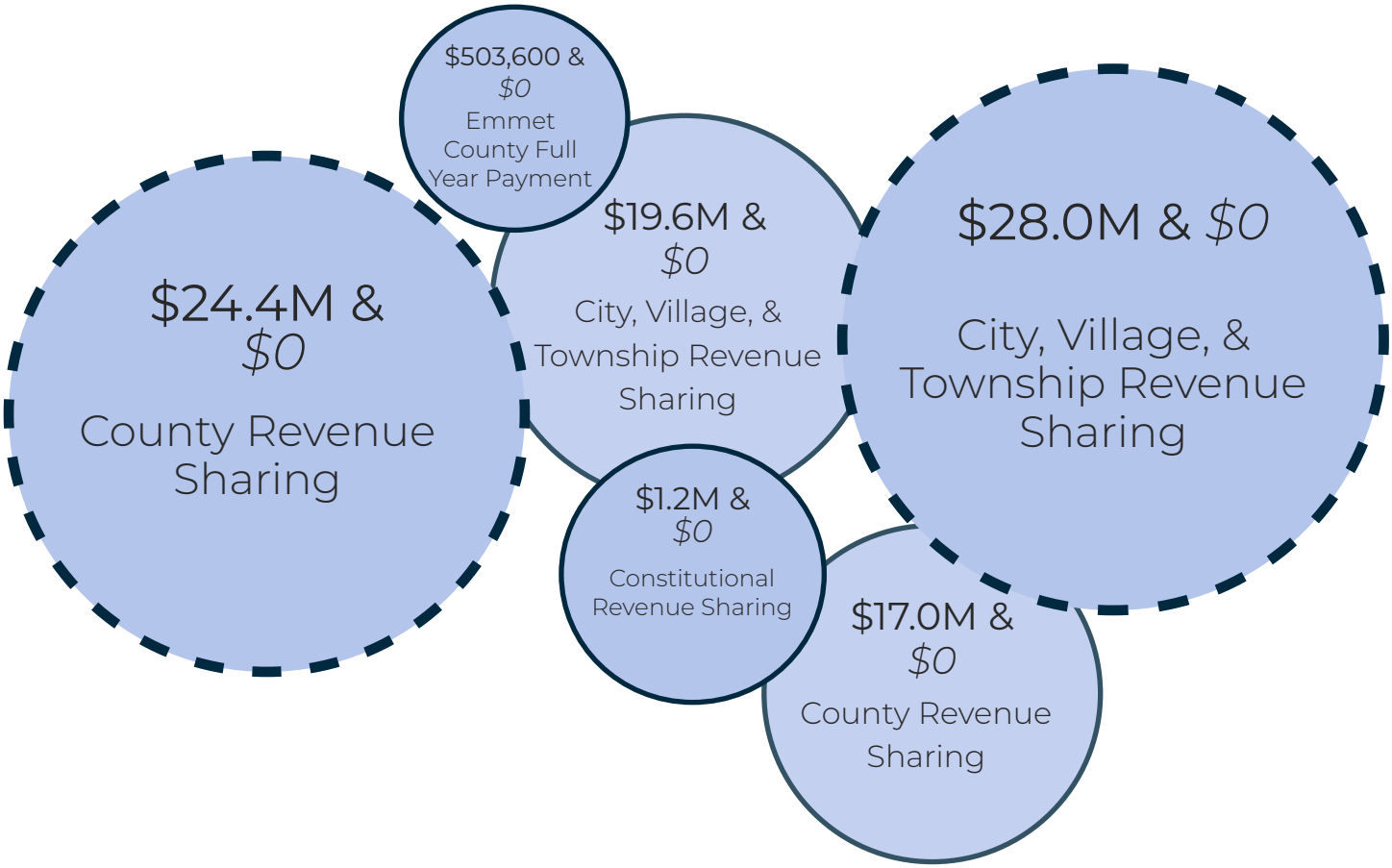
REVENUE SHARING CONTINUED

01 The proposed budget includes a 17% increase from ongoing appropriations for both City, Village, and Township Revenue Sharing and County Revenue Sharing. Of the total, 10% is dedicated for general local operations (half ongoing and half one-time) and 7% is dedicated for local public safety initiatives (2% ongoing and 5% one-time).

02 The proposed budget includes the Constitutional Revenue adjustment to account for the January Consensus Revenue Estimating Conference and an assumed reduction from a proposed Sales and Use Tax exemption on electric vehicles.

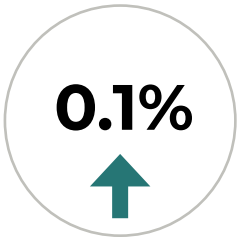
03 The proposed budget includes full-year payments for Emmet County, which is the last county to rejoin State-paid revenue sharing.

04 The proposed budget includes the removal FY 2022-23 One-Time Appropriations for City, Village, and Townships and Counties.



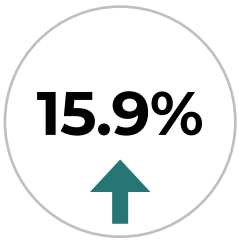
REVENUE SHARING PAYMENTS

The Governor recommends revenue sharing payments of approximately $1.7 billion in FY 2023-24, an increase of 5.3%, or $85.7 million, from FY 2022-23 year-to-date appropriations. This increase is because of an estimated $1.2 million increase in constitutional revenue sharing for cities, villages, and townships (CVTs). The Governor recommends a $44.9 million increase in funding for CVT "statutory" revenue sharing, and a net increase in payments to counties of $39.6 million. The Governor's recommendation is shown in Table 20.



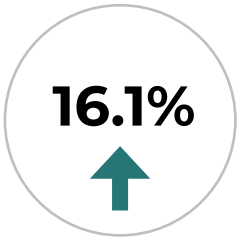
Constitutional Revenue Sharing

The Governor's estimated Constitutional revenue sharing is estimated at $1,098,525,900 in FY 2023-24 based on the January 2023 consensus revenue estimate of $1,100,505,817 and a $2.0 million estimated sales tax reduction due to a proposed Sales and Use tax exemption on electric vehicles. This would provide CVTs with a 0.1% increase in payments from the revised FY 2022-23 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 $109.32 per capita in FY 2023-24.



CVT Revenue Sharing

For CVT revenue sharing ("statutory"), the Governor recommends $327,082,200 in FY 2023-24. All eligible CVTs would receive a 15.9% increase from FY 2022-23 statutory payments. The increased portion of payments is designated as $19.6 ongoing and $28.0 one-time funding. The Governor did include additional boilerplate that requires that $5.6 million of the ongoing and $14.0 million of the One-Time be used only for local public safety initiatives.



County Revenue Sharing

The Governor proposes to increase revenue sharing payments to counties by 16.1% to $285,386,800. County Revenue Sharing would increase by $39,488,700 to $241,806,900 and the County Incentive Program would increase by $91,800 to $43,579,900. This would include adjustments to revenue sharing payments to counties to cover the cost of Emmet County, which will receive its first full-year payments in FY 2023-24, and then a 15.9% increase to all eligible counties from FY 2022-23. Emmet County is the last county to return to State-paid revenue sharing. The increased portion of payments is designated as $17.3 ongoing and $22.0 one-time funding. The Governor did include additional boilerplate that requires that $6.4 million of the ongoing and $11.0 million of the One-Time be used only for local public safety initiatives.

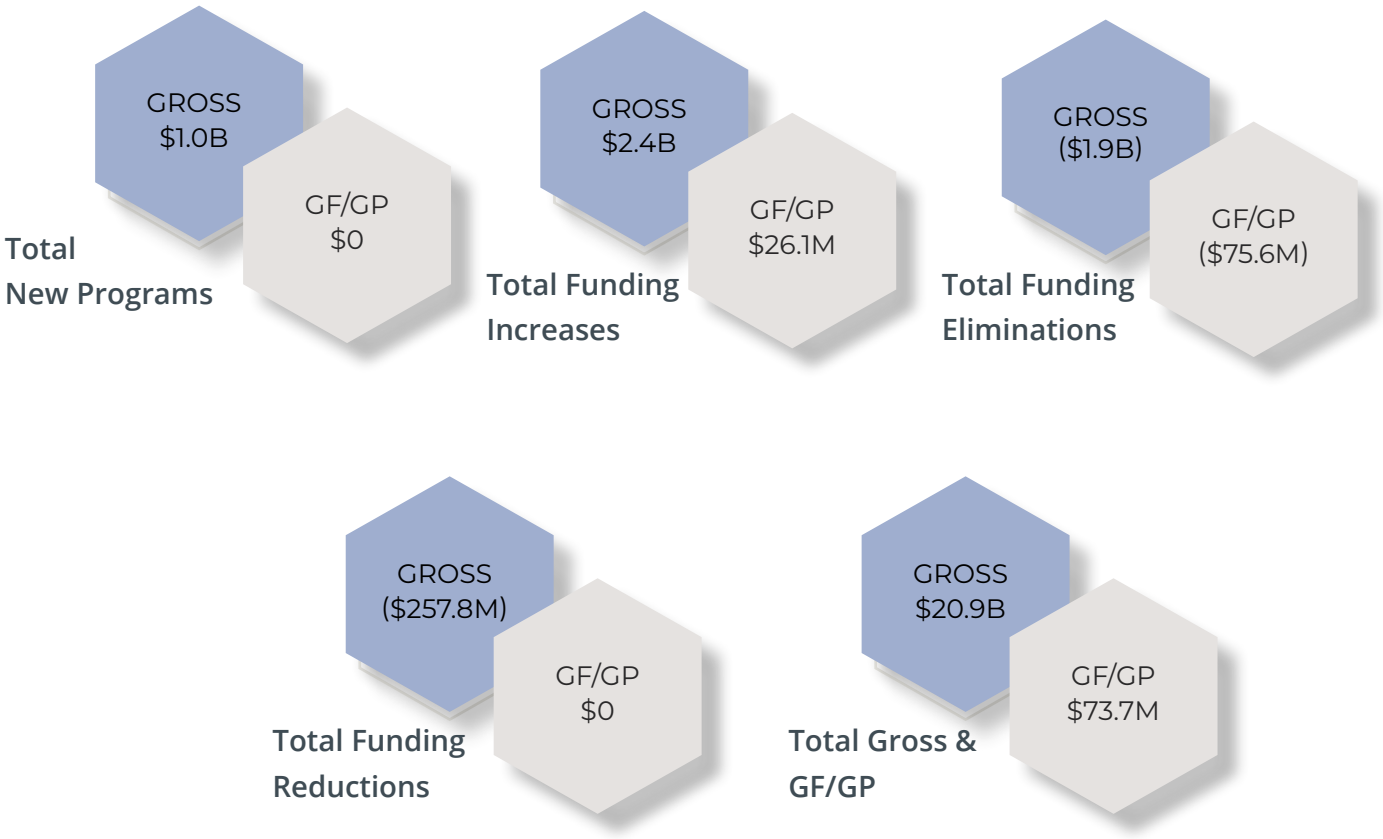
The FY 2022-23 budget had a requirement that any CVT or county with an underfunded retirement benefit system (as defined in MCL 38.2805) dedicate any increased funding from FY 2019-20 to that retirement system. The Governor's recommendation removes that requirement. The Governor maintains the eligibility, payments, and transparency and accountability requirements would remain the same as in the current fiscal year.

Financially Distressed CVTs

Finally, the financially distressed cities, villages, or townships grant program would maintain current funding at $2.5 million and the Governor removed $4,981,400 in FY 2022-23 one-time appropriations to CVTs and Counties.

SCHOOL AID

Overview Governor Whitmer's proposed FY 2023-24 budget increases funding by $1.3 billion gross ($50.5 million GF/GP reduction) when compared to the year-to-date FY 2022-23 School Aid budget. The proposed budget has large investments, including increases in the foundation allowance, and money for professional development, school safety, student mental health, school consolidation, and expanded school breakfast and lunch.



SCHOOL AID CONTINUED

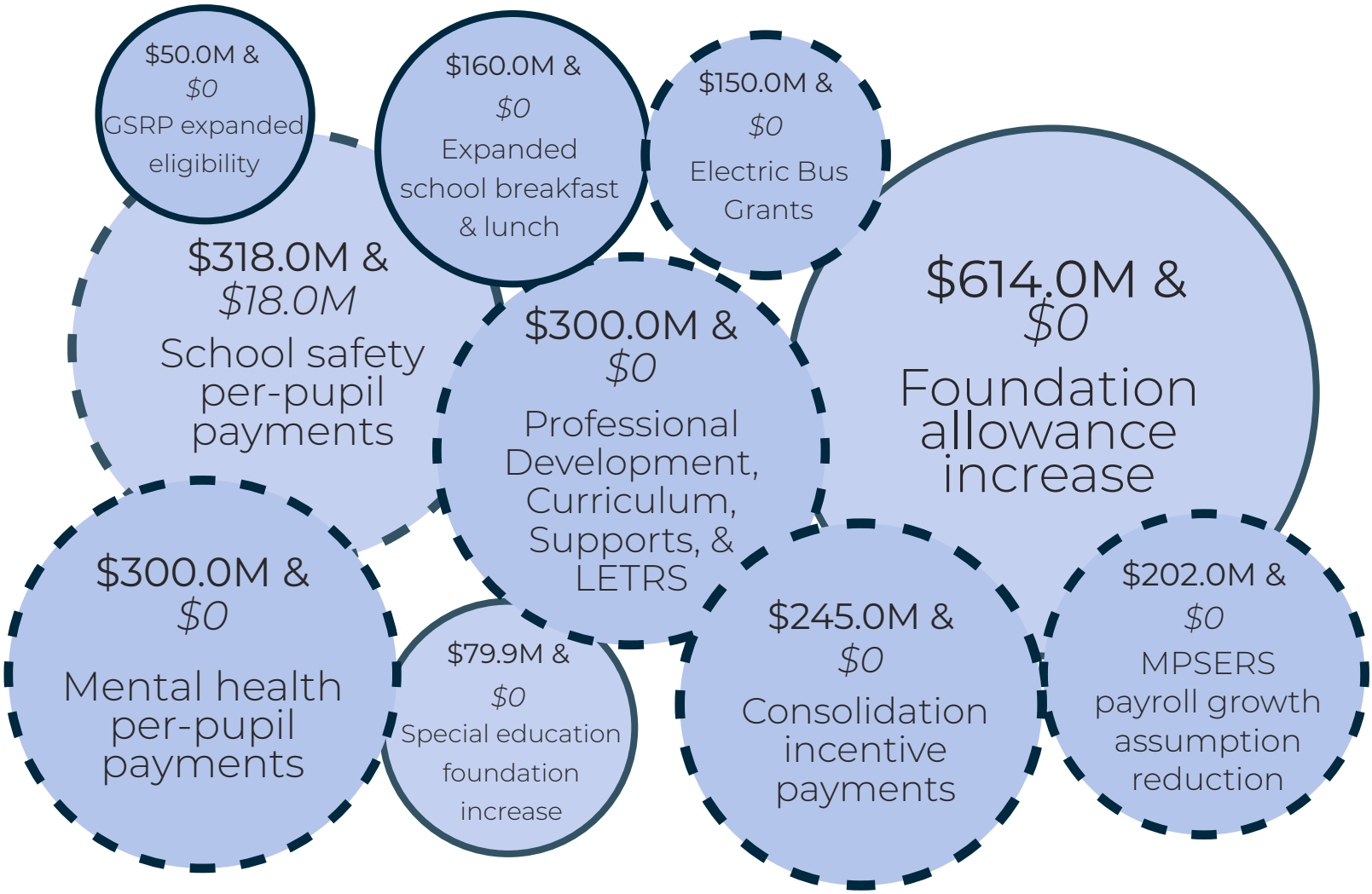
01 The Governor proposes to allocate $1.9 billion from the School Aid Fund to a new school aid countercyclical budget and foundation stabilization fund ($900.0 million), and existing school consolidation and infrastructure fund ($500.0 million), MPSERS reform reserve fund ($500.0 million), and educator fellowship public provider fund ($25.0 million).

02 Investments for professional development, curriculum, supports, and LETRS ($300.0 million), school safety per-pupil payments for public schools ($300.0 million), mental health per-pupil payments ($300.0 million), mathematics pathways ($30.0 million) are intended to be allocated over two years. Funding for partnership model districts ($36.0 million) and the GSRP pilot program for 3-year-olds ($18.0 million) are intended to be allocated over three years.

03 The Governor's budget removes funding to nonpublic schools for reimbursement for mandates ($1.0 million) and robotics programs ($600,000).

04 Current services baseline changes in the Governor's recommendation total $401.2 million Gross and $50,000 GF/GP.

The Governor's budget includes funding for new programs and increases to existing programs totaling $3.5 billion Gross and $26.1 million GF/GP. Of these new and increased programs, $1.7 billion Gross and $2.1 million GF/GP are ongoing requests; the remainder are one-time in nature. The largest requests are the foundation allowance ($614.0 million), school safety per-pupil payments ($318.0 million), professional development ($300.0 million), mental health per-pupil payments ($300.0 million), and school consolidation incentive payments ($245.0 million).



SUMMARY OF OTHER GENERAL APPROPRIATION ISSUES

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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 19, 2022, approved the second of a two-year agreement for wages and benefits for employees who are exclusively represented by employee unions (AFSCME, MCO, MSEA, SEIU, and UAW) for FY2023-24. Effective October 1, 2023, a 2.0% base wage increase will go into effect for most represented employees for FY 2023-24. 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 2023-24. Effective October 1, 2023, NEREs will receive a 2.0% 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 2023-24 Governor's budget are an estimated $4.0 billion, while other total Gross employee benefit costs are an estimated $2.0 billion.

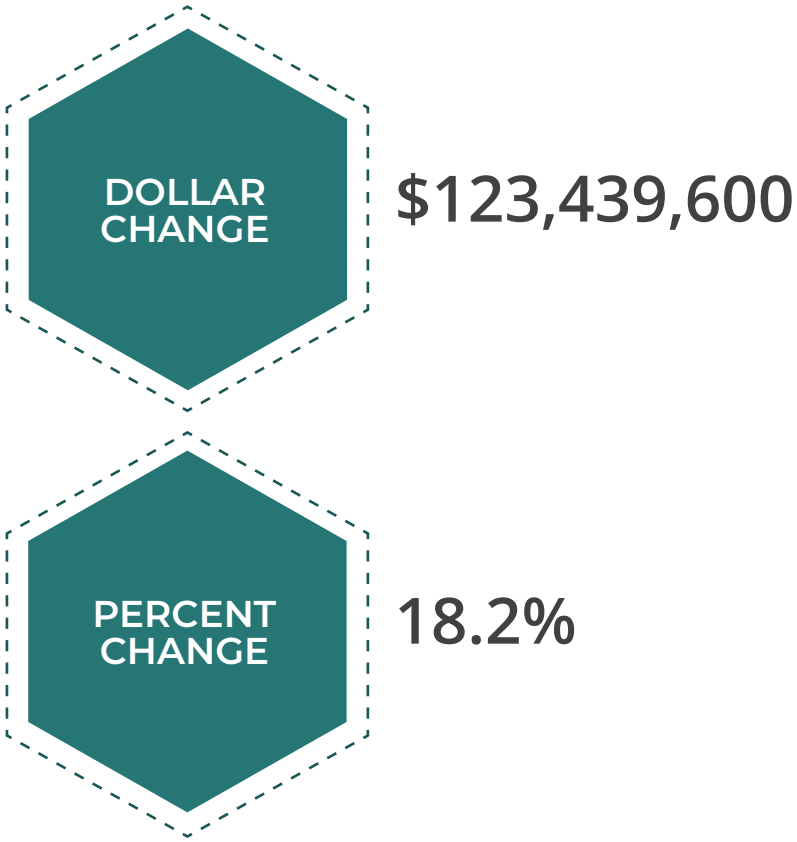
Table 21 provides a summary of the incremental State employee economic cost changes for FY 2023-24 recommended in the Governor's budget, including Gross employee salary increases of $73.0 million ($35.9 million GF/GP). The State's portion of the cost of longevity payments and employee health insurance is estimated to increase by $1.3 million ($660,300 GF/GP) for FY 2023-24. Retirement contributions, excluding payments for legacy pension costs, will increase $28.3 million Gross ($15.7 million GF/GP). Other employee retirement costs (OERC), including legacy pension costs and retiree health care costs, total a negative $104.2 million (negative $46.1 million GF/GP). The total increase in worker's compensation and other economic costs is $914,700 Gross ($1.8 million GF/GP). While the total impact of economic adjustments for FY 2023-24 is a decrease of $687,900, GF/GP expenditures will increase by $8.0 million.

