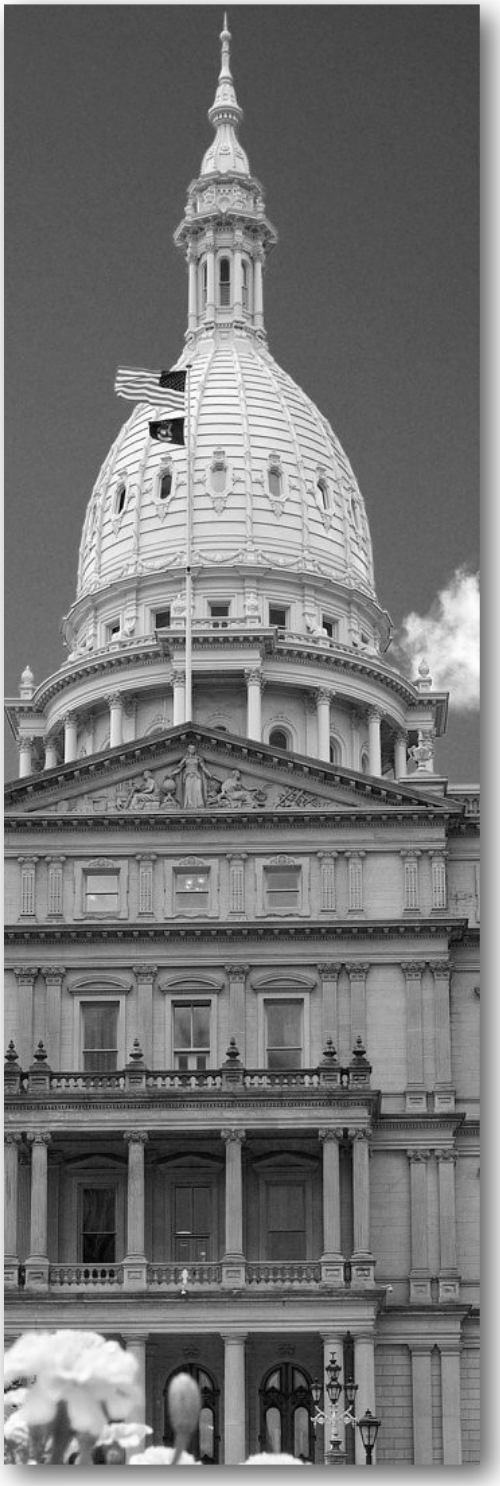
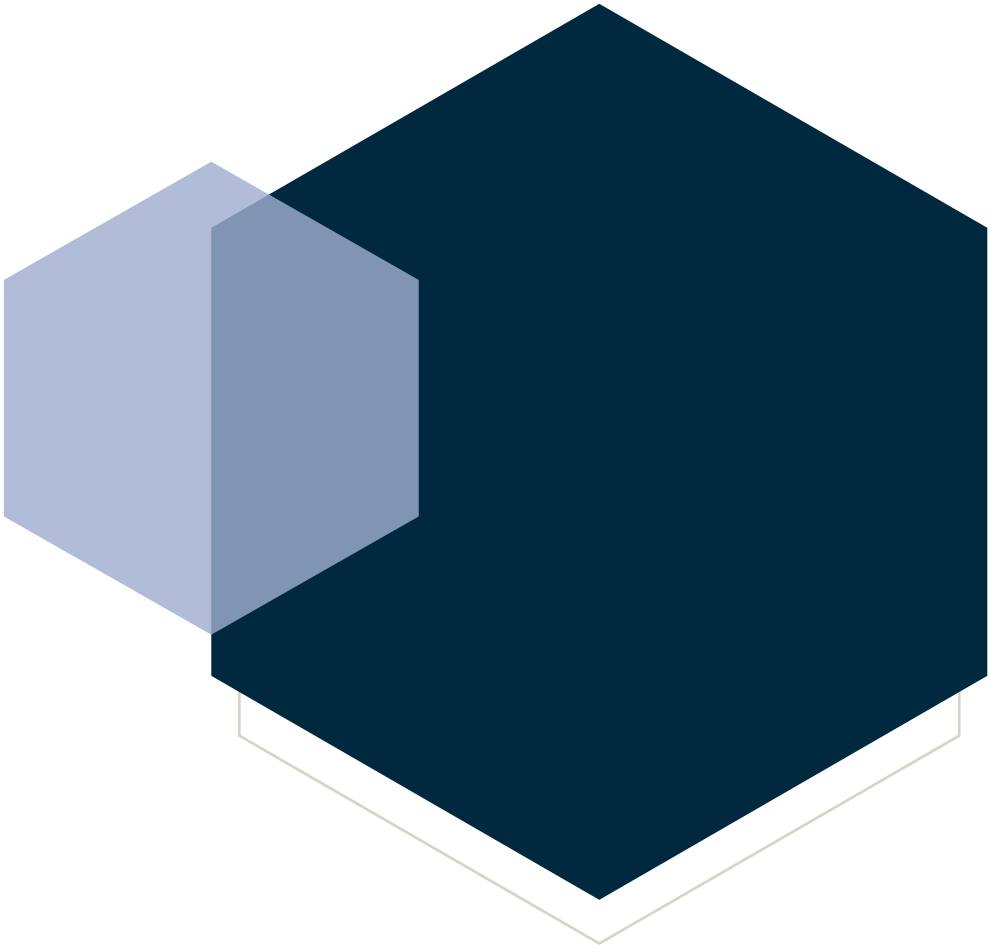


# OVERVIEW OF GOVERNOR WHITMER'S FY 2024-2025 BUDGET

## APPROPRIATIONS REPORT - PART 1

Kathryn R. Summers, Director
Senate Fiscal Agency

February 14, 2024



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# SUMMARY

On February 7, 2024, Governor Gretchen Whitmer presented her Executive Budget recommendations for fiscal year (FY) 2024-25 and budget projections for FY 2025-26. 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 2024-25 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 2024-25.

Appendices

- Table 1 outlines the sources of funding for each department and budget area
- Tables 2-4 compare the Governor's FY 2024-25 recommendation with current FY 2023-24 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 7 shows the proposed one-time appropriations by fund source
- Table 8 displays the estimated State payments to local units of government for FYs 2023-24 and 2024-25
- Tables 9 and 10 present the GF/GP and School Aid Fund (SAF) balance sheets for FY 2023-24 and FY 2024-25
- Table 11 shows a summary of the overall changes and Tables 12-18 provide the details for overall changes
- Table 19 shows FY 2024-25 School Aid budget changes proposed by the Governor
- Tables 20-24 provide further detail regarding major budget areas (Community Colleges, Universities, Revenue Sharing, Economic Adjustments, Debt Service, Merit Award Trust Fund)
- Table 26 includes the three supplemental requests for FY 2023-24 that accompanied the Governor's FY 2024-25 proposal
- Tables 27 and 28 provide information on fee proposals
- Table 29 lists projects recommended in the Michigan Natural Resources Trust Fund supplemental request 2024-4
- Table 30 provides historical State spending in select budget areas

# SUMMARY CONTINUED

## PROPOSED ADJUSTMENTS TO GF/GP REVENUE

The FY 2024-25 budget recommendation from the Governor is based on the estimates agreed to on January 12, 2024 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: a caregiver tax credit and a research and development tax credit (that would not affect the balance sheet until FY 2025-26). In addition, the proposed balance sheets include a negative ongoing revenue adjustment of $25.0 million. Separately, the Governor is proposing $25.0 million to provide one-time rebates for the purchase of a new vehicle, but this is in the form of an appropriation and not a tax credit.

**Table A**

| Proposed Ongoing Adjustments to GF/GP Revenue (dollars in millions) | | | |
|---|---|---|---|
| | **FY 2023-24** | **FY 2024-25** | **FY 2025-26** |
| **Ongoing** | | | |
| Caregiver | ($22.5) | ($37.5) | ($37.5) |
| R&D | 0.0 | (0.0) | (100.0) |
| Revenue adj. | (25.0) | (25.0) | (25.0) |
| **Totals: Ongoing** | **($47.5)** | **($62.5)** | **($162.5)** |

## PROPOSED SUPPLEMENTALS FOR FY 2023-24

The Executive budget recommendation includes three supplemental requests for FY 2023-24. The three supplementals are summarized in Table B and discussed in more detail later in this report.

**Table B**

| FY 2023-24 Supplemental Recommendations by Fund Source | | | | | |
|---|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **Local and Private** | **State Restricted** | **GF/GP** |
| Supplemental 2024-2 (GEN.) | $1,642,728,000 | $623,924,600 | ($5,348,200) | $736,663,700 | $287,487,900 |
| Supplemental 2024-3 (EDUC.) | 101,100,000 | 13,300,000 | 0 | 87,800,000 | 0 |
| Supplemental 2024-4 (DNR) | 27,339,100 | 0 | 0 | 27,339,100 | 0 |
| **Total FY 2023-24 Supplemental Requests** | **$1,771,167,100** | **$637,224,600** | **($5,348,200)** | **$851,802,800** | **$287,487,900** |

# SUMMARY CONTINUED

## PROPOSED BUDGET FOR FY 2024-25

The Governor recommends FY 2024-25 Gross appropriations of $82.0 billion and Adjusted Gross appropriations of $80.7 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 2023-24 year-to-date appropriations (not including enacted, but not yet effective, or proposed supplementals), the Governor's FY 2024-25 budget includes a Gross appropriation increase of $328.1 million, or 0.4%; a decrease in State Spending from State Resources appropriations of $697.7 million, or 1.5%; and a decrease in GF/GP appropriations of $882.2 million, or 5.8%.

**Table C**

| FY 2023-24 Year-to-Date (YTD) and FY 2024-25 Governor's Recommendation (dollars in billions) | | | | |
|---|---|---|---|---|
| | **FY 2023-24 YTD*** | **FY 2024-25 Governor** | **Dollar Change** | **Percent Change** |
| Gross | $81.7 | $82.0 | $0.3 | 0.4% |
| IDGs | 1.3 | 1.3 | 0.0 | 0.0 |
| Adjusted Gross | 80.4 | 80.7 | 0.3 | 0.4 |
| Federal | 32.9 | 33.9 | 1.0 | 3.1 |
| Local/Private | 0.5 | 0.5 | 0.0 | 0.0 |
| State Restricted | 31.8 | 32.0 | 0.2 | 0.6 |
| GF/GP | 15.2 | 14.3 | (0.9) | (5.8) |

*As of 2/7/24; does not reflect Public Acts 320 and 321 of 2023 (which are not yet effective as of 2/7/24) or the Governor's proposed supplementals

The Governor's budget proposal includes $1.8 billion in one-time funds and $80.2 billion in ongoing spending. The FY 2024-25 budget is roughly $312.6 million Adjusted Gross above the FY 2023-24 budget (as of 2/7/24) and $882.2 million GF/GP below the current year appropriations.

New Programs and program increases account for roughly $1.0 billion in GF/GP spending, offset by the removal of $2.4 billion GF/GP in one-time appropriations. The largest GF/GP spending increase proposed for FY 2024-25 is $150.0 million for Federal matching funds and bridge improvements in the Transportation budget, followed by $60.0 million for childcare subsidies. The budget also proposes $100.0 million GF/GP to be deposited into the Budget Stabilization Fund (BSF).

# **SUMMARY** CONTINUED

On the School Aid side of the budget, student mental health and safety payments would be funded at $300.0 million and literacy supports and MI Kids Back on Track each would receive roughly $150.0 million under the Governor's budget proposal. The foundation allowance (along with operational increases for universities and community colleges) would increase by 2.5%. Other school aid supports (special education, at risk funding, bilingual education, and others) would see similar increases, and some areas are proposed to see additional dollars.

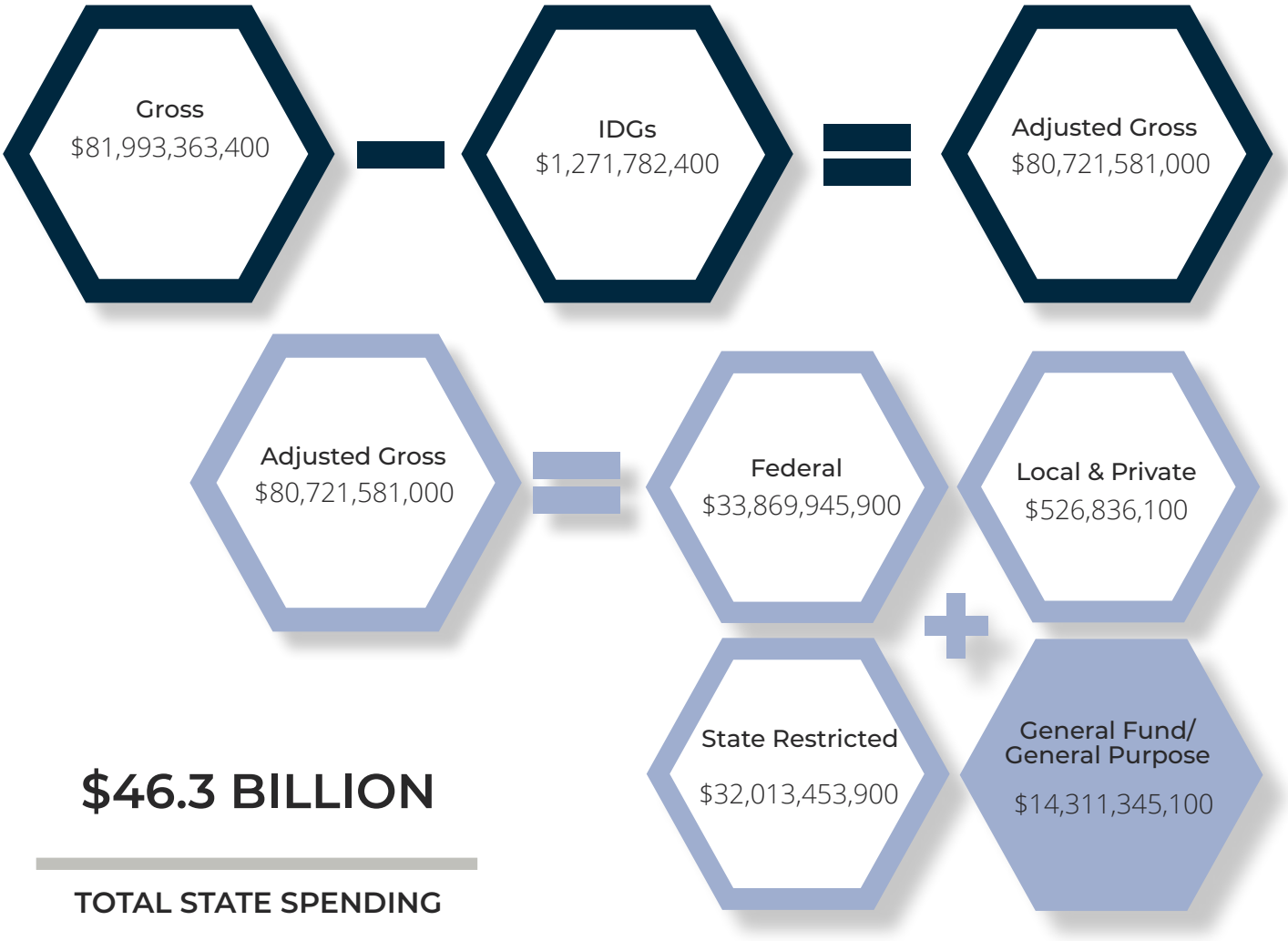
The Governor also proposes to amend the Michigan Public School Employees' Retirement System (MPSERS) statute to identify roughly $670.0 million in reduced costs related to retiree healthcare payments. This would affect both the K-12 and community colleges budgets.

Under the Governor's proposed budget, the estimated year-end balance in the General Fund would be $7.0 million. In the SAF, the estimated year-end balance would be $12.1 million.

The following pages graphically illustrate large components of the budget. Extensive detail is provided in the Appendices at the end of the report.

# FY 2024-25 GOVERNOR'S RECOMMENDATION

## BY SOURCE OF FUNDS




**$46.3 BILLION**

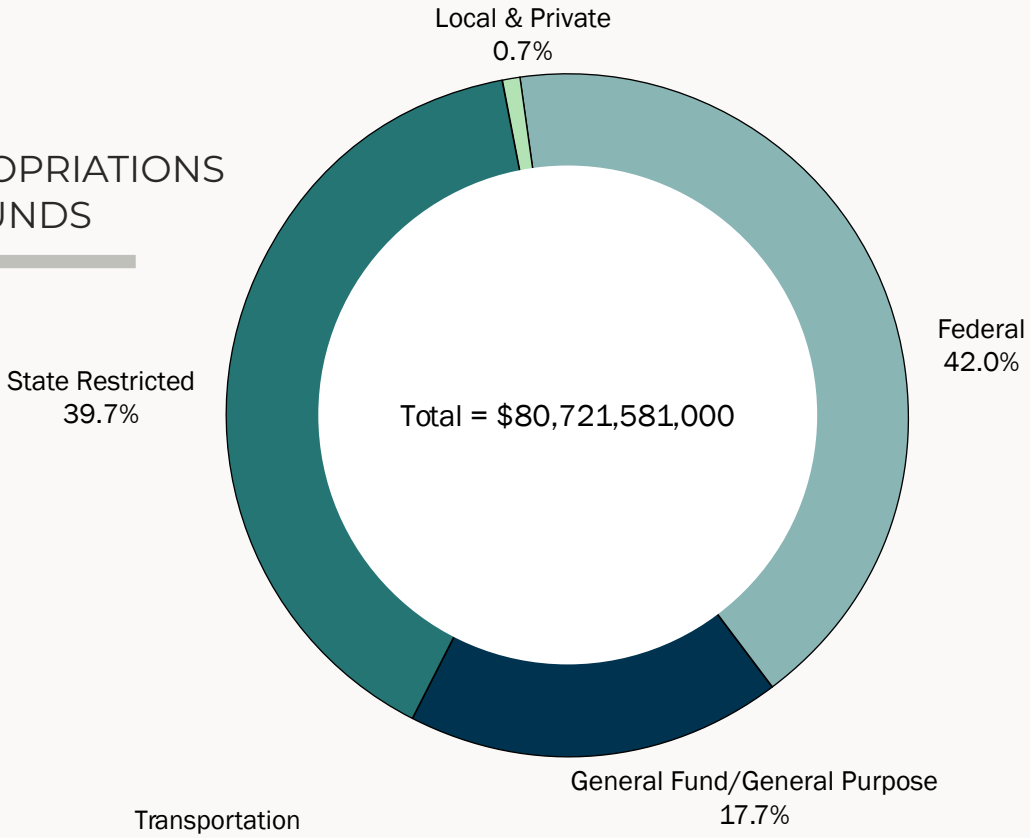
**TOTAL STATE SPENDING**

# FY 2024-25 GOVERNOR'S RECOMMENDATION

## BY SOURCE OF FUNDS

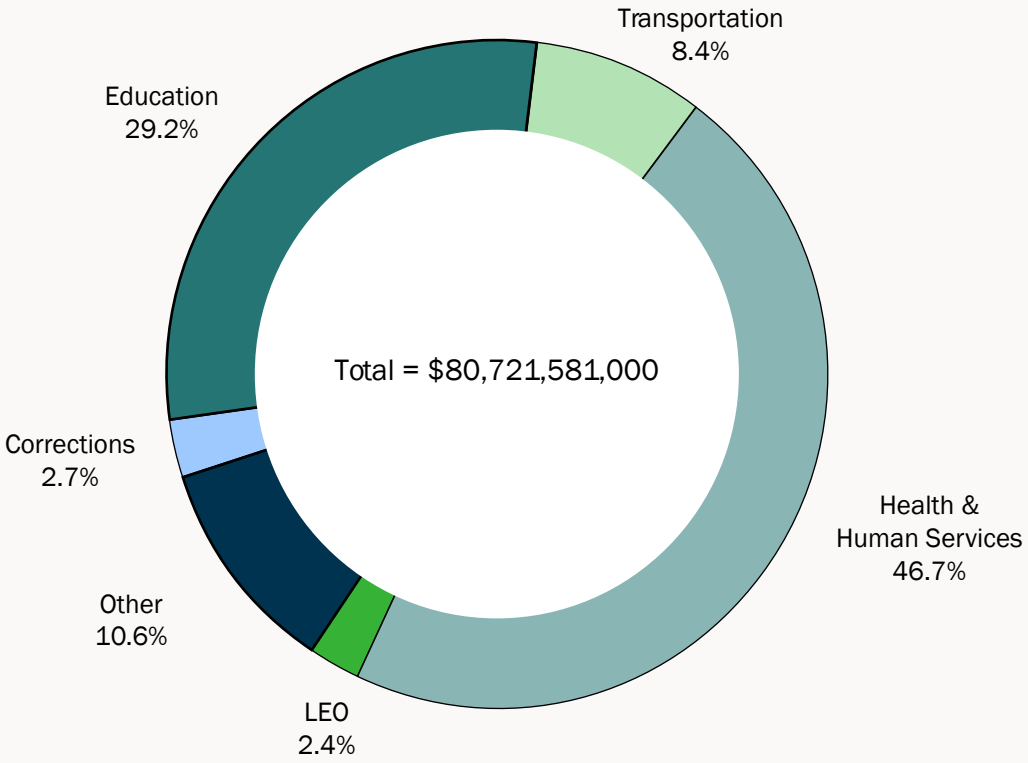
### FIGURE A

ADJUSTED GROSS APPROPRIATIONS BY SOURCE OF FUNDS




### FIGURE B

ADJUSTED GROSS APPROPRIATIONS BY MAJOR CATEGORY



# FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION DIFFERENCES

Table 2

**$312,629,200**

OR

**0.4%**

**Adjusted Gross Appropriations**

Table 3

**($697,698,000)**

OR

**(1.5%)**

**State Spending from State Resources Appropriations**

Table 4

**($882,200,200)**

OR

**(5.8%)**

**General Fund/ General Purpose**

**Full-Time Classified Positions**

**587.7 Positions**

OR

**1.1%**

Table 5

**($965,581,600)**

OR

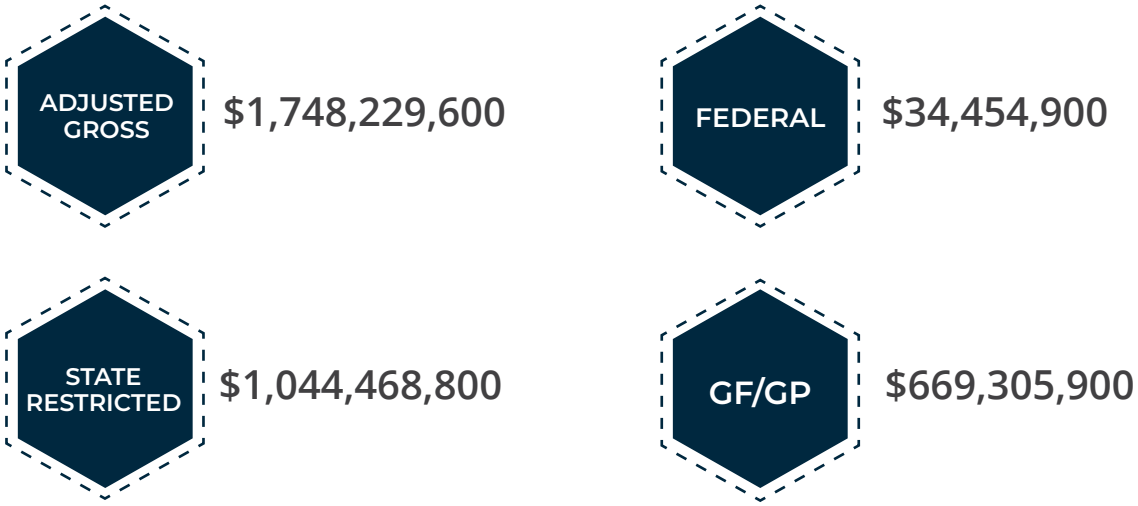
**(3.8%)**

Table 8

**State Payments to Local Units of Government**

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

## FY 2024-25 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE



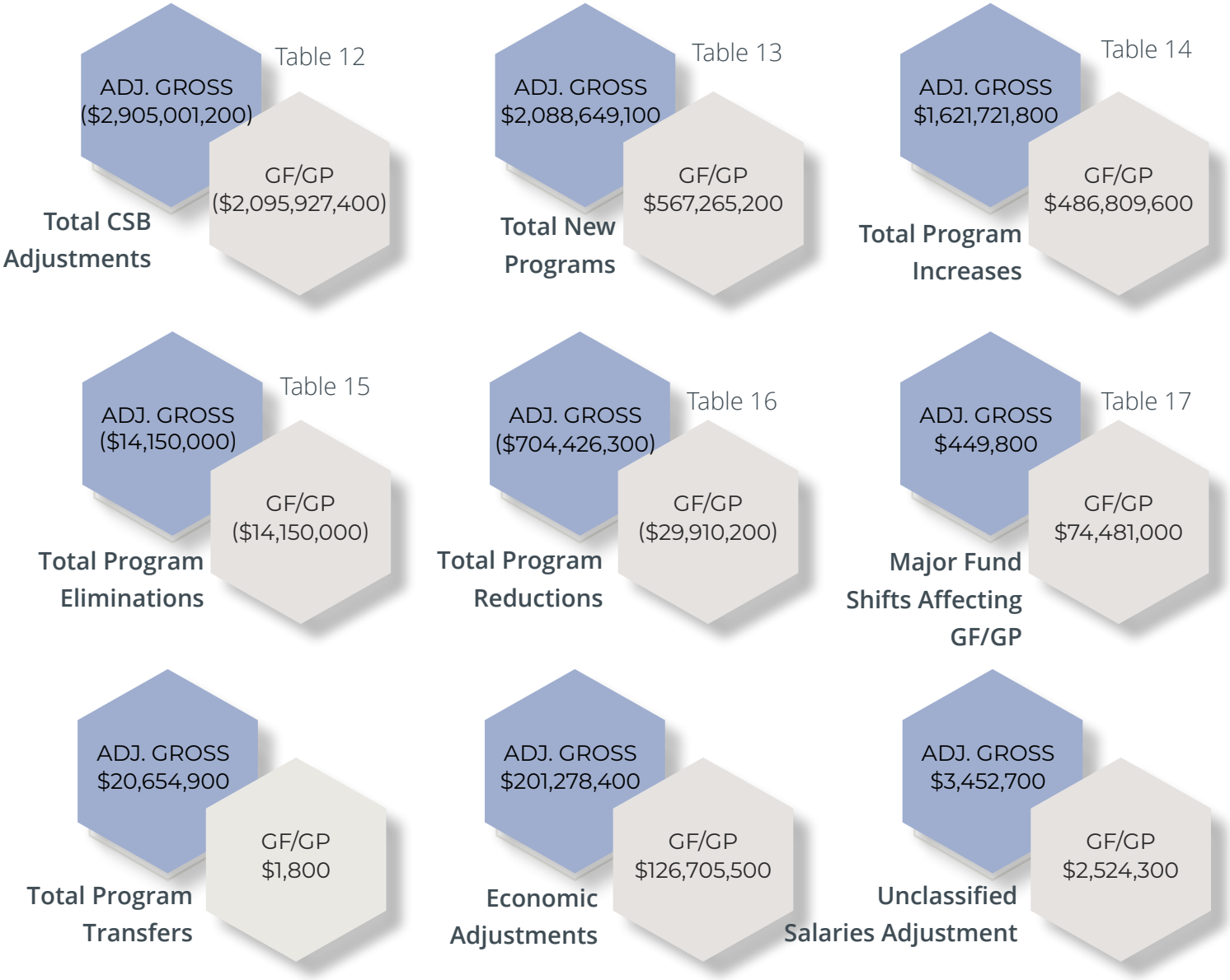

The FY 2024-25 recommendation includes appropriations that the Governor has designated as either "ongoing" or "one-time". The proposed FY 2024-25 one-time appropriations sum to an Adjusted Gross total for all budget areas of $1.7 billion. The Governor's budget includes a recommended deposit for the Budget Stabilization Fund (BSF) for FY 2024-25 of $100.0 million. Table 6 provides a summary of one-time appropriations by Department, and Table 7 details one-time appropriations recommended for each department.

# FY 2024-25 GROSS AND GF/GP BUDGET CHANGES

# GOVERNOR'S APPROPRIATIONS RECOMMENDATION

## Summary of Changes From FY 2023-24 Year-To-Date Adjusted Gross and General Fund/General Purpose Appropriations

The total dollar changes from FY 2023-24 to FY 2024-25 are an increase of $0.3 billion Gross and a decrease of $0.9 billion GF/GP. Table 11 shows that the $0.9 billion GF/GP decrease consists of a $2.9 billion reduction in current services baseline (CSB) costs (including the removal of $5.2 million in one-time funding for FY 2023-24), $0.6 billion of GF/GP funding for new programs, $0.5 billion of GF/GP funding increases, a $14.2 million reduction from GF/GP program eliminations, $30.2 million of GF/GP program reductions, a $74.5 million GF/GP increase due to fund shifts, and an increase of $129.2 million due to economic and unclassified salaries' adjustments. Tables 12-18 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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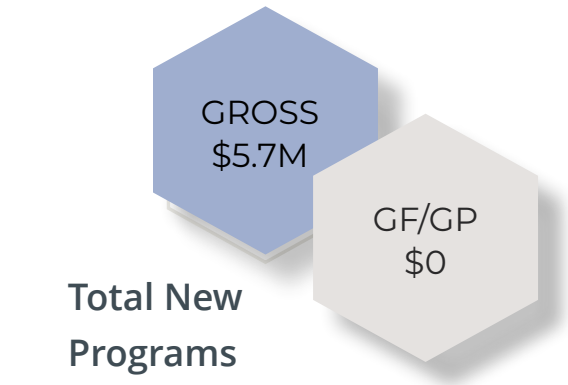
# CAPITAL OUTLAY, HIGHER EDUCATION AND COMMUNITY COLLEGES

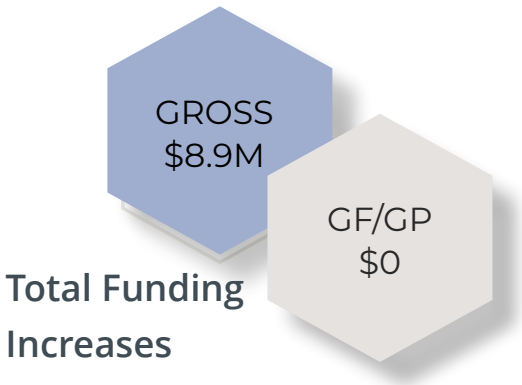
## CAPITAL OUTLAY

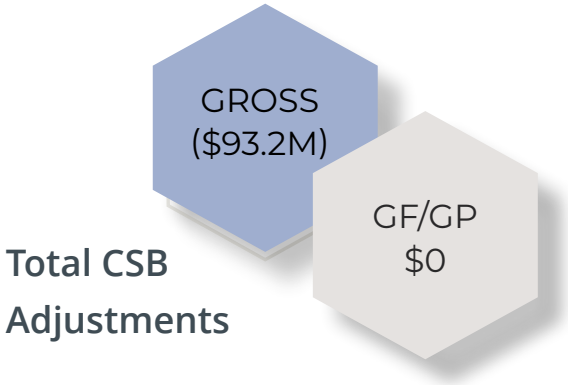
Governor Whitmer's budget for FY 2024-25 does not recommend any capital outlay projects for a planning or construction authorization. However, the State Budget Office received, reviewed, and scored a total of 24 priority project requests: eight from universities, and 16 from community colleges. One project request was not scored as it was determined to be nonbondable through the State Building Authority as submitted. If all 24 scored projects were funded, they would have a total cost of $969.9 million with the State's share at $506.1 million, funded through bonds issued by the State Building Authority (SBA). These scored project requests are in addition to the 13 projects that received a planning authorization under Public Act 321 of 2023.

