



FY 2021-22
APPROPRIATIONS REPORT
Part II - Initial Appropriations

December 2021



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www.senate.michigan.gov/sfa

THE SENATE FISCAL AGENCY

The Senate Fiscal Agency is governed by a board of five members, including the majority and minority leaders of the Senate, the Chairperson of the Appropriations Committee of the Senate, and two other members of the Appropriations Committee of the Senate appointed by the Chairperson of the Appropriations Committee with the concurrence of the Majority Leader of the Senate, one from the minority party.

The purpose of the Agency, as defined by statute, is to be of service to the Senate Appropriations Committee and other members of the Senate. In accordance with this charge, the Agency strives to achieve the following objectives:

1. To provide technical, analytical, and preparatory support for all appropriations bills.
2. To provide written analyses of all Senate bills, House bills, and Administrative Rules considered by the Senate.
3. To review and evaluate proposed and existing State programs and services.
4. To provide economic and revenue analysis and forecasting.
5. To review and evaluate the impact of Federal budget decisions on the State.
6. To review and evaluate State issuance of long-term and short-term debt.
7. To review and evaluate the State's compliance with constitutional and statutory fiscal requirements.
8. To prepare special reports on fiscal issues as they arise and at the request of members of the Senate.

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



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OVERVIEW

FY 2021-22 INITIAL APPROPRIATIONS OVERVIEW

On February 10, 2021, Governor Gretchen Whitmer presented her fiscal year (FY) 2021-22 budget and budget projections for FY 2022-23. Public Act (PA) 389 of 2018, requires the Governor to propose a budget for the upcoming fiscal year and the following fiscal year. However, according to an earlier 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 accompanying the budget recommendation submitted to the Legislature, as required under PA 389.

On June 30, 2021, the Legislature passed the FY 2021-22 School Aid budget bill; on September 22, 2021, the Legislature passed the FY 2021-22 Higher Education and Community Colleges budgets (in HB 4400) and the remainder of the general budget (in SB 82). The budget passed by the Legislature was balanced based on the consensus revenue estimates agreed to on May 21, 2021. Unlike the previous year, which was fraught with uncertainty about State revenue, the consensus revenue estimates agreed to in May, combined with continued and significant Federal COVID-19-related and stimulus funding, provided support for a State budget that included historic increases in School Aid, child care funding, economic development programs, and made increases in hourly wages permanent for direct care workers. The K-12 budget bill and the other two conference reports were approved by the House and Senate and sent to the Governor for her signature.

The K-12 budget bill was presented to the Governor on July 6, 2021, and was signed on July 13, 2021, with two vetoes. The remaining education omnibus (containing the budgets for Higher Education and Community Colleges) was presented on September 24, 2021, and the general omnibus was presented on September 27, 2021; both were signed on September 29, 2021, with vetoes. The veto message returned to the Legislature for K-12 was a \$155.0 million reading scholarship program administered by Grand Valley State University and a \$1.0 million program to reimburse Huron Valley schools for transportation costs. The Governor also vetoed \$500,000 in both Higher Education and Community Colleges, and \$15.3 million in the Department of Health and Human Services (DHHS) budget. Vetoed appropriation amounts summed to \$172.3 million, of which \$15.1 million was General Fund (GF/GP).

On an overall basis, the initial level of FY 2021-22 Gross appropriations for State budget areas totals \$69.9 billion, while State Spending from State Resources¹ appropriations total \$37.9 billion. The Gross total includes \$66.9 billion in ongoing appropriations and \$3.0 billion in one-time appropriations. [Table 1](#) outlines the totals by department for the initial ongoing Gross appropriations of \$66.9 billion and the ongoing GF/GP appropriations of \$11.0 billion, as well as the one-time Gross appropriations of \$3.0 billion and the one-time GF/GP appropriations of \$736.2 million. [Table 2](#) provides the detail by budget area, program, and fund source for the FY 2021-22 one-time appropriations.

This Senate Fiscal Agency (SFA) report, *FY 2021-22 Appropriations Report Part II - Initial Appropriations*, is the second SFA report in a series that also includes *Part I - Governor's Recommendations* and *Part III - Year-End Appropriations*. This report provides a summary of the major issues that were part of the development of the initial appropriations for FY 2021-22.

¹ State Spending from State Resources appropriations are appropriations from State Restricted and GF/GP revenue.