DEBT SERVICE ADJUSTMENTS

Table 22 provides a summary of debt service appropriations for FY 2023-24 including 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 Department of Technology, Management, and Budget; various transportation-related bonds in Michigan Department of Transportation (DOT); and general obligation bonds and the Flint Settlement Bond in the Department of Treasury. Gross appropriations for debt service on these bonds total $803.3 million for FY 2023-24. This represents a $123.4 million (18.2%) increase from the $679.9 million debt service appropriations in FY 2022-23. This increase is mostly due to a $124.5 million increase of debt service payments for State trunkline bond payments in the Transportation budget.

DEBT SERVICE APPROPRIATIONS

FY 2023-24 COMPARED WITH FY 2022-23

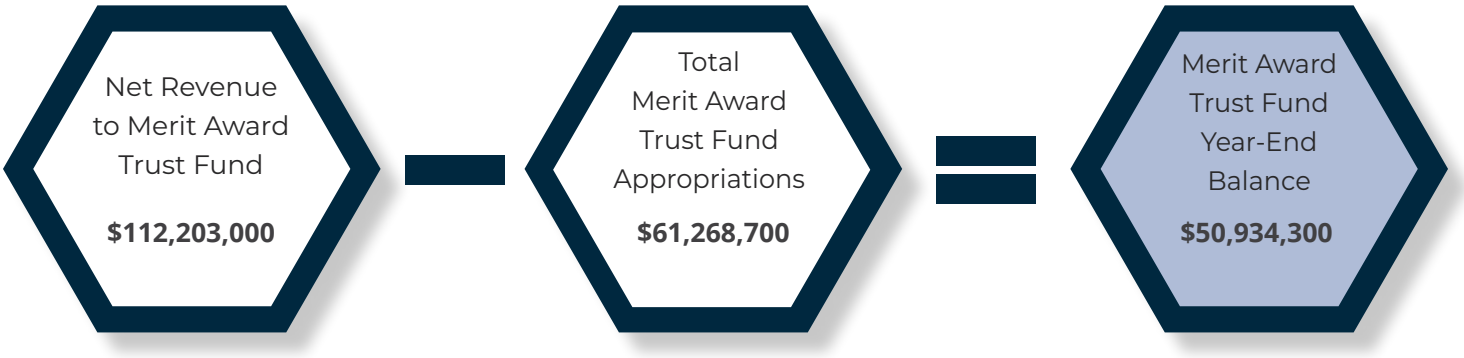


TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS

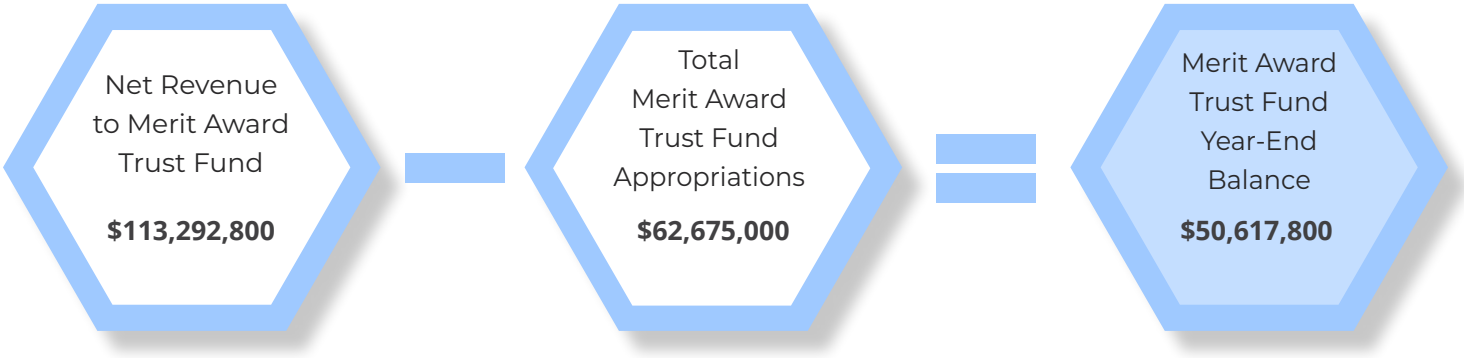
In 1998, a Master Settlement Agreement was reached between 46 states, including Michigan, and certain US tobacco manufacturers, to provide annual payments to states. The payments began in 2000 and will continue in perpetuity. As Table 23 illustrates, there are several transfers out of the tobacco settlement 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 Budget Stabilization Fund 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.

FY 2022-23 YEAR-TO-DATE



FY 2023-24 GOV'S REC.



BUDGET STABILIZATION FUND

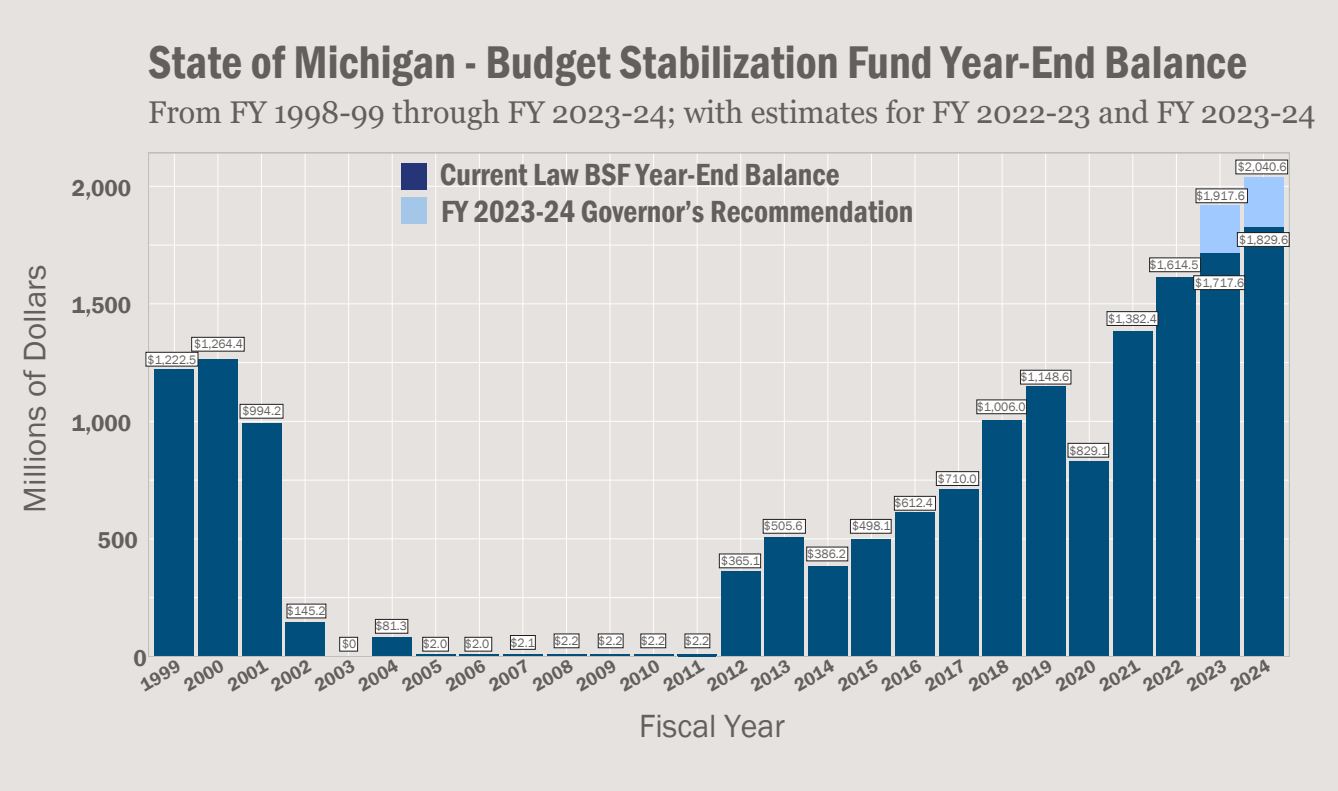
The Budget Stabilization Fund is the State's "Rainy Day" fund or cash reserve. In years of economic growth, deposits may be made to the Fund, and in years of recession, money may be withdrawn to cushion the budgetary impact of declining State revenue. Statutory formulas direct the amount of the pay-in 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 $1,614.5 million at the close of FY 2021-22. 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 2022-23 is estimated at $1,717.6 million. Assuming no further deposits or withdrawals and estimated interest earnings, the BSF balance at the close of FY 2023-24 would be $1,829.6 million.

The Governor recommends a deposit of $200.0 million to the BSF in FY 2022-23. If this deposit were enacted, it would bring the closing balance estimate for FY 2022-23 up to $1,917.6 million. The closing balance estimate for FY 2023-24 would be $2,040.6 million.

The history of the BSF year-end balances and the estimates for FY 2022-23, and FY 2023-24 are shown in the figure below.

Figure 1



FY 2022-23
SUPPLEMENTAL REQUESTS

FY 2022-23

SUPPLEMENTAL REQUESTS

In addition to the Executive Budget recommendations for FY 2023-24 and budget projections for FY 2024-25, Governor Whitmer also recommended a number of current year, FY 2022-23, supplementals. These supplementals, supplemental request 2023-2 through 2023-6, represent meaningful alterations to the current year budget. As noted in Table B in the introduction, these five supplemental requests propose to increase current year spending by $5.8 billion Gross, $4.0 billion Federal, $1.3 billion State Restricted funds, and $499.2 million GF/GP. A listing of supplemental requests delivered with the FY 2023-24 Executive Recommendation, by department, are included in Table 24.

MISCELLANEOUS

PROPOSED FEE ADJUSTMENTS

There are six fees proposed to increase, totaling $19.7 million. In addition, the Governor is proposing to eliminate a number of fee sunsets and/or also include inflationary adjustments. Tables 25 and 26 itemize the proposed fee adjustments found in the Governor's recommended budget for FY 2023-24.

BALANCE SHEET

In the Appendix, Tables 8 and 9 present the GF/GP and School Aid Fund (SAF) balance sheets for FY 2022-23 and FY 2023-24, based on combining the Governor's budget recommendation with the estimated fiscal impacts of House Bill 4001(CR-1) for those portions that are also contained within the budget proposal (i.e., the Earned Income Tax Credit, and changes to the taxation of retirement income). The balance sheets presented here reflect the SFA's attempt to present the most current information, given legislative action occurring at the same time as the budget presentation.

The balance sheets include the SFA's estimated impacts for House Bill 4001(CR-1), which differ from the Administration's regarding the impacts associated with the EITC. Also, HB 4001 (CR-1) treats the taxation of retirement income in a manner different from the Governor's budget proposal. Further, HB 4001(CR-1) includes $800.0 million for 'inflation rebate checks', which is not included in the Governor's budget recommendation. Instead, the Governor's budget recommendation includes $800.0 million for a SOAR deposit, which is not part of HB 4001. Combining all of the above (i.e., assuming the entirety of the Governor's budget recommendation with the SFA's estimates of the EITC and retirement income portions of HB 4001(CR-1)), the estimated balance for GF/GP at the end of FY 2023-24 would be negative, while SAF would be positive. However, the Governor's budget proposal, combined with the Governor's recommendations related to the taxation of retirement income and the Administration's estimates of the impact of changes to the EITC, would result in a positive ending GF/GP balance.

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APPENDIX

Table 1

FY 2023-24 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	$189,833,000	$327,000	$189,506,000	$19,660,400	$21,300	$45,219,200	$124,605,100
Attorney General	116,398,400	36,235,500	80,162,900	10,063,800	0	20,773,100	49,326,000
Capital Outlay	0	0	0	0	0	0	0
Civil Rights	29,460,000	0	29,460,000	2,890,900	18,700	58,500	26,491,900
Community Colleges	492,593,200	0	492,593,200	0	0	492,593,200	0
Corrections	2,064,159,700	0	2,064,159,700	5,143,500	9,793,900	29,805,500	2,019,416,800
Education	506,608,000	0	506,608,000	364,589,100	8,647,300	10,072,000	123,299,600
Environment, Great Lakes, & Energy	1,311,421,800	4,033,100	1,307,388,700	440,830,300	1,360,700	303,958,900	561,238,800
Executive	8,699,000	0	8,699,000	0	0	0	8,699,000
Health & Human Services	35,711,390,600	14,676,900	35,696,713,700	25,803,271,500	345,378,800	3,050,326,400	6,497,737,000
Higher Education	2,189,681,200	0	2,189,681,200	128,526,400	0	352,268,300	1,708,886,500
Insurance & Financial Services	74,147,900	732,100	73,415,800	1,017,100	0	72,398,700	0
Judiciary	354,734,800	1,902,300	352,832,500	6,751,300	1,523,900	95,152,600	249,404,700
Labor & Economic Opportunity	2,872,458,100	0	2,872,458,100	1,168,548,800	23,239,200	848,294,100	832,376,000
Legislature	216,623,800	6,921,900	209,701,900	0	445,400	7,585,900	201,670,600
Licensing & Regulatory Affairs	600,471,200	46,897,200	553,574,000	30,004,200	0	256,838,700	266,731,100
Military & Veterans Affairs	240,404,100	101,800	240,302,300	134,445,400	100,000	14,213,400	91,543,500
Natural Resources	584,163,900	202,600	583,961,300	100,409,600	7,289,200	356,126,400	120,136,100
Natural Resources (Trust Fund)	0	0	0	0	0	0	0
School Aid	20,891,511,800	0	20,891,511,800	2,253,043,500	0	18,564,768,300	73,700,000
State	262,740,400	20,000,000	242,740,400	1,460,000	50,100	223,392,000	17,838,300
State Police	887,671,500	26,244,400	861,427,100	87,849,400	4,939,800	165,785,600	602,852,300
Technology, Mgt., & Budget	1,861,352,200	1,082,389,000	778,963,200	4,699,000	2,472,100	134,180,300	637,611,800
Transportation	6,582,449,900	4,353,000	6,578,096,900	2,090,121,400	102,573,500	4,082,402,000	303,000,000
Treasury (Debt Service)	100,084,100	0	100,084,100	0	0	0	100,084,100
Treasury (Operations)	776,493,800	11,097,300	765,396,500	24,921,800	15,071,300	533,941,900	191,461,500
Treasury (Revenue Sharing)	1,713,474,900	0	1,713,474,900	0	0	1,713,474,900	0
TOTAL APPROPRIATIONS	**$80,639,027,300**	**$1,256,114,100**	**$79,382,913,200**	**$32,678,247,400**	**$522,925,200**	**$31,373,629,900**	**$14,808,110,700**

Table 2

ADJUSTED GROSS APPROPRIATIONS
FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2022-23 Year-to-Date Appropriations*	FY 2023-24 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	$187,388,400	$189,506,000	$2,117,600	1.1%
Attorney General	82,318,400	80,162,900	(2,155,500)	(2.6)
Capital Outlay	487,400,000	0	(487,400,000)	(100.0)
Civil Rights	21,601,600	29,460,000	7,858,400	36.4
Community Colleges	529,758,000	492,593,200	(37,164,800)	(7.0)
Corrections	2,124,968,000	2,064,159,700	(60,808,300)	(2.9)
Education	420,581,000	506,608,000	86,027,000	20.5
Environment, Great Lakes, & Energy	725,247,900	1,307,388,700	582,140,800	80.3
Executive	8,533,600	8,699,000	165,400	1.9
Health & Human Services	33,423,606,800	35,696,713,700	2,273,106,900	6.8
Higher Education	2,016,635,700	2,189,681,200	173,045,500	8.6
Insurance & Financial Services	73,599,000	73,415,800	(183,200)	(0.2)
Judiciary	481,603,400	352,832,500	(128,770,900)	(26.7)
Labor & Economic Opportunity	4,689,486,200	2,872,458,100	(1,817,028,100)	(38.7)
Legislature	211,798,100	209,701,900	(2,096,200)	(1.0)
Licensing & Regulatory Affairs	492,807,500	553,574,000	60,766,500	12.3
Military & Veterans Affairs	362,264,200	240,302,300	(121,961,900)	(33.7)
Natural Resources	535,279,700	583,961,300	48,681,600	9.1
Natural Resources (Trust Fund)	0	0	0	0.0
School Aid	19,642,816,400	20,891,511,800	1,248,695,400	6.4
State	235,196,700	242,740,400	7,543,700	3.2
State Police	818,203,400	861,427,100	43,223,700	5.3
Technology, Management, & Budget	788,014,100	778,963,200	(9,050,900)	(1.1)
Transportation	6,125,325,100	6,578,096,900	452,771,800	7.4
Treasury (Debt Service)	100,084,100	100,084,100	0	0.0
Treasury (Operations)	1,593,205,400	765,396,500	(827,808,900)	(52.0)
Treasury (Revenue Sharing)	1,627,796,000	1,713,474,900	85,678,900	5.3
TOTAL APPROPRIATIONS	**$77,805,518,700**	**$79,382,913,200**	**$1,577,394,500**	**2.0%**

Table 3

STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS
FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2022-23 Year-to-Date Appropriations*	FY 2023-24 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	$167,696,200	$169,824,300	$2,128,100	1.3%
Attorney General	72,216,500	70,099,100	(2,117,400)	(2.9)
Capital Outlay	109,000,000	0	(109,000,000)	(100.0)
Civil Rights	18,692,000	26,550,400	7,858,400	42.0
Community Colleges	448,558,000	492,593,200	44,035,200	9.8
Corrections	2,109,940,100	2,049,222,300	(60,717,800)	(2.9)
Education	109,511,200	133,371,600	23,860,400	21.8
Environment, Great Lakes, & Energy	436,190,700	865,197,700	429,007,000	98.4
Executive	8,533,600	8,699,000	165,400	1.9
Health & Human Services	9,374,958,600	9,548,063,400	173,104,800	1.8
Higher Education	1,888,109,300	2,061,154,800	173,045,500	9.2
Insurance & Financial Services	72,581,900	72,398,700	(183,200)	(0.3)
Judiciary	465,956,300	344,557,300	(121,399,000)	(26.1)
Labor & Economic Opportunity	3,206,760,500	1,680,670,100	(1,526,090,400)	(47.6)
Legislature	211,369,800	209,256,500	(2,113,300)	(1.0)
Licensing & Regulatory Affairs	463,148,300	523,569,800	60,421,500	13.0
Military & Veterans Affairs	161,259,900	105,756,900	(55,503,000)	(34.4)
Natural Resources	434,610,500	476,262,500	41,652,000	9.6
Natural Resources (Trust Fund)	0	0	0	0.0
School Aid	17,090,672,900	18,638,468,300	1,547,795,400	9.1
State	233,686,600	241,230,300	7,543,700	3.2
State Police	731,459,600	768,637,900	37,178,300	5.1
Technology, Management, & Budget	780,328,300	771,792,100	(8,536,200)	(1.1)
Transportation	3,996,271,600	4,385,402,000	389,130,400	9.7
Treasury (Debt Service)	100,084,100	100,084,100	0	0.0
Treasury (Operations)	1,554,994,100	725,403,400	(829,590,700)	(53.4)
Treasury (Revenue Sharing)	1,627,796,000	1,713,474,900	85,678,900	5.3
TOTAL APPROPRIATIONS	**$45,874,386,600**	**$46,181,740,600**	**$307,354,000**	**0.7%**