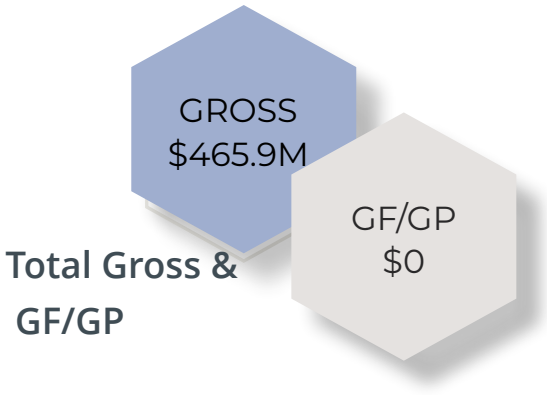
## COMMUNITY COLLEGES

Governor Whitmer's proposed FY 2024-25 budget for Community Colleges reduces gross appropriations by $78.6 million, primarily due to the elimination of five one-time programs totaling $48.4 million, and actuarially determined MPSERS reductions of $44.9 million. A portion of this reduction was offset by a 2.5% increase for college operations and a proposed decrease in the MPSERS payroll cap, which would result in a $5.7 million increase in the State's payments to community colleges for their MPSERS obligations.



# CAPITAL OUTLAY, HIGHER EDUCATION, & COMMUNITY COLLEGES CONTINUED

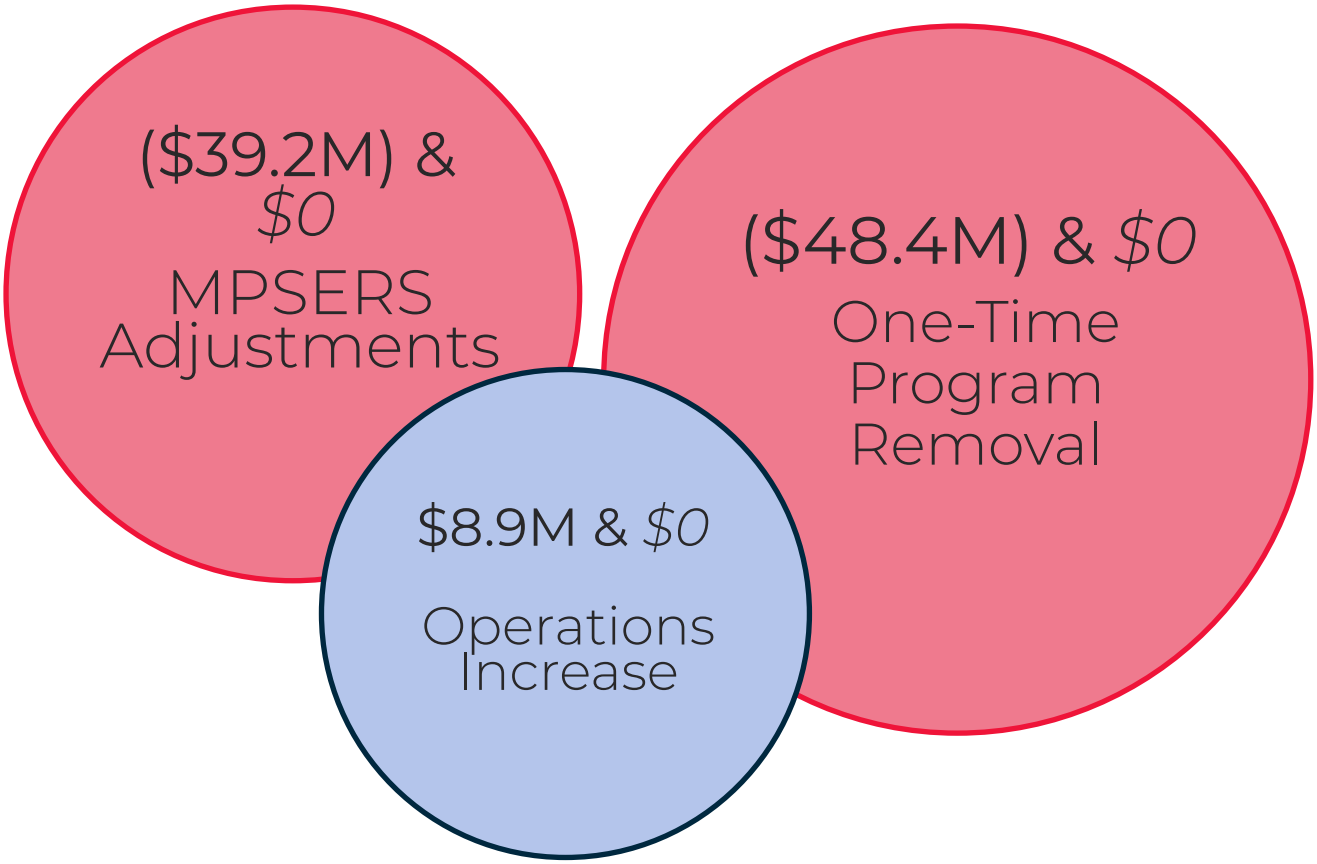
01 The Governor's budget includes a 2.5% ongoing increase for college operations using the existing performance funding formula at a total cost of $8.9 million SAF.

02 The budget includes MPSERS baseline adjustments totaling a $44.9 million decrease, and a proposed new payroll cap reduction payment of $5.7 million. The changes bring total MPSERS appropriations for Community Colleges to $96.8 million.

03 North American Indian Tuition Waiver (ITW) reimbursements were increased by $49,100 to a total of $1.2 million to reflect the most recent waiver cost data.

04 The Governor recommends tuition restraint of 5.0%, or $241, for FY 2024-25 and proposes a new policy of establishing tuition restraint for the subsequent fiscal year. For FY 2025-26, the maximum increase would be the greater of 5.0% or $253.

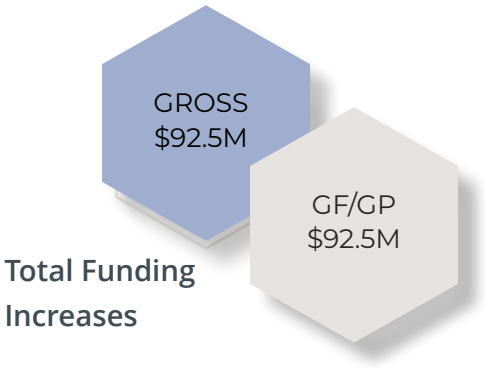
While the appropriation for this proposed policy change is included in the Higher Education budget, the Governor recommended expansion of the Michigan Achievement Scholarship (MAS) to allow all Michigan residents who graduated from high school in 2023 or after to receive a last-dollar scholarship award sufficient to cover all tuition and fee costs incurred by the student after other gift aid is applied, plus a minimum award of $1,000 applied toward the student's account at the college they attend. This proposal would be an expansion of the existing MAS program, which currently has a financial need component, a minimum award of $1,750, and a maximum last-dollar tuition and fees award of $1,000. The cost of this expansion is estimated by the State Budget Office at approximately $30.0 million per year.



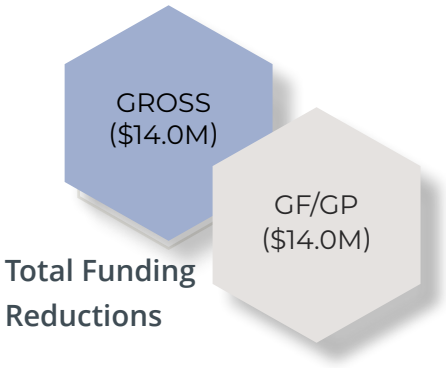
# CAPITAL OUTLAY, HIGHER EDUCATION AND COMMUNITY COLLEGES

## HIGHER EDUCATION

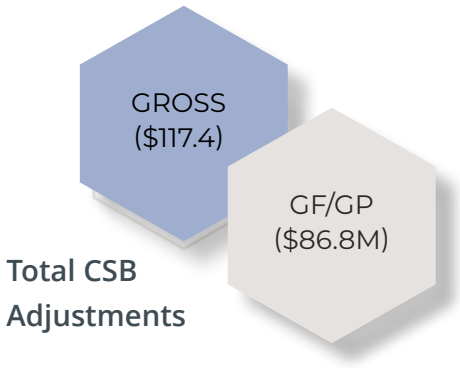
Governor Whitmer's proposed FY 2024-25 budget for Higher Education increases gross appropriations by $23.1 million: GF/GP by $87.8 million and SAF by $63.2 million. Increases in appropriations of State funds were mostly offset by a $127.8 million reduction in Federal Temporary Assistance for Needy Families (TANF) appropriations that currently support three financial aid programs, in anticipation of Federal rulemaking that would preclude the use of TANF for that purpose. The budget recommendation includes a 2.5% increase for university operations and an additional $30.0 million for the Michigan Achievement Scholarship (MAS).



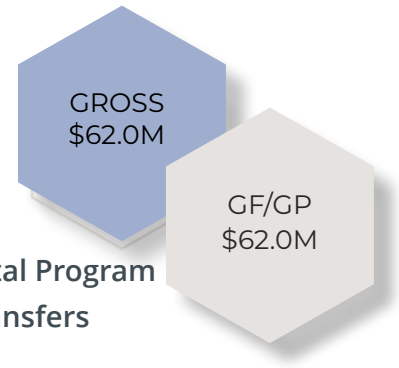

**Total Funding Increases**



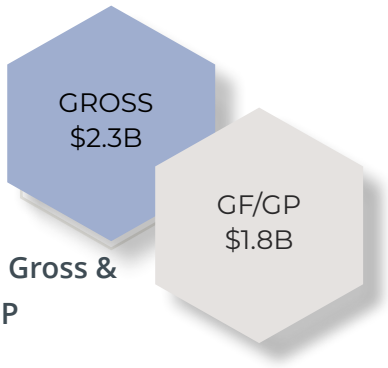

**Total Funding Reductions**




**Total CSB Adjustments**




**Total Program Transfers**




**Total Gross & GF/GP**

# CAPITAL OUTLAY, HIGHER EDUCATION, & COMMUNITY COLLEGES CONTINUED

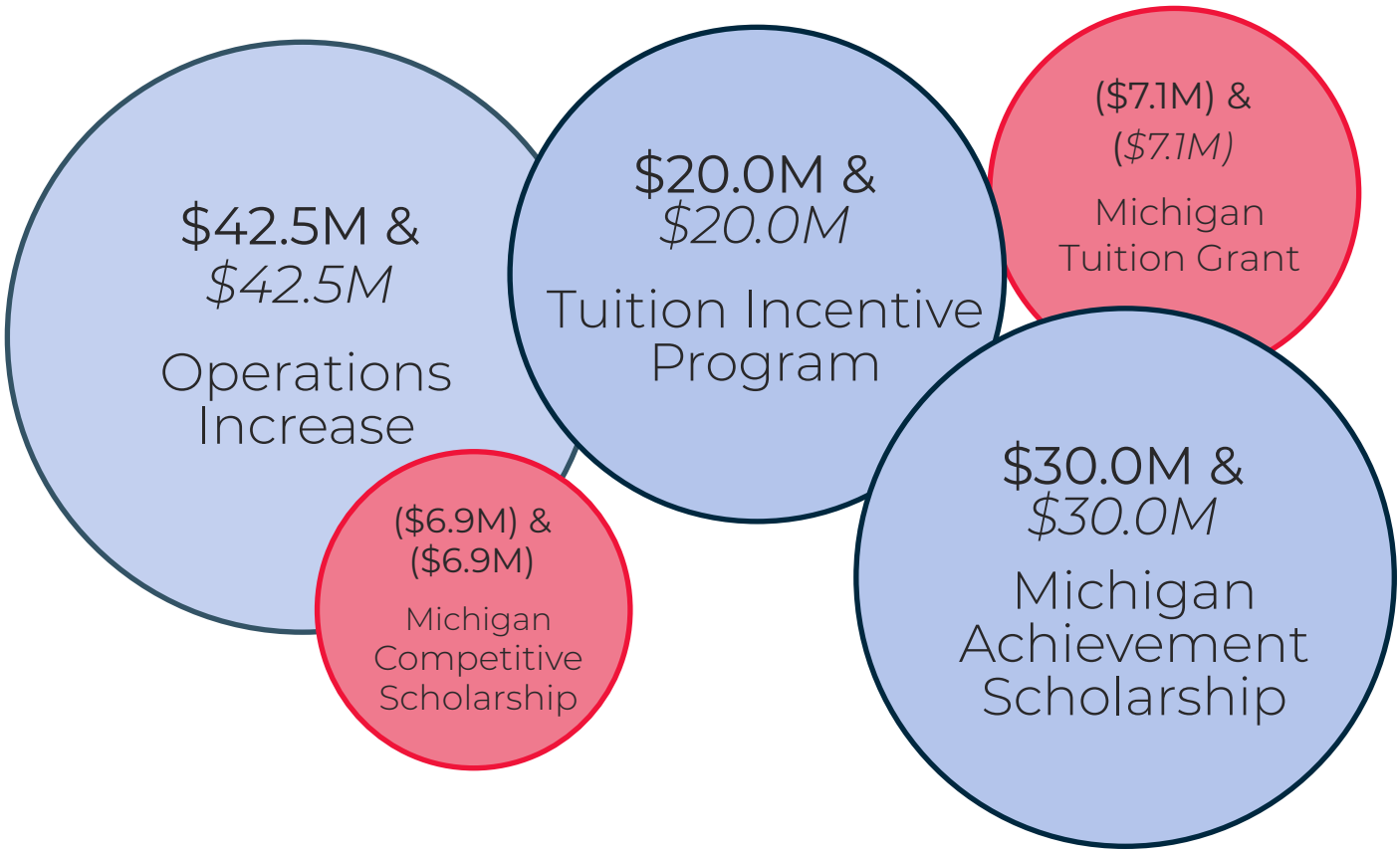
01 The Governor's budget includes a $30.0 million increase in the GF/GP deposit to the Postsecondary Scholarship Fund (PSF), which provides the revenue source for the MAS. This increase would cover the costs associated with an expansion of the program to provide full tuition and fees for community college students from high school graduating classes of 2023 or later.

02 The proposed budget includes a fund shift that would remove $127.8 million in Federal TANF appropriations from the Michigan Competitive Scholarship, Tuition Incentive Program, and Michigan Tuition Grant (MTG), and replace that support with GF/GP dollars. This change anticipates Federal rulemaking that likely would prohibit the use of TANF for student financial aid.

03 University operations would receive a 2.5% across-the-board increase totaling $42.5 million GF/GP. .

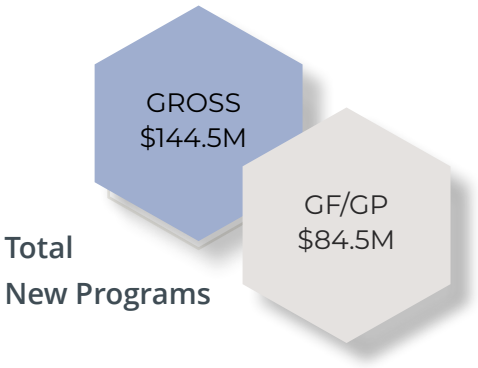
04 The Governor recommends a $7.1 million GF/GP reduction to the MTG program, reflecting a proposed change to the MAS that would preclude students from receiving a scholarship award under both the MTG and MAS.

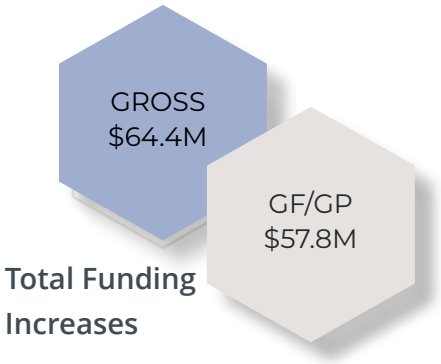
In total, the Governor's budget increases gross appropriations for Higher Education by $23.0 million, or 1.0%. This net increase includes a variety of changes including increases of $42.5 million for university operations, $30.0 million for expanded MAS awards for community college students, and the transfer of $62.0 million from the Department of Labor and Economic Opportunity for the Michigan Reconnect Program and other smaller increases. These increases are partially offset by the removal of $117.9 million in one-time funds appropriated in the FY 2023-24 budget, and the phaseout of the Michigan Competitive Scholarship and MTGs.

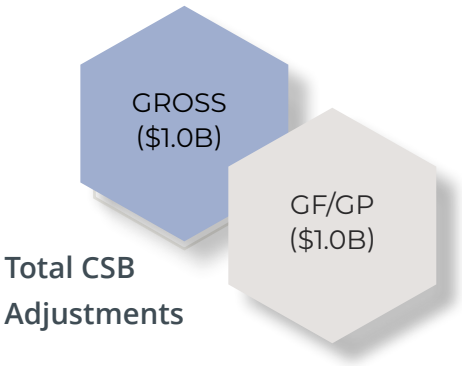


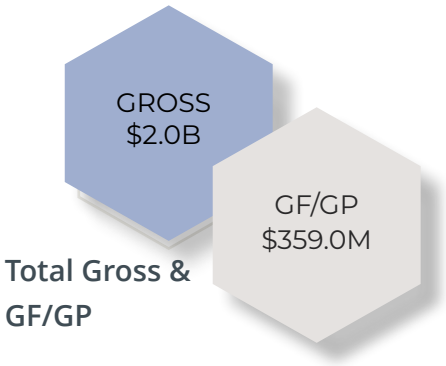
# DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

The Governor's recommended budget for the Department of Labor and Economic Opportunity (LEO) totals $2.0 billion, of which $359.0 million is GF/GP. Ongoing appropriations are recommended at $1.8 billion, of which $228.0 million is GF/GP. Fifteen one-time recommendations total $191.0 million, of which $131.0 million is GF/GP.



# LABOR AND ECONOMIC OPPORTUNITY CONTINUED

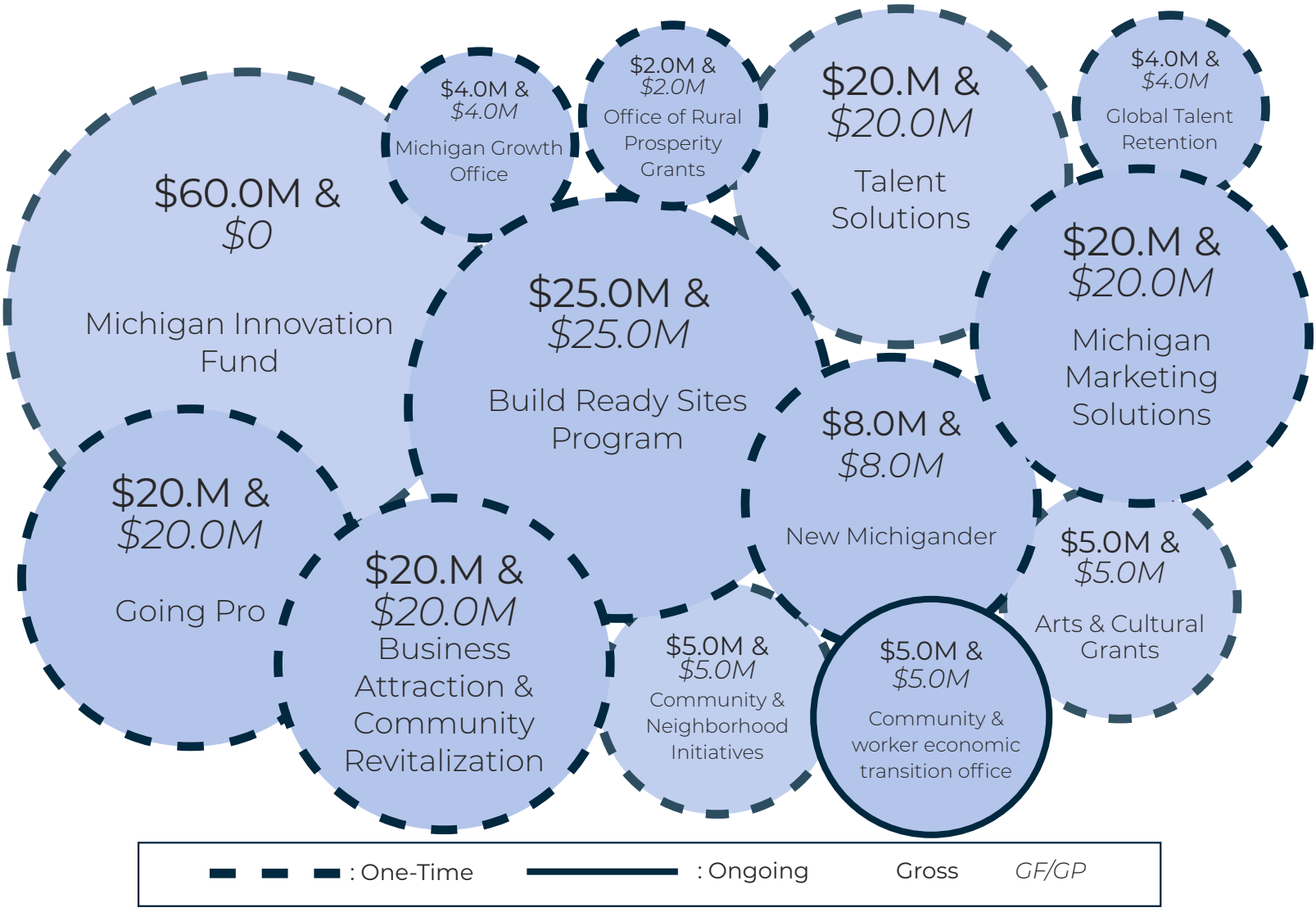
01 The Governor's recommendation continues a $500.0 million appropriation boilerplate for the Strategic Outreach and Attraction Reserve (SOAR) Fund and appropriates any additional interest and earnings made through the year. Technical placeholders of $100 also are included to activate the Critical Industry Program and Michigan Strategic Site Readiness Program line items so they may be used for transfers.

02 The Governor's recommendation includes a one-time transfer of $60.0 million from the Early-Stage Venture Capital Fund to a proposed Michigan Innovation Fund to provide evergreen funding to support innovation and entrepreneurship ecosystems. Funds would be granted to institutions or nonprofit investment funds that invest in startups throughout the State through an evergreen structure.

03 The Governor's recommendation includes $25.0 million for the Build Ready Sites Program to identify and prepare sites for future development or redevelopment to attract and promote business investment.

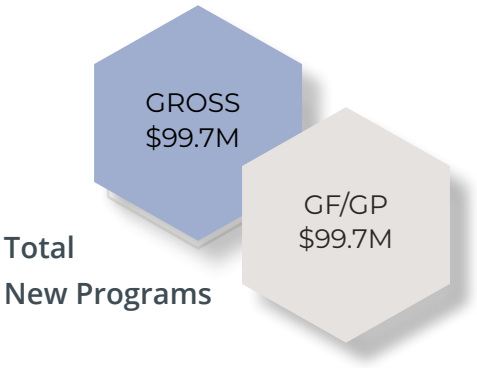
04 The Governor's recommendation includes $20.0 million for Michigan Marketing Initiatives to attract talent, retain labor, and grow the population. Of the total, $5.0 million is ongoing and $15.0 million is one-time.

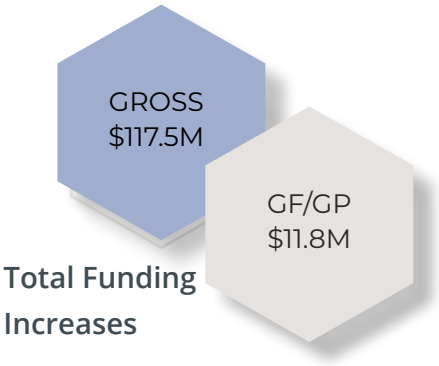
Governor Whitmer's proposed FY 2023-24 budget for LEO decreases Gross and GF/GP funding from the current year by $894.0 million and $942.5 million, respectively. The proposal includes $191.0 million Gross and $131.0 million GF/ GP in one-time spending for 15 separate line items. Current year supplemental spending proposals include 10 separate line items totaling $210.9 million Gross and $164.2 million GF/GP.

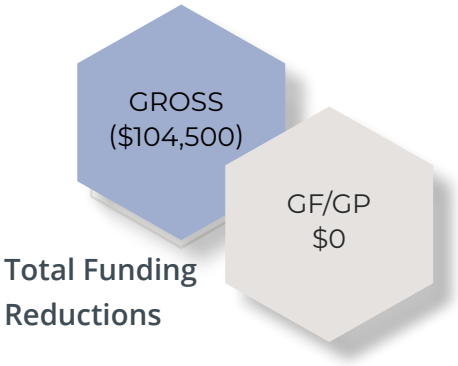


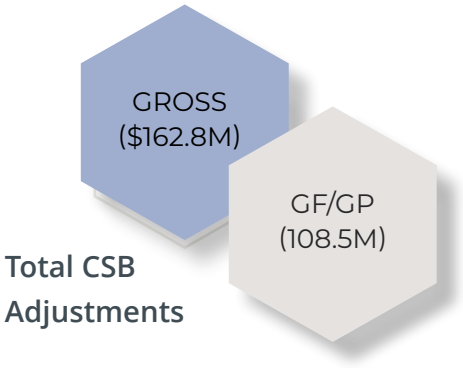
# DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

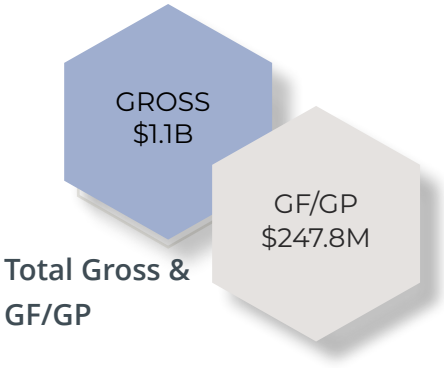
The Governor's proposed FY 2024-25 budget for the Department of Environment, Great Lakes, and Energy (EGLE) increases funding by $52.6 million Gross and $1.8 GF/GP when compared to the FY 2023-24 EGLE budget. The proposed budget has significant investments recommended in a variety of areas, including clean water infrastructure, remediation and contaminated site clean-up, and zero emission vehicle infrastructure and implementation.



# ENVIRONMENT, GREAT LAKES, & ENERGY CONTINUED

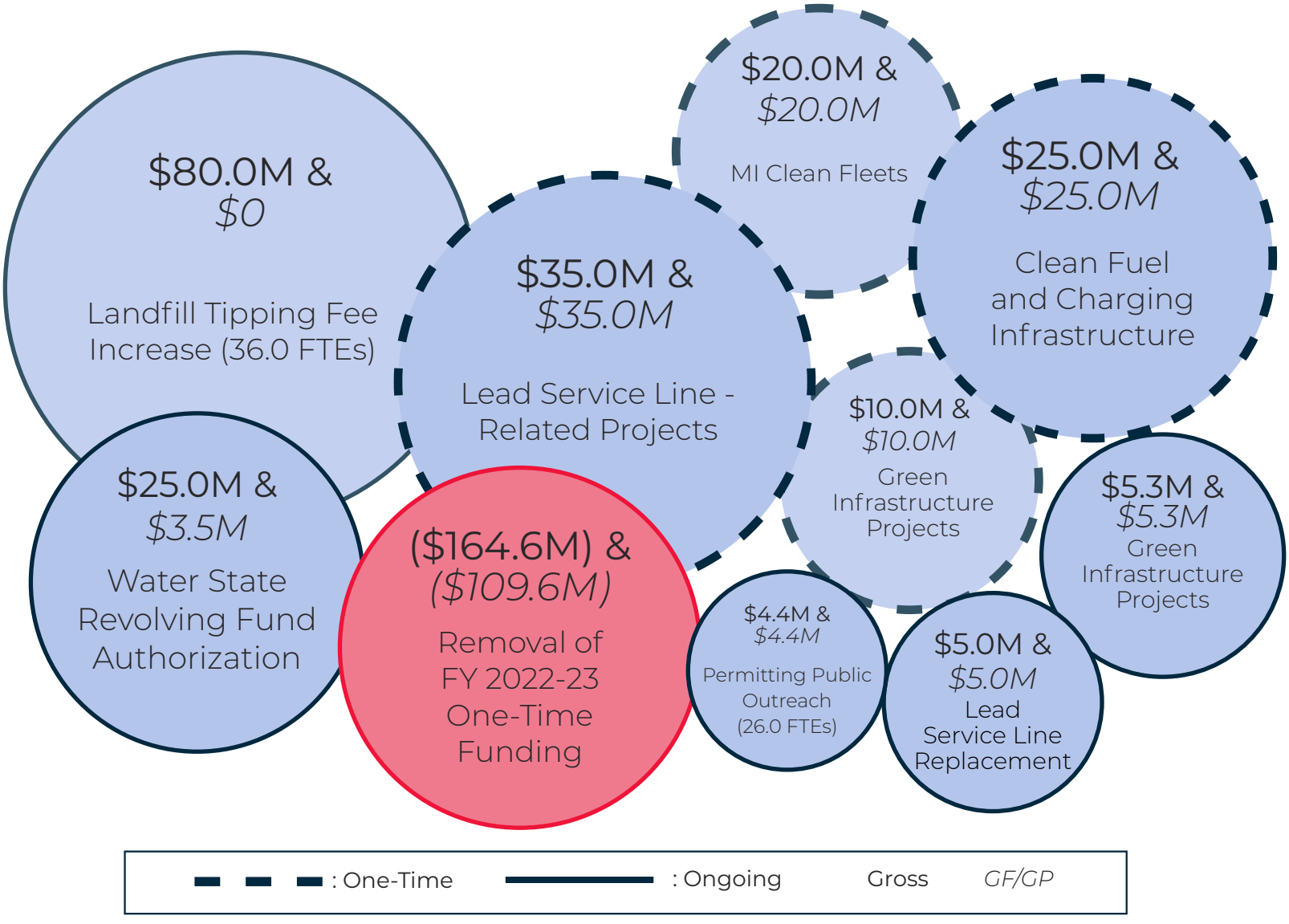
01 The Governor's budget focuses on new one-time investments totaling $90.0 million Gross and GF/GP. These investment proposals cover several areas, including lead service line replacement, transitioning the State vehicle fleet, clean fuel and charging infrastructure, and green infrastructure projects.