Table 1

FY 2021-22 INITIAL ONGOING AND ONE-TIME APPROPRIATIONS GROSS AND GENERAL FUND/GENERAL PURPOSE (GF/GP)						
Department/Budget Area	Initial Ongoing Gross Appropriations	Initial Ongoing GF/GP Appropriations	Initial One-Time Gross Appropriations	Initial One-Time GF/GP Appropriations	Total Gross Appropriations	Total GF/GP Appropriations
Agriculture & Rural Development	\$119,505,300	\$61,311,900	\$36,055,000	\$36,055,000	\$155,560,300	\$97,366,900
Attorney General	106,838,800	41,496,000	1,560,000	1,560,000	108,398,800	43,056,000
Capital Outlay	0	0	0	0	0	0
Civil Rights	17,584,100	14,357,300	250,000	250,000	17,834,100	14,607,300
Community Colleges	428,180,500	0	3,236,500	0	431,417,000	0
Corrections	2,038,823,000	1,978,319,400	27,050,000	27,050,000	2,065,873,000	2,005,369,400
Education	411,894,400	92,238,100	1,500,133,500	4,270,000	1,912,027,900	96,508,100
Environment, Great Lakes, & Energy	553,095,600	61,700,400	136,675,100	91,675,100	689,770,700	153,375,500
Executive	7,318,600	7,318,600	0	0	7,318,600	7,318,600
Health & Human Services	31,449,464,100	5,323,516,700	202,343,900	84,358,300	31,651,808,000	5,407,875,000
Higher Education	1,707,251,200	1,217,321,500	100,500,000	100,500,000	1,807,751,200	1,317,821,500
Insurance & Financial Services	72,987,600	0	0	0	72,987,600	0
Judiciary	318,522,000	207,339,800	1,941,100	1,941,100	320,463,100	209,280,900
Labor & Economic Opportunity	1,698,206,900	264,172,400	375,622,200	231,872,200	2,073,829,100	496,044,600
Legislature	206,220,600	192,592,100	7,542,200	7,542,200	213,762,800	200,134,300
Licensing & Regulatory Affairs	513,386,400	180,345,900	3,850,000	3,850,000	517,236,400	184,195,900
Military & Veterans Affairs	211,896,600	72,193,800	8,956,000	6,565,000	220,852,600	78,758,800
Natural Resources	455,845,600	46,116,700	8,495,800	2,495,800	464,341,400	48,612,500
School Aid	16,552,975,800	72,265,100	425,134,900	13,134,900	16,978,110,700	85,400,000
State	252,164,300	12,435,600	0	0	252,164,300	12,435,600
State Police	763,472,200	506,837,000	65,985,500	20,985,500	829,457,700	527,822,500
Technology, Management, & Budget	1,643,769,800	457,945,100	58,100,000	58,100,000	1,701,869,800	516,045,100
Transportation	5,236,619,200	0	0	0	5,236,619,200	0
Treasury (Debt Service)	99,064,000	99,064,000	0	0	99,064,000	99,064,000
Treasury (Operations)	623,635,900	122,414,200	43,600,000	43,600,000	667,235,900	166,014,200
Treasury (Revenue Sharing)	1,412,302,300	0	433,000	433,000	1,412,735,300	433,000
TOTAL INITIAL APPROPRIATIONS	\$66,901,024,800	\$11,031,301,600	\$3,007,464,700	\$736,238,100	\$69,908,489,500	\$11,767,539,700

Table 2

FY 2021-22 INITIAL ONE-TIME APPROPRIATIONS BY FUND SOURCE					
Department/Budget Area	Gross	Federal	Local/ Private	State Restricted	GF/GP
Agriculture & Rural Development					
Agriculture nutrient best management voluntary practices program	\$25,000,000	\$0	\$0	\$0	\$25,000,000
Agriculture equine industry development fund	3,200,000	0	0	0	3,200,000
Farm innovation grant program	3,180,000	0	0	0	3,180,000
County fairs, show, and expositions	1,950,000	0	0	0	1,950,000
Fair food network - double up food bucks	1,100,000	0	0	0	1,100,000
Local conservation districts	1,000,000	0	0	0	1,000,000
Bovine TB quarantine - producer reimbursement	400,000	0	0	0	400,000
Farm stress program	225,000	0	0	0	225,000
Total Agriculture & Rural Development	\$36,055,000	\$0	\$0	\$0	\$36,055,000
Attorney General					
NextGen case and data management system	\$1,060,000	\$0	\$0	\$0	\$1,060,000
Address confidentiality program	500,000	0	0	0	500,000
Total Attorney General	\$1,560,000	\$0	\$0	\$0	\$1,560,000
Civil Rights					
Discrimination Outreach	\$250,000	\$0	\$0	\$0	\$250,000
Total Civil Rights	\$250,000	\$0	\$0	\$0	\$250,000
Community Colleges					
One-time 1% operations increase	\$3,236,500	\$0	\$0	\$3,236,500	\$0
Total Community Colleges	\$3,236,500	\$0	\$0	\$3,236,500	\$0
Corrections					
John Doe v. MDOC settlement agreement	\$25,000,000	\$0	\$0	\$0	\$25,000,000
Chance for Life	1,500,000	0	0	0	1,500,000
Prosperity Region 8 Pilot Program	300,000	0	0	0	300,000
Goodwill Flip the Script	250,000	0	0	0	250,000
Total Corrections	\$27,050,000	\$0	\$0	\$0	\$27,050,000
Education					
Child care enhancements	\$1,495,863,500	\$1,495,863,500	\$0	\$0	\$0
Before and after school program	3,910,000	0	0	0	3,910,000
School board member training	260,000	0	0	0	260,000
Michigan poet laureate	100,000	0	0	0	100,000
Total Education	\$1,500,133,500	\$1,495,863,500	\$0	\$0	\$4,270,000
Environment, Great Lakes, & Energy					
Water Infrastructure Improvements for the Nation Act	\$45,000,000	\$45,000,000	\$0	\$0	\$0
Drinking water emergency assistance	15,000,000	0	0	0	15,000,000
PFAS remediation	14,450,000	0	0	0	14,450,000
High water infrastructure grants	14,325,000	0	0	0	14,325,000
Dam safety grant program	13,000,000	0	0	0	13,000,000
Lead service line replacements	10,000,000	0	0	0	10,000,000
Contaminated site cleanup	10,000,000	0	0	0	10,000,000
Emergency dam safety action fund	6,000,000	0	0	0	6,000,000
Sustainable business park	4,000,000	0	0	0	4,000,000