Table 4

GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS
FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2022-23 Year-to-Date Appropriations*	FY 2023-24 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	$122,989,800	$124,605,100	$1,615,300	1.3%
Attorney General	51,429,800	49,326,000	(2,103,800)	(4.1)
Capital Outlay	109,000,000	0	(109,000,000)	(100.0)
Civil Rights	18,633,500	26,491,900	7,858,400	42.2
Community Colleges	0	0	0	0.0
Corrections	2,080,108,300	2,019,416,800	(60,691,500)	(2.9)
Education	99,591,500	123,299,600	23,708,100	23.8
Environment, Great Lakes, & Energy	98,835,800	561,238,800	462,403,000	467.8
Executive	8,533,600	8,699,000	165,400	1.9
Health & Human Services	6,242,365,800	6,497,737,000	255,371,200	4.1
Higher Education	1,540,221,000	1,708,886,500	168,665,500	11.0
Insurance & Financial Services	0	0	0	0.0
Judiciary	370,774,900	249,404,700	(121,370,200)	(32.7)
Labor & Economic Opportunity	2,940,839,900	832,376,000	(2,108,463,900)	(71.7)
Legislature	204,074,800	201,670,600	(2,404,200)	(1.2)
Licensing & Regulatory Affairs	213,822,400	266,731,100	52,908,700	24.7
Military & Veterans Affairs	142,465,000	91,543,500	(50,921,500)	(35.7)
Natural Resources	94,404,000	120,136,100	25,732,100	27.3
Natural Resources (Trust Fund)	0	0	0	0.0
School Aid	124,200,000	73,700,000	(50,500,000)	(40.7)
State	12,679,300	17,838,300	5,159,000	40.7
State Police	572,709,200	602,852,300	30,143,100	5.3
Technology, Management, & Budget	657,109,000	637,611,800	(19,497,200)	(3.0)
Transportation	91,250,000	303,000,000	211,750,000	232.1
Treasury (Debt Service)	100,084,100	100,084,100	0	0.0
Treasury (Operations)	1,061,440,500	191,461,500	(869,979,000)	(82.0)
Treasury (Revenue Sharing)	0	0	0	0.0
TOTAL APPROPRIATIONS	**$16,957,562,200**	**$14,808,110,700**	**($2,149,451,500)**	**(12.7%)**

Table 5

FULL-TIME EQUATED CLASSIFIED POSITIONS
FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2022-23 Year-to-Date Appropriations*	FY 2023-24 Governor's Recommendation	Position Change	Percent Change
Agriculture & Rural Development	531.0	537.0	6.0	1.1%
Attorney General	543.4	578.4	35.0	6.4
Civil Rights	109.0	149.0	40.0	36.7
Corrections	13,498.4	13,180.0	(318.4)	(2.4)
Education	621.5	634.5	13.0	2.1
Environment, Great Lakes, & Energy	1,510.0	1,575.0	65.0	4.3
Executive	86.2	86.2	0.0	0.0
Health & Human Services	15,684.5	15,828.5	144.0	0.9
Insurance & Financial Services	384.5	384.5	0.0	0.0
Judiciary	537.0	588.0	51.0	9.5
Labor & Economic Opportunity	2,579.4	2,588.4	9.0	0.3
Licensing & Regulatory Affairs	1,849.9	1,861.9	12.0	0.6
Military & Veterans Affairs	1,054.5	1,074.5	20.0	1.9
Natural Resources	2,412.8	2,540.5	127.7	5.3
State	1,586.0	1,602.0	16.0	1.0
State Police	3,750.0	3,829.0	79.0	2.1
Technology, Management, & Budget	3,161.0	3,210.0	49.0	1.6
Transportation	3,050.3	3,218.3	168.0	5.5
Treasury (Operations)	1,968.5	2,003.5	35.0	1.8
TOTAL POSITIONS	**54,917.9**	**55,469.2**	**551.3**	**1.0%**

Table 6

FY 2023-24 GOVERNOR'S RECOMMENDATION
ONE-TIME APPROPRIATIONS BY SOURCE OF FUNDS

Department/Budget Area	Adjusted Gross	Federal Funds	Local & Private	State Restricted	General Fund/ General Purpose
Agriculture & Rural Development	$52,500,000	$0	$0	$0	$52,500,000
Attorney General	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Civil Rights	2,750,000	0	0	0	2,750,000
Community Colleges	0	0	0	0	0
Corrections	3,300,000	0	0	0	3,300,000
Education	5,832,700	100,000	0	0	5,732,700
Environment, Great Lakes, & Energy	412,000,000	0	0	0	412,000,000
Executive	0	0	0	0	0
Health & Human Services	257,524,000	16,463,400	5,000,000	0	236,060,600
Higher Education	50,000,000	0	0	0	50,000,000
Insurance & Financial Services	0	0	0	0	0
Judiciary	4,800,000	0	0	0	4,800,000
Labor & Economic Opportunity	554,100,000	0	0	0	554,100,000
Legislature	0	0	0	0	0
Licensing & Regulatory Affairs	11,900,000	0	0	5,500,000	6,400,000
Military & Veterans Affairs	13,000,000	0	0	0	13,000,000
Natural Resources	54,758,500	0	0	2,500,000	52,258,500
Natural Resources (Trust Fund)	0	0	0	0	0
School Aid	1,746,000,000	54,000,000	0	1,668,000,000	24,000,000
State	0	0	0	0	0
State Police	5,990,300	0	0	0	5,990,300
Technology, Management, & Budget	170,010,000	0	0	11,800,000	158,210,000
Transportation	363,000,000	0	0	60,000,000	303,000,000
Treasury (Debt Service)	0	0	0	0	0
Treasury (Operations)	22,000,000	0	0	2,000,000	20,000,000
Treasury (Revenue Sharing)	52,308,600	0	0	52,308,600	0
TOTAL APPROPRIATIONS	**$3,781,774,100**	**$70,563,400**	**$5,000,000**	**$1,802,108,600**	**$1,904,102,100**

Table 6a

FY 2023-24 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	State Restricted	GF/GP
Agriculture & Rural Development				
Food and agriculture supply chain investment	$37,500,000	$0	$0	$37,500,000
Mi climate smart farming	10,000,000	0	0	10,000,000
Northern Michigan herd protection and management	5,000,000	0	0	5,000,000
Total - Agriculture & Rural Development	**$52,500,000**	**$0**	**$0**	**$52,500,000**
Civil Rights				
Disability Rights and Compliance	$2,750,000	$0	$0	$2,750,000
Total - Civil Rights	**$2,750,000**	**$0**	**$0**	**$2,750,000**
Corrections				
Body-worn cameras (equipment)	$3,300,000	$0	$0	$3,300,000
Total - Corrections	**$3,300,000**	**$0**	**$0**	**$3,300,000**
Education				
E Rate Matching Funds	$5,000,000	$0	$0	$5,000,000
Family and Community Engagement	482,700	0	0	482,700
School Board Member Training	150,000	0	0	150,000
Head Start Background Checks	100,000	100,000	0	0
Poet Laureate	100,000	0	0	100,000
Total - Education	**$5,832,700**	**$100,000**	**$0**	**$5,732,700**
Environment, Great Lakes, and Energy				
Lead service line replacement program: one-time	$200,000,000	$0	$0	$200,000,000
Environmental justice contaminated site clean-up fund	100,000,000	0	0	100,000,000
Renewable ready communities	40,000,000	0	0	40,000,000
Dam safety and risk reduction grant program	25,000,000	0	0	25,000,000
Sustainable groundwater resources technical support: one-time	23,500,000	0	0	23,500,000
Critical mineral recycling	15,000,000	0	0	15,000,000
Propane resiliency enhancement plan	8,500,000	0	0	8,500,000
Total - Environment, Great Lakes, & Energy	**$412,000,000**	**$0**	**$0**	**$412,000,000**

FY 2023-24 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	**Gross**	**Federal**	**State Restricted**	**GF/GP**
Health and Human Services				
One-time nursing facilities change in Medicaid rate methodology	$110,000,000	$8,000,000	$0	$102,000,000
One-time drinking water quality initiative	100,000,000	0	0	100,000,000
One-time racial disparity taskforce	17,000,000	5,000,000	0	12,000,000
One-time multicultural integration funding	8,600,000	0	0	8,600,000
One-time CVI - community grant program	8,000,000	0	0	4,000,000
One-time IT comprehensive child welfare information system costs	6,924,000	3,463,400	0	3,460,600
One-time first responder and public safety mental health	5,000,000	0	0	5,000,000
One-time CVI - firearm safety and training	2,000,000	0	0	1,000,000
Total - Health & Human Services	**$257,524,000**	**$16,463,400**	**$0**	**$236,060,600**
Higher Education				
One-time postsecondary scholarship fund GF transfer	$50,000,000	$0	$0	$50,000,000
Total - Higher Education	**$50,000,000**	**$0**	**$0**	**$50,000,000**
Judiciary				
One-time statewide court data transparency project	$4,500,000	$0	$0	$4,500,000
One-time judicial institute: court administration bench book	300,000	0	0	300,000
Total - Judiciary	**$4,800,000**	**$0**	**$0**	**$4,800,000**
Labor and Economic Opportunity				
One-time regional economic empowerment program	$200,000,000	$0	$0	$200,000,000
One-time insulin cost and manufacturing attraction effort	150,000,000	0	0	150,000,000
One-time downtown economic development grant program	100,000,000	0	0	100,000,000
One-time student services and supports	30,000,000	0	0	30,000,000
One-time adoption of best practices grants for college success	25,000,000	0	0	25,000,000
One-time employer led collaboratives	20,000,000	0	0	20,000,000
One-time outdoor recreation business development	10,000,000	0	0	10,000,000
One-time child savings accounts	10,000,000	0	0	10,000,000
One-time digital career exploration platform	4,900,000	0	0	4,900,000
One-time defense mobility grant program	2,000,000	0	0	2,000,000
One-time workers' disability compensation agency bridge funding	1,200,000	0	0	1,200,000
One-time focus HOPE program increase	1,000,000	0	0	1,000,000
Total - Labor & Economic Opportunity	**$554,100,000**	**$0**	**$0**	**$554,100,000**
Licensing & Regulatory Affairs				
Michigan saves	$5,000,000	$0	$0	$5,000,000
Cannabis Regulatory Agency reference laboratory buildout	2,800,000	0	2,800,000	0
Corporations, securities, and commercial licensing online filing system	2,700,000	0	2,700,000	0
Bureau of survey and certification	1,200,000	0	0	1,200,000
Child care licensing bureau background check authorization	200,000	0	0	200,000
Total - Licensing & Regulatory Affairs	**$11,900,000**	**$0**	**$5,500,000**	**$6,400,000**

FY 2023-24 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	**Gross**	**Federal**	**State Restricted**	**GF/GP**
Military and Veterans Affairs				
One-time Selfridge Air National Guard base	$10,000,000	$0	$0	$10,000,000
MVFA operating adjustment - transition	3,000,000	0	0	3,000,000
Total - Military & Veterans Affairs	**$13,000,000**	**$0**	**$0**	**$13,000,000**
Natural Resources				
Detroit community investment Belle Isle park	$43,000,000	$0	$0	$43,000,000
Invasive species and habitat strike team	5,758,500	0	0	5,758,500
Great Lakes splash pads	3,500,000	0	0	3,500,000
Forest land management	2,500,000	0	2,500,000	0
Total - Natural Resources	**$54,758,500**	**$0**	**$2,500,000**	**$52,258,500**
School Aid				
Mental health per pupil payments	$300,000,000	$0	$300,000,000	$0
Professional development, curriculum, supports, and LETRS	300,000,000	0	300,000,000	0
School safety per-pupil payments - public schools	300,000,000	0	300,000,000	0
Consolidation incentive payments	245,000,000	0	245,000,000	0
MPSERS PGA reduction	202,000,000	0	202,000,000	0
Electric bus grants	150,000,000	0	150,000,000	0
Partnership model districts	36,000,000	0	36,000,000	0
Mathematics pathways	30,000,000	0	30,000,000	0
School health centers facilities improvements	25,000,000	0	25,000,000	0
Before and after school programs	25,000,000	25,000,000	0	0
GSRP pilot program for 3-year-olds	18,000,000	18,000,000	0	0
School safety per-pupil payments - nonpublic schools	18,000,000	0	0	18,000,000
Rural educator credentialing hub	15,000,000	0	15,000,000	0
CTE equipment upgrades	15,000,000	0	15,000,000	0
FAFSA completion challenge	15,000,000	0	15,000,000	0
Adult education pilots	15,000,000	0	15,000,000	0
Cybersecurity assessments of school technology infrastructure	9,000,000	0	9,000,000	0
GOAL Line Detroit	6,000,000	6,000,000	0	0
Administrator/principal training on special education	5,000,000	0	5,000,000	0
Reading Corps.	5,000,000	0	0	5,000,000
Michigan Learning Channel	5,000,000	0	5,000,000	0
Detroit parent network	3,000,000	3,000,000	0	0
Literacy marketing	2,000,000	2,000,000	0	0
Flint declaration of emergency - Educare	1,000,000	0	0	1,000,000
School meal forgiveness	1,000,000	0	1,000,000	0
Total - School Aid	**$1,746,000,000**	**$54,000,000**	**$1,668,000,000**	**$24,000,000**

FY 2023-24 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE				
Budget Area/Program	**Gross**	**Federal**	**State Restricted**	**GF/GP**
State Police				
Trooper recruit school	$4,790,300	$0	$0	$4,790,300
Gun violence prevention	1,200,000	0	0	1,200,000
Total - State Police	**$5,990,300**	**$0**	**$0**	**$5,990,300**
Technology, Management, and Budget				
Enterprisewide special maintenance	$100,000,000	$0	$0	$100,000,000
Information Technology Investment Fund	41,210,000	0	0	41,210,000
Office of Retirement Services IT modernization project	11,800,000	0	11,800,000	0
State motor vehicle fleet transition to electric vehicles	10,000,000	0	0	10,000,000
Civil Service Commission management training	5,000,000	0	0	5,000,000
Statewide student record data system planning	2,000,000	0	0	2,000,000
Total - Technology, Management, & Budget	**$170,010,000**	**$0**	**$11,800,000**	**$158,210,000**
Transportation				
Michigan bridge bundling initiative	$200,000,000	$0	$0	$200,000,000
Intermodal capital investment grants	160,000,000	0	60,000,000	100,000,000
MI contracting opportunity	3,000,000	0	0	3,000,000
Total - Transportation	**$363,000,000**	**$0**	**$60,000,000**	**$303,000,000**
Treasury-Operations				
Presidential Primary	$20,000,000	$0	$0	$20,000,000
Gaming Control Accounts Receivable System Upgrade	2,000,000	0	2,000,000	0
Total - Treasury - Operations	**$22,000,000**	**$0**	**$2,000,000**	**$20,000,000**
Treasury - Revenue Sharing				
City, village, and township revenue sharing	$13,977,900	$0	$13,977,900	$0
City, village, and township local public safety	13,977,900	0	13,977,900	0
County revenue sharing	12,176,400	0	12,176,400	0
County local public safety	12,176,400	0	12,176,400	0
Total - Treasury - Revenue Sharing	**$52,308,600**	**$0**	**$52,308,600**	**$0**
TOTAL ONE-TIME BUDGET AREA APPROPRIATIONS	**$3,781,774,100**	**$70,563,400**	**$1,802,108,600**	**$1,904,102,100**

Table 7

STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT
FY 2022-23 YEAR-TO-DATE VERSUS FY 2023-24 GOVERNOR'S RECOMMENDATION

Department/Budget Area	FY 2022-23 Year-to-Date Appropriations*	FY 2023-24 Governor's Recommendation	Dollar Difference	Percent Change
Agriculture & Rural Development	$13,600,000	$10,800,000	($2,800,000)	(20.6%)
Attorney General	0	0	0	0.0
Capital Outlay	0	0	0	0.0
Civil Rights	0	0	0	0.0
Community Colleges	448,558,000	492,593,200	44,035,200	9.8
Corrections	125,615,400	123,453,600	(2,161,800)	(1.7)
Education	18,717,700	18,717,700	0	0.0
Environment, Great Lakes, & Energy	35,716,000	252,091,000	216,375,000	605.8
Executive	0	0	0	0.0
Health & Human Services	1,900,152,400	1,793,062,800	(107,089,600)	(5.6)
Higher Education	0	0	0	0.0
Insurance & Financial Services	0	0	0	0.0
Judiciary	150,357,800	150,634,500	276,700	0.2
Labor & Economic Opportunity	149,274,900	73,024,900	(76,250,000)	(51.1)
Legislature	0	0	0	0.0
Licensing & Regulatory Affairs	169,417,400	242,917,400	73,500,000	43.4
Military & Veterans Affairs	4,176,000	4,178,000	2,000	0.0
Natural Resources	10,971,400	10,892,100	(79,300)	(0.7)
Natural Resources (Trust Fund)	0	0	0	0.0
School Aid	15,764,187,600	17,032,348,500	1,268,160,900	8.0
State	1,417,200	1,794,300	377,100	26.6
State Police	21,329,700	40,441,500	19,111,800	89.6
Technology, Management, & Budget	0	0	0	0.0
Transportation	2,412,503,600	2,604,854,000	192,350,400	8.0
Treasury (Debt Service)	0	0	0	0.0
Treasury (Operations)	1,015,267,900	318,700,600	(696,567,300)	(68.6)
Treasury (Revenue Sharing)	1,627,796,000	1,713,474,900	85,678,900	5.3
TOTAL APPROPRIATIONS	**$23,869,059,000**	**$24,883,979,000**	**$1,014,920,000**	**4.3%**

Table 8

FEBRUARY 2023, HB 4001*, & GOVERNOR'S RECOMMENDATION GENERAL FUND/GENERAL PURPOSE (GF/GP) REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES
(millions of dollars)

	Year-to-Date FY 2022-23	Gov's Rec FY 2023-24
Revenue:		
Beginning Balance	$6,546.6	$1,909.0
Ongoing Revenue:		
Consensus Revenue Estimate (May 2022)	$13,973.5	$14,228.9
CREC Forecast Revenue Change (January 2023)	$804.4	$863.3
CREC Forecast Revenue Estimate (January 2023)	$14,777.9	$15,092.2
Other Ongoing Revenue Adjustments:		
Adjustments (PPT hold harmless)	($75.0)	($75.0)
CIT Housing Earmark, CIT RAP Earmark ($50m each)	(100.0)	(100.0)
SOAR CIT Earmark	(460.0)	(465.0)
Retirement income tax changes (HB 4001)	(58.0)	(223.0)
EITC (SFA estimates)	(441.6)	(441.6)
Liquor Purchase Revolving Fund - ADA Adjustment	(18.5)	(19.1)
Child Care Educators Tax Credit	0.0	(24.0)
Revenue Sharing Payments	(525.6)	(562.3)
Subtotal Ongoing Revenue	$13,099.2	$13,182.2
Non-Ongoing Revenue:		
Legal Settlements/Redirection of Restricted Revenue	($2.6)	($2.6)
Inflation Rebate Checks**	0.0	0.0
Onshoring Clean Energy Supply Chain Tax Credit	0.0	(200.0)
EV Sales Tax Credit	0.0	(48.4)
Revenue Sharing One-Time Payments	(4.9)	(52.4)
Subtotal Non-Ongoing Revenue	($7.5)	($303.4)
Total Estimated GF/GP Revenue Including Beginning Balance	**$19,638.3**	**$14,787.8**
Total Estimated GF/GP Revenue Excluding Beginning Balance	**$13,091.7**	**$12,878.8**
Expenditures:		
Ongoing Appropriations:		
Initial Appropriations	$11,963.6	$12,904.0
Ongoing reserve for audit, legal, statutory, and other costs	0.0	100.0
Ongoing Community District Trust Fund GF payment	0.0	27.8
Subtotal Ongoing Appropriations	$11,963.6	$13,031.8
One-Time and Other Appropriations:		
Estimated One-Time Appropriations	$3,292.3	$1,904.1
Enacted Supplementals	1,701.7	0.0
Exec Rec Supplementals	299.2	0.0
Exec Rec BSF Deposit	200.0	0.0
Reserve for audit, legal, statutory, other costs	200.0	20.0
Treasury boilerplate appropriation	50.0	0.0
Additional K-12 GF for Community District Trust Fund (moved to ongoing)	22.5	0.0
Subtotal One-Time and Other Appropriations	$5,765.7	$1,924.1
Total Estimated GF/GP Expenditures	**$17,729.4**	**$14,955.9**
Projected Year-End GF/GP Balance (Total)	**$1,909.0**	**($168.1)*** **
Projected Year-End GF/GP Balance (Ongoing)	**$1,135.6**	**$278.2**
Projected Year-End GF/GP Balance (One-time)	**$773.4**	**($446.3)**

*Includes the portions of HB 4001(CR-1) that overlap with the Governor's recommendation (EITC and retirement income). Revenue impacts reflect SFA's estimates of those provisions of HB 4001(CR-1).