02 Program increases totaling $117.5 million are included. This includes $5.0 million GF/GP for an increase in ongoing funding to the Lead Service Line Replacement Program , and $25.0.0 million gross for the Water State Revolving Fund to realize $22.0 million in Federal IIJA funding with an additional $3.5 million GF/GP provided for matching funds.

03 The Governor's recommendation includes $80.0 million anticipated in restricted revenue from an increase to the landfill tipping fee. This funding would support 36.0 FTEs and the Renew Michigan Program for continued contaminated site cleanup and brownfield redevelopment.

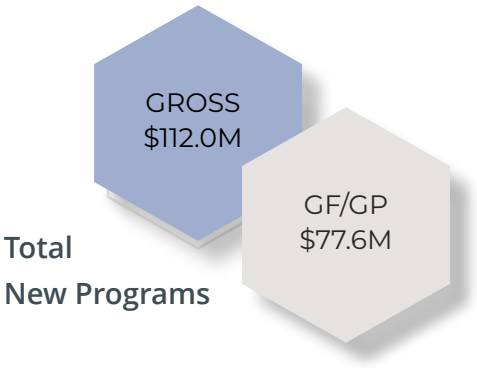
04 The recommendation also includes $4.4 million GF/GP for increased permitting staff capacity (26.0 FTEs) and outreach to aid applicants with the permitting process.

The Governor's budget includes new programs and program increases totaling $218.2 million Gross and $111.5 million GF/GP. Of this funding, $118.2 million Gross and $21.5 million GF/GP are for ongoing requests while the remainder is one-time in nature. Multiple programs include both ongoing and one-time funding. Support for lead service line replacement includes $5.0 million in ongoing funding and $35.0 million in one-time funding, while green infrastructure projects are allotted $5.3 million in ongoing and $10.0 million in one-time.

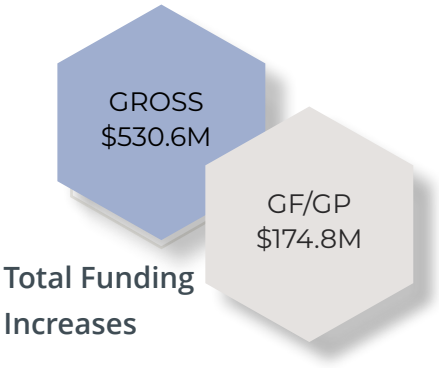


# DEPARTMENT OF HEALTH AND HUMAN SERVICES

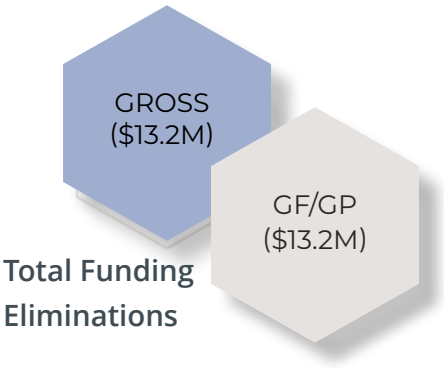
Governor Whitmer's proposed FY 2024-2025 budget for the Department of Health and Human Services (DHHS) increases funding by $2.0 billion Gross and $241.4 million GF/GP when compared to the year-to-date FY 2023-24 DHHS budget. The proposed budget prioritizes several key policy areas, including low-income assistance programs, behavioral health, juvenile justice, and maternal health initiatives.



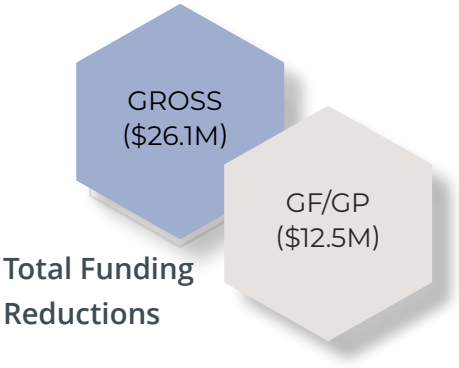

**Total New Programs**



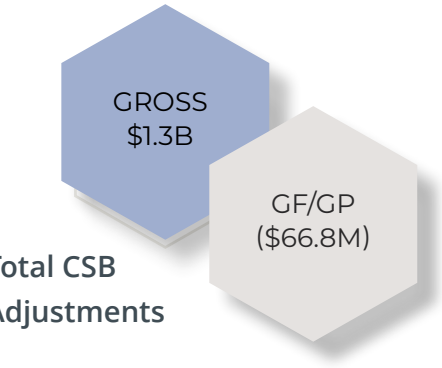

**Total Funding Increases**



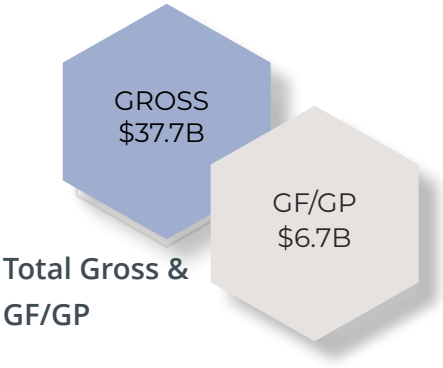

**Total Funding Eliminations**




**Total Funding Reductions**




**Total CSB Adjustments**




**Total Gross & GF/GP**

# HEALTH AND HUMAN SERVICES CONTINUED

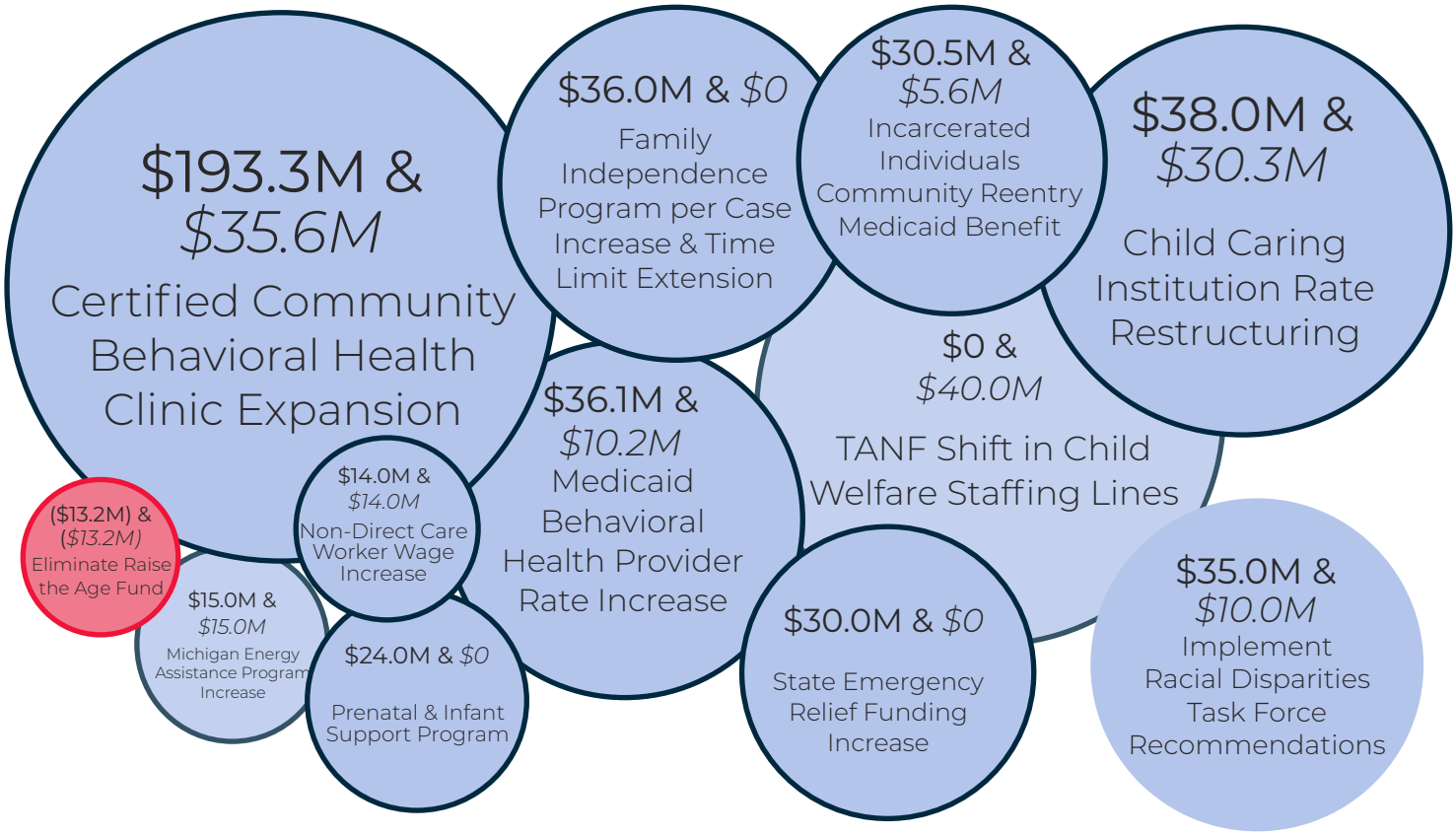
**01** The Governor's budget includes a structural realignment to the Federal TANF block grant. The first adjustment replaces $40.0 million TANF in child welfare staffing lines with GF/GP. The second proposal is a $103.5 million increase in TANF-funded low-income programs including increased cash assistance, emergency needs assistance, prenatal and infant support, and housing supports.

**02** The Governor's budget increases funding to expand certified community behavioral health clinics, increases Medicaid health plan reimbursement rates for outpatient services, establishes Medicaid reimbursement for hospital-based peer recovery support services, launches a loan repayment program for nurses, and raises the reimbursement rate for community mental health living supports services to $31/hour to settle the Waskul case.

**03** The Governor's budget eliminates the $10 monthly premium for families enrolled in the MIChild program, creates a $10 million incentive pool for Medicaid health plans to address food insecurity, establishes supports for family caregivers in the Home- and Community-based Services waiver program, and funds a Medicaid waiver to provide pre-release services for incarcerated individuals. The budget also increases reimbursement rates to the Federal maximum in the Vaccines for Children program.

**04** The Governor's budget provides funding to modify contracting for Child Caring Institution services into a capacity-based model, includes funding to support juvenile justice reforms, resources for an acceleration in the exit of Federal oversight in the child welfare system, and an enhancement of the foster care clothing and holiday allowances. The proposal also eliminates funding for the Raise the Age Fund and assumes a resumption of the 50% county Child Care Fund cost share.

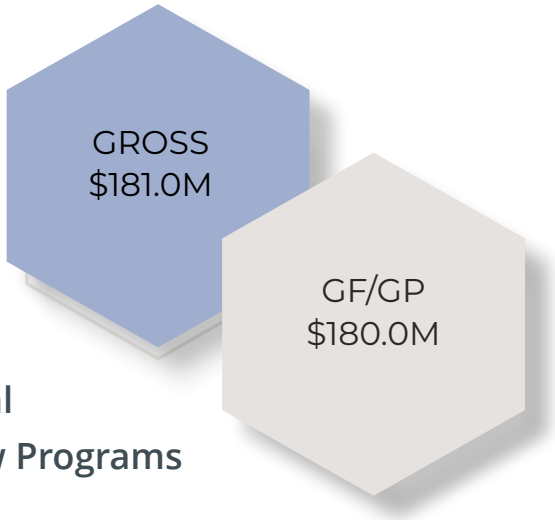
The Governor's budget includes a number of CSB adjustments related to changes in the base Medicaid match rate from 64.94% to 65.13%; Federally required actuarial soundness adjustments; projected base and caseload adjustments in Medicaid, child welfare and public assistance programs; adjustments to special financing mechanisms and provider taxes in Medicaid; removal of the final quarter of the temporary 1.5% enhancement to the base Medicaid match rate; assumed savings from the resumption of Medicaid eligibility redeterminations; and financing changes related to a Federal managed care rule that increased hospital rate adjustor (HRA) payments and eliminated disproportionate share hospital payments. Combined, these changes increase Gross costs by $1.6 billion and GF/GP costs by $229.4 million. The largest driver of the Gross cost increase is a $2.3 billion increase from changes in managed care rules related to HRA payments, which is offset by a $1.3 billion decrease in projected Food Assistance Program base and caseload-related costs.



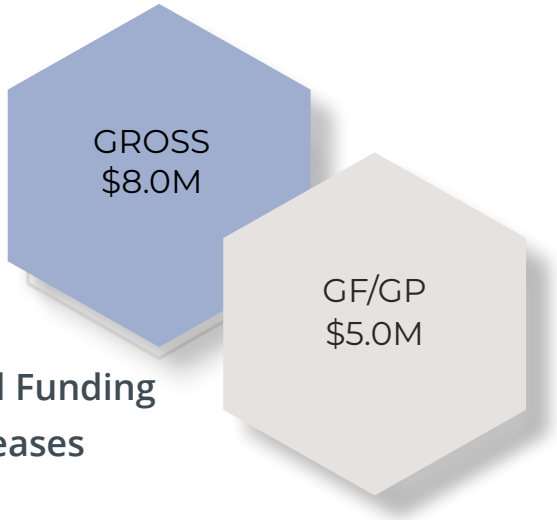

: One-Time : Ongoing NO BORDER : One-Time & Ongoing Gross *GF/GP*

# DEPARTMENT OF TRANSPORTATION

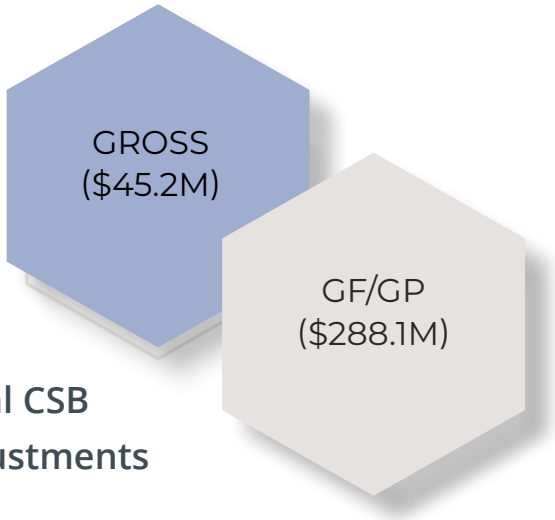
Governor Whitmer's proposed 2024-25 budget increases Gross funding by $154.7 million compared to the FY 2023-24 Transportation budget. The proposed budget includes $185.0 million in GF/GP funding, a decrease of $103.1 million compared to the FY 2023-24 budget. The largest program increase, excluding one-time items, is for State trunkline road and bridge construction with an increase of $123.4 million.



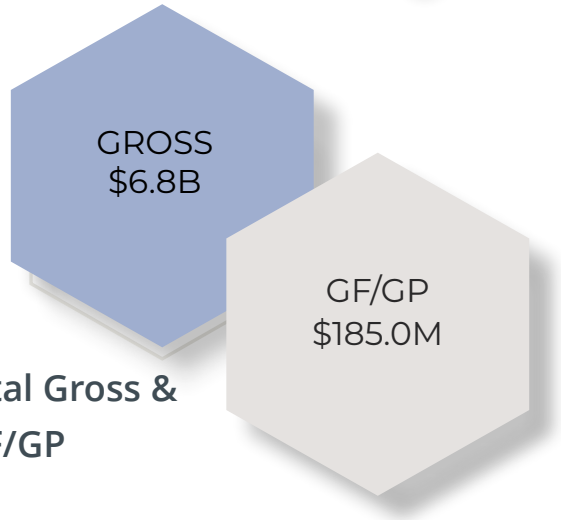

**Total New Programs**




**Total Funding Increases**




**Total CSB Adjustments**



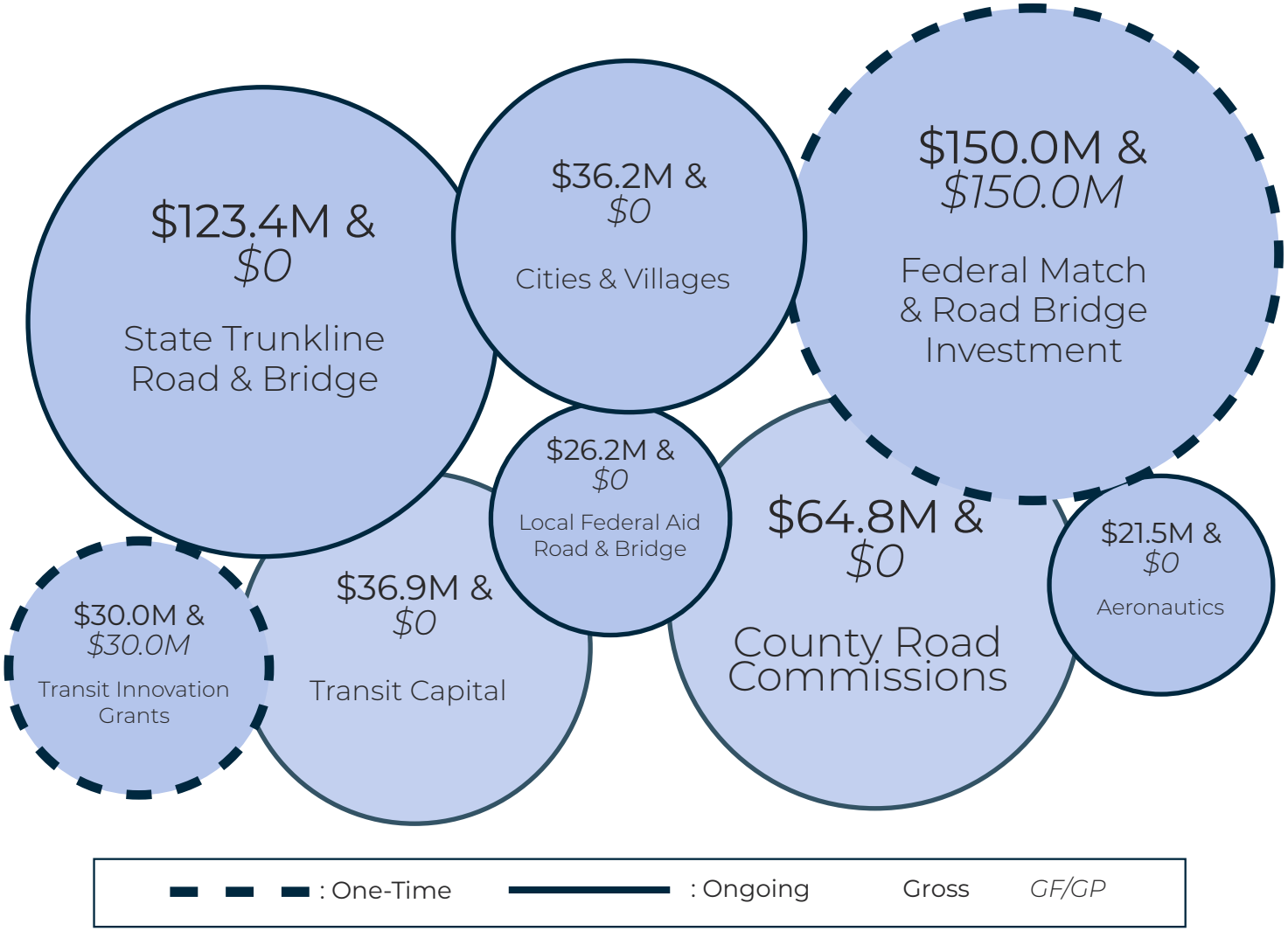

**Total Gross & GF/GP**

01 The Governor proposes a one-time $150.0 million (all GF/GP) Federal match for road and bridge investments. The estimated split is $95.0 million for matching Federal funds, and $55.0 million to repair local bridges.

02 The Governor includes $30.0 million (all GF/GP) for transit innovation grants to spur innovation and connect Michigan residents with new public transit options.

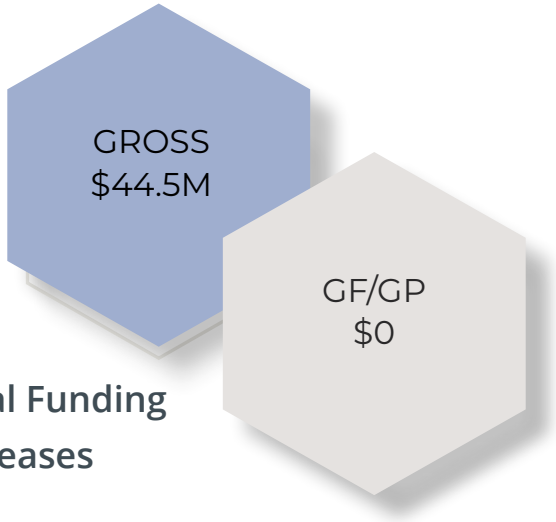
03 The Governor's budget increases State trunkline road and bridge construction funding by $123.4 million, $76.5 million in Federal funds and $46.9 million in restricted funds.

The Governor's budget includes two new programs in one-time spending, $30.0 million Gross for Transit Innovation Grants and $150.0 million for Federal Match and Road and Bridge Investment. A continuing one-time program, MI Contracting Opportunities, will increase to $5.0 million from $3.0 million last year. State trunkline road and bridge construction will increase by $123.4 million. County Road Commissions will see an increase of $64.8 million and Cities and Villages will see an increase of $36.2 million.

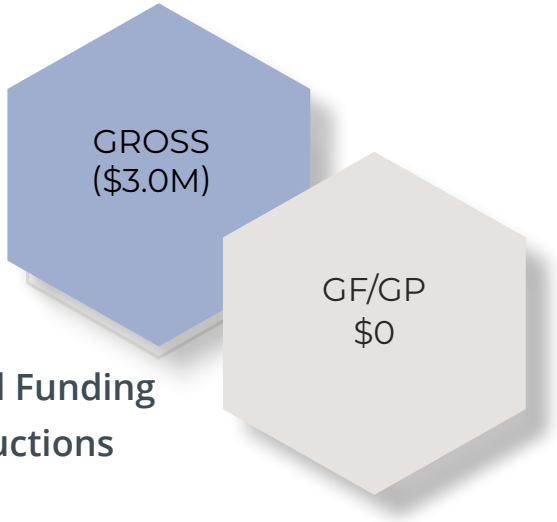


# REVENUE SHARING

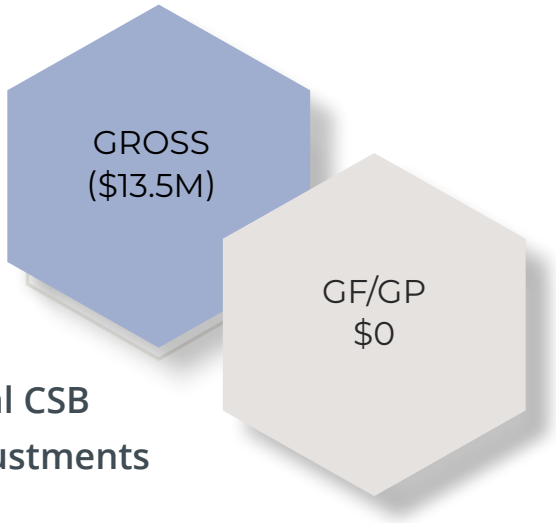
Governor Whitmer's proposed FY 2024-25 budget increased funding by $41.5 million Gross (sales tax revenue) when compared to the year-to-date FY 2023-24 Revenue Sharing budget. The proposed budget includes a 7.9% increase for both City, Village, and Township (CVT) Revenue Sharing and County Revenue Sharing.



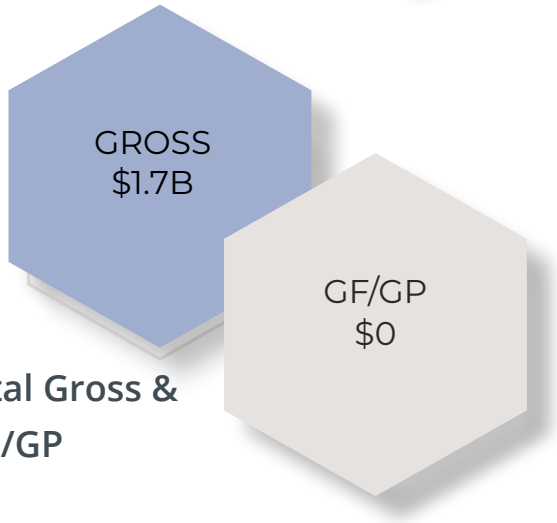

**Total Funding Increases**




**Total Funding Reductions**




**Total CSB Adjustments**

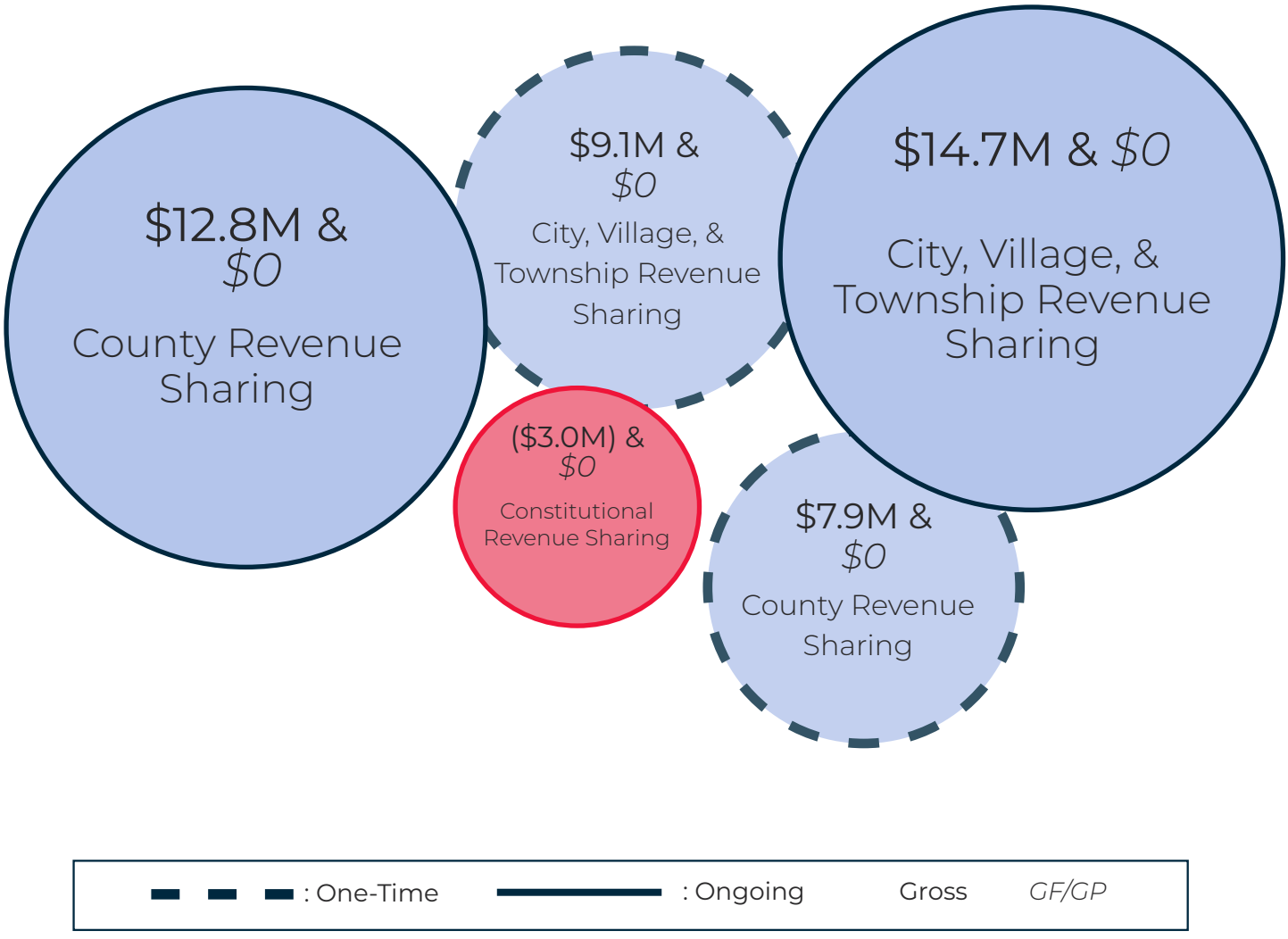



**Total Gross & GF/GP**

# **REVENUE SHARING** CONTINUED

01 The proposed budget includes a 7.9% increase statutory revenue sharing from current appropriations for both City, Village, and Township Revenue Sharing and County Revenue Sharing. Of the total increase, 4.9% is dedicated for ongoing general local operations and 3.0% for one-time appropriation. One-time appropriations total $27.5 million with $16.5 million for cities, villages, townships, and counties that fully obligate their fiscal recovery funds and $11.0 million for local public safety initiatives.

02 The proposed budget includes the Constitutional revenue adjustment of (0.3%) to account for the January Consensus Revenue Estimating Conference. The net change between statutory and Constitutional revenue sharing is 2.5%.

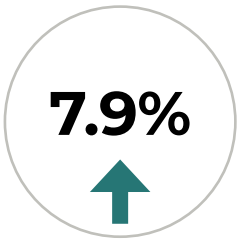


# REVENUE SHARING PAYMENTS

The Governor recommends revenue sharing payments of approximately $1.7 billion in FY 2024-25, an increase of 2.5%, or $41.5 million, from FY 2023-24 year-to-date appropriations. This increase is because of an estimated $3.0 million decrease in constitutional revenue sharing for cities, villages, and townships (CVTs). The Governor recommends a $23.8 million increase in funding for CVT "statutory" revenue sharing, and a net increase in payments to counties of $20.7 million. The Governor's recommendation is shown in Table 22.

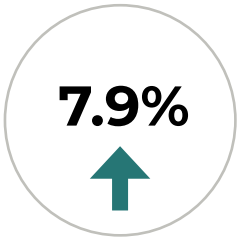
### Constitutional Revenue Sharing

The Governor's estimated Constitutional revenue sharing is estimated at $1,106,099,600 in FY 2024-25 based on the January 2024 Consensus Revenue Estimate Conference. This would provide CVTs with a 0.3% decrease in payments from the revised FY 2023-24 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 $110.07 per capita in FY 2024-25.




### CVT Revenue Sharing

For CVT revenue sharing ("statutory"), the Governor recommends $322,888,800 in FY 2024-25. All eligible CVTs would receive a 7.9% increase from FY 2022-23 statutory payments. Of the $23.8 million increase, $14.7 million is designated as ongoing and $9.1 million as one-time funding. Total one-time funding would be $14.7 million. The Governor did include additional boilerplate that requires $8.8 million of the one-time funding be awarded to CVTs that fully obligate their local fiscal recovery funds and $5.9 million of the one-time funding be used only for local public safety initiatives.




### County Revenue Sharing

The Governor proposes to increase revenue sharing payments to counties by 7.9% to $281,819,100. County Revenue Sharing would increase by $12,810,000 to $238,238,800 and the County Incentive Program would be funded at the current level of $43,580,300. Of the total $20.7 million increase, $12.8 million is designated as ongoing and $9.1 million is designated as one-time funding. Total one-time funding would be $12.8 million. The Governor did include additional boilerplate that requires that $7.7 million of the one-time funding be awarded to counties that fully obligate their local fiscal recovery funds and $5.1 million of the one-time funding be used only for local public safety initiatives.

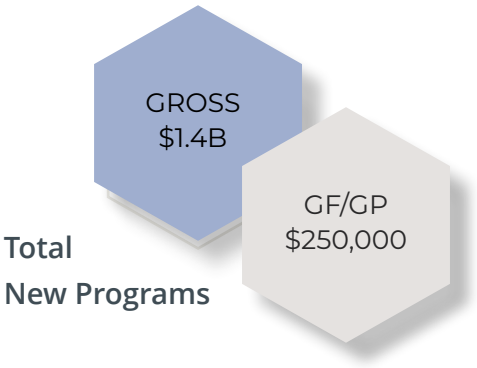
The FY 2024-25 budget continues a requirement that any CVT or county with an underfunded retirement benefit system (as defined in MCL 38.2805) dedicate any increased funding from FY 2023-24 to that retirement system. The Governor maintains the same eligibility, payments, and transparency and accountability requirements as those of the current fiscal year.

### Financially Distressed CVTs

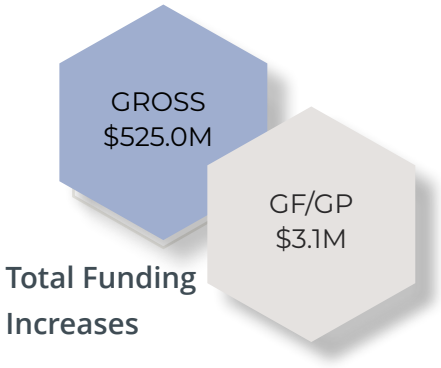
The financially distressed CVTs grant program would maintain current funding at $2.5 million.

# SCHOOL AID

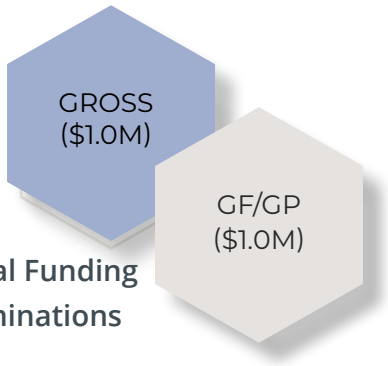
Governor Whitmer's proposed FY 2024-25 budget decreases funding by $849.7 million Gross ($36.4 million GF/GP reduction) when compared to the year-to-date FY 2023-24 School Aid budget. The proposed budget maintains many of the investments from the current year and adds new investments, including a 2.5% increase in the foundation allowance, an expansion of the Great Start Readiness Program (GSRP), and funding for literacy supports.



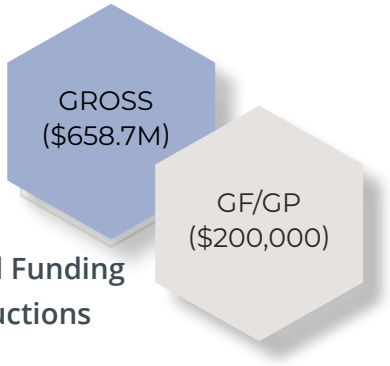

**Total New Programs**



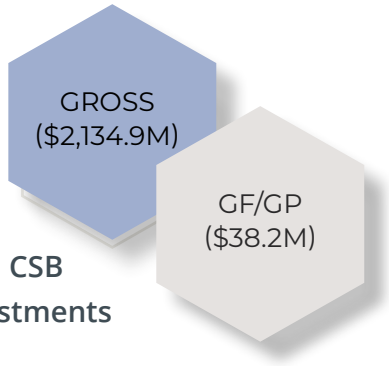

**Total Funding Increases**



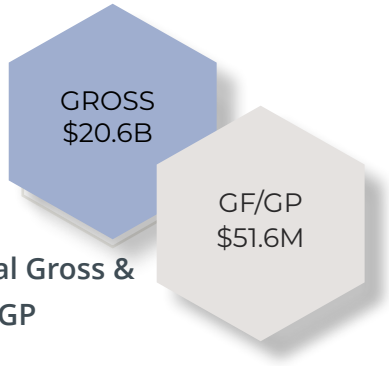

**Total Funding Eliminations**




**Total Funding Reductions**




**Total CSB Adjustments**



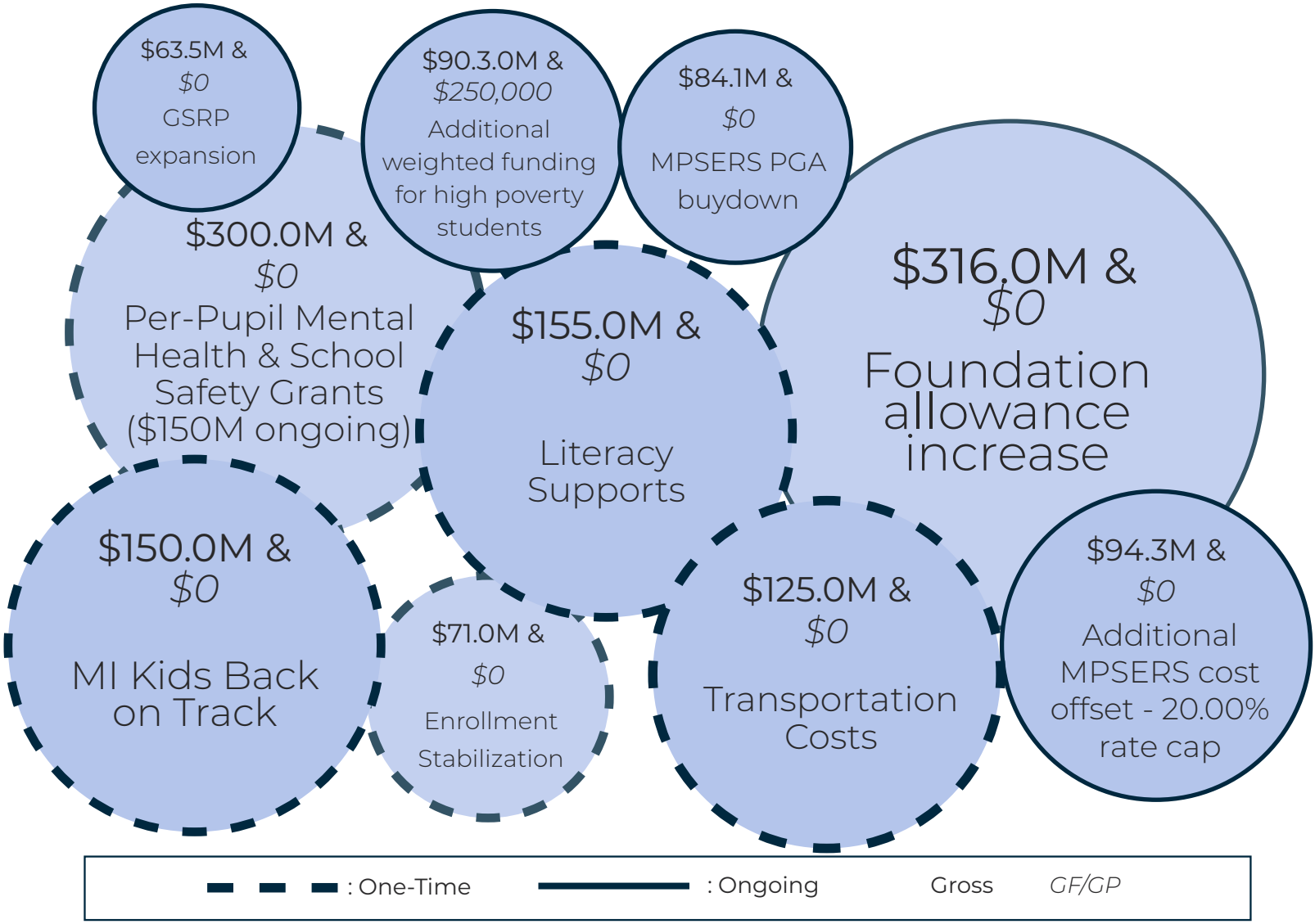

**Total Gross & GF/GP**

01 The Governor proposes to remove the income eligibility threshold for the GSRP, allowing four-year-olds from all families to enroll. Currently, children from families with a household income below 300% of Federal poverty guidelines are eligible, with exceptions to allow programs to fill empty slots. The budget provides funding for an estimated 6,800 additional slots. If 75% of all four-year olds were to enroll in a public preschool program, the SFA estimates that an additional 8,100 slots would be needed to accommodate removing the income threshold. The program requires ISDs to prioritize enrollment (based on income) if more slots are requested than the ISD can fill with its allotted funding.

02 The Governor's budget recognizes $631.7 million in savings to MPSERS by removing the unfunded actuarial accrued liability (UAAL) funding floor for other post-employment benefits (OPEB), which requires the Legislature to appropriate at least the amount appropriated in the previous year for UAAL payments until the system is 100% funded. The Executive recommendation is operating under the assumption that the OPEB UAAL is 100% funded now, but due to the timing of valuations, additional legislation would be needed to recognize the savings in FY 2024-25.

03 The Governor's budget removes funding to nonpublic schools for per-pupil mental health and school safety grants ($18.0 million), reimbursement for health and safety mandates ($1.0 million) and robotics programs ($600,000).

The Governor's budget includes funding for new programs and increases to existing programs totaling $1.9 billion Gross and $3.3 million GF/GP. Of this funding, $991.6 million Gross and $2.1 million GF/GP is for ongoing requests; the remainder is one-time funding. The largest requests are the foundation allowance ($316.0 million), per-pupil mental health and school safety grants ($300.0 million), literacy supports ($155.0 million), MI Kids Back on Track ($150.0 million), and transportation costs ($125.0 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 transmission, the Legislature, by a two-thirds vote of the members elected and serving in each house, may reject or reduce the Commission's authorized increases. Legislative reductions must apply uniformly to all classes of employees, and the Legislature may not adjust pay differentials already established by the Commission. Compensation rates also may not be reduced below those in effect when the increases are transmitted to the Legislature.

On December 13, 2023, the Commission approved a two-year agreement for wages and benefits for employees who are exclusively represented by employee unions (AFSCME, MCO, MSEA, SEIU, and UAW) for FY 2024-25. The Commission approved a 5.0% base wage increase to become effective October 1, 2024, for most represented employees. All represented employees will continue to pay 20% of their health care premium costs.

The Commission also adopted a Coordinated Compensation Plan for nonexclusively represented State classified employees (NEREs) for FY 2024-25. Effective October 1, 2024, NEREs will receive a 5.0% base wage increase. Nonexclusively represented employees also will continue to pay 20% of their health insurance premiums in FY 2024-25. The Michigan State Police Troopers Association (MSPTA) has not yet completed its collective bargaining process for FY 2024-25; thus, estimates for wages and benefits are unavailable.

Table 23 provides a summary of the incremental State employee economic cost changes for FY 2024-25 recommended in the Governor's budget, including Gross employee salary increases of $201.1 million ($115.8 million GF/GP). The State's portion of the cost of longevity payments and employee health insurance is estimated to increase by $117.9 million ($71.2 million GF/GP) for FY 2024-25. Retirement contributions, excluding payments for legacy pension costs, will increase $37.1 million Gross ($21.3 million GF/GP). Other employee retirement costs (OERC), including legacy pension costs and retiree health care costs, total a negative $151.2 million (negative $82.7 million GF/GP). The total increase in worker's compensation and other economic costs is $8.1 million Gross ($3.1 million GF/GP). The total impact of economic adjustments for FY 2024-25 is an increase of $212.9 million Gross and $128.0 million GF/GP.

## DEBT SERVICE ADJUSTMENTS

Table 24 provides a summary of debt service appropriations for FY 2024-25, 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 the Department of Labor and Economic Opportunity; State Building Authority rent payments appropriated in the Department of Technology, Management, and Budget; various transportation-related bonds in the Michigan Department of Transportation (MDOT); and general obligation bonds and the Flint Settlement Bond in the Department of Treasury. Gross appropriations for debt service on these bonds total $751.9 million for FY 2024-25. This represents a $86.4 million (10.3%) decrease from the $838.3 million in debt service appropriations for FY 2023-24.

## DEBT SERVICE APPROPRIATIONS

FY 2024-25 COMPARED WITH FY 2023-24

($86,433,500)

(10.3%)

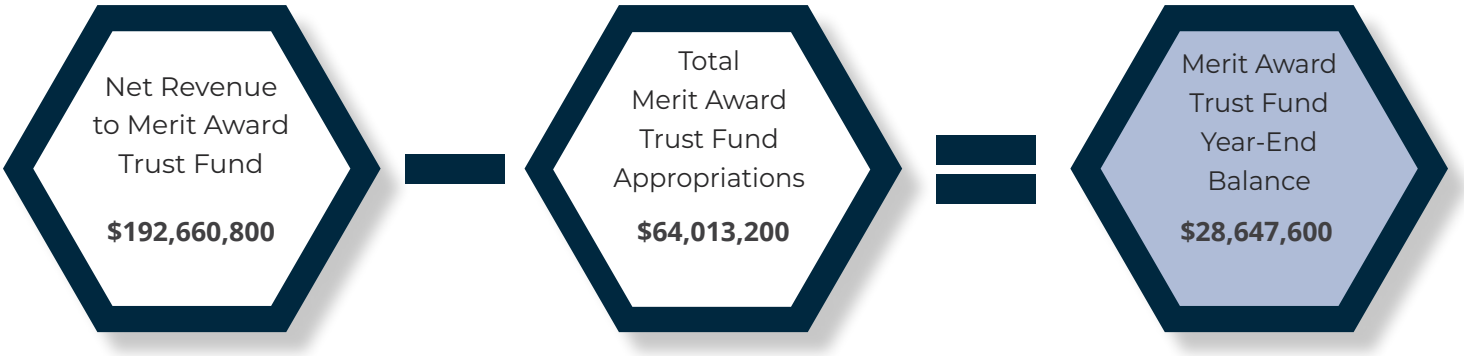
# TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS

In 1998, a Master Settlement Agreement was reached between 46 states, including Michigan, and certain US tobacco manufacturers, to provide annual payments to states. The payments began in 2000 and will continue in perpetuity. As Table 25 illustrates, there are several transfers out of the tobacco settlement revenue before it is deposited into the Merit Award Trust Fund, where it is available for appropriation by the Legislature.

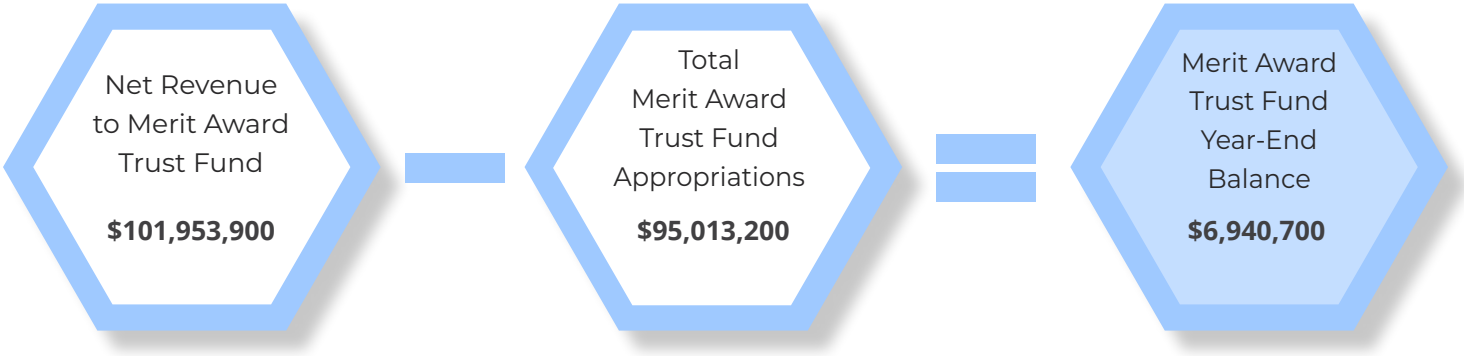
Pursuant to law, $75.0 million of the tobacco settlement revenue is earmarked each fiscal year, from FY 2007-08 through FY 2025-26, for the 21st Century Jobs Trust Fund. Also pursuant to law, $17.5 million of the tobacco settlement revenue is deposited each fiscal year, from FY 2014-15 through FY 2034-35, into the BSF as repayment for an FY 2013-14 State appropriation of $194.8 million to the Settlement Administration Fund to help mitigate the impact of the City of Detroit bankruptcy on its pensioners. A statutory earmark for the Community District Trust Fund of $72.0 million annually, for ten years (but capped at a total of $617.0 million), was enacted in FY 2016-17 to implement a new system of funding for Detroit Public Schools. Fiscal year 2024-25 will see the final earmark of $41.0 million, with the remaining $31.0 million returning to the Merit Award Trust Fund.

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 2024-25 year-end balance of $6.9 million in the Merit Award Trust Fund.

## FY 2023-24 YEAR-TO-DATE




## FY 2024-25 GOV'S REC.



# BUDGET STABILIZATION FUND

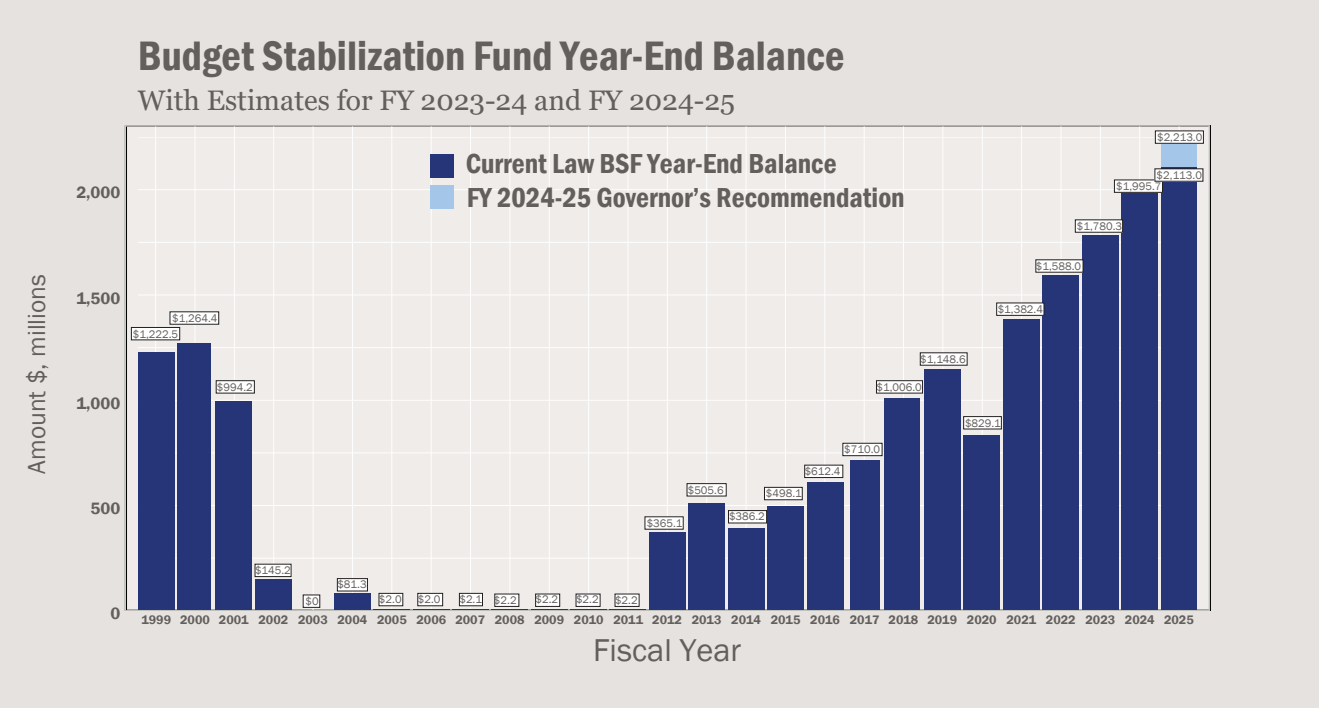
The Budget Stabilization Fund (BSF) is the State's "Rainy Day" fund or cash reserve. In years of economic growth, deposits may be made to the Fund, and in years of recession, money may be withdrawn to cushion the budgetary impact of declining State revenue. Statutory formulas direct the amount of the 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 $1,780.3 million at the close of FY 2022-23. The Michigan Trust Fund Act requires the deposit of $17.5 million from tobacco settlement revenue into the BSF each year from FY 2014-15 to FY 2034-35. The Trust Fund Act transfers reimburse the BSF for a $194.8 million withdrawal in FY 2013-14 related to the Detroit bankruptcy settlement. Based on the appropriated deposits and estimated interest earnings, the BSF balance at the close of FY 2023-24 is estimated at $1,995.7 million. Assuming no further deposits or withdrawals and estimated interest earnings, the BSF balance at the close of FY 2024-25 is estimated to be $2,113.0 million.

The Governor recommended a deposit of $100.0 million to the BSF in FY 2024-25. If this deposit were enacted, it would bring the closing balance estimate for FY 2024-25 up to $2,213.0 million.

The history of the BSF year-end balances and the estimates for FY 2023-24 and FY 2024-25 are shown in the figure below.

**Figure 1**



# FY 2023-24
# SUPPLEMENTAL REQUESTS

FY 2023-24

# 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 2023-24, supplementals. These supplementals, supplemental requests 2024-2 through 2024-4, represent proposed alterations to the current year budget. As noted in Table B in the introduction, these three supplemental requests propose to increase current year spending by $1.8 billion Gross, of which $637.4 million is Federal, $851.6 million is State Restricted funds, and $287.5 million is GF/GP. A listing of supplemental requests delivered with the FY 2024-25 Executive Recommendation, by department, are included in Table 26.

# MISCELLANEOUS

# PROPOSED FEE ADJUSTMENTS

There are four fees proposed to increase, totaling $101.2 million. In addition, the Governor is proposing to amend the statutes related to those fees. Tables 27 and 28 itemize the proposed fee adjustments found in the Governor's recommended budget for FY 2024-25.

# BALANCE SHEET

In the Appendix, Tables 9 and 10 present the GF/GP and SAF balance sheets for FY 2023-24 and FY 2024-25. The balance sheets presented here reflect year-to-date spending (as of February 7, 2024) as well as the supplementals enacted in Fall 2023 (effective February 13, 2024) and the Governor's proposed supplementals.

The balance sheets include the impact of the proposed caregiver tax credit and other miscellaneous revenue adjustments. Combining all of the above (i.e., assuming the entirety of the Governor's budget recommendation with the estimates of the caregiver tax credit and other revenue adjustments), the estimated balance for GF/GP at the end of FY 2024-25 would be $7.0 million, while SAF would be $12.1 million. Differences in how an enacted budget would compare to the Governor's recommendation, supplemental or policy changes enacted during 2024, and adjustments to revenue at the May 2024 CREC (as well as how actual revenue differs from estimates) all would affect those ending balance estimates.

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# APPENDIX

# Table 1

**FY 2024-25 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 | $144,218,900 | $332,400 | $143,886,500 | $20,357,900 | $21,300 | $46,450,900 | $77,056,400 |
| Attorney General | 128,549,700 | 39,465,600 | 89,084,100 | 10,391,600 | 0 | 22,283,400 | 56,409,100 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Civil Rights | 32,320,500 | 0 | 32,320,500 | 2,890,900 | 18,700 | 58,500 | 29,352,400 |
| Community Colleges | 465,920,800 | 0 | 465,920,800 | 0 | 0 | 465,920,800 | 0 |
| Corrections | 2,144,379,000 | 0 | 2,144,379,000 | 5,180,500 | 11,694,000 | 33,494,400 | 2,094,010,100 |
| Education | 162,825,100 | 0 | 162,825,100 | 82,550,500 | 8,410,700 | 10,117,800 | 61,746,100 |
| Environment, Great Lakes, & Energy | 1,104,199,100 | 4,085,900 | 1,100,113,200 | 463,788,900 | 1,364,200 | 387,149,300 | 247,810,800 |
| Executive | 9,337,100 | 0 | 9,337,100 | 0 | 0 | 0 | 9,337,100 |
| Health & Human Services | 37,702,292,800 | 14,707,900 | 37,687,584,900 | 26,755,591,000 | 342,634,200 | 3,883,861,200 | 6,705,498,500 |
| Higher Education | 2,314,197,000 | 0 | 2,314,197,000 | 3,200,000 | 0 | 545,468,300 | 1,765,528,700 |
| Insurance & Financial Services | 77,771,400 | 753,500 | 77,017,900 | 700,000 | 0 | 76,317,900 | 0 |
| Judiciary | 371,816,400 | 1,902,300 | 369,914,100 | 7,132,600 | 1,905,300 | 95,887,300 | 264,988,900 |
| Labor & Economic Opportunity | 1,973,232,500 | 0 | 1,973,232,500 | 1,177,165,800 | 23,284,600 | 413,774,700 | 359,007,400 |
| Legislature | 221,930,700 | 0 | 221,930,700 | 0 | 467,700 | 5,422,600 | 216,040,400 |
| Licensing & Regulatory Affairs | 635,467,200 | 27,682,800 | 607,784,400 | 30,471,300 | 0 | 280,707,400 | 296,605,700 |
| Lifelong Educ., Adv., & Potential | 576,985,400 | 0 | 576,985,400 | 413,951,400 | 250,000 | 1,862,300 | 160,921,700 |
| Military & Veterans Affairs | 267,052,100 | 101,800 | 266,950,300 | 144,036,800 | 100,000 | 13,221,400 | 109,592,100 |
| Natural Resources | 542,770,100 | 207,000 | 542,563,100 | 96,140,700 | 7,609,200 | 371,056,200 | 67,757,000 |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| School Aid | 20,609,973,700 | 0 | 20,609,973,700 | 2,272,793,500 | 0 | 18,285,630,200 | 51,550,000 |
| State | 291,839,900 | 20,000,000 | 271,839,900 | 1,460,000 | 50,100 | 256,919,700 | 13,410,100 |
| State Police | 933,208,500 | 27,189,800 | 906,018,700 | 99,062,700 | 5,010,700 | 174,984,300 | 626,961,000 |
| Technology, Mgt., & Budget | 1,857,176,200 | 1,119,848,200 | 737,328,000 | 4,393,300 | 2,523,200 | 130,096,500 | 600,315,000 |
| Transportation | 6,781,289,200 | 4,316,700 | 6,776,972,500 | 2,253,675,100 | 106,248,500 | 4,232,048,900 | 185,000,000 |
| Treasury (Debt Service) | 95,087,000 | 0 | 95,087,000 | 0 | 0 | 0 | 95,087,000 |
| Treasury (Operations) | 836,215,600 | 11,188,500 | 825,027,100 | 25,011,400 | 15,243,700 | 567,412,400 | 217,359,600 |
| Treasury (Revenue Sharing) | 1,713,307,500 | 0 | 1,713,307,500 | 0 | 0 | 1,713,307,500 | 0 |
| **TOTAL APPROPRIATIONS** | **$81,993,363,400** | **$1,271,782,400** | **$80,721,581,000** | **$33,869,945,900** | **$526,836,100** | **$32,013,453,900** | **$14,311,345,100** |

## Table 2

**ADJUSTED GROSS APPROPRIATIONS**
**FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION**

| Department/Budget Area | FY 2023-24 Year-to-Date Appropriations* | FY 2024-25 Governor's Recommendation | Dollar Difference | Percent Change |
|---|---|---|---|---|
| Agriculture & Rural Development | $168,285,700 | $143,886,500 | ($24,399,200) | (14.5%) |
| Attorney General | 106,562,900 | 89,084,100 | (17,478,800) | (16.4) |
| Capital Outlay | 0 | 0 | 0 | 0.0 |
| Civil Rights | 31,710,000 | 32,320,500 | 610,500 | 1.9 |
| Community Colleges | 544,517,500 | 465,920,800 | (78,596,700) | (14.4) |
| Corrections | 2,086,250,000 | 2,144,379,000 | 58,129,000 | 2.8 |
| Education | 647,380,900 | 162,825,100 | (484,555,800) | (74.8) |
| Environment, Great Lakes, & Energy | 1,047,576,800 | 1,100,113,200 | 52,536,400 | 5.0 |
| Executive | 8,905,400 | 9,337,100 | 431,700 | 4.8 |
| Health & Human Services | 35,719,906,100 | 37,687,584,900 | 1,967,678,800 | 5.5 |
| Higher Education | 2,291,048,800 | 2,314,197,000 | 23,148,200 | 1.0 |
| Insurance & Financial Services | 73,415,800 | 77,017,900 | 3,602,100 | 4.9 |
| Judiciary | 354,025,900 | 369,914,100 | 15,888,200 | 4.5 |
| Labor & Economic Opportunity | 2,867,264,800 | 1,973,232,500 | (894,032,300) | (31.2) |
| Legislature | 215,172,100 | 221,930,700 | 6,758,600 | 3.1 |
| Licensing & Regulatory Affairs | 581,043,700 | 607,784,400 | 26,740,700 | 4.6 |
| Lifelong Educ., Adv., & Potential | 0 | 576,985,400 | 576,985,400 | 100.0 |
| Military & Veterans Affairs | 248,238,600 | 266,950,300 | 18,711,700 | 7.5 |
| Natural Resources | 572,045,500 | 542,563,100 | (29,482,400) | (5.2) |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0.0 |
| School Aid | 21,459,651,300 | 20,609,973,700 | (849,677,600) | (4.0) |
| State | 284,209,500 | 271,839,900 | (12,369,600) | (4.4) |
| State Police | 867,096,700 | 906,018,700 | 38,922,000 | 4.5 |
| Technology, Management, & Budget | 974,051,000 | 737,328,000 | (236,723,000) | (24.3) |
| Transportation | 6,622,196,900 | 6,776,972,500 | 154,775,600 | 2.3 |
| Treasury (Debt Service) | 100,084,100 | 95,087,000 | (4,997,100) | (5.0) |
| Treasury (Operations) | 866,528,000 | 825,027,100 | (41,500,900) | (4.8) |
| Treasury (Revenue Sharing) | 1,671,783,800 | 1,713,307,500 | 41,523,700 | 2.5 |
| **TOTAL APPROPRIATIONS** | **$80,408,951,800** | **$80,721,581,000** | **$312,629,200** | **0.4%** |