**HB 4001(CR-1) includes $800.0 million for inflation rebate checks out of FY 2021-22 revenue, but since that is not part of the Governor's recommended budget, that funding is not reflected here.

***Please refer to notes on page 44 regarding differences in ending balances between the Administration and this balance sheet; the Administration's GF/GP ending balance would be positive using their estimates of revenue impacts.

Table 9

FEBRUARY 2023 GOVERNOR'S RECOMMENDATION SCHOOL AID FUND (SAF)
REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES
(millions of dollars)

	Year-to-Date FY 2022-23	Gov's Rec FY 2023-24
Revenue:		
Beginning Balance	$4,609.2	$2,343.3
Ongoing Revenue:		
Consensus Revenue Estimate (Jan. 2022)	$16,246.6	$16,557.7
Consensus Revenue Change (May 2022)	$948.7	$887.2
Consensus Revenue Estimate (May 2022)	$17,195.3	$17,444.9
CREC Forecast Revenue Change (Jan 2023)	$439.8	$401.1
CREC Forecast Revenue Estimate (Jan 2023)	$17,635.1	$17,846.0
Other Revenue Adjustments:		
Adjustments	$0.0	$0.0
General Fund/General Purpose (GF/GP) Grant	48.6	49.7
Community District Education Trust Fund	72.0	72.0
Federal Ongoing Aid	2,191.2	2,199.0
Subtotal Ongoing Revenue	$19,946.9	$20,166.7
Non-Ongoing Revenue:		
Federal Stimulus	$414.2	$54.0
Additional Federal Funds	170.7	0.0
MPSERS Reserve Fund	140.4	0.0
Infrastructure and Consolidation Fund	0.0	245.0
Revenue Deposits - Infrastructure/MPSERS	(1,450.0)	(900.0)
Additional One-Time GF	75.6	24.0
GF/GP for DPSCD Addt'l Cost Exceeding CDTF $72m/yr	22.5	27.8
Subtotal Non-Ongoing Revenue	($626.6)	($549.2)
Total Estimated School Aid Fund Revenue Including Beginning Balance	**$23,929.5**	**$21,960.8**
Total Estimated School Aid Fund Revenue Excluding Beginning Balance	**$19,320.3**	**$19,617.5**
Expenditures:		
Ongoing Appropriations:		
Initial Ongoing K-12 State Appropriations	$15,457.2	$16,946.4
School Aid Federal Funds	2,274.2	2,199.0
Federal Funds Cost Adjustments	27.9	0.0
Fund Community Colleges with SAF	448.6	492.6
Partially Fund Higher Education with SAF	347.9	352.3
Subtotal Ongoing Appropriations	$18,555.8	$19,990.3
One-Time and Other Appropriations:		
Initial One-Time K-12 Appropriations	$1,871.3	$1,746.0
Initial One-Time Community College Appropriations	81.2	0.0
Exec Rec Supplementals (Feb 2023)	1,065.7	0.0
Enacted FY 22 and FY 23 Supplementals	12.2	0.0
Subtotal One-Time and Other Appropriations	$3,030.4	$1,746.0
Total Estimated School Aid Fund Expenditures	**$21,586.2**	**$21,736.3**
Projected Year-End SAF Balance (Total)	**$2,343.3**	**$224.5**
Projected Year-End SAF Balance (Ongoing)	**$1,419.0**	**$176.4**
Projected Year-End SAF Balance (One-time)	**$924.3**	**$48.1**

Table 10

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
SUMMARY OF CHANGES FROM FY 2022-23 YEAR-TO-DATE
ADJUSTED GROSS AND GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS

	Adjusted Gross	GF/GP
FY 2022-23 Year-To-Date Appropriation[1]	**$77,805,518,700**	**$16,957,562,200**
Changes for FY 2023-24:		
New Programs	$2,679,652,500	$1,448,774,800
Program Increases	7,989,727,100	1,589,291,600
Program Eliminations	(7,227,778,700)	(4,395,158,200)
Program Reductions	(1,880,504,900)	(745,069,600)
Major Fund Shifts Affecting GF/GP	15,857,900	(55,355,700)
Other Technical Program Transfers/Adjustments	300,000	0
Economic Adjustments	(313,000)	7,860,600
Unclassified Salaries Adjustments (Executive Branch)	453,600	205,000
Total Changes	$1,577,394,500	($2,149,451,500)
FY 2023-24 Governor's Recommendation	**$79,382,913,200**	**$14,808,110,700**

[1] Appropriation as of February 7, 2023.

Table 11

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
NEW PROGRAMS

Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
One-time food and agriculture supply chain investment	$37,500,000	$37,500,000
MI climate smart farming - one time	10,000,000	10,000,000
Emerging contaminants in food and agriculture	6,180,000	6,180,000
One-time Northern Michigan herd protection and management	5,000,000	5,000,000
Total - Agriculture & Rural Development	**$58,680,000**	**$58,680,000**
Civil Rights		
Disability rights and compliance	$3,044,100	$3,044,100
Enforcement disparate impact	1,555,800	1,555,800
Diversity, equity, and inclusion summit & research	161,000	161,000
Total - Civil Rights	**$4,760,900**	**$4,760,900**
Corrections		
Body-worn cameras (administration)	$3,767,600	$3,767,600
One-time Body-worn cameras (equipment)	3,300,000	3,300,000
Investigative staff	3,288,400	3,288,400
Total - Corrections	**$10,356,000**	**$10,356,000**
Education		
Family and community engagement	$5,500,000	$5,500,000
E Rate matching funds	5,000,000	5,000,000
School infrastructure and consolidation administration	756,500	756,500
Total - Education	**$11,256,500**	**$11,256,500**
Environment, Great Lakes, and Energy		
One-time Lead service line replacement program	$200,000,000	$200,000,000
Environmental justice contaminated site clean-up fund	100,000,000	100,000,000
Renewable ready communities	40,000,000	40,000,000
Lead service line replacement program (5.0 FTEs)	25,755,400	25,755,400
Dam safety and risk reduction grant program	25,000,000	25,000,000
One-time Sustainable groundwater resources technical support	23,500,000	23,500,000
Critical mineral recycling	15,000,000	15,000,000
Propane resiliency enhancement plan	8,500,000	8,500,000
Total - Environment, Great Lakes, & Energy	**$437,755,400**	**$437,755,400**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION NEW PROGRAMS		
Budget Area/Program	**Gross**	**GF/GP**
Health & Human Services		
One-time CVI - community grant program	$8,000,000	$4,000,000
One-time CVI - firearm safety and training	2,000,000	1,000,000
Foster care education pilot program	1,744,100	0
Office of Community Violence Intervention Services (CVI)	800,000	800,000
Total - Health & Human Services	**$12,544,100**	**$5,800,000**
Judiciary		
One-time Statewide court data transparency project	$4,500,000	$4,500,000
Michigan appellate assigned counsel compensation grants	3,160,700	3,160,700
Juvenile justice services division	2,025,000	2,025,000
Juvenile life resentencing for state supreme court compliance	1,571,500	1,571,500
Montgomery v Louisiana compliance	958,100	958,100
SADO juvenile appellate defense unit	556,900	556,900
Federal safe access for victims of economic security grant	420,000	0
Total - Judiciary	**$13,192,200**	**$12,772,200**
Labor and Economic Opportunity		
One-time regional economic empowerment program	$200,000,000	$200,000,000
One-time insulin cost and manufacturing attraction effort	150,000,000	150,000,000
One-time downtown economic development grant program	100,000,000	100,000,000
Ongoing revitalization and placemaking grant program	50,000,000	0
Ongoing housing and community development program	50,000,000	0
One-time student services and supports	30,000,000	30,000,000
One-time adoption of best practices grants for college success	25,000,000	25,000,000
One-time outdoor recreation business development	10,000,000	10,000,000
One-time child savings accounts	10,000,000	10,000,000
Michigan defense center opportunities	5,000,000	5,000,000
One-time digital career exploration platform	4,900,000	4,900,000
One-time defense mobility grant program	2,000,000	2,000,000
Helmets to hardhats	0	0
Total - Labor & Economic Opportunity	**$636,900,000**	**$536,900,000**
Licensing and Regulatory Affairs		
Michigan saves	$5,000,000	$5,000,000
Cannabis Regulatory Agency reference laboratory buildout	2,800,000	0
Corporations, securities, and commercial licensing online filing system	2,700,000	0
Bureau of survey and certification	1,200,000	1,200,000
Child care licensing bureau background check authorization	200,000	200,000
Total - Licensing & Regulatory Affairs	**$11,900,000**	**$6,400,000**
Military and Veterans Affairs		
One-time Selfridge Air National Guard base improvements	$10,000,000	$10,000,000
One-time Michigan veterans facility administration transition	3,000,000	3,000,000
Michigan veterans affairs agency administration (suicide prevention program being made ongoing)	1,200,000	1,200,000
Total - Military & Veterans Affairs	**$14,200,000**	**$14,200,000**
Natural Resources		
Detroit community investment at Belle Isle park	$43,000,000	$43,000,000
Invasive species and habitat strike team (12.0 FTEs)	6,121,800	6,121,800
One-time Invasive species and habitat strike team	5,758,500	5,758,500
Capital Outlay - shooting range development, enhancement, and restoration	5,000,000	0
Nature awaits	4,000,000	4,000,000
Great Lakes splash pads	3,500,000	3,500,000
Capital Outlay - forest development infrastructure	3,250,000	0
Forest land management	2,500,000	0
Climate and carbon sequestration program expansion	1,463,600	0
Total - Natural Resources	**$74,593,900**	**$62,380,300**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION NEW PROGRAMS		
Budget Area/Program	**Gross**	**GF/GP**
School Aid		
Professional development, curriculum, supports, and LETRS	$300,000,000	$0
Consolidation incentive payments	245,000,000	0
Expanded breakfast/lunch programs	160,000,000	0
Electric bus grants	150,000,000	0
Mathematics pathways	30,000,000	0
School health centers facilities improvements	25,000,000	0
Statewide teacher mentoring and induction	25,000,000	0
GSRP pilot program for 3-year-olds	18,000,000	0
Rural educator credentialing hub	15,000,000	0
FAFSA completion challenge	15,000,000	0
Adult education pilots	15,000,000	0
Cybersecurity assessments of school technology infrastructure	9,000,000	0
GOAL Line Detroit	6,000,000	0
Administrator/principal training on special education	5,000,000	0
Michigan Learning Channel	5,000,000	0
Dolly Parton's Imagination Library	4,000,000	0
Detroit parent network	3,000,000	0
Literacy marketing	2,000,000	0
Early literacy hubs	1,200,000	0
School meal forgiveness	1,000,000	0
Total - School Aid	**$1,034,200,000**	**$0**
State Police		
Victim support program	$1,885,500	$1,885,500
Contracts and services - ongoing	1,700,000	1,700,000
One-time gun violence prevention	1,200,000	1,200,000
Gun violence prevention - ongoing	725,000	725,000
Total - State Police	**$5,510,500**	**$5,510,500**
Technology, Management, and Budget		
Enterprisewide special maintenance	$100,000,000	$100,000,000
Information Technology Investment Fund	41,210,000	$41,210,000
Office of Retirement Services IT modernization project	11,800,000	$0
State motor vehicle fleet transition to electric vehicles	10,000,000	$10,000,000
Civil Service Commission management training	5,000,000	$5,000,000
Statewide student record data system planning	2,000,000	$2,000,000
Total - Technology, Management, & Budget	**$170,010,000**	**$158,210,000**
Transportation		
One-time Intermodal capital investment grants	$160,000,000	$100,000,000
One-time MI contracting opportunity	3,000,000	3,000,000
Total - Transportation	**$163,000,000**	**$103,000,000**
Treasury - Operations		
Presidential primary	$20,000,000	$20,000,000
Office of Security and Data Risk Management	793,000	793,000
Total - Treasury - Operations	**$20,793,000**	**$20,793,000**
TOTAL NEW PROGRAMS	**$2,679,652,500**	**$1,448,774,800**

Table 12

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
FUNDING INCREASES

Budget Area/Program	Gross	GF/GP
Agriculture and Rural Development		
Michigan craft beverage council	$410,000	$0
Producer security/grain dealers	150,000	0
Accounting service center	110,400	110,400
Total - Agriculture & Rural Development	**$670,400**	**$110,400**
Attorney General		
Jobs court	$5,000,000	$5,000,000
Conviction Integrity Unit	1,010,000	1,010,000
Address confidentiality program	486,400	486,400
Prosecuting Attorneys Coordinating Council	30,000	0
Civil bureau services	403,400	0
Total - Attorney General	**$6,929,800**	**$6,496,400**
Civil Rights		
Complaint investigation and enforcement	$5,686,500	$5,686,500
Michigan Alliance Against Hate Crimes	574,400	574,400
Advocates and Leaders for Police and Community Trust	316,300	316,300
Americans with Disabilities Act	223,200	223,200
Total - Civil Rights	**$6,800,400**	**$6,800,400**
Community Colleges		
Community college operations	$13,593,500	$0
MPSERS UAAL stabilization payment	13,200,000	0
MPSERS normal cost offset	12,200,000	0
MPSERS normal cost equalization	5,455,400	0
Total - Community Colleges	**$44,448,900**	**$0**
Corrections		
Medication assisted treatment	$15,600,000	$15,600,000
Prisoner healthcare services contract adjustment	10,738,000	10,738,000
Hepatitis C treatment adjustment	1,688,400	1,688,400
Community corrections comprehensive plans and services (reallocated from probation residential services)	1,000,000	1,000,000
Offender success community partners	1,000,000	1,000,000
Offender success community partners contract rebids (reallocated from probation residential services)	725,000	725,000
Total - Corrections	**$30,751,400**	**$30,751,400**
Education		
Child development and care public assistance	$73,500,000	$0
Camp Tuhmeheta	500,000	0
Math education supports	303,700	303,700
Head Start background checks	200,000	0
School nurse support	160,000	160,000
Mental health support	151,900	151,900
School board member training	150,000	150,000
Poet Laureate	100,000	100,000
Commodity distribution	78,300	0
Michigan Teacher of the Year	51,900	0
Total - Education	**$75,195,800**	**$865,600**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
Environment, Great Lakes, and Energy		
IIJA funding - water state revolving fund authorization	$280,500,000	$30,500,000
Orphan wells remediation (2.0 FTEs)	10,352,100	5,201,000
Permitting staff capacity increase (44.0 FTEs)	6,615,800	6,615,800
Authorization for the Michigan Agency for Energy	1,006,000	0
Groundwater discharge program fees (4.0 FTEs)	680,000	0
MDOT IDG adjustment (3.0 FTEs)	653,800	0
Sustainable groundwater resources technical support (2.0 FTEs)	299,700	299,700
CSB technical adjustments: payments to locals	0	0
Total - Environment, Great Lakes, & Energy	**$300,107,400**	**$42,616,500**
Health and Human Services		
Caseload: food assistance program	$1,085,289,800	$0
FY23: reversal of assumed Medicaid redetermination savings	583,102,800	119,626,600
Caseload: Medicaid physical health	375,901,700	59,333,000
Health care workforce - wage increase	210,112,500	74,495,500
Actuarial soundness: health plan services	117,780,100	40,846,100
One-Time nursing facilities change in Medicaid rate methodology	110,000,000	102,000,000
One-Time drinking water quality initiative	100,000,000	100,000,000
Actuarial soundness: Healthy Michigan Plan - physical health	97,664,900	9,766,500
Non-direct care worker wage increase	90,000,000	31,722,300
Actuarial Soundness: Medicaid mental health	76,582,700	26,558,900
Medicaid health access and equity: professional services	73,800,000	19,733,300
FY23: Medicaid adult dental benefit redesign federal match amount	40,000,000	0
FY24: Medicaid adult dental benefit redesign federal match amount	40,000,000	0
Shift weatherization - IIJA from one-time to ongoing	40,000,000	0
Healthy Moms, Healthy Babies - legal resident 5-year waiting period removal	32,125,200	6,400,000
Juvenile Justice Task Force - child care fund to 75% state share	31,534,600	31,534,600
Essential local public health services	30,000,000	30,000,000
Drinking water quality initiative - healthy homes program	22,500,000	22,500,000
FY24: continuation of supplemental increase - foster care payments	21,250,000	21,250,000
Medicaid health access and equity: durable medical equipment	18,900,000	5,594,200
Racial Disparity Task Force - local healthy community zone operation	16,800,000	16,800,000
Foster care: respite care program increase	15,095,500	15,095,500
Racial Disparity Task Force - neighborhood health grants	15,000,000	15,000,000
Actuarial soundness: integrated care organization	14,758,200	5,118,100
Actuarial soundness: Healthy Michigan Plan - behavioral health	14,636,600	1,463,700
Foster care: family maintenance payment increase - adoption	14,085,300	4,429,900
Actuarial soundness: Medicaid HCBS	13,409,400	4,650,400
Medicaid health access and equity: laboratory services	12,700,000	3,395,800
FY23: Michigan Crisis and Access Line (MiCAL) federal match	12,353,100	0
Caseload: family independence program	11,933,100	5,532,100
Medicare Part B buy-in compliance	11,131,600	11,131,600
FY23: FMAP ambulance base rate	10,435,900	2,588,100
Healthy Moms, Healthy Babies - CenteringPregnancy	10,000,000	5,000,000
Healthy Moms, Healthy Babies - perinatal quality collaborative	10,000,000	10,000,000
Healthy Moms, Healthy Babies - hospital maternal health incentives	10,000,000	10,000,000
One-Time Racial Disparity Task Force - DHHS data collection	10,000,000	5,000,000
Medicaid health access and equity: TBI rate increase	9,500,000	2,545,100
One-time multicultural integration funding	8,600,000	8,600,000
Caseload: state supplementation	7,173,800	7,173,800
One-time IT comprehensive child welfare information system costs	6,924,000	3,460,600
Racial Disparity Task Force - mobile health centers	6,900,000	6,900,000
Actuarial soundness: PACE	6,533,400	2,265,800
IT: vendor inflationary adjustments	6,384,200	4,971,600
Department staff improvements: adult protection services	6,347,600	4,616,000