## Table 3

**STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS**
**FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION**

| Department/Budget Area | FY 2023-24 Year-to-Date Appropriations* | FY 2024-25 Governor's Recommendation | Dollar Difference | Percent Change |
|---|---|---|---|---|
| Agriculture & Rural Development | $138,501,700 | $123,507,300 | ($14,994,400) | (10.8%) |
| Attorney General | 96,499,100 | 78,692,500 | (17,806,600) | (18.5) |
| Capital Outlay | 0 | 0 | 0 | 0.0 |
| Civil Rights | 28,800,400 | 29,410,900 | 610,500 | 2.1 |
| Community Colleges | 544,517,500 | 465,920,800 | (78,596,700) | (14.4) |
| Corrections | 2,059,301,400 | 2,127,504,500 | 68,203,100 | 3.3 |
| Education | 180,724,500 | 71,863,900 | (108,860,600) | (60.2) |
| Environment, Great Lakes, & Energy | 604,918,900 | 634,960,100 | 30,041,200 | 5.0 |
| Executive | 8,905,400 | 9,337,100 | 431,700 | 4.8 |
| Health & Human Services | 9,570,769,800 | 10,589,359,700 | 1,018,589,900 | 10.6 |
| Higher Education | 2,160,022,400 | 2,310,997,000 | 150,974,600 | 7.0 |
| Insurance & Financial Services | 72,398,700 | 76,317,900 | 3,919,200 | 5.4 |
| Judiciary | 345,370,700 | 360,876,200 | 15,505,500 | 4.5 |
| Labor & Economic Opportunity | 1,660,371,400 | 772,782,100 | (887,589,300) | (53.5) |
| Legislature | 214,726,700 | 221,463,000 | 6,736,300 | 3.1 |
| Licensing & Regulatory Affairs | 531,039,500 | 577,313,100 | 46,273,600 | 8.7 |
| Lifelong Educ., Adv., & Potential | 0 | 162,784,000 | 162,784,000 | 100.0 |
| Military & Veterans Affairs | 113,102,700 | 122,813,500 | 9,710,800 | 8.6 |
| Natural Resources | 441,832,500 | 438,813,200 | (3,019,300) | (0.7) |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0.0 |
| School Aid | 19,258,857,800 | 18,337,180,200 | (921,677,600) | (4.8) |
| State | 282,699,400 | 270,329,800 | (12,369,600) | (4.4) |
| State Police | 773,351,800 | 801,945,300 | 28,593,500 | 3.7 |
| Technology, Management, & Budget | 966,879,900 | 730,411,500 | (236,468,400) | (24.5) |
| Transportation | 4,370,502,000 | 4,417,048,900 | 46,546,900 | 1.1 |
| Treasury (Debt Service) | 100,084,100 | 95,087,000 | (4,997,100) | (5.0) |
| Treasury (Operations) | 826,534,900 | 784,772,000 | (41,762,900) | (5.1) |
| Treasury (Revenue Sharing) | 1,671,783,800 | 1,713,307,500 | 41,523,700 | 2.5 |
| **TOTAL APPROPRIATIONS** | **$47,022,497,000** | **$46,324,799,000** | **($697,698,000)** | **(1.5%)** |

## Table 4

**GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS**
**FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION**

| Department/Budget Area | FY 2023-24 Year-to-Date Appropriations* | FY 2024-25 Governor's Recommendation | Dollar Difference | Percent Change |
|---|---|---|---|---|
| Agriculture & Rural Development | $92,781,800 | $77,056,400 | ($15,725,400) | (16.9%) |
| Attorney General | 75,726,000 | 56,409,100 | (19,316,900) | (25.5) |
| Capital Outlay | 0 | 0 | 0 | 0.0 |
| Civil Rights | 28,741,900 | 29,352,400 | 610,500 | 2.1 |
| Community Colleges | 0 | 0 | 0 | 0.0 |
| Corrections | 2,029,495,900 | 2,094,010,100 | 64,514,200 | 3.2 |
| Education | 130,652,500 | 61,746,100 | (68,906,400) | (52.7) |
| Environment, Great Lakes, & Energy | 245,952,100 | 247,810,800 | 1,858,700 | 0.8 |
| Executive | 8,905,400 | 9,337,100 | 431,700 | 4.8 |
| Health & Human Services | 6,464,135,400 | 6,705,498,500 | 241,363,100 | 3.7 |
| Higher Education | 1,677,754,100 | 1,765,528,700 | 87,774,600 | 5.2 |
| Insurance & Financial Services | 0 | 0 | 0 | 0.0 |
| Judiciary | 250,218,100 | 264,988,900 | 14,770,800 | 5.9 |
| Labor & Economic Opportunity | 1,301,508,000 | 359,007,400 | (942,500,600) | (72.4) |
| Legislature | 207,140,800 | 216,040,400 | 8,899,600 | 4.3 |
| Licensing & Regulatory Affairs | 271,331,100 | 296,605,700 | 25,274,600 | 9.3 |
| Lifelong Educ., Adv., & Potential | 0 | 160,921,700 | 160,921,700 | 100.0 |
| Military & Veterans Affairs | 98,889,300 | 109,592,100 | 10,702,800 | 10.8 |
| Natural Resources | 88,054,500 | 67,757,000 | (20,297,500) | (23.1) |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0.0 |
| School Aid | 87,900,000 | 51,550,000 | (36,350,000) | (41.4) |
| State | 13,324,700 | 13,410,100 | 85,400 | 0.6 |
| State Police | 607,564,000 | 626,961,000 | 19,397,000 | 3.2 |
| Technology, Management, & Budget | 832,699,500 | 600,315,000 | (232,384,500) | (27.9) |
| Transportation | 288,100,000 | 185,000,000 | (103,100,000) | (35.8) |
| Treasury (Debt Service) | 100,084,100 | 95,087,000 | (4,997,100) | (5.0) |
| Treasury (Operations) | 292,586,100 | 217,359,600 | (75,226,500) | (25.7) |
| Treasury (Revenue Sharing) | 0 | 0 | 0 | 0.0 |
| **TOTAL APPROPRIATIONS** | **$15,193,545,300** | **$14,311,345,100** | **($882,200,200)** | **(5.8%)** |

## Table 5

**FULL-TIME EQUATED CLASSIFIED POSITIONS**
**FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION**

| Department/Budget Area | FY 2023-24 Year-to-Date Appropriations* | FY 2024-25 Governor's Recommendation | Position Change | Percent Change |
|---|---|---|---|---|
| Agriculture & Rural Development | 544.0 | 573.0 | 29.0 | 5.3% |
| Attorney General | 605.4 | 620.4 | 15.0 | 2.5 |
| Civil Rights | 160.0 | 189.0 | 29.0 | 18.1 |
| Corrections | 13,190.0 | 13,210.0 | 20.0 | 0.2 |
| Education | 634.5 | 566.5 | (68.0) | (10.7) |
| Environment, Great Lakes, & Energy | 1,610.0 | 1,698.0 | 88.0 | 5.5 |
| Executive | 86.2 | 86.2 | 0.0 | 0.0 |
| Health & Human Services | 15,855.5 | 15,923.5 | 68.0 | 0.4 |
| Insurance & Financial Services | 388.5 | 395.5 | 7.0 | 1.8 |
| Judiciary | 598.0 | 654.5 | 56.5 | 9.4 |
| Labor & Economic Opportunity | 2,614.4 | 2,644.0 | 29.6 | 1.1 |
| Licensing & Regulatory Affairs | 1,863.9 | 1,788.0 | (75.9) | (4.1) |
| Lifelong Educ., Adv., & Potential | 0.0 | 334.0 | 334.0 | 100.0 |
| Military & Veterans Affairs | 1,051.0 | 1,051.0 | 0.0 | 0.0 |
| Natural Resources | 2,549.3 | 2,539.3 | (10.0) | (0.4) |
| State | 1,619.0 | 1,629.0 | 10.0 | 0.6 |
| State Police | 3,829.0 | 3,853.0 | 24.0 | 0.6 |
| Technology, Management, & Budget | 3,214.0 | 3,243.5 | 29.5 | 0.9 |
| Transportation | 3,218.3 | 3,222.3 | 4.0 | 0.1 |
| Treasury (Operations) | 2,003.5 | 2,001.5 | (2.0) | (0.1) |
| **TOTAL POSITIONS** | **55,634.5** | **56,222.2** | **587.7** | **1.1%** |

## Table 6

**FY 2024-25 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 | $0 | $0 | $0 | $0 | $0 |
| Attorney General | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 |
| Civil Rights | 0 | 0 | 0 | 0 | 0 |
| Community Colleges | 0 | 0 | 0 | 0 | 0 |
| Corrections | 3,400,000 | 0 | 0 | 3,400,000 | 0 |
| Education | 0 | 0 | 0 | 0 | 0 |
| Environment, Great Lakes, & Energy | 90,000,000 | 0 | 0 | 0 | 90,000,000 |
| Executive | 0 | 0 | 0 | 0 | 0 |
| Health & Human Services | 112,009,800 | 34,454,900 | 0 | 0 | 77,554,900 |
| Higher Education | 0 | 0 | 0 | 0 | 0 |
| Insurance & Financial Services | 250,000 | 0 | 0 | 250,000 | 0 |
| Judiciary | 0 | 0 | 0 | 0 | 0 |
| Labor & Economic Opportunity | 191,000,000 | 0 | 0 | 60,000,000 | 131,000,000 |
| Legislature | 0 | 0 | 0 | 0 | 0 |
| Licensing & Regulatory Affairs | 250,000 | 0 | 0 | 250,000 | 0 |
| Lifelong Educ., Adv., & Potential | 60,000,000 | 0 | 0 | 0 | 60,000,000 |
| Military & Veterans Affairs | 11,500,000 | 0 | 0 | 0 | 11,500,000 |
| Natural Resources | 0 | 0 | 0 | 0 | 0 |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0 | 0 |
| School Aid | 953,000,000 | 0 | 0 | 951,500,000 | 1,500,000 |
| State | 0 | 0 | 0 | 0 | 0 |
| State Police | 5,000,000 | 0 | 0 | 0 | 5,000,000 |
| Technology, Management, & Budget | 76,751,000 | 0 | 0 | 0 | 76,751,000 |
| Transportation | 185,990,000 | 0 | 0 | 990,000 | 185,000,000 |
| Treasury (Debt Service) | 0 | 0 | 0 | 0 | 0 |
| Treasury (Operations) | 31,592,000 | 0 | 0 | 592,000 | 31,000,000 |
| Treasury (Revenue Sharing) | 27,486,800 | 0 | 0 | 27,486,800 | 0 |
| **TOTAL APPROPRIATIONS** | **$1,748,229,600** | **$34,454,900** | **$0** | **$1,044,468,800** | **$669,305,900** |

## Table 7

| FY 2024-25 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE | | | | |
|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **State Restricted** | **GF/GP** |
| **Attorney General** | | | | |
| Leo IDG increase | 850,000 | 0 | 0 | 0 |
| **Total - Attorney General** | **$850,000** | **$0** | **$0** | **$0** |
| **Corrections** | | | | |
| Thumb Education Center | $3,400,000 | $0 | $3,400,000 | $0 |
| **Total - Corrections** | **$3,400,000** | **$0** | **$3,400,000** | **$0** |
| **Environment, Great Lakes, and Energy** | | | | |
| Leveraging federal funding for lead line replacement program | $35,000,000 | $0 | $0 | $35,000,000 |
| Deploying clean fuel and charging infrastructure | 25,000,000 | 0 | 0 | 25,000,000 |
| MI clean fleets | 20,000,000 | 0 | 0 | 20,000,000 |
| Green infrastructure projects | 10,000,000 | 0 | 0 | 10,000,000 |
| **Total - Environment, Great Lakes, & Energy** | **$90,000,000** | **$0** | **$0** | **$90,000,000** |
| **Health and Human Services** | | | | |
| One-time: racial disparities task force | $25,000,000 | $25,000,000 | $0 | $0 |
| One-time: family planning local agreements grants | 14,200,000 | 0 | 0 | 14,200,000 |
| One-time: nursing loan repayment program | 10,000,000 | 0 | 0 | 10,000,000 |
| One-time: multicultural services | 8,600,000 | 0 | 0 | 8,600,000 |
| One-time: healthy moms, healthy babies one-time maternal health grants | 7,500,000 | 0 | 0 | 7,500,000 |
| One-time: statewide emergency shelter support one-time | 7,250,000 | 0 | 0 | 7,250,000 |
| One-time: juvenile justice investments | 5,000,000 | 0 | 0 | 5,000,000 |
| One-time: community violence intervention services | 5,000,000 | 5,000,000 | 0 | 0 |
| One-time: employment and training services grants | 5,000,000 | 0 | 0 | 5,000,000 |
| One-time: weatherization Federal match | 5,000,000 | 0 | 0 | 5,000,000 |
| One-time: firearm injury and violence prevention grant | 4,300,000 | 0 | 0 | 4,300,000 |
| One-time: fire fighter health care | 3,500,000 | 0 | 0 | 3,500,000 |
| One-time: behavioral health workforce | 3,000,000 | 3,000,000 | 0 | 0 |
| One-time: healthy moms, healthy babies doula care | 2,909,800 | 1,454,900 | 0 | 1,454,900 |
| One-time: first responder and public safety staff mental health | 2,500,000 | 0 | 0 | 2,500,000 |
| One-time: children's services staff administration training | 2,000,000 | 0 | 0 | 2,000,000 |
| One-time: home health care authority | 1,000,000 | 0 | 0 | 1,000,000 |
| One-time: national kidney foundation of Michigan | 250,000 | 0 | 0 | 250,000 |
| **Total - Health & Human Services** | **$112,009,800** | **$34,454,900** | **$0** | **$77,554,900** |
| **Insurance & Financial Services** | | | | |
| Insurance Complaints & Healthcare Appeals Outreach Campaign | $250,000 | $0 | $250,000 | $0 |
| **Total – Insurance & Financial Services** | **$250,000** | **$0** | **$250,000** | **$0** |

| FY 2024-25 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE | | | | |
|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **State Restricted** | **GF/GP** |
| **Labor and Economic Opportunity** | | | | |
| Michigan innovation fund | $60,000,000 | $0 | $60,000,000 | $0 |
| Build ready sites program | 25,000,000 | 0 | 0 | 25,000,000 |
| Business attraction and community revitalization | 20,000,000 | 0 | 0 | 20,000,000 |
| Going Pro | 20,000,000 | 0 | 0 | 20,000,000 |
| Talent solutions | 20,000,000 | 0 | 0 | 20,000,000 |
| Michigan marketing initiatives | 15,000,000 | 0 | 0 | 15,000,000 |
| New Michigander | 8,000,000 | 0 | 0 | 8,000,000 |
| Arts and cultural grants | 5,000,000 | 0 | 0 | 5,000,000 |
| Community and neighborhood initiatives | 5,000,000 | 0 | 0 | 5,000,000 |
| Global talent and retention | 4,000,000 | 0 | 0 | 4,000,000 |
| Michigan growth office | 4,000,000 | 0 | 0 | 4,000,000 |
| Office of rural prosperity grants | 2,500,000 | 0 | 0 | 2,500,000 |
| Prosperity bureau | 1,000,000 | 0 | 0 | 1,000,000 |
| Focus: HOPE | 1,000,000 | 0 | 0 | 1,000,000 |
| Language access | 500,000 | 0 | 0 | 500,000 |
| **Total - Labor & Economic Opportunity** | **$191,000,000** | **$0** | **$60,000,000** | **$131,000,000** |
| **Licensing & Regulatory Affairs** | | | | |
| Health sector implicit bias study | $250,000 | $0 | $250,000 | $0 |
| **Total - Licensing & Regulatory Affairs** | **$250,000** | **$0** | **$250,000** | **$0** |
| **Lifelong Education, Advancement, & Potential** | | | | |
| Child care worker subsidy | $60,000,000 | $0 | $0 | $60,000,000 |
| **Total - Lifelong Education, Advancement, & Potential** | **$60,000,000** | **$0** | **$0** | **$60,000,000** |
| **Military and Veterans Affairs** | | | | |
| Selfridge air national guard base | $10,000,000 | $0 | $0 | $10,000,000 |
| Eliminating veteran homelessness | 1,500,000 | 0 | 0 | 1,500,000 |
| **Total - Military & Veterans Affairs** | **$11,500,000** | **$0** | **$0** | **$11,500,000** |
| **School Aid** | | | | |
| Literacy supports | $155,000,000 | $0 | $155,000,000 | $0 |
| MI Kids Back on Track (previously funded in FY 2022-23) | 150,000,000 | 0 | 150,000,000 | 0 |
| Per-pupil mental health and school safety grants (continued from FY 2023-24) | 150,000,000 | 0 | 150,000,000 | 0 |
| Transportation costs (continued from FY 2023-24) | 125,000,000 | 0 | 125,000,000 | 0 |
| Enrollment stabilization (continued from FY 2023-24) | 71,000,000 | 0 | 71,000,000 | 0 |
| Grow-Your-Own (previously funded in FY 2022-23) | 50,000,000 | 0 | 50,000,000 | 0 |
| Statewide teacher mentoring and induction (continued from FY 2023-24) | 50,000,000 | 0 | 50,000,000 | 0 |
| FAFSA completion challenge (continued from FY 2023-24) | 40,000,000 | 0 | 40,000,000 | 0 |
| GSRP classroom startup grants (previously funded in FY 2022-23) | 35,000,000 | 0 | 35,000,000 | 0 |
| School meals (continued from FY 2023-24) | 30,000,000 | 0 | 30,000,000 | 0 |
| Key industries pilot | 20,000,000 | 0 | 20,000,000 | 0 |
| GSRP transportation (continued from FY 2023-24) | 18,000,000 | 0 | 18,000,000 | 0 |
| CTE equipment upgrades (continued from FY 2023-24) | 15,000,000 | 0 | 15,000,000 | 0 |
| TRAILS (previously funded in FY 2022-23) | 12,500,000 | 0 | 12,500,000 | 0 |

| FY 2024-25 GOVERNOR'S RECOMMENDATION ONE-TIME APPROPRIATIONS BY FUND SOURCE | | | | |
|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **State Restricted** | **GF/GP** |
| **School Aid (continued)** | | | | |
| READ innovation competition | 10,000,000 | 0 | 10,000,000 | 0 |
| LETRS: professional learning early literacy (continued from FY 2023-24) | 10,000,000 | 0 | 10,000,000 | 0 |
| Student success strategies | 5,000,000 | 0 | 5,000,000 | 0 |
| Improving access to books (continued from FY 2023-24) | 4,000,000 | 0 | 4,000,000 | 0 |
| College and career readiness tools (continued from FY 2023-24) | 1,000,000 | 0 | 0 | 1,000,000 |
| Peer mentoring | 1,000,000 | 0 | 1,000,000 | 0 |
| Michigan Virtual High School | 500,000 | 0 | 0 | 500,000 |
| **Total - School Aid** | **$953,000,000** | **$0** | **$951,500,000** | **$1,500,000** |
| **State Police** | | | | |
| Law enforcement training, recruitment and retention | $5,000,000 | $0 | $0 | $5,000,000 |
| **Total - State Police** | **$5,000,000** | **$0** | **$0** | **$5,000,000** |
| **Technology, Management, and Budget** | | | | |
| State employee Flexible Spending Account dependent care match | $31,500,000 | $0 | $0 | $31,500,000 |
| Make It in Michigan competitiveness fund | 25,000,000 | 0 | 0 | 25,000,000 |
| Self insured property fund | 10,000,000 | 0 | 0 | 10,000,000 |
| Enterprisewide special maintenance | 8,000,000 | 0 | 0 | 8,000,000 |
| State fleet electric vehicle transition | 2,000,000 | 0 | 0 | 2,000,000 |
| Building occupancy health and safety | 251,000 | 0 | 0 | 251,000 |
| **Total - Technology, Management, & Budget** | **$76,751,000** | **$0** | **$0** | **$76,751,000** |
| **Transportation** | | | | |
| Federal match and priority bridge investments | $150,000,000 | $0 | $0 | $150,000,000 |
| Transit innovation grants | 30,000,000 | 0 | 0 | 30,000,000 |
| MI contracting opportunity | 5,000,000 | 0 | 0 | 5,000,000 |
| Blue water bridge equipment and facilities purchases | 990,000 | 0 | 990,000 | 0 |
| **Total - Transportation** | **$185,990,000** | **$0** | **$990,000** | **$185,000,000** |
| **Treasury-Operations** | | | | |
| MI vehicle rebate | $25,000,000 | $0 | $0 | $25,000,000 |
| Secure retirement for small businesses | 3,000,000 | 0 | 0 | 3,000,000 |
| MiABLE outreach | 3,000,000 | 0 | 0 | 3,000,000 |
| Lottery information technology services and projects | 592,000 | 0 | 592,000 | 0 |
| **Total - Treasury - Operations** | **$31,592,000** | **$0** | **$592,000** | **$31,000,000** |
| **Treasury - Revenue Sharing** | | | | |
| City, village, and township revenue sharing - one-time | $14,676,800 | $0 | $14,676,800 | $0 |
| County revenue sharing - one-time | 12,810,000 | 0 | 12,810,000 | 0 |
| **Total - Treasury - Revenue Sharing** | **$27,486,800** | **$0** | **$27,486,800** | **$0** |
| **TOTAL ONE-TIME BUDGET AREA APPROPRIATIONS** | **$1,749,079,600** | **$34,454,900** | **$1,044,468,800** | **$669,305,900** |

## Table 8

**STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT**
**FY 2023-24 YEAR-TO-DATE VERSUS FY 2024-25 GOVERNOR'S RECOMMENDATION**

| Department/Budget Area | FY 2023-24 Year-to-Date Appropriations* | FY 2024-25 Governor's Recommendation | Dollar Difference | Percent Change |
|---|---|---|---|---|
| Agriculture & Rural Development | $11,900,000 | $7,800,000 | ($4,100,000) | (34.5%) |
| Attorney General | 0 | 0 | 0 | 0.0 |
| Capital Outlay | 0 | 0 | 0 | 0.0 |
| Civil Rights | 0 | 0 | 0 | 0.0 |
| Community Colleges | 544,517,500 | 465,920,800 | (78,596,700) | (14.4) |
| Corrections | 121,453,600 | 123,656,000 | 2,202,400 | 1.8 |
| Education | 17,917,700 | 17,917,700 | 0 | 0.0 |
| Environment, Great Lakes, & Energy | 43,592,300 | 85,933,300 | 42,341,000 | 97.1 |
| Executive | 0 | 0 | 0 | 0.0 |
| Health & Human Services | 1,907,484,900 | 1,876,944,500 | (30,540,400) | (1.6) |
| Higher Education | 0 | 0 | 0 | 0.0 |
| Insurance & Financial Services | 0 | 0 | 0 | 0.0 |
| Judiciary | 150,611,100 | 151,885,500 | 1,274,400 | 0.8 |
| Labor & Economic Opportunity | 72,724,900 | 96,674,900 | 23,950,000 | 32.9 |
| Legislature | 0 | 0 | 0 | 0.0 |
| Licensing & Regulatory Affairs | 242,917,400 | 280,345,300 | 37,427,900 | 15.4 |
| Lifelong Educ., Adv., & Potential | 0 | 0 | 0 | 0.0 |
| Military & Veterans Affairs | 4,178,000 | 4,178,000 | 0 | 0.0 |
| Natural Resources | 15,792,100 | 12,971,900 | (2,820,200) | (17.9) |
| Natural Resources (Trust Fund) | 0 | 0 | 0 | 0.0 |
| School Aid | 17,622,688,000 | 16,757,266,500 | (865,421,500) | (4.9) |
| State | 31,794,300 | 11,715,900 | (20,078,400) | (63.2) |
| State Police | 42,391,500 | 45,441,500 | 3,050,000 | 7.2 |
| Technology, Management, & Budget | 1,000,000 | 1,000,000 | 0 | 0.0 |
| Transportation | 2,689,706,300 | 2,594,248,300 | (95,458,000) | (3.5) |
| Treasury (Debt Service) | 0 | 0 | 0 | 0.0 |
| Treasury (Operations) | 353,700,600 | 333,364,800 | (20,335,800) | (5.7) |
| Treasury (Revenue Sharing) | 1,671,783,800 | 1,713,307,500 | 41,523,700 | 2.5 |
| **TOTAL APPROPRIATIONS** | **$25,546,154,000** | **$24,580,572,400** | **($965,581,600)** | **(3.8%)** |

## Table 9

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

| | Year-to-Date* FY 2023-24 | Gov's Rec FY 2024-25 |
|---|---|---|
| **Revenue:** | | |
| Beginning Balance | $3,934.6 | $1,106.1 |
| Ongoing Revenue: | | |
| Consensus revenue estimate (May 2023) | $13,238.3 | $13,916.4 |
| CREC forecast revenue change (January 2024) | $359.1 | $105.8 |
| CREC forecast revenue estimate (January 2024) | $13,597.4 | $14,022.2 |
| Other Ongoing Revenue Adjustments: | | |
| Caregiver tax credit (proposed) | (22.5) | (37.5) |
| Ongoing revenue adjustment | (25.0) | (25.0) |
| Revenue sharing payments | (552.2) | (579.7) |
| Subtotal Ongoing Revenue | $12,997.7 | $13,380.0 |
| Non-Ongoing Revenue: | | |
| Redirection of restricted revenue | ($2.6) | ($2.6) |
| Revenue sharing one-time payments | (10.5) | (27.5) |
| Subtotal Non-Ongoing Revenue | ($13.1) | ($30.1) |
| **Total Estimated GF/GP Revenue Including Beginning Balance** | **$16,919.3** | **$14,456.0** |
| **Total Estimated GF/GP Revenue Excluding Beginning Balance** | **$12,984.6** | **$13,349.9** |
| **Expenditures:** | | |
| Ongoing Appropriations: | | |
| Initial appropriations | $12,734.6 | $12,734.6 |
| Proposed ongoing investments | 0.0 | 907.4 |
| Community District Trust Fund GF payment (net of restricted revenue backfill in FY 25) | 32.8 | 37.8 |
| Subtotal Ongoing Appropriations | $12,767.4 | $13,679.8 |
| One-Time and Other Appropriations: | | |
| Estimated one-time appropriations | $2,466.0 | $669.3 |
| Enacted supplementals | 96.7 | 0.0 |
| Executive recommendation supplementals (2024-2) | 287.5 | 0.0 |
| BSF deposit | 100.0 | 100.0 |
| Reserve for audit, legal, statutory, other costs | 142.0 | 0.0 |
| Lapses that were reappropriated | (46.5) | 0.0 |
| Subtotal One-Time and Other Appropriations | $3,045.7 | $769.3 |
| **Total Estimated GF/GP Expenditures** | **$15,813.1** | **$14,449.1** |
| **Projected Year-End GF/GP Balance (Total)** | **$1,106.1** | **$7.0** |
| Projected Year-End GF/GP Balance (Ongoing) | $1,008.7 | $250.2 |
| Projected Year-End GF/GP Balance (One-time) | $97.4 | ($243.2) |

***Year-to-Date as of 2/7/24**

## Table 10

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

| | Year-to-Date FY 2023-24* | Gov's Rec FY 2024-25 |
|---|---|---|
| **Revenue:** | | |
| Beginning Balance | $2,192.5 | $564.2 |
| Ongoing Revenue: | | |
| Consensus revenue estimate (May 2023) | $17,888.1 | $18,265.9 |
| CREC forecast revenue change (Jan 2024) | $58.8 | $41.1 |
| CREC forecast revenue estimate (Jan 2024) | $17,937.2 | $18,307.0 |
| Other Revenue Adjustments: | | |
| Adjustments | $0.0 | $0.0 |
| General Fund/General Purpose (GF/GP) grant | 49.6 | 50.1 |
| Community District Education Trust Fund | 72.0 | 41.0 |
| Federal ongoing aid | 2,204.8 | 2,272.8 |
| Subtotal Ongoing Revenue | $20,263.6 | $20,670.9 |
| Non-Ongoing Revenue: | | |
| MPSERS reserve fund | $215.8 | 84.1 |
| Infrastructure and consolidation fund | 248.0 | 0.0 |
| Transportation reserve fund | 125.0 | 125.0 |
| School meals reserve fund | 90.0 | 30.0 |
| Enrollment stability reserve fund | 71.0 | 71.0 |
| GSRP reserve fund | 18.0 | 18.0 |
| GEER federal fund | 13.3 | 0.0 |
| Additional one-time GF/GP | 38.2 | 1.5 |
| GF/GP for DPSCD additional cost exceeding CDTF $72m/yr | 32.8 | 68.8 |
| Subtotal Non-Ongoing Revenue | $861.8 | $398.4 |
| **Total Estimated School Aid Fund Revenue Including Beginning Balance** | **$23,317.9** | **$21,633.5** |
| **Total Estimated School Aid Fund Revenue Excluding Beginning Balance** | **$21,125.4** | **$21,069.3** |
| **Expenditures:** | | |
| Ongoing Appropriations: | | |
| Initial ongoing K-12 state appropriations | $16,934.8 | $16,992.6 |
| School aid federal funds | 2,204.8 | 2,200.8 |
| Cost adjustments | 57.8 | 102.3 |
| Proposed K12 investments | 0.0 | 993.0 |
| Proposed MPSERS OPEB savings | 0.0 | (676.4) |
| Fund Community Colleges with SAF | 496.2 | 496.0 |
| Proposed Community Colleges investments | 0.0 | 14.6 |
| Proposed GF/GP to SAF fund shift in higher education | 0.0 | 93.8 |
| Partially Fund Higher Education with SAF | 452.3 | 451.7 |
| Subtotal Ongoing Appropriations | $20,145.9 | $20,668.4 |
| One-Time and Other Appropriations: | | |
| Initial One-Time K-12 appropriations | $2,364.1 | $953.0 |
| Initial One-Time Community College and University appropriations | 78.4 | 0.0 |
| Executive Recommendation supplementals (Feb 2024) | 43.3 | 0.0 |
| Enacted FY 2023-24 supplementals | 122.1 | 0.0 |
| Subtotal One-Time and Other Appropriations | $2,607.9 | $953.0 |
| **Total Estimated School Aid Fund Expenditures** | **$22,753.8** | **$21,621.4** |
| **Projected Year-End SAF Balance (Total)** | **$564.1** | **$12.1** |
| Projected Year-End SAF Balance (Ongoing) | $117.8 | $2.5 |
| Projected Year-End SAF Balance (One-time) | $446.3 | $9.6 |

***Year-to-Date as of 2/7/24**

## Table 11

**FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION**
**SUMMARY OF CHANGES FROM FY 2023-24 YEAR-TO-DATE**
**ADJUSTED GROSS AND GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS**

| | Adjusted Gross | GF/GP |
|---|---|---|
| **FY 2023-24 Year-To-Date Appropriation**[1] | **$80,408,951,800** | **$15,193,545,300** |
| Changes for FY 2024-25: | | |
| Removal of One-Time Items | ($5,195,246,100) | ($2,435,957,400) |
| Baseline Adjustments (CSBs) | 2,290,244,900 | 340,030,000 |
| New Programs | 2,088,649,100 | 567,265,200 |
| Program Increases | 1,621,721,800 | 486,809,600 |
| Program Eliminations | (14,150,000) | (14,150,000) |
| Program Reductions | (704,426,300) | (29,910,200) |
| Major Fund Shifts Affecting GF/GP | 449,800 | 74,481,000 |
| Other Technical Program Transfers/Adjustments | 20,654,900 | 1,800 |
| Economic Adjustments | 201,278,400 | 126,705,500 |
| Unclassified Salaries Adjustments (Executive Branch) | 3,452,700 | 2,524,300 |
| **Total Changes** | $312,629,200 | ($882,200,200) |
| **FY 2024-25 Governor's Recommendation** | **$80,721,581,000** | **$14,311,345,100** |

[1] Appropriation as of February 7, 2024.

## Table 12

**FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION**
**BASELINE (CSB) ADJUSTMENTS**

| Budget Area/Program | Gross | GF/GP |
|---|---|---|
| **Agriculture & Rural Development** | | |
| Emergency management | $600,000 | $0 |
| Unclassified salaries | 335,100 | 0 |
| Removal of FY 2023-24 one-time funding | (30,600,000) | (20,500,000) |
| Office of rural development | (697,400) | (697,400) |
| **Total - Agriculture & Rural Development** | **($30,362,300)** | **($21,197,400)** |
| **Attorney General** | | |
| Utility consumer protection revenue | $900,000 | $0 |
| Legal services for new department, MiLEAP | 740,000 | 0 |
| Removal of FY 2023-24 one-time funding | (21,400,000) | (21,400,000) |
| **Total - Attorney General** | **($19,760,000)** | **($21,400,000)** |
| **Civil Rights** | | |
| Removal of FY 2023-24 one-time funding | (5,000,000) | (5,000,000) |
| **Total – Civil Rights** | **($5,000,000)** | **($5,000,000)** |
| **Community Colleges** | | |
| North American Indian tuition waiver adjustment | $49,100 | $0 |
| Removal of FY 2023-24 one-time funding | (48,366,600) | 0 |
| MPSERS UAAL adjustment | (43,700,000) | 0 |
| MPSERS normal cost adjustment | (1,200,000) | 0 |
| **Total - Community Colleges** | **($93,217,500)** | **$0** |
| **Corrections** | | |
| Prisoner health care services | $16,228,600 | $16,228,600 |
| Nursing contract costs | 10,443,300 | 10,443,300 |
| Detroit Detention Center | 1,600,000 | 0 |
| City of Jackson water and sewer rate increases | 232,700 | 232,700 |
| Removal of FY 2023-24 one-time funding | (20,700,000) | (8,700,000) |
| **Total – Corrections** | **$7,804,600** | **$18,204,600** |
| **Education** | | |
| Federal authorization increase | $70,000 | $0 |
| Removal of FY 2023-24 one-time funding | (58,575,000) | (18,475,000) |
| **Total – Education** | **($58,505,000)** | **($18,475,000)** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>BASELINE (CSB) ADJUSTMENTS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Environment, Great Lakes, and Energy** | | |
| Information technology increase | $1,008,100 | $226,100 |
| Annualization of healthy hydration implementation | 450,300 | 450,300 |
| Conservation officer parity pay | 384,000 | 384,000 |
| Removal of FY 2023-24 one-time funding | (164,585,200) | (109,585,200) |
| CSB technical adjustments | (104,500) | 0 |
| **Total - Environment, Great Lakes, & Energy** | **($162,847,300)** | **($108,524,800)** |
| **Health & Human Services** | | |
| Traditional Medicaid - physical health adjustments | $1,506,111,900 | $45,312,700 |
| Healthy Michigan Plan - physical health adjustments | 873,575,100 | 6,329,300 |
| Actuarial soundness - physical health | 368,257,900 | 92,890,000 |
| Actuarial soundness - behavioral health | 128,433,400 | 41,589,300 |
| Traditional Medicaid - behavioral health adjustments | 78,192,300 | 21,862,300 |
| Children's special health care services adjustments | 22,136,500 | 15,208,700 |
| Federal women, infants, and children program (WIC) authorization increase | 20,000,000 | 0 |
| Community mental health services settlement | 11,471,200 | 4,000,000 |
| Income verification contract | 5,527,300 | 3,911,700 |
| Aging services authorization increase | 4,950,000 | 0 |
| Program all-inclusive care for the elderly (PACE) site expansion | 3,153,300 | 1,099,600 |
| Family support subsidy adjustments | 3,016,000 | 0 |
| Preschool dental screenings | 2,500,000 | 2,500,000 |
| Nursing home screening costs PAS/ARR-OBRA | 2,000,000 | 500,000 |
| Federal weatherization program authorization increase | 1,355,300 | 0 |
| State restricted newborn screening fees authorization | 981,700 | 0 |
| Federal authorization increase office of inspector general | 750,000 | 0 |
| Federal Children's Special Health Care Services authorization increase | 500,000 | 0 |
| Local office security | 490,000 | 376,200 |
| Federal adult protective services grant increase | 421,000 | 0 |
| Federal Michigan 2-1-1 authorization increase | 321,600 | 0 |
| Federal community-based child abuse prevention formula grant increase | 130,000 | 0 |
| State juvenile justice facility pharmaceutical increase | 37,000 | 18,500 |
| State restricted marihuana regulatory fund authorization | 18,400 | 0 |
| State psychiatric hospitals and centers adjustment | 0 | 33,200 |
| Healthy homes program | 0 | 31,800 |
| Public assistance adjustments | (1,253,334,800) | 2,296,500 |
| One-time: Remove FY24 items | (347,413,400) | (317,450,000) |
| Healthy Michigan Plan - behavioral health adjustments | (93,949,300) | (12,378,800) |
| Medicare buy-in compliance costs | (25,709,700) | 8,812,700 |
| Federal Medicare pharmaceutical program error correction | (4,215,500) | 0 |
| Child welfare adjustments | (2,137,300) | 16,237,800 |
| Federal strong families safe children authorization decrease | (1,000,000) | 0 |
| **Total - Health & Human Services** | **$1,306,569,900** | **($66,818,500)** |
| **Higher Education** | | |
| Children of veterans and officers survivor tuition grant cost incr. | $600,000 | $600,000 |
| North American indian tuition waiver reimbursement costs | 507,800 | 507,800 |
| Removal of FY 2023-24 one-time funding | (117,870,000) | (87,870,000) |
| MPSERS normal cost adjustment | (600,000) | 0 |
| **Total - Higher Education** | **($117,362,200)** | **($86,762,200)** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>BASELINE (CSB) ADJUSTMENTS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Insurance & Financial Services** | | |
| Insurance evaluation and consumer services and protection – authorization and FTE increase | $1,314,100 | $0 |
| Pharmacy benefit manager licensure and regulation act – authorization | 660,000 | 0 |
| **Total - Insurance & Financial Services** | **$1,974,100** | **$0** |
| **Judiciary** | | |
| Convert contractors to FTEs | $934,700 | $934,700 |
| SADO salary adjustment for collective bargaining agreement | 856,100 | 856,100 |
| Statutory judicial increase | 305,500 | 171,700 |
| Specialty courts grant adjustment | 305,000 | 0 |
| SADO salary adjustment for NERE | 205,600 | 205,600 |
| State officers' compensation commission rec. | 166,600 | 166,600 |
| Building security contract increase | 50,400 | 50,400 |
| Removal of FY 2023-24 one-time funding | (5,500,000) | (5,500,000) |
| **Total - Judiciary** | **($2,676,100)** | **($3,114,900)** |
| **Labor and Economic Opportunity** | | |
| Bureau of services for blind persons | $3,435,100 | $0 |
| Office or rural prosperity grants transfer | 697,400 | 697,400 |
| State historic preservation office | 300,000 | 0 |
| Michigan arts and cultural grants | 50,000 | 0 |
| Removal of FY 2023-24 one-time funding | (1,043,330,000) | (1,018,330,000) |
| Technical adjustments | (6,479,500) | 0 |
| **Total - Labor & Economic Opportunity** | **($1,045,327,000)** | **($1,017,632,600)** |
| **Legislature** | | |
| Michigan Independent Citizens Redistricting Commission | $21,400 | $21,400 |
| **Total - Legislature** | **$21,400** | **$21,400** |
| **Licensing and Regulatory Affairs** | | |
| MIDC grants | $24,574,900 | $24,574,900 |
| MPSC - clean energy implementation | 5,822,700 | 0 |
| FY25 Cannabis Regulatory Agency – Attorney General | 2,049,600 | 0 |
| Utility Consumer Participation Board increase | 1,250,000 | 0 |
| Medication aide program implementation | 1,062,200 | 0 |
| PSC - 5-year energy waste reduction and demand response studies | 1,000,000 | 0 |
| LARA interdepartmental grant adjustments | 385,000 | 0 |
| Public Service Commission - information technology increase | 261,000 | 0 |
| Information technology software licensing support | 100,000 | 0 |
| Removal of FY 2023-24 one-time funding | ($37,850,000) | ($11,350,000) |
| **Total - Licensing & Regulatory Affairs** | **($1,344,600)** | **$13,224,900** |
| **Lifelong Education, Advancement, & Potential** | | |
| Central office support staff | $7,531,200 | $7,531,200 |
| Child care federal match technical adjustment | 0 | (221,900) |
| Child care division IDG and defined calc adjustments | (20,060,900) | 0 |
| **Total - Lifelong Education, Advancement, & Potential** | **($12,529,700)** | **$7,309,300** |
| **Military and Veterans Affairs** | | |
| Grand Rapids home for veterans operating adjustment | $9,723,700 | $6,866,500 |
| Chesterfield home for veterans operating adjustment | 5,034,400 | 3,026,300 |
| Jacobetti home for veterans operating adjustment | 1,640,000 | 278,000 |
| Military retirement | 1,419,600 | 1,419,600 |
| Michigan veterans home administration operating adjustment | 941,900 | 941,900 |
| National guard facilities contract increases | 287,000 | 9,000 |
| Air national guard user ID | 50,000 | 50,000 |
| Removal of FY 2023-24 one-time funding | (15,00,000) | (15,000,000) |
| **Total - Military & Veterans Affairs** | **$4,096,600** | **($2,408,700)** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>BASELINE (CSB) ADJUSTMENTS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Natural Resources** | | |
| Wetland restoration, enhancement, and acquisition | $1,000,000 | $0 |
| Align VTS budget with increased rates | 890,300 | 343,100 |
| Local boating infrastructure maintenance and improvements | 177,500 | 0 |
| State boating infrastructure maintenance | 147,500 | 0 |
| Accounting service center IDG increase | 120,000 | 11,400 |
| Removal of FY 2023-24 one-time funding | (42,000,000) | (17,000,000) |
| FY 2023-24 appropriations not needed in FY 2024-25 | (9,750,000) | 0 |
| CSB technical | (3,658,400) | (4,000,000) |
| State parks repair and maintenance | (300,000) | 0 |
| **Total - Natural Resources** | **($53,373,100)** | **($20,645,500)** |
| **School Aid** | | |
| Special education costs | $306,400,000 | $0 |
| Special education replace one-time funding | 76,150,000 | 0 |
| Federal special education authorization increases | 72,000,000 | 0 |
| School meals replace one-time funding | 60,000,000 | 0 |
| School meals cost increase | 40,000,000 | 0 |
| Promise zones | 9,100,000 | 0 |
| Remove FY 2023-24 one-time items | (2,324,086,000) | (38,150,000) |
| Foundation allowance costs | (245,200,000) | 0 |
| School Bond Loan Fund payments | (88,000,000) | 0 |
| MPSERS costs | (41,250,000) | 0 |
| **Total - School Aid** | **($2,134,886,000)** | **($38,150,000)** |
| **State** | | |
| Licensing plate purchasing agreement | $1,146,500 | $0 |
| Financial disclosure reforms for public officials | 1,145,000 | 1,145,000 |
| Postal and mailing cost increases | 1,115,000 | 0 |
| Central operations contract increases (tabs, decals, and forms) | 650,000 | 0 |
| Expansion of automatic voter registrations | 296,000 | 296,000 |
| FY 2023-24 one-time removal | (27,309,200) | (100,000) |
| **Total - State** | **($22,956,700)** | **$1,341,000** |
| **State Police** | | |
| Alignment of federal and restricted with available revenues | $16,955,000 | $0 |
| Recruit school annualization | 5,473,000 | 5,473,000 |
| Intelligence operation software | 474,000 | 474,000 |
| Breathalyzer maintenance | 83,100 | 83,100 |
| Removal of FY 2023-24 one-time funding | (13,341,900) | (12,390,300) |
| **Total - State Police** | **$9,643,200** | **($6,360,200)** |
| **Technology, Management, and Budget** | | |
| Information technology IDG adjustments | $20,022,000 | $0 |
| Technical adjustments | 15,769,700 | 0 |
| State Building Authority rent increases | 9,600,000 | 9,600,000 |
| Secondary Complex Expansion | 758,000 | 0 |
| Vendor compliance | 279,900 | 0 |
| Accounting service center adjustment | 146,100 | 0 |
| SWCAP adjustments | 0 | 2,344,900 |
| Make it in Michigan competitiveness fund | (286,805,700) | (286,805,700) |
| Enterprisewide special maintenance | (25,000,000) | (25,000,000) |
| Information technology investment fund | (17,892,000) | (17,892,000) |
| Retirement IT modernization project | (11,800,000) | 0 |
| Next generation management training | (5,000,000) | (5,000,000) |
| Vendor cybersecurity monitoring | (4,000,000) | (4,000,000) |
| Make it in Michigan | (100) | 0 |
| **Total - Technology, Management, & Budget** | **($303,922,100)** | **($326,752,800)** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>BASELINE (CSB) ADJUSTMENTS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Transportation** | | |
| State trunkline road and bridge | $123,409,800 | $0 |
| County road commissions | 64,840,200 | 0 |
| Transit capital | 36,925,800 | 0 |
| Cities and villages | 36,151,300 | 0 |
| Local federal aid road and bridge | 26,181,000 | 0 |
| Aeronautics | 21,537,700 | 0 |
| Highway maintenance - materials and services | 17,878,700 | 0 |
| Marine passenger service | 15,053,000 | 0 |
| Rail operations and infrastructure | 14,500,000 | 0 |
| Local bus operating | 5,000,000 | 0 |
| Service initiatives | 2,120,400 | 0 |
| State planning and research | 2,000,000 | 0 |
| Nonurban operating/capital | 780,900 | 0 |
| Asset management council | 423,600 | 0 |
| CSB technical | 353,300 | 0 |
| Information technology MICARS support | 270,000 | 0 |
| Specialized services | 262,500 | 0 |
| Movable bridge program | 150,500 | 0 |
| Intercity services | 121,200 | 0 |
| Removal of FY 2023-24 one-time funding | (407,000,000) | (288,100,000) |
| Debt service | (3,036,400) | 0 |
| Target industries | (1,321,300) | 0 |
| Urban county congestion | (660,700) | 0 |
| Rural county primary | (660,700) | 0 |
| Local bridge program | (483,800) | 0 |
| **Total - Transportation** | **($45,203,000)** | **($288,100,000)** |
| **Treasury - Debt Service** | | |
| Clean Michigan initiative | $1,227,000 | $1,227,000 |
| Quality of life bond | 210,000 | 210,000 |
| Great Lakes water initiative | (6,434,100) | (6,434,100) |
| **Total - Treasury - Debt Service** | **($4,997,100)** | **($4,997,100)** |
| **Treasury - Operations** | | |
| Recreational marihuana grants | $24,710,000 | $0 |
| Payments in Lieu of Taxes | 2,868,700 | 2,200,400 |
| Gaming Control IDG adjustments | 795,100 | 0 |
| IT licensing costs | 420,800 | 420,800 |
| Election administration support fund adjustment | 49,100 | 49,100 |
| Removal of FY 2023-24 one-time appropriations | ($104,359,200) | ($102,359,200) |
| **Total - Treasury - Operations** | **($75,515,500)** | **($99,688,900)** |
| **Treasury - Revenue Sharing** | | |
| Removal of FY 2023-24 one-time appropriations | ($10,461,800) | $0 |
| Constitutional state general revenue sharing | (2,988,100) | 0 |
| **Total - Treasury - Revenue Sharing** | **($13,449,900)** | **$0** |
| **TOTAL - CSB ADJUSTMENTS** | **($2,873,125,300)** | **($2,095,927,400)** |
| | **($2,905,001,200)** | **Adjusted Gross** |

## Table 13

**FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION**
**NEW PROGRAMS**

| Budget Area/Program | Gross | GF/GP |
|---|---|---|
| **Agriculture & Rural Development** | | |
| Farm to family program | $4,000,000 | $4,000,000 |
| Agriculture environmental assurance program team | 0 | 0 |
| **Total - Agriculture & Rural Development** | **$4,000,000** | **$4,000,000** |
| **Community Colleges** | | |
| MPSERS payroll cap reduction from 20.96% to 20.0% | $5,700,000 | $0 |
| **Total - Community Colleges** | **$5,700,000** | **$0** |
| **Environment, Great Lakes, and Energy** | | |
| Leveraging federal funding for lead line replacement program | $35,000,000 | $35,000,000 |
| Deploying clean fuel and charging infrastructure | 25,000,000 | 25,000,000 |
| MI clean fleets | 20,000,000 | 20,000,000 |
| Green infrastructure projects | 10,000,000 | 10,000,000 |
| Green infrastructure projects | 5,300,200 | 5,300,200 |
| **Total - Environment, Great Lakes, & Energy** | **$95,300,200** | **$95,300,200** |
| **Health & Human Services** | | |
| One-time: racial disparities task force | $25,000,000 | $0 |
| One-time: family planning local agreements grants | 14,200,000 | 14,200,000 |
| One-time: nursing loan repayment program | 10,000,000 | 10,000,000 |
| One-time: multicultural services | 8,600,000 | 8,600,000 |
| One-time: healthy moms, healthy babies one-time maternal health grants | 7,500,000 | 7,500,000 |
| One-time: statewide emergency shelter support one-time | 7,250,000 | 7,250,000 |
| One-time: juvenile justice investments | 5,000,000 | 5,000,000 |
| One-time: community violence intervention services | 5,000,000 | 0 |
| One-time: employment and training services grants | 5,000,000 | 5,000,000 |
| One-time: weatherization Federal match | 5,000,000 | 5,000,000 |
| One-time: firearm injury and violence prevention grant | 4,300,000 | 4,300,000 |
| One-time: fire fighter health care | 3,500,000 | 3,500,000 |
| One-time: behavioral health workforce | 3,000,000 | 0 |
| One-time: healthy moms, healthy babies doula care | 2,909,800 | 1,454,900 |
| One-time: first responder and public safety staff mental health | 2,500,000 | 2,500,000 |
| One-time: children's services staff administration training | 2,000,000 | 2,000,000 |
| One-time: home health care authority | 1,000,000 | 1,000,000 |
| One-time: national kidney foundation of Michigan | 250,000 | 250,000 |
| **Total - Health & Human Services** | **$112,009,800** | **$77,554,900** |
| **Insurance & Financial Services** | | |
| Insurance Complaints and Healthcare Appeals Outreach Campaign | $250,000 | $0 |
| **Total - Insurance & Financial Services** | **$250,000** | **$0** |
| **Labor and Economic Opportunity** | | |
| Michigan innovation fund | $60,000,000 | $0 |
| Build ready sites program | 25,000,000 | 25,000,000 |
| Talent solutions | 20,000,000 | 20,000,000 |
| Michigan marketing initiatives | 20,000,000 | 20,000,000 |
| Community and worker economic transition office | 5,000,000 | 5,000,000 |
| Community and neighborhood initiatives | 5,000,000 | 5,000,000 |
| Global talent and retention | 4,000,000 | 4,000,000 |
| Michigan growth office | 4,000,000 | 4,000,000 |
| Prosperity bureau | 1,000,000 | 1,000,000 |
| Language access | 500,000 | 500,000 |
| **Total - Labor & Economic Opportunity** | **$144,500,000** | **$84,500,000** |
| **Legislature** | | |
| Actuarially determined contribution (Legislative Retirement System) | $100 | $100 |
| **Total - Legislature** | **$100** | **$100** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>NEW PROGRAMS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Licensing and Regulatory Affairs** | | |
| Executive director programs - consultation, education, and performance office | $400,000 | $0 |
| Health sector implicit bias study | 250,000 | $0 |
| **Total - Licensing & Regulatory Affairs** | **$650,000** | **$0** |
| **Military and Veterans Affairs** | | |
| Selfridge Air National Guard base (same as FY 2023-24) | $10,000,000 | $10,000,000 |
| Eliminating veteran homelessness grants ($2.0 million in FY 2023-24) | 1,500,000 | 1,500,000 |
| Michigan army national guard soldier referral program | 300,000 | 300,000 |
| **Total - Military & Veterans Affairs** | **$11,800,000** | **$11,800,000** |
| **School Aid** | | |
| Per-pupil mental health and school safety grants (continued from FY 2023-24) | $300,000,000 | $0 |
| Literacy supports | 155,000,000 | 0 |
| MI Kids Back on Track (previously funded in FY 2022-23) | 150,000,000 | 0 |
| Transportation costs (continued from FY 2023-24) | 125,000,000 | 0 |
| Additional MPSERS cost offset - 20.00% rate cap | 94,300,000 | 0 |
| Additional weighted funding for high poverty students | 90,250,000 | 250,000 |
| MPSERS PGA buydown (continued from FY 2023-24) | 84,100,000 | 0 |
| Enrollment stabilization (continued from FY 2023-24) | 71,000,000 | 0 |
| Grow-Your-Own (previously funded in FY 2022-23) | 50,000,000 | 0 |
| Statewide teacher mentoring and induction (continued from FY 2023-24) | 50,000,000 | 0 |
| Before and after school programs (continued from FY 2023-24) | 50,000,000 | 0 |
| FAFSA completion challenge (continued from FY 2023-24) | 40,000,000 | 0 |
| GSRP classroom startup grants (previously funded in FY 2022-23) | 35,000,000 | 0 |
| Key industries pilot | 20,000,000 | 0 |
| GSRP transportation (continued from FY 2023-24) | 18,000,000 | 0 |
| CTE equipment upgrades (continued from FY 2023-24) | 15,000,000 | 0 |
| TRAILS (previously funded in FY 2022-23) | 12,500,000 | 0 |
| MPSERS ISD and library reimbursement (continued from FY 2023-24) | 11,939,000 | 0 |
| Benchmark assessments (previously funded in FY 2022-23) | 11,500,000 | 0 |
| LETRS: professional learning early literacy (continued from FY 2023-24) | 10,000,000 | 0 |
| READ innovation competition | 10,000,000 | 0 |
| Reading Corps. (continued from FY 2023-24) | 5,000,000 | 0 |
| Student success strategies | 5,000,000 | 0 |
| Improving access to books (continued from FY 2023-24) | 4,000,000 | 0 |
| MERI partnership | 1,000,000 | 0 |
| Peer mentoring | 1,000,000 | 0 |
| **Total - School Aid** | **$1,419,589,000** | **$250,000** |
| **State Police** | | |
| Law enforcement training, recruitment and retention grant | $5,000,000 | $5,000,000 |
| Contracts and services - executive security -ongoing | 2,000,000 | 2,000,000 |
| **Total - State Police** | **$7,000,000** | **$7,000,000** |
| **Technology, Management, and Budget** | | |
| State employee Flexible Spending Account dependent care match | $31,500,000 | $31,500,000 |
| Make It in Michigan competitiveness fund. (Continued from FY 2023-24) | 25,000,000 | 25,000,000 |
| Self insured property fund | 10,000,000 | 10,000,000 |
| Enterprisewide special maintenance. (Continued from FY 2023-24) | 8,000,000 | 8,000,000 |
| Enterprise language accessibility | 2,360,000 | 2,360,000 |
| State fleet electric vehicle transition. (Continued from FY 2023-2) | 2,000,000 | 2,000,000 |
| **Total - Technology, Management, & Budget** | **$78,860,000** | **$78,860,000** |
| **Transportation** | | |
| Federal match and priority bridge investment-one-time | $150,000,000 | $150,000,000 |
| Transit innovation grants-one-time | 30,000,000 | 30,000,000 |
| Blue water bridge equipment and facilities purchases-one-time | 990,000 | 0 |
| **Total - Transportation** | **$180,990,000** | **$180,000,000** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>NEW PROGRAMS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Treasury - Operations** | | |
| MI vehicle rebate | $25,000,000 | $25,000,000 |
| Secure retirement for small businesses | 3,000,000 | 3,000,000 |
| **Total - Treasury - Operations** | **$28,000,000** | **$28,000,000** |
| **TOTAL NEW PROGRAMS** | **$2,088,649,100** | **$567,265,200** |
| | **$2,088,649,100** | **Adjusted Gross** |

## Table 14

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING INCREASES | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Attorney General** | | |
| LEO IDG increase | $850,000 | $0 |
| Cannabis regulation increased revenue | 780,500 | 0 |
| Criminal trial services | 515,000 | 515,000 |
| Child support enforcement | 200,000 | 67,900 |
| Prisoner collections | 200,000 | 0 |
| **Total - Attorney General** | **$2,545,500** | **$582,900** |
| **Civil Rights** | | |
| Complaint investigation and enforcement | $5,000,000 | $5,000,000 |
| **Total - Civil Rights** | **$5,000,000** | **$5,000,000** |
| **Community Colleges** | | |
| Community college operations increase – 2.5% | $8,920,800 | $0 |
| **Total - Community Colleges** | **$8,920,800** | **$0** |
| **Corrections** | | |
| Thumb Education Center (One-Time) | $3,400,000 | $0 |
| Peer-led reentry programs | 1,500,000 | 1,500,000 |
| Expand In-Reach (parole planning) services | 900,000 | 900,000 |
| Thumb Education Center | 483,600 | 483,600 |
| Field operations (inc. pmts. to locals) | 0 | 0 |
| **Total - Corrections** | **$6,283,600** | **$2,883,600** |
| **Education** | | |
| School infrastructure and consolidation administration | $750,000 | $750,000 |
| Grants management system administration | 520,000 | 520,000 |
| Summer EBT food benefits | 500,000 | 500,000 |
| Comprehensive school mental health system | 500,000 | 500,000 |
| CTE administration | 350,000 | 350,000 |
| Poet laureate | 100,000 | 100,000 |
| **Total - Education** | **$2,720,000** | **$2,720,000** |
| **Environment, Great Lakes, and Energy** | | |
| Landfill tipping fee adjustment | $80,000,000 | $0 |
| IIJA funding- Water State Revolving Fund authorization | 24,956,000 | 3,500,000 |
| Leveraging federal funding for lead line replacement program | 5,000,000 | 5,000,000 |
| Permitting public outreach | 4,400,500 | 4,400,500 |
| Cleaning up contaminated sites | 0 | 0 |
| **Total - Environment, Great Lakes, & Energy** | **$114,356,500** | **$12,900,500** |
| **Health and Human Services** | | |
| Certified community behavioral health clinics expansion | $193,324,000 | $35,631,100 |
| Child caring institution rate restructuring | 37,964,600 | 30,343,100 |
| Medicaid behavioral health provider rate increase | 36,149,400 | 10,209,700 |
| Family independence program (FIP) increase per case and extend time limits | 36,000,000 | 0 |
| Incarcerated individuals community reentry Medicaid waiver benefit | 30,500,000 | 5,600,000 |
| State emergency relief (SER) funding increase | 30,000,000 | 0 |
| Prenatal and infant support program | 24,000,000 | 0 |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING INCREASES | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Health and Human Services (continued)** | | |
| Medicaid health plan procurement improvements (Mihealthy life) | 20,008,000 | 7,579,000 |
| Michigan energy assistance program | 15,000,000 | 15,000,000 |
| Non-direct care wage increase | 14,000,000 | 14,000,000 |
| Medicaid birth expenses recovery program elimination | 13,700,000 | 4,777,200 |
| MISEP strategy & improvements | 10,000,000 | 10,000,000 |
| Family independence program (FIP) small child supplemental payment increase | 10,000,000 | 0 |
| Racial disparities task force investment | 10,000,000 | 10,000,000 |
| Medicaid reimbursement for peer support substance use disorder services | 8,333,300 | 2,500,000 |
| Michigan crisis and access line | 7,250,000 | 8,286,400 |
| Juvenile justice investments | 6,912,300 | 5,731,800 |
| MIChoice structured family caregiving | 5,000,000 | 1,743,500 |
| Smoking prevention and cessation funding increase | 5,000,000 | 5,000,000 |
| Gambling disorder prevention and treatment investment | 4,000,000 | 0 |
| Child welfare - housing assistance | 3,500,000 | 0 |
| Healthy moms, healthy babies - Medicaid maternal infant health program enhancement | 3,335,000 | 918,700 |
| Sexual assault victim services | 2,000,000 | 2,000,000 |
| Healthy moms, healthy babies doula care | 1,951,900 | 545,100 |
| Foster care clothing and holiday allowances increases | 1,455,000 | 1,110,700 |
| 2-1-1 public assistance help line increase | 1,000,000 | 1,000,000 |
| Behavioral health workforce investment | 500,000 | 500,000 |
| Community violence intervention services | 500,000 | 500,000 |
| MIChild family insurance premium elimination | (800,000) | 1,800,000 |
| **Total - Health & Human Services** | **$530,583,500** | **$174,776,300** |
| **Higher Education** | | |
| University operations - 2.5% increase | $42,536,800 | $42,536,800 |
| Postsecondary scholarship fund deposit (MI Achievement) | 30,000,000 | 30,000,000 |
| Tuition incentive program cost increase | 20,000,000 | 20,000,000 |
| **Total - Higher Education** | **$92,536,800** | **$92,536,800** |
| **Judiciary** | | |
| Statewide case management system operating costs | $4,600,000 | $4,600,000 |
| SADO workload standards implementation | 3,259,000 | 3,259,000 |
| judicial security enhancements | 475,000 | 475,000 |
| Administrative and support staff | 450,000 | 450,000 |
| MAACS youth defense manager | 157,000 | 157,000 |
| **Total - Judiciary** | **$8,941,000** | **$8,941,000** |
| **Labor and Economic Opportunity** | | |
| Going Pro | $20,000,000 | $20,000,000 |
| Business attraction and community revitalization | 20,000,000 | 20,000,000 |
| New Michigander | 8,000,000 | 8,000,000 |
| Federal vocational rehabilitation state match | 5,852,600 | 1,250,000 |
| Arts and cultural grants | 5,000,000 | 5,000,000 |
| Office or rural prosperity grants | 2,500,000 | 2,500,000 |
| Workers' disability compensation agency fee increase | 1,500,000 | 0 |
| Focus: HOPE | 1,000,000 | 1,000,000 |
| Michigan occupational safety and health radiation safety fees | 582,000 | 0 |
| **Total - Labor & Economic Opportunity** | **$64,434,600** | **$57,750,000** |
| **Legislature** | | |
| House 5.0% overall increase | $3,561,600 | $3,561,600 |
| Senate 5.0% overall increase | 2,433,800 | 2,433,800 |
| Legislative council 5.0% overall increase | 994,700 | 994,700 |
| Binsfeld Office Building | 469,800 | 469,800 |
| Cora Anderson Building | 325,000 | 325,000 |
| State Capitol historic site general operations 5.0% overall increase | 313,100 | 290,800 |
| Legislative retirement system 5.0% overall increase | 299,100 | 229,500 |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING INCREASES | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Legislature (continued)** | | |
| Senate fiscal agency 5.0% overall increase | 225,500 | 225,500 |
| House fiscal agency 5.0% overall increase | 225,500 | 225,500 |
| State Capitol historic site maintenance 5.0% overall increase | 188,600 | 0 |
| Legislative corrections ombudsman.5.0% overall increase | 75,500 | 75,500 |
| Michigan veterans facility ombudsman 5.0% overall increase | 17,600 | 17,600 |
| Worker's compensation 5.0% overall increase | 8,400 | 8,400 |
| **Total - Legislature** | **$9,138,200** | **$8,857,700** |
| **Licensing and Regulatory Affairs** | | |
| MIDC - minimum standards 6 & 7 compliance related to caseloads and qualifications | $12,853,000 | $12,853,000 |
| Elevator inspections | 4,400,000 | 0 |
| Cannabis regulatory agency | 3,448,500 | 0 |
| Nursing home surveys and investigation | 1,855,000 | 1,855,000 |
| Bureau of professional licensing | 1,500,000 | 0 |
| Bureau of construction codes | 1,486,300 | 0 |
| Bureau of community and health systems- Qual interpreters | 800,000 | 800,000 |
| MPSC - authorization increase | 562,600 | 0 |
| Corporations division - authorization increase | 550,000 | 0 |
| **Total - Licensing & Regulatory Affairs** | **$27,455,400** | **$15,508,000** |
| **Lifelong Education, Advancement, & Potential** | | |
| One-time child care worker subsidy | $60,000,000 | $60,000,000 |
| Child care 10% rate increase | 37,927,400 | 18,963,700 |
| Child care rate increase for foster youth providers | 8,500,000 | 0 |
| Improved child care inspections | 4,840,100 | 0 |
| Federal support for family child care networks | 4,000,000 | 0 |
| Water testing at child care centers | 500,000 | 500,000 |
| Additional staff for out-of-school time program | 366,500 | 366,500 |
| Increase admin support for tri-share | 176,500 | 176,500 |
| **Total - Lifelong Education, Advancement, & Potential** | **$116,310,500** | **$80,006,700** |
| **Natural Resources** | | |
| Recreation passport opt out and resident veteran exemption | $17,190,300 | $0 |
| Radio and modem lifecycle investment | 878,300 | 878,300 |
| Law enforcement division officer safety and records management system | 700,000 | 700,000 |
| Land and Water Conservation Fund compliance and stewardship | 151,100 | 76,100 |
| Cultural resource management | 0 | 0 |
| **Total - Natural Resources** | **$18,919,700** | **$1,654,400** |
| **School Aid** | | |
| Foundation allowance | $316,000,000 | $0 |
| GSRP expansion | 63,500,000 | 0 |
| Special education millage equalization | 50,000,000 | 0 |
| GSRP rate increase | 42,741,000 | 0 |
| At-risk | 23,800,000 | 0 |
| Vocational education (continued from FY 2023-24) | 14,441,000 | 0 |
| Literacy coaches for K-3 teachers | 3,250,000 | 0 |
| Bilingual education | 3,047,000 | 0 |
| ISD general operations support | 1,984,000 | 0 |
| Michigan Virtual High School (continued from FY 2023-24) | 1,800,000 | 1,800,000 |
| College and career readiness tools (continued from FY 2023-24) | 1,000,000 | 1,000,000 |
| Great Start early childhood block grants | 1,000,000 | 0 |
| Early On | 1,000,000 | 0 |
| Rural and isolated districts | 885,000 | 0 |
| MiSTEM network regions | 320,000 | 0 |
| GSRP longitudinal study (continued from FY 2023-24) | 250,000 | 250,000 |
| **Total - School Aid** | **$525,018,000** | **$3,050,000** |