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
Health and Human Services (continued)		
Healthy Moms, Healthy Babies - Plan First!	6,200,000	1,000,700
IT: comprehensive child welfare information system costs	5,653,000	4,074,800
Caseload: certified community behavioral health clinic demonstration	5,402,800	1,374,700
Health care workforce - recruiting and scholarship programs	5,000,000	5,000,000
One-time first responder and public safety mental health	5,000,000	5,000,000
Medicaid health access and equity: recuperative care	4,960,000	2,157,800
Foster care: family maintenance payment increase - foster care	4,410,700	2,845,800
Backfill VOCA and CVRF Funding with GF/GP	4,400,000	7,900,000
FY23: federal mental health block grant authorization	4,000,000	0
Medicaid health access and equity: Expand CSHCS to age 26	4,000,000	3,253,900
FY24: continuation of supplemental increase - child care fund	3,750,000	3,750,000
One-time Racial Disparity Task Force - neighborhood health grants	3,500,000	3,500,000
FY24: annualization ambulance base rate	3,478,700	862,700
IT: Increased relational database usage costs	3,255,800	1,199,800
Medicaid health access and equity: anesthesia services	2,900,000	700,100
Actuarial soundness: dental	2,824,100	979,400
PACE site expansion - Alpena and add'l slots - Kent County	2,614,000	906,500
One-time Racial Disparity Task Force - sickle cell center	2,500,000	2,500,000
Actuarial soundness: autism services	2,439,800	846,100
Department staff improvements: state psychiatric occupational health clinics	2,206,800	2,206,800
State restricted adjustment: newborn screening fees	1,912,500	0
Medicaid health access and equity: home health agency	1,700,000	440,400
Juvenile Justice Task Force - state facilities staffing	1,287,200	643,600
Racial Disparity Task Force - DHHS Dep't DEI staff	1,100,200	814,200
IT: vital records maintenance and operations costs	1,000,000	1,000,000
Private: healthy homes homeowner contributions	1,000,000	0
Federal: increased authorization for AIDS prev., edu., and treatment	1,000,000	0
Medicaid health access and equity: metabolic infant formula reimbursement	1,000,000	350,600
One-time Racial Disparity Task Force - local healthy community zone planning	1,000,000	1,000,000
Racial Disparity Task Force - DHHS Dep't DEI training contract	927,000	686,000
Foster Care: family maintenance payment increase - guardianship	782,700	543,700
FY24 special financing: tribal pharmacy all-inclusive rate	669,100	0
IT: increased file transfer service usage costs	575,200	143,800
FY23: food assistance advance notice for unused benefits	510,000	255,000
FY23: MISEP child welfare settlement monitor costs	489,900	418,900
Private: Michigan health initiative fund increase	479,300	0
Department staff improvements: Office of Recipient Rights	327,300	327,300
Private: Health Endowment Fund chronic disease prevention	250,000	0
Racial Disparity Task Force - local healthy community zone DHHS oversight	250,000	250,000
Medicaid health access and equity: CSHCS targeted case mgmt	200,000	70,100
FY23: West Michigan Partnership for Children admin inflation adj.	194,000	159,100
IT: child support for incarcerated individual coordination MDOC	155,800	53,000
Increased costs for statewide single audit - DTMB	153,400	104,500
LIHEAP department analyst FTE transfer	153,000	0
Private: tribal pharmacy authorization increase	100,000	0
Total - Health & Human Services	**$3,552,958,300**	**$914,418,400**
Higher Education		
Operations increase - 4% ACB	$63,962,700	$63,962,700
One-time postsecondary scholarship fund GF transfer	50,000,000	50,000,000
Postsecondary scholarship fund GF transfer - ongoing	50,000,000	50,000,000
$4,500 per FYES floor funding	7,326,800	7,326,800
MPSERS normal cost offset	4,450,000	0
Indian tuition waiver adjustment	376,000	376,000
Total - Higher Education	**$176,115,500**	**$171,665,500**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
Judiciary		
Statutory district judges' salary increase	$504,900	$504,900
Justice for all program improvements, training, outreach	475,000	475,000
Supreme Court security increase	415,000	415,000
One-time judicial institute: court administration bench book	300,000	300,000
Judicial institute: curriculum development	182,000	182,000
Building security services contractual increase	105,400	105,400
Total - Judiciary	**$1,982,300**	**$1,982,300**
Labor and Economic Opportunity		
Strategic outreach and attraction reserve funding	$500,000,000	$0
One-time employer led collaboratives	20,000,000	20,000,000
Reconnect program costs increase	10,212,200	10,212,200
Community service commission federal grants & private revenue	7,320,100	0
MiOSHA federal authorization and match	4,777,800	1,528,800
Workforce development federal grants	3,540,600	0
Increased brownfield redevelopment fund revenue	1,825,000	0
Workforce development federal authorization realignment	1,500,000	0
Michigan rehabilitation services federal match	1,500,000	1,500,000
Jobs for graduates workforce program increase	1,250,000	1,250,000
One-time focus HOPE program increase	1,000,000	1,000,000
Current services baseline technical adjustments	979,600	0
Tri-share child care program increase	900,000	900,000
MiSTEM advisory council staff support increase	448,000	448,000
Wage and hour program staffing increase	250,000	0
Women's commission operations	62,000	62,000
MSHDA FTE increased authorization	0	0
Total - Labor & Economic Opportunity	**$555,565,300**	**$36,901,000**
Legislature		
House 4.0% overall increase	$2,826,200	$2,826,200
Senate 4.0% overall increase	1,958,700	1,958,700
Legislative auditor general field operations 4.0% overall increase	1,128,400	769,000
Legislative council 4.0% overall increase	765,200	765,200
Binsfeld Office Building	361,400	361,400
State Capitol historic site general operations 4.0% overall increase	240,800	223,700
Legislative retirement system 4.0% overall increase	230,000	176,500
Senate fiscal agency 4.0% overall increase	173,500	173,500
House fiscal agency 4.0% overall increase	173,500	173,500
State Capitol historic site maintenance 4.0% overall increase	145,100	0
Legislative corrections ombudsman 4.0% overall increase	43,100	43,100
Michigan veterans facility ombudsman 4.0% overall increase	13,500	13,500
Worker's compensation 4.0% overall increase	6,500	6,500
Total - Legislature	**$8,065,900**	**$7,490,800**
Licensing and Regulatory Affairs		
MIDC grants - minimum standard 8	$42,155,500	$42,155,500
Michigan Indigent Defense Commission grants	29,844,500	29,844,500
Child care licensing bureau background check authorization	2,000,000	2,000,000
Cannabis regulatory agency reference lab	1,600,000	0
Michigan Liquor Control Commission (MLCC) law enforcement grants	1,500,000	0
Child care licensing bureau operations staffing	1,100,000	1,100,000
Corporations online filing system maintenance	1,000,000	0
MLCC SIPS Licensing and Maintenance	900,000	0
Public Service Commission - gas safety and operations staff	813,400	0
Child care licensing bureau	600,000	600,000
MLCC staffing	514,600	0
MIDC operations increase	413,000	413,000

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
Licensing and Regulatory Affairs (continued)		
MILogin rate increase	100,000	0
Bureau of fire services aboveground storage tank fees	100,000	0
Public Service Commission - underground natural gas storage inspection program	73,900	0
CSB technical adjustments	1,900	0
Total - Licensing & Regulatory Affairs	**$82,716,800**	**$76,113,000**
Military and Veterans Affairs		
Michigan veterans facility administration adjustment	$9,435,100	$7,888,900
Selfridge Air National Guard base operations	1,475,000	269,000
Michigan veterans affairs agency claims assistance	750,000	750,000
Federal allowable costs changes	569,200	569,200
Facilities operations	180,000	58,300
Total - Military & Veterans Affairs	**$12,409,300**	**$9,535,400**
Natural Resources		
Parks and recreation operations	$7,753,500	$0
Revitalizing emergency response and fire management	3,738,800	3,738,800
Capital Outlay - State parks repair and maintenance	3,650,000	0
Conservation officer pay equity	3,549,500	3,549,500
Align federal spending authority - state volunteer fire assistance	1,751,500	0
Broadening access to the outdoors by increasing information and engagement (7.0 FTEs)	1,500,000	780,900
Fleet rate increase	1,229,100	0
Finance and operations capacity increase	724,700	0
Align federal spending authority - forest health program	540,800	0
Supporting Michigan's local governments	450,000	450,000
Conservation officer body camera operational staff	258,900	258,900
Capital Outlay - State game and wildlife area infrastructure	100,000	0
Align DIT IDG budget with increased MILogin rates	54,200	0
Total - Natural Resources	**$25,301,000**	**$8,778,100**
School Aid		
Foundation allowance	$614,000,000	$0
MPSERS normal costs	363,650,000	50,000
School safety per-pupil payments - public schools	300,000,000	0
Mental health per pupil payments	300,000,000	0
MPSERS PGA reduction	202,000,000	0
Special education costs	168,793,000	0
Special education foundation increase	79,900,000	0
At-risk programs	64,700,000	0
GSRP expanded eligibility	50,000,000	0
Partnership model districts	36,000,000	0
Mental health grants and administration	28,945,000	0
Before and after school programs	25,000,000	0
GSRP rate increase	22,500,000	0
School safety per-pupil payments - nonpublic schools	18,000,000	18,000,000
GSRP transportation	18,000,000	0
CTE equipment upgrades	15,000,000	0
Adult education	15,000,000	0
Early literacy district grants	14,500,000	0
MPSERS cost offset for ISDs and libraries	11,939,000	0
Promise zone payments	11,200,000	0
Early literacy teacher coaches	10,500,000	0
Vocational education	10,000,000	0
Great Start early childhood block grants	9,500,000	0
Federal grants	6,400,000	0
Reading Corps.	5,000,000	5,000,000

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
School Aid (continued)		
Local produce in schools	4,800,000	0
Data collection and reporting costs	4,300,000	0
ISD general operations	3,782,100	0
School lunch costs	2,137,000	0
Michigan Virtual University	1,800,000	1,800,000
Bilingual education	1,326,000	0
Early On	1,063,000	0
Flint declaration of emergency - Educare	1,000,000	1,000,000
Detroit pre-college K-12 engineering program	500,000	0
Rural and isolated districts	443,000	0
GSRP longitudinal study	250,000	250,000
PILT reimbursement	95,000	0
Total - School Aid	**$2,422,023,100**	**$26,100,000**
State		
2022 Proposal 1 and 2 ongoing oversight	$4,713,600	$4,713,600
Mobile office staffing	1,220,000	0
Postal and mailing service rate increase	600,000	0
Enforcement division staffing increase	447,500	447,500
Equity and inclusion officer	218,800	0
Additional branch office security guards	150,000	0
Security contract increase	140,000	0
Motorcycle safety education grants	0	0
Total - State	**$7,489,900**	**$5,161,100**
State Police		
In-service training	$18,240,000	$18,240,000
Trooper recruit school	9,003,500	9,003,500
Commercial vehicle enforcement	5,671,700	0
Recruit school annualization	4,501,800	4,501,800
Justice training grants	4,190,000	0
OK2Say	378,700	378,700
Ammunition	231,200	231,200
Training only to local units	200,500	0
Investigative services	151,100	0
Intelligence operations	150,000	0
Biometrics and identification	125,100	0
Forensic science	91,900	91,900
Executive direction	15,000	0
Total - State Police	**$42,950,500**	**$32,447,100**
Technology, Management, and Budget		
CSB technical adjustment	$26,676,000	$0
State Building Authority rent increase	5,000,000	5,000,000
State psychiatric hospital building operations	3,477,000	0
Design and construction services staffing alignment	2,200,000	0
Building operations division contract increases	2,108,000	0
Civil Service Commission - HR	1,931,400	895,800
Office of the Child Advocate	1,600,000	1,600,000
Central procurement services staffing and IT	984,100	0
SIGMA contractual cost increase	366,500	366,500
Total - Technology, Management, & Budget	**$44,343,000**	**$7,862,300**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING INCREASES		
Budget Area/Program	**Gross**	**GF/GP**
Transportation		
One-time Michigan bridge bundling initiative increase	$200,000,000	$200,000,000
Debt service	118,439,600	0
Transit and rail programs revenue adjustments	62,337,900	0
County road commissions	25,152,800	0
Highway maintenance materials and services increase	21,698,500	0
Aeronautics program revenue adjustments	20,127,800	0
Program staffing	15,643,300	0
Cities and villages	14,021,900	0
Economic development revenue adjustments	9,418,000	0
Capital outlay special maintenance increase	1,999,000	0
CSB technical	804,400	0
Capital outlay increase	500,000	0
Local bridge program	416,900	0
Office of rail staffing	300,500	0
Asset management council admin support	250,000	0
Federal aid buyout program staffing	165,100	0
Movable bridge program	158,200	0
Total - Transportation	**$491,433,900**	**$200,000,000**
Treasury-Operations		
Technical adjustments	$32,093,600	$90,000
Qualified heavy equipment rental tax	3,420,000	$0
Responsible gaming advertising	3,000,000	$0
Internet gaming and sports betting regulation	2,239,700	$0
Payment in lieu of taxes	2,112,700	$1,675,400
Gaming control accounts receivable system upgrade	2,000,000	$0
City income tax administration program expansion	1,850,000	$0
Lottery online and retail sales and operations support	1,000,000	$0
Attainable and workforce housing tax package	665,000	$665,000
Office of Revenue and Tax Analysis	594,500	$594,500
School bond loan system upgrade	171,000	$171,000
Total - Treasury - Operations	**$49,146,500**	**$3,195,900**
Treasury-Revenue Sharing		
City, village, and township revenue sharing	$27,955,800	$0
County revenue sharing	24,352,800	0
City, village, and township local public safety	19,569,000	0
County local public safety	17,043,000	0
Constitutional state general revenue sharing	1,236,100	0
Emmet county	503,600	0
Total - Treasury - Revenue Sharing	**$90,660,300**	**$0**
TOTAL - PROGRAM INCREASES	**$8,028,065,700**	**$1,589,291,600**

Table 13

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
FUNDING ELIMINATIONS

Budget Area/Program	Gross	GF/GP
Agriculture and Rural Development		
One-time economic development for food and agriculture	($50,000,000)	($50,000,000)
One-time office of rural development	(3,000,000)	(3,000,000)
One-time animal welfare and veterinary care	(2,000,000)	(2,000,000)
One-time local conservation districts	(1,000,000)	(1,000,000)
One-time Buy Michigan campaign	(1,000,000)	(1,000,000)
Total - Agriculture & Rural Development	**($57,000,000)**	**($57,000,000)**
Attorney General		
FY 2022-23 one-time appropriations removal	($8,500,000)	($8,500,000)
Total - Attorney General	**($8,500,000)**	**($8,500,000)**
Capital Outlay		
Remove FY 23 projects	($487,400,000)	($109,000,000)
Total - Capital Outlay	**($487,400,000)**	**($109,000,000)**
Civil Rights		
FY 2022-23 one-time appropriations removal	($3,651,900)	($3,651,900)
Total - Civil Rights	**($3,651,900)**	**($3,651,900)**
Community Colleges		
Remove FY 23 one-time appropriations	($81,200,000)	$0
Total - Community Colleges	**($81,200,000)**	**$0**
Education		
FY 2022-23 one-time appropriations removal	($250,000)	($250,000)
Total - Education	**($250,000)**	**($250,000)**
Environment, Great Lakes, & Energy		
Removal of FY 2022-23 one-time funding	($94,820,900)	($17,650,000)
Total - Environment, Great Lakes, & Energy	**($94,820,900)**	**($17,650,000)**
Health & Human Services		
Removal of predictive modeling contract	($1,200,000)	($300,000)
Elimination of Van Andel Institute contract	(1,000,000)	(1,000,000)
Elimination of child welfare legal representation pilot	(500,000)	(500,000)
Elimination of adoptive family support network program	(250,000)	(250,000)
Removal of Medicaid and Medicare reimbursement study	(200,000)	(100,000)
Removal of human embryo public information funding	(100,000)	(100,000)
Removal of rare disease panel grant	(70,000)	(70,000)
Total - Health & Human Services	**($3,320,000)**	**($2,320,000)**
Judiciary		
Removal of current year one-time appropriations	($151,437,200)	($151,437,200)
Direct trial court automation user fees	(7,752,900)	0
Total - Judiciary	**($159,190,100)**	**($151,437,200)**
Labor and Economic Opportunity		
Remove FY 23 one-time appropriations from supplementals	($1,789,140,200)	($1,529,140,000)
Remove FY 23 one-time appropriations from enacted	(1,205,024,500)	(1,154,274,500)
Pure Michigan federal ARP funding	(15,000,000)	0
Total - Labor & Economic Opportunity	**($3,009,164,700)**	**($2,683,414,500)**
Legislature		
Removal of supplemental funding in PA 1 of 2023	($3,170,000)	($3,170,000)
Total - Legislature	**($3,170,000)**	**($3,170,000)**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING ELIMINATIONS		
Budget Area/Program	**Gross**	**GF/GP**
Licensing & Regulatory Affairs		
Low carbon grant program removal	($25,000,000)	($25,000,000)
Michigan saves	(2,500,000)	(2,500,000)
Corporations online filing modernization	(2,343,600)	0
Michigan task force on foreign-trained medical professionals	(1,000,000)	0
Urban search and rescue	(1,000,000)	(1,000,000)
Bureau of fire services - smoke detectors	(1,000,000)	(1,000,000)
Cannabis market taxation and regulatory compliance analysis pilot program	(500,000)	0
Total - Licensing & Regulatory Affairs	**($33,343,600)**	**($29,500,000)**
Military and Veterans Affairs		
One-time armory modernization	($115,000,000)	($55,000,000)
One-time state veterans cemetery	(12,000,000)	(1,500,000)
One-time Grand Rapids home for veterans transition	(6,456,000)	(4,065,000)
One-time Selfridge Air National Guard base	(6,100,000)	(6,100,000)
One-time MVFA facilities transition funding	(6,000,000)	(6,000,000)
One-time veterans suicide prevention outreach	(1,200,000)	(1,200,000)
One-time veterans cemetery feasibility study	(250,000)	(250,000)
One-time Michigan volunteer defense force	(100,000)	(100,000)
Total - Military & Veterans Affairs	**($147,106,000)**	**($74,215,000)**
Natural Resources		
Removal of FY 2022-23 one-time funding	($46,935,000)	($45,385,000)
Capital Outlay - FY 2023 appropriation no longer needed	(1,000,000)	0
Total - Natural Resources	**($47,935,000)**	**($45,385,000)**
School Aid		
Remove FY 2022-23 one-time items	($1,923,682,500)	($74,602,000)
School resource officers	(25,000,000)	0
Nonpublic school reimbursements	(1,000,000)	(1,000,000)
Total - School Aid	**($1,949,682,500)**	**($75,602,000)**
State Police		
One-time in-service training	($20,000,000)	($20,000,000)
One-time trooper school	(4,694,200)	(4,694,200)
One-time contracts and services	(3,100,000)	(3,100,000)
One-time recruitment, training, and outreach	(1,000,000)	(1,000,000)
One-time crime victim support pilot program	(518,400)	(518,400)
Total - State Police	**($29,312,600)**	**($29,312,600)**
Technology, Management, and Budget		
Information technology investment fund	($100,000,000)	($100,000,000)
Enterprisewide special maintenance - state facilities	(70,000,000)	(70,000,000)
Supply chain technology	(15,000,000)	(15,000,000)
Software Licensing assessment	(750,000)	(750,000)
Total - Technology, Management, & Budget	**($185,750,000)**	**($185,750,000)**
Transportation		
Removal of supplemental funding in PA 1 of 2023	($25,000,000)	($25,000,000)
Total - Transportation	**($25,000,000)**	**($25,000,000)**
Treasury - Operations		
FY 2022-23 one-time appropriations removal	($872,000,000)	($869,000,000)
FY 2022-23 supplemental appropriations removal	(25,000,000)	(25,000,000)
Total - Treasury - Operations	**($897,000,000)**	**($894,000,000)**
Treasury - Revenue Sharing		
FY 2022-23 one-time appropriations removal	($4,981,400)	$0
Total - Treasury - Revenue Sharing	**($4,981,400)**	**$0**
TOTAL FUNDING ELIMINATIONS	**($7,227,778,700)**	**($4,395,158,200)**