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING INCREASES | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **State** | | |
| Operational realignment and filling vacant positions | $5,334,000 | $0 |
| **Total - State** | **$5,334,000** | **$0** |
| **State Police** | | |
| Capitol security | $1,390,700 | $1,390,700 |
| **Total - State Police** | **$1,390,700** | **$1,390,700** |
| **Technology, Management, and Budget** | | |
| Michigan Public Safety Communication System lifecycle replacement | $10,000,000 | $10,000,000 |
| Office of Retirement Services customer service enhancements | 1,600,000 | 0 |
| Building occupancy health and safety | 251,000 | 251,000 |
| **Total - Technology, Management, & Budget** | **$11,851,000** | **$10,251,000** |
| **Transportation** | | |
| MI contracting opportunity-one-time | $5,000,000 | $5,000,000 |
| Airport safety, protection, and improvement | 2,500,000 | 0 |
| Blue water bridge staffing and maintenance/operations | 515,800 | 0 |
| **Total - Transportation** | **$8,015,800** | **$5,000,000** |
| **Treasury-Operations** | | |
| MiABLE outreach | $3,000,000 | $3,000,000 |
| Internet gaming and sports betting staffing | 1,942,300 | 0 |
| Lottery operations – promotions | 1,000,000 | 0 |
| Tax processing services | 800,000 | 0 |
| Lottery information technology services and projects | 592,000 | 0 |
| Unclaimed property | 517,100 | 0 |
| iLottery website and application redesign | 510,000 | 0 |
| Marihuana retailer attestation form processing | 261,700 | 0 |
| **Total - Treasury - Operations** | **$8,623,100** | **$3,000,000** |
| **Treasury-Revenue Sharing** | | |
| City, village, and township revenue sharing | $14,676,800 | $0 |
| City, village, and township revenue sharing - one-time | 14,676,800 | 0 |
| County revenue sharing | 12,810,000 | 0 |
| County revenue sharing - one-time | 12,810,000 | 0 |
| **Total - Treasury - Revenue Sharing** | $54,973,600 | $0 |
| **TOTAL - PROGRAM INCREASES** | **$1,623,352,300** | **$486,809,600** |
| | **$1,621,721,800** | **Adjusted Gross** |

## Table 15

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING ELIMINATIONS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Health & Human Services** | | |
| Return Raise the Age to 50/50 county/state split | ($13,150,000) | ($13,150,000) |
| **Total - Health & Human Services** | **($13,150,000)** | **($13,150,000)** |
| **School Aid** | | |
| Nonpublic school health/safety reimbursements | ($1,000,000) | ($1,000,000) |
| **Total - School Aid** | **($1,000,000)** | **($1,000,000)** |
| **TOTAL FUNDING ELIMINATIONS** | **($14,150,000)** | **($14,150,000)** |
| | **($14,150,000)** | **Adjusted Gross** |

## Table 16

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUNDING REDUCTIONS | | |
|---|---|---|
| **Budget Area/Program** | **Gross** | **GF/GP** |
| **Corrections** | | |
| Reduce Offender Success Services line item for new programs | ($2,883,600) | ($2,883,600) |
| **Total - Corrections** | ($2,883,600) | ($2,883,600) |
| **Health and Human Services** | | |
| Office of Inspector General Double Billing | ($17,094,600) | ($3,500,000) |
| Raise The Age Reverting to 50% Reimbursement | (9,000,000) | (9,000,000) |
| **Total - Health & Human Services** | **($26,094,600)** | **($12,500,000)** |
| **Higher Education** | | |
| New Michigan Tuition Grant phaseout to MI Achievement | ($7,095,600) | ($7,095,600) |
| Continue MI Comp. Scholarship phaseout to MI Achievement | (6,930,800) | (6,930,800) |
| **Total - Higher Education** | **($14,026,400)** | **($14,026,400)** |
| **Legislature** | | |
| Legislative auditor general field operations 40.0% overall decrease | ($8,343,700) | $999,700 |
| Sentencing Commission (reduced to a $100 placeholder) | (999,900) | (999,900) |
| **Total - Legislature** | **($9,343,600)** | **($200)** |
| **Military & Veterans Affairs** | | |
| Michigan national guard tuition assistance program | ($300,000) | ($300,000) |
| **Total - Military & Veterans Affairs** | **($300,000)** | **($300,000)** |
| **School Aid** | | |
| MPSERS rate cap | ($631,700,000) | ($200,000) |
| Foundation allowance - cyber school reduction | (27,000,000) | 0 |
| **Total - School Aid** | **($658,700,000)** | **($200,000)** |
| **TOTAL - PROGRAM REDUCTIONS** | **($711,348,200)** | **($29,910,200)** |
| | **($704,426,300)** | **Adjusted Gross** |

## Table 17

| FY 2024-25 GOVERNOR'S APPROPRIATION RECOMMENDATION<br>FUND SHIFTS TO INCREASE/(REDUCE) GF/GP | |
|---|---|
| **Budget Area/Program** | **GF/GP** |
| **Health and Human Services** | |
| Health and safety fund shift: GF/GP to State Restricted | ($4,625,000) |
| Title IV-E relative placement Federal payments | (10,000,000) |
| Direct care workers wage fund source | 35,028,100 |
| State restricted long-term care fund merit award trust fund shift | (31,000,000) |
| State restricted Medicaid fund shift | 13,000,000 |
| TANF staffing lines fund shift with GF/GP | 40,000,000 |
| **Total - Health & Human Services** | **$42,403,100** |
| **Higher Education** | |
| Scholarship programs (TIP, MTG, MCS) TANF to GF/GP shift | $127,826,400 |
| University operations - GF/GP to SAF fund shift | (93,800,000) |
| **Total – Higher Education** | **$34,026,400** |
| **Licensing & Regulatory Affairs** | |
| Property management transfer | $23,100 |
| **Total - Licensing & Regulatory Affairs** | **$23,100** |
| **School Aid** | |
| Robotics | ($600,000) |
| School Aid GF-SAF fund shift | 69,400 |
| **Total - School Aid** | **($530,600)** |
| **State** | |
| Replaced TACF funding with GF for Legal Services and Branches | ($1,441,000) |
| **Total - State** | **($1,441,000)** |
| **Transportation** | |
| MDOT position transfer | $0 |
| Planning service fund shift | 0 |
| Design and engineering fund shift | 0 |
| **Total - Transportation** | $0 |
| **TOTAL - GF/GP FUND SHIFTS** | **$74,481,000** |

# Table 18

## FY 2024-25 PROGRAM TRANSFERS

| Budget Area/Program | Gross | IDGs | Federal | Private | TSS | State Restricted | GF/GP |
|---|---|---|---|---|---|---|---|
| **Education** | | | | | | | |
| Transfer Office of Great Start to MiLEAP …… | ($430,916,200) | $0 | ($376,740,200) | ($250,000) | ($53,926,000) | ($64,600) | ($53,861,400) |
| **Total – Education……** | **($430,916,200)** | **$0** | **($376,740,200)** | **($250,000)** | **($53,926,000)** | **($64,600)** | **($53,861,400)** |
| **Higher Education** | | | | | | | |
| Receive MI Reconnect program from LEO..... | $62,000,000 | $0 | $0 | $0 | $62,000,000 | $0 | $62,000,000 |
| **Total – Higher Education.....** | **$62,000,000** | **$0** | **$0** | **$0** | **$62,000,000** | **$0** | **$62,000,000** |
| **Labor and Economic Opportunity** | | | | | | | |
| Transfer Reconnect to MiLEAP and Higher Education …… | ($68,674,200) | $0 | $0 | $0 | ($68,674,200) | $0 | ($68,674,200) |
| **Total – Higher Education ……** | **($68,674,200)** | $0 | $0 | $0 | ($68,674,200) | $0 | ($68,674,200) |
| **Licensing & Regulatory Affairs** | | | | | | | |
| Child Care Licensing and Regulation Bureau to MiLEAP ..... | ($24,286,200) | ($20,653,100) | $0 | $0 | ($3,633,100) | ($501,700) | ($3,131,400) |
| Bureau of Community and Health Services Camps Unit (EO 2023-6)..... | (700,300) | 0 | 0 | 0 | (700,300) | (42,900) | (657,400) |
| Child Care Licensing Bureau IT Transfer (EO 2023-6)..... | (600,000) | 0 | 0 | 0 | (600,000) | 0 | (600,000) |
| **Total - Licensing & Regulatory Affairs.....** | **($25,586,500)** | **($20,653,100)** | **$0** | **$0** | **($4,933,400)** | **($544,600)** | **($4,388,800)** |
| **Lifelong Education, Advancement, & Potential** | | | | | | | |
| Office of great start from MDE..... | $430,364,700 | $0 | $376,356,500 | $250,000 | $53,758,200 | $64,600 | $53,693,600 |
| Reconnect from LEO..... | 65,276,000 | 0 | 0 | 0 | 65,276,000 | 0 | 65,276,000 |
| Child care programming from LARA..... | 28,386,500 | 0 | 20,653,100 | 0 | 7,733,400 | 544,600 | 7,188,800 |
| Grant programming from treasury ..... | 8,924,600 | 0 | 0 | 0 | 8,924,600 | 1,253,100 | 7,671,500 |
| IT and central supports from MDE..... | 1,151,500 | 0 | 383,700 | 0 | 767,800 | 0 | 767,800 |
| Reconnect to higher education..... | (62,000,000) | 0 | 0 | 0 | (62,000,000) | 0 | (62,000,000) |
| **Total - Lifelong Education, Advancement, & Potential** | **$472,103,300** | **$0** | **397,393,300** | **$250,000** | **$74,460,000** | **$1,862,300** | **$72,597,700** |
| **Natural Resources** | | | | | | | |
| Transfer Archives of Michigan from DNR to DTMB (EO 2023-6)..... | ($1,915,300) | $0 | $0 | $0 | ($1,915,300) | $0 | ($1,915,300) |
| **Total - Natural Resources.....** | **($1,915,300)** | **$0** | **$0** | **$0** | **($1,915,300)** | **$0** | **($1,915,300)** |
| **Technology, Management, and Budget** | | | | | | | |
| State Archives of Michigan..... | $1,915,300 | $0 | $0 | $0 | $1,915,300 | $0 | $1,915,300 |
| **Total - Technology, Management, & Budget.....** | **$1,915,300** | **$0** | **$0** | **$0** | **$1,915,300** | **$0** | **$1,915,300** |
| **Treasury-Operations** | | | | | | | |
| Student financial assistance program items to MiLEAP..... | ($5,924,600) | $0 | $0 | $0 | ($5,924,600) | ($1,253,100) | ($4,671,500) |
| Dual enrollment payments to MiLEAP ..... | (3,000,000) | 0 | 0 | 0 | (3,000,000) | 0 | (3,000,000) |
| **Total - Treasury - Operations .....** | **($8,924,600)** | **$0** | **$0** | **$0** | **($8,924,600)** | **($1,253,100)** | **($7,671,500)** |
| **TOTAL PROGRAM TRANSFERS.....** | **$1,800** | **($20,653,100)** | **$20,653,100** | **$0** | **$1,800** | **$0** | **$1,800** |
| **Adjusted Gross** | **($20,653,100)** | | | | | | |

## Table 19

| FY 2024-25 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION<br>PreK-12 SCHOOL AID APPROPRIATION CHANGES<br>(millions of dollars) | |
|---|---|
| FY 2023-24 Year-to-Date Gross Appropriations | $21,459.7 |
| FY 2024-25 Governor's Recommended Gross Appropriations | 20,610.0 |
| Net Change in School Aid Appropriations | ($849.7) |
| | |
| **Recommended Changes to Current Services Baseline:** | |
| Special education costs | $306.4 |
| Special education replace one-time funding | 76.2 |
| Federal special education authorization increases | 72.0 |
| School meals replace one-time funding | 60.0 |
| School meals cost increase | 40.0 |
| Promise zones | 9.1 |
| Economics | 0.3 |
| Remove FY 2023-24 one-time items | (2,324.1) |
| Foundation allowance costs | (245.2) |
| School Bond Loan Fund payments | (88.0) |
| MPSERS costs | (41.3) |
| Subtotal Changes to Current Services Baseline | ($2,134.6) |
| **Recommended Appropriations for New Programs:** | |
| Per-pupil mental health and school safety grants (continued from FY 2023-24) | $300.0 |
| Literacy supports | 155.0 |
| MI Kids Back on Track (previously funded in FY 2022-23) | 150.0 |
| Transportation costs (continued from FY 2023-24) | 125.0 |
| Additional MPSERS cost offset - 20.00% rate cap | 94.3 |
| Additional weighted funding for high poverty students | 90.3 |
| MPSERS PGA buydown (continued from FY 2023-24) | 84.1 |
| Enrollment stabilization (continued from FY 2023-24) | 71.0 |
| Grow-Your-Own (previously funded in FY 2022-23) | 50.0 |
| Statewide teacher mentoring and induction (continued from FY 2023-24) | 50.0 |
| Before and after school programs (continued from FY 2023-24) | 50.0 |
| FAFSA completion challenge (continued from FY 2023-24) | 40.0 |
| GSRP classroom startup grants (previously funded in FY 2022-23) | 35.0 |
| Key industries pilot | 20.0 |
| GSRP transportation (continued from FY 2023-24) | 18.0 |
| CTE equipment upgrades (continued from FY 2023-24) | 15.0 |
| TRAILS (previously funded in FY 2022-23) | 12.5 |
| MPSERS ISD and library reimbursement (continued from FY 2023-24) | 11.9 |
| Benchmark assessments (previously funded in FY 2022-23) | 11.5 |
| LETRS: professional learning early literacy (continued from FY 2023-24) | 10.0 |
| READ innovation competition | 10.0 |
| Reading Corps. (continued from FY 2023-24) | 5.0 |
| Student success strategies | 5.0 |
| Improving access to books (continued from FY 2023-24) | 4.0 |
| MERI partnership | 1.0 |
| Peer mentoring | 1.0 |
| Subtotal Appropriation New Programs | $1,419.6 |

| FY 2024-25 GOVERNOR'S GROSS APPROPRIATION RECOMMENDATION<br>PreK-12 SCHOOL AID APPROPRIATION CHANGES<br>(millions of dollars) | |
|---|---|
| **Recommended Appropriation Increases in Existing Programs:** | |
| Foundation allowance: $241 increase – 2.5% | $316.0 |
| GSRP expansion | 63.5 |
| Special education millage equalization | 50.0 |
| GSRP rate increase | 42.7 |
| At-risk | 23.8 |
| Vocational education (continued from FY 2023-24) | 14.4 |
| Literacy coaches for K-3 teachers | 3.3 |
| Bilingual education | 3.0 |
| ISD general operations support | 2.0 |
| Michigan Virtual High School | 1.8 |
| College and career readiness tools (continued from FY 2023-24) | 1.0 |
| Great Start early childhood block grants | 1.0 |
| Early On | 1.0 |
| Rural and isolated districts | 0.9 |
| MiSTEM network regions | 0.3 |
| GSRP longitudinal study (continued from FY 2023-24) | 0.3 |
| Subtotal Appropriation Increases in Existing Programs | $525.0 |
| **Recommended Appropriation Eliminations or Reductions:** | |
| MPSERS rate cap | ($631.7) |
| Foundation allowance - cyber school reduction | (27.0) |
| Nonpublic school health/safety reimbursement. | (1.0) |
| Subtotal Appropriation Eliminations or Reductions | ($659.7) |
| **TOTAL RECOMMENDED APPROPRIATION CHANGES** | **($849.7)** |

## Table 20

**FY 2024-25 COMMUNITY COLLEGE APPROPRIATIONS: GOVERNOR'S RECOMMENDATION**

| College | FY 2023-24 Year-To-Date | FY 2024-25 Governor's Recommendation | | |
|---|---|---|---|---|
| | | Adjustments | Appropriation | Percent Change |
| Alpena | $6,327,100 | $166,400 | $6,493,500 | 2.6% |
| Bay de Noc | 6,299,200 | 174,000 | 6,473,200 | 2.8 |
| Delta | 16,690,500 | 376,800 | 17,067,300 | 2.3 |
| Glen Oaks | 2,939,000 | 76,700 | 3,015,700 | 2.6 |
| Gogebic | 5,367,600 | 125,900 | 5,493,500 | 2.3 |
| Grand Rapids | 20,966,400 | 555,400 | 21,521,800 | 2.6 |
| Henry Ford | 24,943,900 | 610,500 | 25,554,400 | 2.4 |
| Jackson | 13,887,400 | 306,500 | 14,193,900 | 2.2 |
| Kalamazoo Valley | 14,539,400 | 350,500 | 14,889,900 | 2.4 |
| Kellogg | 11,290,200 | 276,900 | 11,567,100 | 2.5 |
| Kirtland | 3,792,900 | 109,400 | 3,902,300 | 2.9 |
| Lake Michigan | 6,321,600 | 152,700 | 6,474,300 | 2.4 |
| Lansing | 35,752,700 | 759,600 | 36,512,300 | 2.1 |
| Macomb | 37,661,900 | 872,400 | 38,534,300 | 2.3 |
| Mid Michigan | 5,798,500 | 176,700 | 5,975,200 | 3.0 |
| Monroe | 5,286,800 | 139,400 | 5,426,200 | 2.6 |
| Montcalm | 3,966,700 | 119,300 | 4,086,000 | 3.0 |
| Mott | 17,823,200 | 351,200 | 18,174,400 | 2.0 |
| Muskegon | 10,223,600 | 257,000 | 10,480,600 | 2.5 |
| North Central | 4,011,000 | 151,800 | 4,162,800 | 3.8 |
| Northwestern | 10,650,300 | 264,000 | 10,914,300 | 2.5 |
| Oakland | 24,755,900 | 672,200 | 25,428,100 | 2.7 |
| Schoolcraft | 14,742,500 | 423,900 | 15,166,400 | 2.9 |
| Southwestern | 7,695,500 | 189,900 | 7,885,400 | 2.5 |
| St. Clair | 8,226,400 | 227,500 | 8,453,900 | 2.8 |
| Washtenaw | 15,938,200 | 565,000 | 16,503,200 | 3.5 |
| Wayne County | 19,197,900 | 444,800 | 19,642,700 | 2.3 |
| West Shore | 2,865,600 | 73,500 | 2,939,100 | 2.6 |
| **Subtotal Operations** | **$357,961,900** | **$8,969,900** | **$366,931,800** | **2.5%** |
| MPSERS Normal Cost Offset | $23,000,000 | ($1,200,000) | $21,800,000 | (5.2%) |
| MPSERS Retiree Health Care | 7,189,000 | 0 | 7,189,000 | 0.0% |
| MPSERS Reform Costs | 105,800,000 | (43,700,000) | 62,100,000 | (41.3%) |
| MPSERS Payroll Cap Reduction | 0 | 5,700,000 | 5,700,000 | N/A |
| Renaissance Zone Reimbursements | 2,200,000 | 0 | 2,200,000 | 0.0% |
| Infra., Equip., Tech. & Maint. (one-time) | 32,836,600 | (32,836,600) | 0 | (100.0%) |
| Career & Ed. Navigators for Adults (one-time) | 5,000,000 | (5,000,000) | 0 | (100.0%) |
| MI Reconnect Entry P Prog. (one-time) | 5,000,000 | (5,000,000) | 0 | (100.0%) |
| Critical Incident Mapping (one-time) | 5,000,000 | (5,000,000) | 0 | (100.0%) |
| Workforce development grant (one-time) | 530,000 | (530,000) | 0 | (100.0%) |
| **Total Appropriations** | **$544,517,500** | **($78,596,700)** | **$465,920,800** | **(14.4%)** |
| **State School Aid Fund** | **544,517,500** | **(78,596,700)** | **465,920,800** | **(14.4)** |
| **GF/GP** | **$0** | **$0** | **$0** | **0.0%** |

## Table 21

### FY 2024-25 HIGHER EDUCATION APPROPRIATIONS: GOVERNOR'S RECOMMENDATION

| University | FY 2023-24 Year-To-Date | Governor's Recommendation | | |
|---|---|---|---|---|
| | | Adjustments | Appropriation | Percent Change |
| Central | $95,413,800 | $2,358,100 | $97,771,900 | 2.5% |
| Eastern | 83,144,700 | 2,063,700 | 85,208,400 | 2.5 |
| Ferris | 59,646,500 | 1,491,200 | 61,137,700 | 2.5 |
| Grand Valley | 97,365,000 | 2,472,200 | 99,837,200 | 2.5 |
| Lake Superior | 15,190,300 | 292,200 | 15,482,500 | 1.9 |
| Michigan State | 318,709,200 | 8,118,400 | 326,827,600 | 2.5 |
| Michigan Tech | 54,525,700 | 1,256,200 | 55,781,900 | 2.3 |
| Northern | 53,320,000 | 1,463,700 | 54,783,700 | 2.7 |
| Oakland | 72,288,800 | 1,758,300 | 74,047,100 | 2.4 |
| Saginaw Valley | 33,894,500 | 836,900 | 34,731,400 | 2.5 |
| UM-Ann Arbor | 356,568,800 | 9,112,800 | 365,681,600 | 2.6 |
| UM-Dearborn | 31,233,500 | 799,500 | 32,033,000 | 2.6 |
| UM-Flint | 26,404,700 | 551,000 | 26,955,700 | 2.1 |
| Wayne State | 224,354,500 | 5,620,900 | 229,975,400 | 2.5 |
| Western | 119,983,900 | 3,055,900 | 123,039,800 | 2.5 |
| **Subtotal University Operations** | **$1,642,043,900** | **$41,251,000** | **$1,683,294,900** | **2.5%** |
| MPSERS Reimbursement | $0 | $0 | $0 | 0.0% |
| MPSERS Normal Cost Offset | 9,100,000 | (600,000) | 4,450,000 | (6.6) |
| MSU AgBioResearch | 38,518,400 | 963,000 | 1,467,400 | 2.5 |
| MSU Extension | 33,225,000 | 830,600 | 1,265,700 | 2.5 |
| Higher Education Database | 200,000 | 0 | 0 | 0.0 |
| Midwest Higher Ed Compact | 116,800 | 0 | 0 | 0.0 |
| King-Chavez-Parks | 2,691,500 | 0 | 0 | 0.0 |
| Finlandia reenrollment (one-time) | 870,000 | (870,000) | 0 | (100.0) |
| Michigan geological survey (one-time) | 3,000,000 | (3,000,000) | 0 | (100.0) |
| MSU Engi. & Innovation (one-time) | 30,000,000 | (30,000,000) | 0 | (100.0) |
| Critical incident mapping (one-time) | 5,000,000 | (5,000,000) | 0 | (100.0) |
| ITEM (one-time) | 79,000,000 | (79,000,000) | 0 | (100.0) |
| **Total Universities** | **$1,843,765,600** | **($75,425,400)** | **$1,768,340,200** | **(4.1%)** |
| **School Aid Fund** | **482,268,300** | **63,200,000** | **545,468,300** | **13.1** |
| **State GF/GP** | **$1,361,497,300** | **($138,625,400)** | **$1,222,871,900** | **(10.2%)** |
| **Grants and Financial Aid** | | | | |
| State Competitive Scholarships | $26,861,700 | ($6,930,800) | $19,930,900 | (25.8%) |
| Tuition Grants | 42,021,500 | (7,095,600) | 34,925,900 | (16.9) |
| Tuition Incentive Program (TIP) | 73,800,000 | 20,000,000 | 93,800,000 | 27.1 |

**Table 21 continued**

**FY 2024-25 HIGHER EDUCATION APPROPRIATIONS: GOVERNOR'S RECOMMENDATION**

| University | FY 2023-24 Year-To-Date | Governor's Recommendation Adjustments | FY 2024-25 Gov. Rec. | Percent Change |
|---|---|---|---|---|
| Michigan Achievement Scholarship | 300,000,000 | 30,000,000 | 330,000,000 | 10.0 |
| Michigan Reconnect Program | 0 | 62,000,000 | 62,000,000 | N/A |
| Children of Veterans & Officer's Tuition | 1,400,000 | 600,000 | 2,000,000 | 42.9 |
| Project Gear-Up | 3,200,000 | 0 | 3,200,000 | 0.0 |
| **Total Grants/Financial Aid** | **$447,283,200** | **$98,573,600** | **$545,856,800** | **22.0%** |
| **Federal Higher Ed Act** | **3,200,000** | **0** | **3,200,000** | **0.0** |
| **Federal TANF** | **127,826,400** | **(127,826,400)** | **0** | **(100.0)** |
| **State GF/GP** | **$316,256,800** | **$226,400,000** | **$542,656,800** | **71.6%** |
| | | | | |
| **TOTAL HIGHER EDUCATION** | | | | |
| **TOTAL ALL FUNDS** | **$2,291,048,800** | **$23,148,200** | **$2,314,197,000** | **1.0%** |
| **TOTAL FEDERAL** | **131,026,400** | **(127,826,400)** | **3,200,000** | **(97.6)** |
| **TOTAL STATE RESTRICTED** | **482,268,300** | **63,200,000** | **545,468,300** | **13.1** |
| **TOTAL STATE GF/GP** | **$1,677,754,100** | **$87,774,600** | **$1,765,528,700** | **5.2%** |

**Table 22**

**REVENUE SHARING APPROPRIATION SUMMARY**

| Program Name | FY 2023-24 Year-to-Date | FY 2024-25 Governor's Rec.[c] | Dollar Change | Percent Change |
|---|---|---|---|---|
| Constitutional Revenue Sharing [a] | $1,109,087,700 | $1,106,099,600 | ($2,988,100) | (0.3%) |
| CVT Revenue Sharing | 299,126,400 | 322,888,800 | 23,762,400 | 7.9 |
| County Revenue Sharing [b] | 261,069,700 | 281,819,100 | 20,749,400 | 7.9 |
| Financially Distressed CVTs | 2,500,000 | 2,500,000 | 0 | 0.0 |
| **TOTAL** | **$1,671,783,800** | **$1,713,307,500** | **$41,523,700** | **2.5%** |

a) Reflects the January 2024 consensus revenue estimate for sales tax revenue.
b) Includes County Revenue Sharing and County Incentive Program.
c) Includes both ongoing and One-Time Appropriation.