Table 14

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
FUNDING REDUCTIONS

Budget Area/Program	Gross	GF/GP
Community Colleges		
Indian tuition waiver adjustment	($413,700)	$0
Total - Community Colleges	**($413,700)**	**$0**
Corrections		
Removal of FY 22 one-time items	($40,000,000)	($40,000,000)
Michigan Reformatory consolidation savings	(33,161,200)	(33,161,200)
Gus Harrison consolidation savings	(15,685,200)	(15,685,200)
Probation residential services (reallocated to other lines)	(2,000,000)	(2,000,000)
Total - Corrections	**($90,846,400)**	**($90,846,400)**
Education		
Technical Adjustment	($89,300)	($195,700)
Total - Education	**($89,300)**	**($195,700)**
Environment, Great Lakes, and Energy		
CSB technical adjustments	($58,857,200)	$0
Total - Environment, Great Lakes, & Energy	**($58,857,200)**	**$0**
Health and Human Services		
FY24 Medicaid special financing: Medicaid gross payment adjustments	$27,012,000	($3,201,800)
FY23 special financing: tribal air	3,557,700	0
Caseload: Healthy Michigan Plan - physical health	(336,083,500)	0
One-time behavioral health care services and facilities	(170,600,000)	(170,600,000)
Caseload: Medicaid mental health	(123,347,900)	(42,695,700)
FY23 Special Financing: Medicaid gross adjustments	(113,811,900)	12,518,500
One-time infrastructure grants to enhance pediatric inpatient services	(50,000,000)	(50,000,000)
One-time weatherization assistance - IIJA	(40,000,000)	0
Caseload: Healthy Michigan Plan - behavioral health	(32,706,600)	(3,270,700)
One-time comprehensive child welfare information system	(28,989,500)	(14,283,400)
One-time clinical integration fund	(25,000,000)	(25,000,000)
One-time community health campus pilot project	(25,000,000)	(25,000,000)
One-time community mental health services programs integration readiness	(25,000,000)	(25,000,000)
Caseload: foster care payments	(23,096,900)	(12,863,000)
FY23: removal of rate inc. - foster care payments	(21,250,000)	(21,250,000)
Caseload: autism services	(20,316,900)	(7,013,800)
FY23 special financing: LTC base correction	(18,211,300)	15,529,200
One-time program of all-inclusive care for the elderly pandemic relief	(15,500,000)	(15,500,000)
One-time behavioral health care services and facilities	(15,000,000)	(15,000,000)
One-time critical child welfare infrastructure	(15,000,000)	(15,000,000)
Caseload: CSHCS	(14,863,100)	(11,467,000)
One-time E-FMAP redetermination compliance	(10,000,000)	(5,000,000)
One-time health system project	(10,000,000)	(10,000,000)
One-time jail diversion fund	(10,000,000)	(10,000,000)
One-time MEHP - mental health expansion	(10,000,000)	(10,000,000)
FY23 special financing: behavioral health	(9,605,000)	1,339,000
One-time multicultural integration funding	(8,600,000)	(8,600,000)
One-time Safe harbor	(8,333,300)	(8,333,300)
Federal: electronic health records authorization reduction	(8,000,000)	0
Caseload: health homes	(7,811,900)	5,657,000
One-time first responder and public safety staff mental health	(7,500,000)	(7,500,000)
One-time hospital improvement grant	(6,600,000)	(6,600,000)
One-time health workforce development	(6,550,000)	(6,550,000)
One-time permanent supportive housing	(6,000,000)	(6,000,000)
Caseload: adoption subsidies	(5,930,000)	(4,341,900)
FY23 special financing: state psych DSH	(5,727,400)	0
One-time narcotics awareness program	(5,000,000)	(5,000,000)
One-time quality assurance assessment program overpayment reimbursement	(4,237,200)	(4,237,200)

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING REDUCTIONS		
Budget Area/Program	**Gross**	**GF/GP**
Health and Human Services (continued)		
MiDOCS non-GF/GP financing adjustment	(4,200,000)	0
One-time senior living and health care expansion	(4,000,000)	(4,000,000)
One-time food security council	(3,950,000)	(3,950,000)
FY23: removal of rate inc. - child care fund	(3,750,000)	(3,750,000)
One-time pathway hub	(3,400,000)	(3,400,000)
One-time Incompass - COVID-19 grants	(3,000,000)	(3,000,000)
One-time autism comprehensive care center	(2,500,000)	(2,500,000)
One-time first responder and public safety staff mental health	(2,500,000)	(2,500,000)
One-time insight behavioral health	(2,500,000)	(2,500,000)
One-time sickle cell center	(2,500,000)	(2,500,000)
One-time CHILD welfare day treatment pilot program	(2,480,000)	(2,480,000)
FY23 special financing: Medicare premiums	(2,353,500)	150,700
Savings due to DHHS canceled leases	(2,134,600)	(849,100)
Caseload: child care Fund	(2,059,800)	(5,144,700)
One-time foster care services	(2,000,000)	(2,000,000)
One-time Upper Peninsula robotic spinal surgery capital cost grant	(2,000,000)	(2,000,000)
One-time Home repair and plumbing assistance grants	(1,823,300)	(1,823,300)
One-time Kinship and the Bridge	(1,750,000)	(1,750,000)
One-time foster youth transition program grant	(1,500,000)	(1,500,000)
One-time behavioral health facilities grants	(1,500,000)	(1,500,000)
One-time community house capital grant	(1,440,000)	(1,440,000)
One-time human trafficking victims inclusive services grant program	(1,250,000)	(1,250,000)
One-time behavioral health professionals for schools	(1,000,000)	(1,000,000)
One-time City of Detroit environmental monitoring	(1,000,000)	(1,000,000)
One-time honor psychiatric residency	(1,000,000)	(1,000,000)
One-time ride-to-work program	(1,000,000)	(1,000,000)
One-time school training and technical assistance	(1,000,000)	(1,000,000)
One-time senior living and healthcare expansion	(1,000,000)	(1,000,000)
One-time wellness center pilot project	(1,000,000)	(1,000,000)
One-time unified clinics resiliency center for families and children	(750,000)	(750,000)
One-time food distribution	(700,000)	(700,000)
Caseload: family support subsidy	(694,600)	0
Federal: CW community support services authorization reduction	(629,900)	0
One-time behavioral health patient health information tool	(600,000)	(600,000)
One-time domestic violence prevention and treatment	(600,000)	(600,000)
One-time child advocacy centers	(500,000)	(500,000)
One-time committee on juvenile justice grants	(500,000)	(500,000)
One-time parental stress and child mental health program	(500,000)	(500,000)
One-time uterine fibroid grant	(500,000)	(500,000)
One-time wrap-around services	(400,000)	(400,000)
Caseload: state disability assistance	(354,200)	(265,500)
One-time great lakes recovery center	(250,000)	(250,000)
One-time recovery community organization	(150,000)	(150,000)
One-time teen walk	(50,000)	(50,000)
MPHI staff to DHHS staff conversion	(40,000)	(40,000)
One-time mediation services	(40,000)	(40,000)
State Restricted: marihuana regulatory fund decrease	(3,400)	0
Total - Health & Human Services	**($1,281,956,000)**	**($576,796,000)**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUNDING REDUCTIONS		
Budget Area/Program	**Gross**	**GF/GP**
Higher Education		
Phaseout of Michigan Competitive Scholarship	($3,000,000)	($3,000,000)
MPSERS UAAL stabilization payment	(70,000)	0
Total - Higher Education	**($3,070,000)**	**($3,000,000)**
Judiciary		
Statutory judgeship adjustments	($134,600)	($134,600)
Total - Judiciary	**($134,600)**	**($134,600)**
Legislature		
Cora Anderson Building	($6,740,900)	($6,740,900)
Total - Legislature	**($6,740,900)**	**($6,740,900)**
Military & Veterans Affairs		
Michigan veterans affairs agency	($540,000)	$0
Military retirement	(106,000)	(106,000)
Total - Military & Veterans Affairs	**($646,000)**	**($106,000)**
Natural Resources		
CSB technical adjustments	($1,632,400)	$0
Capital Outlay - State boating infrastructure maintenance	(700,000)	0
Capital Outlay - Local boating infrastructure maintenance	(300,000)	0
CSB technical adjustments: payments to locals	0	0
Total - Natural Resources	**($2,632,400)**	**$0**
School Aid		
Foundation allowance costs	($209,000,000)	$0
Foundation allowance cyber school reduction	(42,000,000)	0
School aid fund borrowing costs	(6,800,000)	0
Total - School Aid	**($257,800,000)**	**$0**
Technology, Management, and Budget		
Removal of funds for business incentive study	($1,000,000)	($1,000,000)
Total - Technology, Management, & Budget	**($1,000,000)**	**($1,000,000)**
Transportation		
State trunkline road & bridge	($108,848,100)	$0
Removal of current year one-time funding	(67,500,000)	(66,250,000)
Total - Transportation	**($176,348,100)**	**($66,250,000)**
TOTAL - PROGRAM REDUCTIONS	**($1,880,534,600)**	**($745,069,600)**

Table 15

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION
FUND SHIFTS TO INCREASE/(REDUCE) GF/GP

Budget Area/Program	GF/GP
Education	
Child Care TANF Fund Shift	$12,000,000
Total - Education	**$12,000,000**
Health and Human Services	
FY24 Temp. FMAP reversal: FMPP	$55,925,300
FY24 Temp. FMAP: health services	(33,269,900)
Federal: Fund shift diaper assistance TANF to GF/GP	4,404,400
FY23 state restricted: fund shift healthy Michigan fund and GF/GP	3,400,000
FY23 state restricted: fund shift Medicaid benefits trust fund and GF/GP	31,500,000
FY24 state restricted: fund shift healthy Michigan fund and GF/GP	1,500,000
FY24 state restricted: fund shift Medicaid benefits trust fund and GF/GP	4,600,000
Federal: backfill breast and cervical cancer program funding	1,000,000
FY23: electronic visit verification FMAP penalty	14,215,300
FY24: reversal of electronic visit verification FMAP penalty	(14,215,300)
FY24 FMAP: child welfare	(499,500)
FY24 FMAP: behavioral health services	(7,751,300)
FY24 FMAP: CHIP healthy homes program	(104,300)
FY24 FMAP: CSHCS	(484,500)
FY24 FMAP: FIP retained child support collections	(57,000)
FY24 FMAP: health and aging services	(25,500,600)
FY24 FMAP: state psychiatric hospitals	(144,500)
FY23 Temp. FMAP: child welfare	(8,874,200)
FY23 Temp. FMAP: behavioral health services	(156,125,400)
FY23 Temp. FMAP: CHIP healthy homes program	(841,000)
FY23 Temp. FMAP: CSHCS	(10,774,600)
FY23 Temp. FMAP: health services	(441,377,400)
FY23 Temp. FMAP: Q4 payments - rates	(5,851,000)
FY23 Temp. FMAP: state psychiatric hospitals	(2,033,800)
FY24 Temp. FMAP Reversal: child welfare	9,543,300
FY24 Temp. FMAP Reversal: behavioral health services	156,125,400
FY24 Temp. FMAP Reversal: CHIP healthy homes program	841,000
FY24 Temp. FMAP Reversal: CSHCS	10,774,600
FY24 Temp. FMAP Reversal: health services	441,377,400
FY24 Temp. FMAP Reversal: Q4 payments - rates	5,851,000
FY24 Temp. FMAP Reversal: state psychiatric hospitals	2,033,800
FY24 Temp. FMAP: child welfare	(669,100)
FY24 Temp. FMAP: behavioral health services	(11,768,300)
FY24 Temp. FMAP: CHIP healthy homes program	(63,400)
FY24 Temp. FMAP: CSHCS	(812,200)
FY24 Temp. FMAP: FMPP	(4,215,500)
FY24 Temp. FMAP: state psychiatric hospitals	(153,500)
FY23 special financing: Medicaid ACA rebates	19,496,100
FY23 special financing: Medicaid certified public expenditures -co. medical care facility	(20,044,400)
FY23 special financing: Medicaid QAAP retainer adjustments	(32,144,700)
FY23 special financing: Medicaid state psych DSH	3,706,200
FY23 special financing: school-based services excess revenue	(1,443,100)
FY24 special financing: Medicaid QAAP retainer adjustments	31,232,200
FY24 special financing: school-based services excess revenue	(474,400)
FY24 Fund Shift: IPA true-up	(43,447,300)
FY23 Temp. FMAP: federal Medicare pharmaceutical program	(55,925,300)
Total - Health & Human Services	**($81,539,500)**

FY 2023-24 GOVERNOR'S APPROPRIATION RECOMMENDATION FUND SHIFTS TO INCREASE/(REDUCE) GF/GP	
Budget Area/Program	**GF/GP**
Judiciary	
Statewide management system implementation & user fee offsets	$12,500,500
Law exam fee revenue shortfall	162,000
Total - Judiciary	**$12,662,500**
Labor & Economic Opportunity	
One-time workers' disability compensation agency bridge funding	$1,200,000
Total - Labor & Economic Opportunity	**$1,200,000**
Licensing & Regulatory Affairs	
Property management savings to corporations, securities, and commercial licensing	$0
Total - Licensing & Regulatory Affairs	**$0**
School Aid	
Great Start Readiness Program	$0
First Robotics	(600,000)
Foundation allowance SAF to GF shift	(354,300)
Total - School Aid	**($954,300)**
State	
CSB technical adjustment to shift GF/GP for restricted	($1,500)
Total - State	**($1,500)**
Technology, Management, & Budget	
SWCAP adjustments	$1,277,100
Total - Technology, Management, & Budget	**$1,277,100**
Transportation	
Road and bridge to operating	$0
Restore TEDF target industry program funding	$0
Total - Transportation	**$0**
TOTAL - GF/GP FUND SHIFTS	**($55,355,700)**

Table 17

FY 2023-24 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION K-12 SCHOOL AID APPROPRIATION CHANGES (millions of dollars)	
FY 2022-23 Year-to-Date Gross Appropriations	$19,642.8
FY 2023-24 Governor's Recommended Gross Appropriations	20,891.5
Net Change in School Aid Appropriations	$1,248.7
Recommended Appropriations for New Programs:	
Professional development, curriculum, supports, and LETRS	$300.0
Consolidation incentive payments	245.0
Expanded breakfast/lunch programs	160.0
Electric bus grants	150.0
Mathematic pathways	30.0
School health centers facilities improvements	25.0
Statewide teacher mentoring and induction	25.0
GSRP pilot program for 3-year-olds	18.0
Rural educator credentialing hub	15.0
FAFSA completion challenge	15.0
Adult education pilots	15.0
Cybersecurity assessments of school technology infrastructure	9.0
GOAL Line Detroit	6.0
Administrator/principal training on special education	5.0
Michigan Learning Channel	5.0
Dolly Parton's Imagination Library	4.0
Detroit parent network	3.0
Literacy marketing	2.0
Early literacy hubs	1.2
School meal forgiveness	1.0
Subtotal Appropriation New Programs	$1,034.2

FY 2023-24 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION K-12 SCHOOL AID APPROPRIATION CHANGES (millions of dollars)	
Recommended Appropriation Increases in Existing Programs:	
Foundation allowance: $458 increase - 5%	$614.0
MPSERS normal costs	363.7
School safety per-pupil payments - public schools	300.0
Mental health per-pupil payments	300.0
MPSERS PGA reduction	202.0
Special education costs	168.8
Special education foundation increase	79.9
At-risk programs	64.7
GSRP expanded eligibility	50.0
Partnership model districts	36.0
Mental health grants and administration	28.9
Before and after school programs	25.0
GSRP rate increase	22.5
School safety per-pupil payments - nonpublic schools	18.0
GSRP transportation	18.0
CTE equipment upgrades	15.0
Adult education	15.0
Early literacy grants	14.5
MPSERS cost offset for ISDs and libraries	11.9
Promise zone payments	11.2
Early literacy teacher coaches	10.5
Vocational education	10.0
Great Start early childhood block grants	9.5
Federal grants	6.4
Reading Corps	5.0
Local produce in schools	4.8
Data collection and reporting costs	4.3
ISD general operations	3.8
School lunch costs	2.1
Michigan Virtual University	1.8
Bilingual education	1.3
Early On	1.1
Flint declaration of emergency - Educare	1.0
Detroit pre-college K-12 engineering program	0.5
Rural and isolated districts	0.4
GSRP longitudinal study	0.3
PILT reimbursement	0.1
Subtotal Appropriation Increases in Existing Programs	$2,422.0
Recommended Appropriation Eliminations or Reductions:	
Remove FY 2022-23 one-time items	(1,923.7)
Foundation allowance costs	(209.0)
Foundation allowance - cyber school reduction.	(42.0)
School resource officers	(25.0)
School aid fund borrowing costs	(6.8)
Nonpublic school reimbursements	(1.0)
Economics	(0.0)
Subtotal Appropriation Eliminations or Reductions	($2,207.5)
TOTAL RECOMMENDED APPROPRIATION CHANGES	**$1,248.7**