**Table 23**

**FY 2024-25 STATE BUDGET RECOMMENDATION ECONOMIC ADJUSTMENTS INCLUDED IN BUDGET (millions of dollars)**

| | Gross | GF/GP |
|---|---|---|
| Wages and Salaries | $201.1 | $115.8 |
| Longevity and Employee Insurance Costs | 117.9 | 71.2 |
| Retirement Contributions | 37.1 | 21.3 |
| Other Employee Retirement Costs (OERC) | (151.2) | (82.7) |
| Workers' Compensation | (2.2) | (2.0) |
| All Other Economics | 10.2 | 5.1 |
| **TOTAL ECONOMICS** | **(212.9)** | **$128.0** |

## Table 24

**DEBT SERVICE APPROPRIATIONS**
**FY 2023-24 COMPARED WITH FY 2024-25**

| Department/Program | FY 2023-24 Gross Appropriation | FY 2024-25 Governor's Rec. | Dollar Change | Percent Change |
|---|---|---|---|---|
| **School Aid** | | | | |
| School Bond Loan | $111,000,000 | $23,000,000 | ($88,000,000) | (79.3%) |
| **Subtotal School Aid** | **$111,000,000** | **$23,000,000** | **($88,000,000)** | **(79.3%)** |
| **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 | $68,893,700 | $72,493,700 | $3,600,000 | 5.2% |
| Universities | 134,595,300 | 140,195,300 | 5,600,000 | 4.2 |
| Community Colleges | 33,081,600 | 33,481,600 | 400,000 | 1.2 |
| **Subtotal Technology, Mgt., & Budget** | **$236,570,600** | **$246,170,600** | **$9,600,000** | 4.1% |
| **Transportation** | | | | |
| State Trunkline | $333,915,000 | $330,880,800 | ($3,034,200) | (0.9%) |
| Economic Development | 1,688,400 | 1,687,400 | (1,000) | (0.1) |
| Local Bridge Fund | 556,800 | 556,500 | (300) | (0.1) |
| Blue Water Bridge Fund | 3,963,000 | 3,963,100 | 100 | 0.0 |
| Airport Safety and Protection Plan | 3,616,900 | 3,615,900 | (1,000) | 0.0 |
| **Subtotal Transportation** | **$343,740,100** | **$340,703,700** | **($3,036,400)** | **(0.9%)** |
| **Treasury** | | | | |
| Clean Michigan Initiative | $23,760,000 | $24,987,000 | $1,227,000 | 5.2% |
| Great Lakes Water Initiative | 72,861,100 | 66,427,000 | (6,434,100) | (8.8%) |
| Quality of Life Bond | 3,463,000 | 3,673,000 | 210,000 | 6.1% |
| Flint Settlement | 35,000,000 | 35,000,000 | 0 | (0.0%) |
| **Subtotal Treasury** | **$135,084,100** | **$130,087,000** | **($4,997,100)** | **(5.0%)** |
| **TOTAL** | **$838,294,800** | **$751,861,300** | **($86,433,500)** | **(10.3%)** |

[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 25

**TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS**
**FY 2023-24 COMPARED TO FY 2024-25 GOVERNOR'S RECOMMENDATION**
**(actual dollars)**

| | FY 2023-24 Estimated | FY 2024-25 Gov's Rec. | Gov's Rec. Chg. From FY 2023-24 |
|---|---|---|---|
| **Revenue** | | | |
| Unreserved Balance from Prior Fiscal Year | $42,929,200 | $28,647,600 | ($14,281,600) |
| Total Annual Payments | 279,553,100 | 269,768,700 | (9,784,400) |
| Interest Earnings | 2,078,800 | 2,078,800 | 0 |
| Total Tobacco Settlement Revenue | $324,561,100 | $300,495,100 | ($24,066,000) |
| Less Transfers Out For: | | | |
| 21st Century Jobs Trust Fund | (75,000,000) | (75,000,000) | 0 |
| Detroit Public Schools Trust Fund | (72,000,000) | (41,000,000) | 31,000,000 |
| Payment to Budget Stabilization Fund (Detroit) | (17,500,000) | (17,500,000) | 0 |
| Payment on 2006 Bond Securitization | (37,292,400) | (35,987,100) | 1,305,300 |
| Payment on 2007 Bond Securitization | (30,107,900) | (29,054,100) | 1,053,800 |
| Total Transfers Out | ($231,900,300) | ($198,541,200) | $33,359,100 |
| **Net Revenue to Merit Award Trust Fund** | **$92,660,800** | **$101,953,900** | **$9,293,100** |
| | | | |
| **Appropriations** | | | |
| Attorney General | | | |
| Operations | 528,700 | 528,700 | 0 |
| Health and Human Services | | | |
| Medicaid Base-Long-term Care | 57,200,000 | 88,200,000 | 31,000,000 |
| Aging-Respite Care | 4,068,700 | 4,068,700 | 0 |
| State Police | | | |
| Criminal Investigations/IT | 982,900 | 982,900 | 0 |
| Department of Treasury | | | |
| Student Financial Services Administration | 1,232,900 | 1,232,900 | 0 |
| **Total Merit Award Trust Fund Appropriations** | **$64,013,200** | **$95,013,200** | **$31,000,000** |
| **MERIT AWARD TRUST FUND YEAR-END BALANCE** | **$28,647,600** | **$6,940,700** | **($21,706,900)** |

**Data Source:** State Budget Office

## Table 26

### FY 2023-24 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE

| Budget Area/Program | Gross | Federal | Local | Private | State Restricted | GF/GP |
|---|---|---|---|---|---|---|
| **Agriculture & Rural Development** | | | | | | |
| Employee lump sum payments | $780,100 | $0 | $0 | $0 | $0 | $780,100 |
| **Total - Agriculture & Rural Development** | **$780,100** | **$0** | **$0** | **$0** | **$0** | **$780,100** |
| **Attorney General** | | | | | | |
| Employee lump sum payments | $563,000 | $0 | $0 | $0 | $0 | $563,000 |
| **Total - Attorney General** | **$563,000** | **$0** | **$0** | **$0** | **$0** | **$563,000** |
| **Civil Rights** | | | | | | |
| Employee lump sum payments | $209,300 | $0 | $0 | $0 | $0 | $209,300 |
| **Total – Civil Rights** | **$209,300** | **$0** | **$0** | **$0** | **$0** | **$209,300** |
| **Corrections** | | | | | | |
| Employee lump sum payments | $12,077,000 | $0 | $0 | $0 | $0 | $12,077,000 |
| **Total - Corrections** | **$12,077,000** | **$0** | **$0** | **$0** | **$0** | **$12,077,000** |
| **Education** | | | | | | |
| Employee lump sum payments | $309,200 | $0 | $0 | $0 | $0 | $309,200 |
| **Total - Education** | **$309,200** | **$0** | **$0** | **$0** | **$0** | **$309,200** |
| **Environment, Great Lakes, & Energy** | | | | | | |
| Energy programs | $22,663,000 | $22,663,000 | $0 | $0 | $0 | $0 |
| Oil, gas, and mineral services | 6,955,000 | 6,955,000 | 0 | 0 | 0 | 0 |
| Water quality programs | 3,298,000 | 2,424,000 | 0 | 0 | 874,000 | 0 |
| Executive direction | 1,267,000 | 1,267,000 | 0 | 0 | 0 | 0 |
| Employee lump sum payments | 1,002,900 | 0 | 0 | 0 | 0 | 1,002,900 |
| Federal - Great Lakes remedial action plan grants | 992,000 | 992,000 | 0 | 0 | 0 | 0 |
| Material management programs | 693,000 | 231,000 | 0 | 462,000 | 0 | 0 |
| Water resource programs | 475,000 | 300,000 | 0 | 0 | 175,000 | 0 |
| **Total - Environment, Great Lakes, & Energy** | **$37,345,900** | **$34,832,000** | **$0** | **$462,000** | **$1,049,000** | **$1,002,900** |
| **Executive Office** | | | | | | |
| Employee lump sum payments (One-Time) | $167,900 | $0 | $0 | $0 | $0 | $167,900 |
| **Total - Executive Office** | **$167,900** | **$0** | **$0** | **$0** | **$0** | **$167,900** |
| **Health & Human Services** | | | | | | |
| Traditional Medicaid - physical health adjustments | $1,406,095,300 | $802,354,900 | ($3,192,900) | ($1,186,700) | $624,122,500 | ($16,002,500) |
| Healthy Michigan Plan - physical health adjustments | 1,027,223,100 | 925,291,700 | 36,100 | 915,400 | 79,285,800 | 21,694,100 |
| Traditional Medicaid - behavioral health adjustments | 128,538,800 | 78,605,100 | 0 | 0 | 19,058,300 | 30,875,400 |
| Federal ARP-home and community-based funding-supportive housing | 20,000,000 | 10,000,000 | 0 | 0 | 0 | 10,000,000 |
| Federal authorization for women, infant & children (WIC) | 20,000,000 | 20,000,000 | 0 | 0 | 0 | 0 |
| Children's special health care services adjustments | 19,998,800 | 6,360,600 | 0 | 0 | 0 | 13,638,200 |
| Employee lump sum payments | 14,648,000 | 0 | 0 | 0 | 0 | 14,648,000 |
| Community services block grant | 9,907,500 | 9,907,500 | 0 | 0 | 0 | 0 |
| Child support enforcement - incentive funding | 6,413,900 | 6,413,900 | 0 | 0 | 0 | 0 |

| FY 2023-24 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE | | | | | | |
|---|---|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **Local** | **Private** | **State Restricted** | **GF/GP** |
| **Health & Human Services (continued)** | | | | | | |
| Federal ARP - strengthening us public health infrastructure - foundational capabilities | 5,878,800 | 5,878,800 | 0 | 0 | 0 | 0 |
| Reproductive health services expansion | 5,000,000 | 0 | 0 | 0 | 0 | 5,000,000 |
| Aging services authority | 4,950,000 | 4,150,000 | 0 | 0 | 800,000 | 0 |
| Federal COVID-19 emerging infections programs | 4,852,200 | 4,852,200 | 0 | 0 | 0 | 0 |
| COVID-19 national wastewater surveillance system | 3,704,400 | 3,704,400 | 0 | 0 | 0 | 0 |
| Federal ARP - epidemiology and lab capacity genomic sequencing | 3,308,800 | 3,308,800 | 0 | 0 | 0 | 0 |
| Family support subsidy adjustments | 2,940,400 | 2,940,400 | 0 | 0 | 0 | 0 |
| Preschool dental screenings | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| Child support navigator pilot | 2,100,000 | 1,400,000 | 0 | 700,000 | 0 | 0 |
| Nursing home screening costs PAS/ARR-OBRA | 2,000,000 | 1,500,000 | 0 | 0 | 0 | 500,000 |
| Federal ARP - strengthening us public health infrastructure - data modernization | 1,919,800 | 1,919,800 | 0 | 0 | 0 | 0 |
| Federal COVID-19 immunization and vaccine grant reserve fund | 1,858,700 | 1,858,700 | 0 | 0 | 0 | 0 |
| Weatherization increase | 1,355,300 | 1,355,300 | 0 | 0 | 0 | 0 |
| Federal authorization increase office of inspector general | 750,000 | 750,000 | 0 | 0 | 0 | 0 |
| Federal children's special health care services funding increase | 500,000 | 500,000 | 0 | 0 | 0 | 0 |
| Federal adult protective services grant | 421,000 | 421,000 | 0 | 0 | 0 | 0 |
| Influenza population-based hospitalization surveillance project | 344,400 | 344,400 | 0 | 0 | 0 | 0 |
| Federal Michigan 2-1-1 authorization increase | 321,600 | 321,600 | 0 | 0 | 0 | 0 |
| Federal authorization Increase for family health services special projects | 200,000 | 200,000 | 0 | 0 | 0 | 0 |
| Federal community-based child abuse prevention formula grant increase | 130,000 | 130,000 | 0 | 0 | 0 | 0 |
| Electronic visit verification penalty | 0 | (14,680,500) | 0 | 0 | 0 | 14,680,500 |
| Federal authorization transfer | 0 | 0 | 0 | 0 | 0 | 0 |
| Women, infants, and children FTE true-up | 0 | 0 | 0 | 0 | 0 | 0 |
| Gifts & bequests technical adjustment | 0 | 0 | 0 | 0 | 0 | 0 |
| Healthy Michigan Plan co-pay boilerplate | 0 | 0 | 0 | 0 | 0 | 0 |
| Michigan Department of Education - interdepartmental grants redistribution | 0 | 0 | 0 | 0 | 0 | 0 |
| Local office TANF and capped federal alignment | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurance provider assessment revenue | 0 | 0 | 0 | 0 | 13,150,000 | (13,150,000) |
| Restricted fund adjustments | 0 | 0 | 0 | 0 | (6,600,000) | 6,600,000 |
| Child welfare unit fund realignment | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer MIKids now program between units | 0 | 0 | 0 | 0 | 0 | 0 |
| Sacred heart substance use disorder boilerplate change | 0 | 0 | 0 | 0 | 0 | 0 |
| Public assistance adjustments | (1,248,059,800) | (1,250,734,600) | 0 | 0 | 444,800 | 2,230,000 |
| Healthy Michigan Plan - behavioral health adjustments | (68,915,200) | (62,023,600) | 0 | 0 | 2,983,800 | (9,875,400) |
| Child welfare adjustments | (28,549,900) | (16,627,800) | (6,643,100) | (39,200) | 1,481,000 | (6,720,800) |
| Medicare buy-in compliance costs | (13,098,700) | (8,629,100) | 0 | 0 | 0 | (4,469,600) |
| Federal Medicare pharmaceutical program error correction | (4,215,500) | (4,215,500) | 0 | 0 | 0 | 0 |
| Federal strong families safe children authorization decrease | (1,000,000) | (1,000,000) | 0 | 0 | 0 | 0 |
| Eliminate MIChild premiums (partial year) | (600,000) | 0 | 0 | 0 | (1,950,000) | 1,350,000 |
| **Total - Health & Human Services** | **$1,333,421,700** | **$536,558,000** | **($9,799,900)** | **$389,500** | **$732,776,200** | **$73,497,900** |

| FY 2023-24 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE | | | | | | |
|---|---|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **Local** | **Private** | **State Restricted** | **GF/GP** |
| **Judiciary** | | | | | | |
| Lump sum increases to match other state employees | $1,068,900 | $0 | $0 | $0 | $0 | $1,068,900 |
| Safety and security half year funding | 237,500 | 0 | 0 | 0 | 0 | 237,500 |
| **Total - Judiciary** | **$1,306,400** | **$0** | **$0** | **$0** | **$0** | **$1,306,400** |
| **Labor and Economic Opportunity** | | | | | | |
| Targeted energy investment | $150,000,000 | $0 | $0 | $0 | $0 | $150,000,000 |
| Office of global Michigan | 28,064,500 | 28,064,500 | 0 | 0 | 0 | 0 |
| Mobility hub project | 11,000,000 | 11,000,000 | 0 | 0 | 0 | 0 |
| Community and worker economic transition office | 10,000,000 | 0 | 0 | 0 | 0 | 10,000,000 |
| Bureau of services for Blind Persons | 5,000,000 | 5,000,000 | 0 | 0 | 0 | 0 |
| Community and worker economic transition office | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| Job creation services | 2,000,000 | 2,000,000 | 0 | 0 | 0 | 0 |
| Housing readiness incentive grant program | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| Employee lump sum payments | 727,000 | 0 | 0 | 0 | 0 | 727,000 |
| Radiation safety section | 582,000 | 0 | 0 | 0 | 582,000 | 0 |
| **Total - Labor & Economic Opportunity** | **$210,873,500** | **$46,064,500** | **$0** | **$0** | **$582,000** | **$164,227,000** |
| **Licensing & Regulatory Affairs** | | | | | | |
| Employee lump sum payments | $511,200 | $0 | $0 | $0 | $0 | $511,200 |
| **Total - Licensing & Regulatory Affairs** | **$511,200** | **$0** | **$0** | **$0** | **$0** | **$511,200** |
| **Military and Veterans Affairs** | | | | | | |
| Employee lump sum payments | $757,400 | $0 | $0 | $0 | $0 | $757,400 |
| Michigan veterans affairs agency administration | 750,000 | 750,000 | 0 | 0 | 0 | 0 |
| **Total - Military & Veterans Affairs** | **$1,507,400** | **$750,000** | **$0** | **$0** | **$0** | **$757,400** |
| **Natural Resources** | | | | | | |
| Straits State Park interpretive site | $3,600,000 | $0 | $0 | $3,600,000 | $0 | $0 |
| Decree negotiations | 2,300,000 | 0 | 0 | 0 | 0 | 2,300,000 |
| Brandon Road Lock and Dam | 1,500,000 | 0 | 0 | 0 | 0 | 1,500,000 |
| Employee lump sum payments | 561,900 | 0 | 0 | 0 | 0 | 561,900 |
| **Total - Natural Resources** | **$7,961,900** | **$0** | **$0** | **$3,600,000** | **$0** | **$4,361,900** |
| **Natural Resources Trust Fund** | | | | | | |
| Acquisition grants-in-aid | $17,518,500 | $0 | $0 | $0 | $17,518,500 | $0 |
| Development grants-in-aid | 9,820,600 | $0 | $0 | $0 | 9,820,600 | $0 |
| **Total - Natural Resources Trust Fund** | **$27,339,100** | **$0** | **$0** | **$0** | **$27,339,100** | **$0** |
| **School Aid** | | | | | | |
| Special education cost adjustments | $127,700,000 | $0 | $0 | $0 | $127,700,000 | $0 |
| School meals cost increase | 30,000,000 | 0 | 0 | 0 | 30,000,000 | 0 |
| GEER fund reallocation | 13,300,000 | 13,300,000 | 0 | 0 | 0 | 0 |
| Promise zones | 2,300,000 | 0 | 0 | 0 | 2,300,000 | 0 |
| Foundation allowance costs | (72,200,000) | 0 | 0 | 0 | (72,200,000) | 0 |
| **Total - School Aid** | **$101,100,000** | **$13,300,000** | **$0** | **$0** | **$87,800,000** | **$0** |

| FY 2023-24 SUPPLEMENTAL RECOMMENDATIONS BY FUND SOURCE | | | | | | |
|---|---|---|---|---|---|---|
| **Budget Area/Program** | **Gross** | **Federal** | **Local** | **Private** | **State Restricted** | **GF/GP** |
| **State** | | | | | | |
| Election administration and services | $6,551,900 | $5,720,000 | $0 | $0 | | $831,900 |
| Central Operations | 1,146,500 | 0 | 0 | 0 | 1,146,500 | 0 |
| Employee Lump Sum Payments (One-Time) | 110,400 | 0 | 0 | 0 | 0 | 110,400 |
| **Total - State** | **$7,808,800** | **$5,720,000** | **$0** | **$0** | **$1,146,500** | **$942,300** |
| **State Police** | | | | | | |
| Disaster and emergency contingency fund | $10,000,000 | $0 | $0 | $0 | $0 | $10,000,000 |
| Employee lump sum payments | 5,244,000 | 0 | 0 | 0 | 0 | 5,244,000 |
| Hazard mitigation assistance loan program | 500,000 | 0 | 0 | 0 | 0 | 500,000 |
| **Total - State Police** | **$15,744,000** | **$0** | **$0** | **$0** | **$0** | **$15,744,000** |
| **Technology, Management, and Budget** | | | | | | |
| Employee lump sum payments | $1,265,600 | $0 | $0 | $0 | $0 | $1,265,600 |
| Make it in Michigan | 300 | 100 | 100 | 100 | 0 | 0 |
| **Total - Technology, Management, & Budget** | **$1,265,900** | **$100** | **$100** | **$100** | **$0** | **$1,265,600** |
| **Transportation** | | | | | | |
| Employee lump sum payments | $8,373,600 | $0 | $0 | $0 | $0 | $8,373,600 |
| **Total - Transportation** | **$8,373,600** | **$0** | **$0** | **$0** | **$0** | **$8,373,600** |
| **Treasury-Operations** | | | | | | |
| Special election costs | $750,000 | $0 | $0 | $0 | $0 | $750,000 |
| Employee lump sum payments - Treasury | 641,200 | 0 | 0 | 0 | 0 | 641,200 |
| Employee lump sum payments - Lottery operations | 569,200 | 0 | 0 | 0 | 569,200 | 0 |
| Lottery operations | 540,800 | 0 | 0 | 0 | 540,800 | 0 |
| **Total - Treasury - Operations** | **$2,501,200** | **$0** | **$0** | **$0** | **$1,110,000** | **$1,391,200** |
| **TOTAL CURRENT YEAR SUPPLEMENTAL REQUESTS** | **$1,771,167,100** | **$637,224,600** | **($9,799,800)** | **$4,451,600** | **$851,802,800** | **$287,487,900** |

## Table 27

| Proposed Fee Increases | | |
|---|---|---|
| **Department** | **Fee** | **Estimated Annual Revenue** |
| Environment, Great Lakes, and Energy | Solid Waste Surcharge Fee | $80,000,000 |
| Labor and Economic Opportunity | Worker's Compensation Fee | $1,500,000 |
| Natural Resources | Recreation Passport Fee Opt-Out | $17,190,300 |
| Transportation | Michigan Aircraft Registration Fee | $2,500,000 |
| **Total** | | **$101,190,300** |

## Table 28

| Governor's FY 2024-25 Proposed Changes to Fees | | |
|---|---|---|
| **Department** | **Purpose** | **Michigan Compiled Law (MCL)** |
| Environment, Great Lakes, and Energy | Remove fee sunset, increase solid waste surcharge fees, and add Consumer Price Index inflation language | MCL 324.11525a |
| Environment, Great Lakes, and Energy | Amend Renew Michigan funding allocations to incorporate additional solid waste surcharge revenue as well as create a new category of spending for environmental workforce development. | MCL 206.51g |
| Labor and Economic Opportunity | Workers' Disability Compensation Agency Redemption Fees and Filing Fees | MCLs 418.835(4); 418.625 |
| Natural Resources | Recreation Passport Opt-Out and Resident Military Exemption | MCL 257.805; 324.74116 |
| Transportation | Aircraft Registration Fees | MCL 259.77(5) |

# Table 29

**Michigan Natural Resources Trust Fund**
**Supplemental Request 2024-4**

**Trust Fund Acquisition Projects by Priority:**

| | |
|---|---|
| Village of Lexington's Harbor Acquisition, Sanilac County (grant-in-aid to Village of Lexington) (#23- 0070) | $300,000 |
| North Branch Land Acquisition, Macomb County (grant-in-aid to Macomb Township) (#23-0055) | 742,500 |
| Sycamore Creek Land Acquisition-Cavanaugh Road, Ingham County (grant-in-aid to City of Lansing) (#23-0032) | 300,000 |
| Cloverport Park - Clinton River Buffer Acquisition, Oakland County (grant-in-aid to City of Rochester Hills) (#23-0003) | 1,328,000 |
| Black River Ranch Acquisition, Cheboygan County (#23-0208) | 3,000,000 |
| Waverly Road Acquisition, Ingham County (grant-in-aid to City of Lansing) (#23-0043) | 500,000 |
| Johnson Nature Center Preserve Expansion, Oakland County (grant-in-aid to Bloomfield Hills Schools) (#23-0184) | 890,000 |
| Rosy Mound Acquisition - Phase 2, Ottawa County (grant-in-aid to Ottawa County) (#23-0030) | 1,642,000 |
| Superior Greenway Nature Preserve Acquisition, Washtenaw County (grant-in-aid to Superior Charter Township) (#23-0058) | 1,020,000 |
| Brown Bridge Quiet Area - Spring Lake Expansion, Grand Traverse County (grant-in-aid to City of Traverse City) (#23-0059) | 2,352,200 |
| Middleville State Game Area Land Acquisition, Barry County (#23-0098) | 1,200,000 |
| Rogue River State Game Area Land Acquisition, Kent County (#23-0166) | 1,200,000 |
| Doe Lake, Cheboygan County (#23-0172) | 1,100,000 |
| Betsie River Springs, Benzie County (#23-0171) | 620,000 |
| AuSable River Scenic Preserve Acquisition, Iosco County (grant-in-aid to Oscoda Charter Township) (#23-0207) | 270,000 |
| Hessel Marina Expansion Project, Mackinac County (grant-in-aid to Clark Charter Township) (#23-0029) | 737,000 |
| Gransden Park Expansion, Midland County (grant-in-aid to Edenville Township) (#23-0054) | 121,200 |
| Rotary Park Expansion Along the Clinton River, Macomb County (grant-in-aid to City of Sterling Heights) (#23-0113) | 195,600 |

**Trust Fund Development Projects by Priority:**

| | |
|---|---|
| Development of Covert Park Beach, Van Buren County (grant-in-aid to Covert Township) (#23-0034) | 300,000 |
| Cass River Trail Development, Saginaw County (grant-in-aid to Bridgeport Charter Township) (#23- 0136) | 300,000 |
| Paul Henry - Thornapple Trail Improvements, Kent County (grant-in-aid to City of Kentwood) (#23-0073) | 300,000 |
| Rotary Park Pavilion Project, Chippewa County (grant-in-aid to City of Sault Ste Marie) (#23-0144) | 275,400 |
| North Channel County Park Waterfront Trail Access, St Clair County (grant-in-aid to St Clair County) (#23-0146) | 300,000 |
| Niagara Woods Nature Area Development, Bay County (grant-in-aid to City of Bay City) (#23-0161) | 300,000 |
| Paint Creek Trail - Bridge Renovation, Oakland County (grant-in-aid to Paint Creek Trailways Commission) (#23-0002) | 300,000 |
| Willow Metropark - Big Bend Fishing Area Renovation, Wayne County (grant-in-aid to Huron- Clinton Metropolitan Authority) (#23-0010) | 300,000 |
| Porter Legacy Dunes Park Development, Van Buren County (grant-in-aid to South Haven Area Recreation Authority) (#23-0090) | 300,000 |
| Renovation of the Martin Luther King Jr. Equality Trail, Jackson County (grant-in-aid to City of Jackson) (#23-0024) | 300,000 |
| Heart of Cedar Springs Playground Development, Kent County (grant-in-aid to City of Cedar Springs) (#23-0102) | 300,000 |

| | |
|---|---|
| Historic Pedestrian Bridge Renovation, Genesee County (grant-in-aid to Genesee County) (#23-0012) | 300,000 |
| Grand Traverse Commons Natural Area Accessible Trail, Grand Traverse County (grant-in-aid to Garfield Charter Township) (#23-0025) | 300,000 |
| Saginaw Valley Rail Trail Renovation, Saginaw County (grant-in-aid to Saginaw County) (#23-0115) | 300,000 |
| Burchfield Park - Riverbend Natural Area Access Improvements, Ingham County (grant-in-aid to Ingham County) (#23-0142) | 300,000 |
| Davis Bridge Park Water Access Renovation, Mecosta County (grant-in-aid to Mecosta County) (#23-0147) | 299,800 |
| Flint River Access at the Confluence of Swartz Creek, Genesee County (grant-in-aid to Genesee County) (#23-0013) | 300,000 |
| Development of the M-63 Lakeview Trail, Berrien County (grant-in-aid to Berrien County) (#23-0085) | 300,000 |
| Development of Riverfront Park, Berrien County (grant-in-aid to City of Buchanan) (#23-0042) | 229,400 |
| Point Abbaye Natural Area Campsite & Trail Expansion Project, Baraga County (grant-in-aid to Baraga County) (#23-0082) | 300,000 |
| Development of Paw River Water Trail Access, Van Buren County (grant-in-aid to Van Buren County) (#23-0178) | 283,700 |
| Sanborn Park Development, St Clair County (grant-in-aid to City of Port Huron) (#23-0016) | 250,000 |
| Development of the Fruit Belt Rail Trail - East Segment, Kalamazoo County (grant-in-aid to Oshtemo Township) (#23-0052) | 263,000 |
| Eliza Howell Park - Nature Exploration and Playground Project, Wayne County (grant-in-aid to City of Detroit) (#23-0174) | 300,000 |
| Development of the Fruit Belt Rail Trail - Center Segment, Kalamazoo County (grant-in-aid to Oshtemo Township) (#23-0053) | 300,000 |
| Seven Mile Road Regional Pathway, Wayne County (grant-in-aid to Northville Township) (#23-0118) | 300,000 |
| Development of the Fruit Belt Rail Trail - West Segment, Kalamazoo County (grant-in-aid to Oshtemo Township) (#23-0129) | 148,000 |
| River Bends Accessible Kayak Launch Park Improvements, Macomb County (grant-in-aid to Shelby Township) (#23-0071) | 164,500 |
| Looking Glass River Access Site Development, Shiawassee County (grant-in-aid to City of Laingsburg) (#23-0114) | 200,000 |
| Middle Macatawa - Trailhead and connector, Ottawa County (grant-in-aid to Holland Charter Township) (#23-0123) | 300,000 |
| Cook Road/Dort Hwy Shared Use Path, Genesee County (grant-in-aid to Grand Blanc Township) (#23-0125) | 300,000 |
| Abby - Radtke Lake Superior Beach Access, Ontonagon County (grant-in-aid to Ontonagon Township) (#23-0159) | 206,800 |
| Blue Star Trail - Maple St to Beeline Trail, Allegan County (grant-in-aid to Saugatuck Township) (#23-0028) | 300,000 |
| Veterans Memorial Park - Boardwalk Renovation, Manistee County (grant-in-aid to City of Manistee) (#23-0126) | 300,000 |
| Spring Lake Park - Restroom and Fishing Platform Renovation, Emmet County (grant-in-aid to Bear Creek Township) (#23-0128) | 300,000 |
| **GROSS APPROPRIATION** | **$27,339,100** |
| Appropriated from: | |
| Michigan Natural Resources Trust Fund | $27,339,100 |

## Table 30

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

| Budget Area | FY 2014-15 Year-to-Date Appropriations | FY 2024-25 Gov's Rec. Appropriations | Dollar Difference | Percent Change |
|---|---|---|---|---|
| Health and Human Services | $6,348.2 | $10,589.4 | $4,241.2 | 66.8% |
| Corrections | 2,008.9 | 2,127.5 | 118.6 | 5.9 |
| K-12 School Aid | 11,865.8 | 18,337.2 | 6,471.4 | 54.5 |
| Community Colleges | 364.7 | 465.9 | 101.2 | 27.7 |
| Higher Education | 1,419.5 | 2,311.0 | 891.5 | 62.8 |
| Labor and Economic Opportunity | 365.3 | 772.8 | 407.5 | 111.6 |
| Revenue Sharing | 1,218.7 | 1,713.3 | 494.6 | 40.6 |
| Transportation | 2,439.6 | 4,417.0 | 1,977.4 | 81.1 |
| All Other Programs | 3,837.0 | 5,590.7 | 1,753.7 | 45.7 |
| **Total State Spending** | **$29,867.7** | **$46,324.8** | **$16,457.1** | **55.1%** |
| **Addendum:** | | | | |
| Medicaid Caseload | 2,268,150 | 2,943,450 | 675,300 | 29.8% |
| Prison Population | 42,628 | 33,461 | (9,167) | (21.5) |
| K-12 Pupil Count | 1,508,008 | 1,385,900 | (122,108) | (8.1) |
| University Students | 261,989 | 234,412 | (27,577) | (10.5) |
| Community College Students | 133,895 | 97,057 | (36,838) | (27.5) |
| | | | | |
| Michigan Personal Income (millions) | $424,082.5 | $636,210.5 | $212,128.0 | 50.0% |
| Detroit Consumer Price Index | 218.9 | 297.8 | 78.9 | 36.1% |

**NOTES: Revenue Sharing:** Constitutional number is the January 2024 Consensus Revenue Estimating Conference (CREC) estimate. **Medicaid Caseload:** Number for FY 2014-15 includes the estimated 514,600 individuals who are eligible under the expansion of Medicaid that went into effect in March 2014. Number for FY 2024-25 is based on eligibility reports through the last week of January 2024 and includes the estimated 903,625 individuals who are eligible under the expansion of Medicaid. Medicaid redeterminations began on April 1, 2023 with a 14-month period allowed for the completion of systemwide eligibility redeterminations. **Prison Population:** These are the most recent year-end numbers published by the Department of Corrections for calendar year 2015 and the Governor's population projection for FY 2024-25. **K-12 Pupils:** FY 2024-25 pupil count is the January 2024 CREC estimate. **Community College and University Students:** Numbers in FY 2024-25 column reflect the most recent data available, which are FY 2022-23 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 2024-25 numbers are January 2024 CREC estimates.

# OVERVIEW OF GOVERNOR WHITMER'S FY 2024-25 BUDGET

## APPROPRIATIONS REPORT - PART 1

Kathryn R. Summers, Director
Senate Fiscal Agency

February 14, 2024