Table 18

FY 2023-24 COMMUNITY COLLEGE APPROPRIATIONS: GOVERNOR'S RECOMMENDATION

College	FY 2022-23 Year-To-Date	FY 2023-24 Governor's Recommendation		
		Adjustments	Appropriation	Percent Change
Alpena	$6,040,500	$231,900	$6,272,400	3.8%
Bay de Noc	5,986,700	250,900	6,237,600	4.2
Delta	15,928,400	611,300	16,539,700	3.8
Glen Oaks	2,802,100	109,500	2,911,600	3.9
Gogebic	5,145,800	176,500	5,322,300	3.4
Grand Rapids	19,950,600	800,100	20,750,700	4.0
Henry Ford	23,731,400	966,600	24,698,000	4.1
Jackson	13,337,700	437,900	13,775,600	3.3
Kalamazoo Valley	13,832,700	565,500	14,398,200	4.1
Kellogg	10,781,400	405,900	11,187,300	3.8
Kirtland	3,601,000	152,900	3,753,900	4.2
Lake Michigan	5,990,800	262,900	6,253,700	4.4
Lansing	34,339,200	1,121,400	35,460,600	3.3
Macomb	35,950,400	1,366,700	37,317,100	3.8
Mid Michigan	5,555,700	185,800	5,741,500	3.3
Monroe	5,005,000	225,600	5,230,600	4.5
Montcalm	3,767,400	159,600	3,927,000	4.2
Mott	17,127,100	557,400	17,684,500	3.3
Muskegon	9,775,400	352,700	10,128,100	3.6
North Central	3,779,800	180,600	3,960,400	4.8
Northwestern	10,162,300	235,400	10,397,700	2.3
Oakland	23,505,300	997,800	24,503,100	4.2
Schoolcraft	13,960,700	627,400	14,588,100	4.5
Southwestern	7,359,900	265,600	7,625,500	3.6
St. Clair	7,805,200	336,500	8,141,700	4.3
Washtenaw	14,875,000	848,300	15,723,300	5.7
Wayne County	18,384,700	649,800	19,034,500	3.5
West Shore	2,742,200	97,300	2,839,500	3.5
Subtotal Operations	**$341,224,400**	**$13,179,800**	**$354,404,200**	**3.9%**
MPSERS Normal Cost Offset	$10,800,000	$12,200,000	$23,000,000	113.0%
MPSERS Retiree Health Care	1,733,600	5,455,400	7,189,000	314.7
MPSERS Reform Costs	92,600,000	13,200,000	105,800,000	14.3
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0
Michigan Reconnect Short Term Training	6,000,000	(6,000,000)	0	(100.0)
MI Center for Adult College Success	9,200,000	(9,200,000)	0	(100.0)
Comm Col. Academic Catch-Up Program	10,000,000	(10,000,000)	0	(100.0)
ADN to BSN Completion Grants	56,000,000	(56,000,000)	0	(100.0)
Total Appropriations	**$529,758,000**	**($37,164,800)**	**$492,593,200**	**(7.0%)**
Federal Coronavirus SFRF	**81,200,000**	**(81,200,000)**	**0**	**(100.0%)**
State School Aid Fund	**448,558,000**	**44,035,200**	**492,593,200**	**9.8**
GF/GP	**$0**	**$0**	**$0**	**0.0%**

Table 19

FY 2023-24 HIGHER EDUCATION APPROPRIATIONS: GOVERNOR'S RECOMMENDATION

University	FY 2022-23 Year-To-Date	Governor's Recommendation FY 2023-24 Gov. Rec.	Dollar Change	Percent Change
Central	$91,145,100	$94,551,300	$3,406,200	3.7%
Eastern	79,152,400	82,356,800	3,204,400	4.0
Ferris	56,952,900	59,085,200	2,132,300	3.7
Grand Valley	81,253,800	88,607,800	7,354,000	9.1
Lake Superior	14,361,900	15,054,500	692,600	4.8
Michigan State	303,727,700	315,692,400	11,964,700	3.9
Michigan Tech	51,951,000	54,014,600	2,063,600	4.0
Northern	50,751,100	52,911,900	2,160,800	4.3
Oakland	60,761,900	66,008,500	5,246,600	8.6
Saginaw Valley	32,274,600	33,573,700	1,299,100	4.0
UM-Ann Arbor	339,198,000	353,185,200	13,987,200	4.1
UM-Dearborn	28,115,900	29,462,500	1,346,600	4.8
UM-Flint	25,159,200	26,157,000	997,800	4.0
Wayne State	213,639,700	222,221,700	8,582,000	4.0
Western	114,351,900	118,846,400	4,494,500	3.9
Subtotal University Operations	**$1,542,797,100**	**$1,611,729,500**	**$68,932,400**	**4.5%**
MPSERS Reimbursement	$70,000	$0	($70,000)	(100.0%)
MPSERS Normal Cost Offset	4,650,000	9,100,000	4,450,000	95.7
MSU AgBioResearch	36,684,200	38,151,600	1,467,400	4.0
MSU Extension	31,642,900	32,908,600	1,265,700	4.0
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
Total Universities	**$1,618,852,500**	**$1,694,898,000**	**$76,045,500**	**4.7%**
School Aid Fund	**347,888,300**	**352,268,300**	**4,380,000**	**1.3**
State GF/GP	**$1,270,964,200**	**$1,342,629,700**	**$71,665,500**	**5.6%**
Grants and Financial Aid				
State Competitive Scholarships	$29,861,700	$26,861,700	($3,000,000)	(10.0%)
Tuition Grants	42,021,500	42,021,500	0	0.0
Tuition Incentive Program (TIP)	71,300,000	71,300,000	0	0.0
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
Michigan Achievement Scholarship	250,000,000	350,000,000	100,000,000	40.0

Table 19 continued

FY 2023-24 HIGHER EDUCATION APPROPRIATIONS: GOVERNOR'S RECOMMENDATION

University	FY 2022-23 Year-To-Date	Governor's Recommendation FY 2023-24 Gov. Rec.	Dollar Change	Percent Change
Total Grants/Financial Aid	**$397,783,200**	**$494,783,200**	**$97,000,000**	**24.4%**
Federal Higher Ed Act	**3,200,000**	**3,200,000**	**0**	**0.0**
Federal TANF	**125,326,400**	**125,326,400**	**0**	**0.0**
State GF/GP	**$269,256,800**	**$366,256,800**	**$97,000,000**	**36.0%**
TOTAL HIGHER EDUCATION				
TOTAL ALL FUNDS	**$2,016,635,700**	**$2,189,681,200**	**$173,045,500**	**8.6%**
TOTAL FEDERAL	**128,526,400**	**128,526,400**	**0**	**0.0**
TOTAL STATE RESTRICTED	**347,888,300**	**352,268,300**	**4,380,000**	**1.3**
TOTAL STATE GF/GP	**$1,540,221,000**	**$1,708,886,500**	**$168,665,500**	**11.0%**

Table 20

REVENUE SHARING APPROPRIATION SUMMARY

Program Name	FY 2022-23 Year-to-Date	FY 2023-24 Governor's Rec.	Dollar Change	Percent Change
Constitutional Revenue Sharing [a]	$1,097,269,800	$1,098,525,900	$1,236,100	0.1%
CVT Revenue Sharing	282,219,900	327,082,200	47,524,800	15.9
County Revenue Sharing [b]	245,806,300	285,386,800	39,580,500	16.1
Financially Distressed CVTs	2,500,000	2,500,000	0	0.0
TOTAL	**$1,627,796,000**	**$1,713,474,900**	**$85,678,900**	**5.3%**

a) Reflects the January 2023 consensus revenue estimate for sales tax revenue.
b) Includes County Revenue Sharing and County Incentive Program.

Table 21

FY 2023-24 STATE BUDGET RECOMMENDATION ECONOMIC ADJUSTMENTS INCLUDED IN BUDGET (millions of dollars)

	Gross	GF/GP
Wages and Salaries	$73.0	$35.9
Longevity and Employee Insurance Costs	1.3	0.7
Retirement Contributions	28.3	15.7
Other Employee Retirement Costs (OERC)	(104.2)	(46.1)
Workers' Compensation	(0.4)	0.4
All Other Economics	1.3	1.4
TOTAL ECONOMICS	**($0.7)**	**$8.0**

Table 22

DEBT SERVICE APPROPRIATIONS
FY 2022-23 COMPARED WITH FY 2023-24

Department/Program	FY 2022-23 Gross Appropriation	FY 2023-24 Governor's Rec.	Dollar Change	Percent Change
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 and Economic Opportunity[1]				
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
Subtotal Labor & Economic Opp.	**$11,900,000**	**$11,900,000**	**$0**	**0.0%**
DTMB-State Building Authority Rent				
State Agencies	$66,293,700	$68,893,700	$2,600,000	3.9%
Universities	132,295,300	134,595,300	2,300,000	1.7
Community Colleges	32,981,600	33,081,600	100,000	0.3
Subtotal Technology, Mgt., & Budget	**$231,570,600**	**$236,570,600**	**$5,000,000**	2.2%
Transportation				
State Trunkline	$209,391,400	$333,915,000	$124,523,600	59.5%
Economic Development	7,650,100	1,688,400	(5,961,700)	(77.9)
Local Bridge Fund	556,500	556,800	300	0.1
Blue Water Bridge Fund	3,961,100	3,963,000	1,900	0.0
Airport Safety and Protection Plan	2,274,800	3,616,900	1,342,100	59.0
Comprehensive Transportation	1,466,600	0	(1,466,600)	(100.0)
Subtotal Transportation	**$225,300,500**	**$343,740,100**	**$118,439,600**	**52.6%**
Treasury				
Clean Michigan Initiative	$23,760,000	$23,760,000	0	(0.0%)
Great Lakes Water Initiative	72,861,100	72,861,100	0	(0.0%)
Quality of Life Bond	3,563,000	3,563,000	0	(0.0%)
Flint Settlement	35,000,000	35,000,000	0	(0.0%)
Subtotal Treasury	**$100,084,100**	**$100,084,100**	**$0**	**0.0%**
TOTAL	**$679,855,200**	**$803,294,800**	**$123,439,600**	**18.2%**

[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).

Table 23

TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS
FY 2022-23 COMPARED TO FY 2023-24 GOVERNOR'S RECOMMENDATION
(actual dollars)

	FY 2022-23 Estimated	FY 2023-24 Gov's Rec.	Gov's Rec. Chg. From FY 2022-23
Revenue			
Unreserved Balance from Prior Fiscal Year	$46,468,100	$50,934,300	$4,466,200
Total Annual Payments	303,300,700	298,851,600	(4,449,100)
Interest Earnings	60,000	60,000	0
Total Tobacco Settlement Revenue	$349,828,800	$349,845,900	$17,100
Less Transfers Out For:			
21st 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	(40,460,300)	(39,866,800)	593,500
Payment on 2007 Bond Securitization	(32,665,500)	(32,186,300)	479,200
Total Transfers Out	($237,625,800)	($161,553,100)	$1,072,700
Net Revenue to Merit Award Trust Fund	**$112,203,000**	**$113,292,800**	**$1,089,800**
Appropriations			
Attorney General			
Operations	0	375,000	375,000
Health and Human Services			
Medicaid Base-Long-term Care	57,200,000	57,200,000	0
Aging-Respite Care	4,068,700	4,000,000	(68,700)
State Police			
Criminal Investigations/IT	0	100,000	100,000
Department of Treasury			
Student Financial Services Administration	0	1,000,000	0
Total Merit Award Trust Fund Appropriations	**$61,268,700**	**$62,675,000**	**$1,406,300**
MERIT AWARD TRUST FUND YEAR-END BALANCE	**$50,934,300**	**$50,617,800**	**($316,500)**

Data Source: State Budget Office

Table 24

FY 2022-23 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Agriculture & Rural Development						
Fair food network - double up food bucks	$15,500,000	$0	$0	$0	$0	$15,500,000
Emergency management	8,000,000	0	0	0	0	8,000,000
Seafood processors pandemic response	200,000	200,000	0	0	0	0
Farm stress program	60,000	60,000	0	0	0	0
Total - Agriculture & Rural Development	**$23,760,000**	**$260,000**	**$0**	**$0**	**$0**	**$23,500,000**
Attorney General						
Prosecuting Attorneys Association of Michigan Digital Evidence Storage	$10,000,000	$0	$0	$0	$0	$10,000,000
Prosecuting Attorneys Coordinating Council - Juvenile Life Without Parole	3,152,000	0	0	0	0	3,152,000
Prosecuting Attorneys Coordinating Council	1,000,000	0	0	0	0	1,000,000
Total - Attorney General	**$14,152,000**	**$0**	**$0**	**$0**	**$0**	**$14,152,000**
Community Colleges						
Information technology, equipment, and maintenance grants	$58,722,500	$0	$0	$0	$58,722,500	$0
Student wellness fund grants	16,148,700	0	0	0	16,148,700	0
Total - Community Colleges	**$74,871,200**	**$0**	**$0**	**$0**	**$74,871,200**	**$0**
Corrections						
Recruitment and retention payment	$23,100,000	$0	$0	$0	$0	$23,100,000
Mental health and substance use disorder treatment services	250,000	250,000	0	0	0	0
Total - Corrections	**$23,350,000**	**$250,000**	**$0**	**$0**	**$0**	**$23,100,000**
Education						
Child Development and Care Public Assistance	$4,618,100	$0	$0	$0	$0	$4,618,100
Camp Tuhsmeheta	500,000	0	0	500,000	0	0
Commodity Distribution	78,300	0	0	0	78,300	0
State board/superintendent ops (Mi teacher of the year)	51,900	0	0	51,900	0	0
Total - Education	**$5,248,400**	**$0**	**$0**	**$551,900**	**$78,300**	**$4,618,100**
Environment, Great Lakes, and Energy						
Environmental sustainability and stewardship and solid waste management program	$267,817,100	$251,202,900	$0	$0	$11,000,000	$5,614,200
ARP - Michigan clean fleet initiative	45,000,000	45,000,000	0	0	0	0
Executive direction	2,174,800	1,760,000	0	0	0	414,800
Total - Environment, Great Lakes, & Energy	**$314,991,900**	**$297,962,900**	**$0**	**$0**	**$11,000,000**	**$6,029,000**
Health and Human Services						
Caseload: Public Assistance	$771,390,100	$762,737,400	$0	$0	($153,000)	$8,805,700
Caseload: Health Services	509,497,600	401,295,700	0	0	0	108,201,900
Medicaid - Behavioral Health Redetermination Reversal	479,419,000	387,692,700	0	0	0	91,726,300
One-time ARP - home and community-based services projects	268,750,000	0	0	0	268,750,000	0
Medicaid Redetermination -Behavioral Health Reversal	103,683,800	75,783,500	0	0	0	27,900,300
One-time ARP - strengthening U.S. public health infrastructure, workforce, and data systems	80,880,600	80,880,600	0	0	0	0

FY 2022-23 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Health and Human Services (continued)						
One-time ARP - nursing home workforce	67,000,000	67,000,000	0	0	0	0
One-time ARP - home energy	50,000,000	50,000,000	0	0	0	0
Federal: Medicaid Adult Dental Redesign Match	40,000,000	40,000,000	0	0	0	0
One-time ARP - local water utility affordability	40,000,000	40,000,000	0	0	0	0
One-time ARP - vaccine support	36,095,900	36,095,900	0	0	0	0
One-time ARP - cooperative agreement for emergency response	29,704,600	29,704,600	0	0	0	0
One-time ARP - sexually transmitted disease prevention and control	27,696,800	27,696,800	0	0	0	0
One-time ARP - pre-weatherization	25,000,000	25,000,000	0	0	0	0
Federal: Non-Medicaid Behavioral Health Federal Authorization	16,353,100	16,353,100	0	0	0	0
FMAP: Ambulance Base Rate	10,435,900	8,121,200	0	0	0	2,314,700
Tribal Pharmacy Rates	3,557,700	2,479,400	0	1,078,300	0	0
Pediatric hospital crisis staffing	2,800,000	0	0	0	0	2,800,000
Family Independence Program: Supplemental Payment	2,085,600	2,085,600	0	0	0	0
Foster Care Education Pilot Program	1,744,100	1,744,100	0	0	0	0
Title IV-E University Pilot Project	1,700,000	1,700,000	0	0	0	0
Private: Public Health Private funds authorization	1,250,000	0	0	1,250,000	0	0
One-time ARP - senior project fresh enhancement	1,200,000	1,200,000	0	0	0	0
One-time COVID-19 elder justice - aging and field services	568,100	568,100	0	0	0	0
Child Welfare Settlement Monitor Increase	489,900	71,000	0	0	0	418,900
WMPC Admin Rate Increase	194,000	0	0	0	0	194,000
LIHEAP Departmental Analyst Transfer	153,000	153,000	0	0	0	0
CSHCS Tribal Pharmacy Rates	100,000	0	0	100,000	0	0
Temp. FMAP: Child Welfare	0	12,218,800	0	0	0	(12,218,800)
Temp. FMAP: Behavioral Health	0	156,125,400	0	0	0	(156,125,400)
Behavioral Health Electronic Visit Verification Penalty	0	(6,380,900)	0	0	0	6,380,900
Temp. FMAP: CSHCS	0	10,774,600	0	0	0	(10,774,600)
Temp. FMAP - Q4 Payments	0	12,281,600	0	0	(6,430,600)	(5,851,000)
Temp. FMAP: Health Services	0	629,290,600	(12,705,500)	(984,600)	(174,223,100)	(441,377,400)
Temp. FMAP: Healthy Homes Program CHIP	0	841,000	0	0	0	(841,000)
Medicaid Adjustments	0	0	0	0	(34,900,000)	34,900,000
Physical Health Electronic Visit Verification Penalty	0	(7,834,400)	0	0	0	7,834,400
Temp. FMAP - State Psych Facility	0	2,033,800	0	0	0	(2,033,800)
Special Financing: Health Services	(129,890,400)	(76,173,900)	2,974,600	1,247,300	(45,973,800)	(11,964,600)
Caseload: Behavioral Health	(125,051,700)	(91,243,800)	0	0	0	(33,807,900)
Temp. FMAP: FMPP	(55,925,300)	0	0	0	0	(55,925,300)
Caseload: Child Welfare	(25,291,600)	(1,831,700)	(8,744,400)	(1,200,000)	0	(13,515,500)
Caseload: CSHCS	(17,554,300)	(5,128,800)	0	0	0	(12,425,500)
Special Financing: Behavioral Health	(9,605,000)	(2,106,500)	0	0	(7,906,000)	407,500
Total - Health & Human Services	**$2,208,431,500**	**$2,691,228,500**	**($18,475,300)**	**$1,491,000**	**($836,500)**	**($464,976,200)**
Higher Education						
Information technology, equipment, and maintenance grants	$141,277,500	$0	$0	$0	$0	$141,277,500
Student wellness fund grants	38,851,300	0	0	0	0	38,851,300
MI Achievement Scholarship - BP to allow $1M for marketing	0	0	0	0	0	0
Total - Higher Education	**$180,128,800**	**$0**	**$0**	**$0**	**$0**	**$180,128,800**

FY 2022-23 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE						
Budget Area/Program	**Gross**	**Federal**	**Local**	**Private**	**State Restricted**	**GF/GP**
Insurance & Financial Services						
Insulin prescription drug market study	$500,000	$0	$0	$0	$0	$500,000
Total - Insurance & Financial Services	**$500,000**	**$0**	**$0**	**$0**	**$0**	**$500,000**
Judiciary						
Indigent civil legal assistance GF/GP back fill	$1,000,000	$0	$0	$0	$0	$1,000,000
Juvenile justice division in state court administrative office	1,000,000	0	0	0	0	1,000,000
Juvenile resentencing hearings mandated by state supreme ct.	785,800	0	0	0	0	785,800
Statutory judgeship salary adjustment	495,700	0	0	0	0	495,700
Total - Judiciary	**$3,281,500**	**$0**	**$0**	**$0**	**$0**	**$3,281,500**
Labor and Economic Opportunity						
Strategic outreach and attraction reserve fund	$500,000,000	$0	$0	$0	$500,000,000	$0
ARP - Michigan reconnect expansion to 21	140,000,000	140,000,000	0	0	0	0
ARP - Michigan main street recovery initiative	135,000,000	135,000,000	0	0	0	0
ARP - reconnect bachelor's degree pathway	75,000,000	75,000,000	0	0	0	0
ARP - electric vehicle charging infrastructure	65,000,000	65,000,000	0	0	0	0
Revitalization and placemaking program	50,000,000	0	0	0	50,000,000	0
Michigan housing and community development program	50,000,000	0	0	0	50,000,000	0
ARP - going pro	35,000,000	35,000,000	0	0	0	0
ARP - retraining and retooling fund	35,000,000	35,000,000	0	0	0	0
ARP - pure Michigan	15,000,000	15,000,000	0	0	0	0
ARP - migratory agriculture worker housing	15,000,000	15,000,000	0	0	0	0
Special events and national convention attraction	10,000,000	0	0	0	0	10,000,000
ARP - attainable homeownership and apprenticeship program	10,000,000	10,000,000	0	0	0	0
Community development block grant - disaster recovery	7,864,000	7,864,000	0	0	0	0
Michigan community service commission	7,274,200	7,274,200	0	0	0	0
Office global Michigan	7,000,000	7,000,000	0	0	0	0
Global epicenter of mobility Detroit region	5,000,000	5,000,000	0	0	0	0
Workforce development programs	4,155,800	4,155,800	0	0	0	0
Workforce development	3,329,400	3,329,400	0	0	0	0
Wage and hour program - outreach and education	1,500,000	0	0	0	0	1,500,000
State digital equity planning grant	1,328,000	1,328,000	0	0	0	0
ARP - EDA statewide planning grant	1,000,000	1,000,000	0	0	0	0
Wage and hour program	250,000	0	0	0	250,000	0
Tri-share child care program	0	0	0	0	0	0
Total - Labor & Economic Opportunity	**$1,173,701,400**	**$561,951,400**	**$0**	**$0**	**$600,250,000**	**$11,500,000**
Legislature						
Capitol security improvements	$5,000,000	$0	$0	$0	$0	$5,000,000
Total - Legislature	**$5,000,000**	**$0**	**$0**	**$0**	**$0**	**$5,000,000**
Licensing & Regulatory Affairs						
Bureau of construction codes homeowners construction lien recovery	$335,000	$0	$0	$0	$335,000	$0
Industrial hemp program	300,000	$0	$0	$0	$300,000	$0
Total - Licensing & Regulatory Affairs	**$635,000**	**$0**	**$0**	**$0**	**$635,000**	**$0**

FY 2022-23 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

Budget Area/Program	Gross	Federal	Local	Private	State Restricted	GF/GP
Military and Veterans Affairs						
Michigan veterans affairs agency administration	$750,000	$750,000	$0	$0	$0	$0
Total - Military & Veterans Affairs	**$750,000**	**$750,000**	**$0**	**$0**	**$0**	**$0**
Natural Resources						
Brandon Road Lock and Dam	$64,000,000	$0	$0	$0	$0	$64,000,000
State game and wildlife area infrastructure	2,300,000	0	0	0	0	2,300,000
Office of public lands	1,662,000	0	0	0	1,662,000	0
State parks	1,250,000	0	0	0	450,000	800,000
Total - Natural Resources	**$69,212,000**	**$0**	**$0**	**$0**	**$2,112,000**	**$67,100,000**
Natural Resources Trust Fund						
Trust fund acquisition and development projects	$23,306,200	$0	$0	$0	$23,306,200	$0
Total - Natural Resources Trust Fund	**$23,306,200**	**$0**	**$0**	**$0**	**$23,306,200**	**$0**
School Aid						
Healthy schools program	$300,000,000	$0	$0	$0	$300,000,000	$0
MI kids back on track	300,000,000	0	0	0	300,000,000	0
Special education costs	112,593,000	0	0	0	112,593,000	0
Detroit literacy settlement	94,400,000	0	0	0	94,400,000	0
Expanded GSRP programming	75,000,000	75,000,000	0	0	0	0
GSRP startup grants	50,000,000	0	0	0	50,000,000	0
Early childhood workforce	50,000,000	50,000,000	0	0	0	0
Talent together coalition	25,000,000	0	0	0	25,000,000	0
GSRP marketing	10,000,000	10,000,000	0	0	0	0
Federal grants	6,400,000	6,400,000	0	0	0	0
Promise zone payments	5,700,000	0	0	0	5,700,000	0
School lunch	1,400,000	1,400,000	0	0	0	0
GSRP longitudinal study	150,000	0	0	0	0	150,000
Foundation allowance costs	(33,000,000)	0	0	0	(32,850,000)	(150,000)
School aid fund borrowing costs	(6,800,000)	0	0	0	(6,800,000)	0
Total - School Aid	**$990,843,000**	**$142,800,000**	**$0**	**$0**	**$848,043,000**	**$0**
State						
Election administration and services	$10,000,000	$0	$0	$0	$0	$10,000,000
Information technology services and projects	1,500,000	0	0	0	0	1,500,000
Branch operations	75,000	0	0	0	75,000	0
Total - State	**$11,575,000**	**$0**	**$0**	**$0**	**$75,000**	**$11,500,000**
State Police						
Strategic training initiatives	$50,363,800	$0	$0	$0	$0	$50,363,800
Total - State Police	**$50,363,800**	**$0**	**$0**	**$0**	**$0**	**$50,363,800**

FY 2022-23 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE						
Budget Area/Program	**Gross**	**Federal**	**Local**	**Private**	**State Restricted**	**GF/GP**
Technology, Management, and Budget						
Federal program match opportunities	$350,000,000	$0	$0	$0	$0	$350,000,000
State and local cybersecurity grant program (SLCGP) - IIJA	31,457,200	23,877,100	0	0	0	7,580,100
Administrative services	2,108,000	0	0	0	0	2,108,000
Electronic recording commission	531,500	0	0	0	0	531,500
Total - Technology, Management, & Budget	**$384,096,700**	**$23,877,100**	**$0**	**$0**	**$0**	**$360,219,600**
Treasury-Operations						
Qualified Heavy Equipment Rental Personal Property Exemption	$3,400,000	$0	$0	$0	$3,400,000	$0
Workforce House Acts	1,374,000	0	0	0	0	1,374,000
Earned Income Tax Credit Implementation	925,000	0	0	0	0	925,000
Retirement and Pension Changes	900,000	0	0	0	0	900,000
Total - Treasury - Operations	**$6,599,000**	**$0**	**$0**	**$0**	**$3,400,000**	**$3,199,000**
TOTAL CURRENT YEAR SUPPLEMENTAL REQUESTS	**$5,564,797,300**	**$3,719,079,900**	**($18,475,300)**	**$2,050,100**	**$1,562,934,200**	**$299,215,600**
***The Governor also recommends a $200.0 million GF/GP deposit into the BSF, not reflected in the above numbers.**						

Table 25

Proposed Fee Increases		
Department	**Fee**	**Estimated Annual Revenue**
Environment, Great Lakes, and Energy	Discharge Permit Fee	$680,000
Labor and Economic Opportunity	Revise Radiological Fees in Public Health Code	500,000
Licensing and Regulatory Affairs	Children Camp Licensure	70,000
Licensing and Regulatory Affairs	Home for the Aged Program	201,000
State	Record Lookup Fee	18,000,000
State Police	Traffic Crash Reports Lookup Fee	250,000
Total		**$19,701,000**

Table 26

Governor's FY 2023-24 Proposed Changes to Fees		
Department	**Purpose**	**Michigan Compiled Law (MCL)**
Agriculture & Rural Development	Eliminate Sunset, Rescind Special Transitory Food Unit Fee for Food Service Establishments and Add Economic Adjustment Language	MCL 289.3119
Agriculture & Rural Development	Eliminate Sunset for Licensing Livestock Dealers	MCL 287.123
Environment, Great Lakes, and Energy (DEGLE)	Hazardous Waste Transportation Act Economic Adjustment Language	MCL 29.473
DEGLE	Land Division Act Economic Adjustment Language	MCL 560.117
DEGLE	Eliminate Sunset to the Michigan Vehicle Code and Add Economic Adjustment Language	MCL 257.806(3)
DEGLE	Eliminate Sunsets to the Natural Resources and Environmental Protection Act and Add Economic Adjustment Language	MCLs 324.11108; 324.11109; 324.11123; 324.11509; 324.11512;324.11521; 324.12109; 324.12112; 324.16904; 324.17303; 324.17317; 324.21508; 324.30104;324.30109; 324.3104; 324.3110; 324.3118; 324.3120; 324.3122; 324.3132; 324.31509;324.32312; 324.32507; 324.32513; 324.32707;324.32723; 324.3306, 324.33908; 324.33911;324.33929; 324.35309; 324.4104; 324.4112;324.5522; 324.61525; 324.62509; 324.63205;324.63215; 324.63405; 324.63413; 324.63711;324.9123; 324.11153(1); 324.11153(2); 324.11525a; 324.11717b; 324.61525a; 324.62509a; 324.63103d
DEGLE	Public Health Code Economic Adjustment Language	MCLs 333.12506a; 333.12527a; 333.12704; 333.13306; 333.13813; 333.13815
DEGLE	Eliminate Sunset to the Safe Drinking Water Act and Add Economic Adjustment Language	MCLs 325.1009; 325.1011a; 325.1011c; 325.1007; 325.1011b; 325.1017
DEGLE	Increase Discharge Permit Fee	MCL 324.3122
Health and Human Services	Extend Medicaid Quality Assurance Assessment Program	MCL 333.20161
Labor and Economic Opportunity (LEO)	Radiological Health Fees in the Public Health Code	MCL 333.13522
LEO	Eliminate Sunset on Tobacco Settlement Revenue Deposit in the 21st Century Jobs Trust Fund	MCL 12.257(5)

Governor's FY 2023-24 Proposed Changes to Fees		
Department	**Purpose**	**Michigan Compiled Law (MCL)**
Licensing and Regulatory Affairs (LARA)	Eliminate Sunset for Health Facilities	MCLs 330.1139; 333.6237; 333.20161
LARA	Eliminate Sunset for Securities Program	MCL 451.2410
LARA	Eliminate Sunset for Corporations Program	MCLs 450.2060; 450.3060; 450.5101
LARA	Eliminate Sunset for Professional Engineer Occupation	MCL 338.2213
LARA	Eliminate Sunset for Land Surveyor Occupation	MCL 338.2213
LARA	Eliminate Sunset for Barber Occupation	MCL 338.2217
LARA	Eliminate Sunset for Collection Agency Occupation	MCL 338.2221
LARA	Eliminate Sunset for Cosmetology Occupation	MCL 338.2225
LARA	Eliminate Sunset for Employment and Consulting Agent Occupation	MCL 338.2227
LARA	Eliminate Sunset for Hearing Aid Dealer Occupation	MCL 338.2231
LARA	Eliminate Sunset for Real Estate Broker Occupation	MCL 338.2237
LARA	Eliminate Sunset for Real Estate Appraiser Occupation	MCL 338.2238
LARA	Refined Petroleum Economic Adjustment Language	MCL 324.21506a
LARA	Increase Children Camp Licensure Fee	MCL 722.115m
LARA	Increase Home for the Aged Program Fee	MCL 333.20161
State	Eliminate Sunsets for the Transportation Administration Collection Fund	MCLs 28.297; 257.208b; 257.217a; 257.232; 257.801; 257.802; 257.803b; 257.803r; 257.804; 257.806; 257.809; 324.80130; 324.80315; 324.81114; 324.82156
State	Increase Commercial Record Lookup Fees	MCLs 28.297; 257.208b; 324.80130; 324.80315; 324.81114; 324.82156
State Police	Eliminate Sunset on Fingerprint/ICHAT Fee	MCL 28.273
State Police	Eliminate Sunset on Traffic Law Enforcement Safety Fund	MCL 257.801

Table 27

Michigan Natural Resources Trust Fund
Supplemental Request 2023-4

Trust Fund Acquisition Projects by Priority:

Edward B Wojan Park Expansion, Charlevoix County (grant-in-aid to St. James Township) (#22- 0215)	$525,000
Jaxon Creek Headwaters, Grand Traverse County (#22-0178)	650,000
Sturgeon River Corridor Acquisition, Otsego County (#22-0217)	1,750,000
Rosy Mound Acquisition, Ottawa County (grant-in-aid to Ottawa County) (#22-0039)	1,650,000
Crow Island State Game Area Addition, Bay County (#22-0135)	1,300,000
Portland State Game Area Addition, Ionia County (#22-0137)	700,000
Fort Wilkins - Keweenaw Point Acquisition, Keweenaw County (#22-0165)	5,000,000
Paw River Land Acquisition, Van Buren County (#22-0194)	900,000
Saline Preserve Acquisition, Washtenaw County (grant-in-aid to Washtenaw County) (#22-0154)	541,800
Almont Community Park Expansion, Lapeer County (grant-in-aid to Village of Almont) (#22-0206)	75,000
Lakeshore Campground Acquisition, Schoolcraft County (grant-in-aid to City of Manistique) (#22- 0216)	345,000
Berston Property Acquisition, Genesee County (grant-in-aid to Genesee County) (#22-0071)	18,000
Iron Ore Heritage Trail - Single Track Trail Acquisition, Marquette County (grant-in-aid to Iron Ore Heritage Rec Authority) (#22-0047)	150,700
Rouge River Acquisition, Oakland County, (grant-in-aid to Village of Beverly Hills) (#22-0048)	1,000,000
Backus Creek State Game Area Addition, Roscommon County (#22-0133)	398,000

Trust Fund Development Projects by Priority:

Finn Road Park and Lake Access Improvements, Bay County (grant-in-aid to Hampton Charter Township) (#22-0176)	253,000
North Country Trail Connection and Trailhead, Kalkaska County (grant-in-aid to Village of Kalkaska) (#22-0051)	300,000
Delhi Metropark - Canoe and Kayak Launch Renovation, Washtenaw County (grant-in-aid to Huron-Clinton Metropolitan Authority) (#22-0016)	300,000
McCoy Creek Trail Extension to River St. Joe Brewery, Berrien County (grant-in-aid to City of Buchanan) (#22-0097)	300,000
Northern Tier Trail Extension to Coolidge Road, Clinton County (grant-in-aid to City of East Lansing) (#22-0175)	300,000
Smiths Crossing Historic Bridge Renovation, Midland County (grant-in-aid to Midland County) (#22- 0191)	300,000
Iron Ore Heritage Trail Extension to Lakenenland, Marquette County (grant-in-aid to Iron Ore Heritage Recreation Authority) (#22-0040)	300,000
Ott Preserve Iron Belle Trailhead Improvements, Calhoun County (grant-in-aid to Calhoun County) (#22-0105)	250,800
Martin Luther King Jr. Equality Trail Project, Jackson County (grant-in-aid to City of Jackson) (#22- 0121)	300,000

Michigan Natural Resources Trust Fund Supplemental Request 2023-4	
MSU to Lake Lansing Connector Trail, Lake Lansing Park North, Ingham County (grant-in-aid to Ingham County) (#22-0076)	300,000
Riverwalk Trail and Crooked Bridge Restoration, Bay County (grant-in-aid to City of Bay City) (#22- 0199)	300,000
North Channel County Park Improvements, St. Clair County (grant-in-aid to St. Clair County) (#22- 0008)	270,000
Pentoga Park Boat Launch and Iron Belle Trailhead, Iron County (grant-in-aid to Iron County) (#22- 0084)	120,700
Bennett Park Renovations and Huron River Water Trail Access, Livingston County (grant-in-aid to Hamburg Township) (#22-0107)	300,000
Ottawa Sands Lake Loop and Idema Explorers Connector, Ottawa County (grant-in-aid to Ottawa County) (#22-0153)	300,000
Bangor Township Park and River Access Improvement, Bay County (grant-in-aid to Bangor Charter Township) (#22-0163)	210,100
Grand Rogue Park - Rogue River Water Access, Kent County (grant-in-aid to Plainfield Charter Township) (#22-0164)	300,000
Pioneer Park - Bath House, Muskegon County (grant-in-aid to Muskegon County) (#22-0044)	300,000
Albion River Trail Expansion, Calhoun County (grant-in-aid to City of Albion) (#22-0139)	300,000
Richfield Park Improvements along the Iron Belle Trail, Genesee County (grant-in-aid to Genesee County) (#22-0035)	300,000
Blue Star Trail - Washington St. to Maple St., Allegan County (grant-in-aid to City of Saugatuck) (#22-0053)	300,000
Memory Isle Park Improvements, St. Joseph County (grant-in-aid to City of Three Rivers) (#22- 0118)	97,600
Pere Marquette Park Restroom Concession Building, Muskegon County (grant-in-aid to City of Muskegon) (#22-0119)	300,000
Bayfront Restroom Amenities, Grand Traverse County (grant-in-aid to City of Traverse City) (#22- 0162)	200,500
Orchard Beach State Park Day-use Playground, Manistee County (grant-in-aid to Manistee Township) (#22-0085)	300,000
Gladwin City Park Improvements, Gladwin County (grant-in-aid to City of Gladwin) (#22-0182)	300,000
Evergreen Park - Water Trail Access and Park Improvements, Sanilac County, (grant-in-aid to Sanilac County) (#22-0179)	300,000
Veterans Park - Hamtramck Stadium Restroom Renovation, Wayne County (grant-in-aid to City of Hamtramck) (#22-0186)	300,000
Railroad Point Water Access, Benzie County (grant-in-aid to Benzie County) (#22-0129)	300,000
Hawk Island Park Boardwalk Replacement, Ingham County (grant-in-aid to Ingham County) (#22- 0077)	300,000
GROSS APPROPRIATION	**23,306,200**
Appropriated from:	
Michigan natural resources trust fund	23,306,200

Table 28

STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS
TOTAL COMPARED IN SELECTED BUDGET AREAS
(millions of dollars)

Budget Area	FY 2013-14 Year-to-Date Appropriations	FY 2023-24 Gov's Rec. Appropriations	Dollar Difference	Percent Change
Health and Human Services	$6,181.8	$9,548.1	$3,363.3	54.5%
Corrections	2,028.8	2,049.2	20.4	1.0
K-12 School Aid	11,506.1	18,638.5	7,132.4	62.0
Community Colleges	336.0	492.6	156.6	46.6
Higher Education	1,333.5	2,061.2	727.7	54.6
Labor and Economic Opportunity	366.9	1,680.7	1,313.8	358.1
Revenue Sharing-Constitutional	739.1	1,098.5	359.4	48.6
Revenue Sharing-Nonconstitutional	381.5	612.5	231.0	60.6
Transportation	2,564.0	4,385.4	1,821.4	71.0
All Other Programs	3,727.0	5,615.0	1,888.0	50.7
Total State Spending	**$29,164.7**	**$46,181.7**	**$17,017.0**	**58.3%**
Addendum:				
Medicaid Caseload	2,086,128	3,173,489	1,087,361	52.1%
Prison Population	43,359	32,320	(11,039)	(25.5)
K-12 Pupil Count	1,522,628	1,398,800	(128,828)	(8.5)
University Students	262,537	239,127	(23,410)	(8.9)
Community College Students	143,829	99,394	(44,435)	(30.9)
Michigan Personal Income (millions)	$405,345.6	$613,247.5	$207,901.9	51.3%
Detroit Consumer Price Index	221.5	286.6	65.1	29.4%

NOTES: Revenue Sharing: Constitutional number is the January 2023 Consensus Revenue Estimating Conference (CREC) estimate. **Medicaid Caseload:** Number for FY 2013-14 includes the estimated 194,312 individuals who are eligible under the expansion of Medicaid that went into effect in March 2014. Number for FY 2023-24 is based on eligibility reports through the first week of February 2023 and includes the estimated 1,056,717 individuals who are eligible under the expansion of Medicaid. Medicaid redeterminations are scheduled to begin on April 1, 2023 with a 14-month period allowed for the completion of systemwide eligibility redeterminations. The FY 2023-24 Gov. Rec. does not include a specific figure for an assumed Medicaid caseload decline for FY 2023-24 as more data from initial redeterminations to determine the full caseload impact for FY 2023-24. **Prison Population:** These are the most recent year-end numbers published by the Department of Corrections for calendar year 2014 and the most recent monthly update (Jan 2023) for 2023, respectively. **K-12 Pupils:** FY 2023-24 pupil count is the January 2023 CREC estimate. **Community College and University Students:** Numbers in FY 2023-24 column reflect the most recent data available, which are FY 2021-22 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 2023-24 numbers are January 2023 CREC estimates.

OVERVIEW OF GOVERNOR WHITMER'S FY 2023-24 BUDGET

Kathryn Summers, Director
Senate Fiscal Agency

February 15, 2023