Table 2 - continued

FY 2021-22 INITIAL ONE-TIME APPROPRIATIONS BY FUND SOURCE					
Department/Budget Area	Gross	Federal	Local/ Private	State Restricted	GF/GP
Environment, Great Lakes, & Energy (continued)					
Harbor site environmental cleanup	2,300,000	0	0	0	2,300,000
Wastewater retention basin.....	2,000,000	0	0	0	2,000,000
Watershed Council Grants	600,000	0	0	0	600,000
Contaminated site cleanup contingency reserve fund	100	0	0	0	100
Total Environment, Great Lakes, & Energy	\$136,675,100	\$45,000,000	\$0	\$0	\$91,675,100
Health & Human Services					
Long-term care facility supports - state fiscal recovery funds	\$37,500,000	\$37,500,000	\$0	\$0	\$0
Home Help IT Changes.....	21,000,000	18,900,000	0	0	2,100,000
E-FMAP redetermination compliance	20,900,700	11,660,000	0	0	9,240,700
CNSI Technology upgrades	18,000,000	15,850,000	0	0	2,150,000
Statewide Health Information Exchange Projects (MiHIN).....	17,500,000	15,750,000	0	0	1,750,000
Comprehensive child welfare information system.....	16,824,200	8,075,600	0	0	8,748,600
Lead Poisoning Prevention Fund	10,000,000	0	0	0	10,000,000
Policy and planning administration.....	8,375,000	3,250,000	0	0	5,125,000
Northern psychiatric residency program	5,200,000	2,600,000	0	0	2,600,000
Home health and safety	5,000,000	0	0	0	5,000,000
Jail Diversion Fund.....	5,000,000	0	0	0	5,000,000
Injury control intervention - traumatic brain injury.....	5,000,000	0	0	0	5,000,000
Children's Healing Center	5,000,000	0	0	0	5,000,000
Greenlawn Hospital Behavioral Health Pilot Program.....	4,500,000	0	0	0	4,500,000
Multicultural Integration	4,400,000	4,400,000	0	0	0
Families Against Narcotics	4,000,000	0	0	0	4,000,000
Sheridan Hospital Infrastructure Improvements	2,826,000	0	0	0	2,826,000
First responder and public safety staff mental health.....	2,500,000	0	0	0	2,500,000
Nurse practitioner expansion program	1,573,000	0	0	0	1,573,000
Access Health	1,000,000	0	0	0	1,000,000
Team Cares and Team wellness services	1,000,000	0	0	0	1,000,000
Special Olympics.....	1,000,000	0	0	0	1,000,000
Unified clinics resiliency center for families and children	750,000	0	0	0	750,000
Behavioral health patient health information tool	600,000	0	0	0	600,000
Kids' food basket.....	525,000	0	0	0	525,000
Human trafficking victims inclusive services grant program.....	500,000	0	0	0	500,000
Dementia unit	400,000	0	0	0	400,000
Healthy Communities Grant	300,000	0	0	0	300,000
St. Louis Center care facility	300,000	0	0	0	300,000
Free health clinics	250,000	0	0	0	250,000
Safe Substance Coalition.....	250,000	0	0	0	250,000
Nonprofit mental health clinics	200,000	0	0	0	200,000
Senior citizen center program grants	150,000	0	0	0	150,000
Legal assistance	20,000	0	0	0	20,000
Total Health & Human Services	\$202,343,900	\$117,985,600	\$0	\$0	\$84,358,300

Table 2 - continued

FY 2021-22 INITIAL ONE-TIME APPROPRIATIONS BY FUND SOURCE					
Department/Budget Area	Gross	Federal	Local/ Private	State Restricted	GF/GP
Higher Education					
MPSERS obligation paydown	\$84,741,700	\$0	\$0	\$0	\$84,741,700
One-time 1% operations increase	14,607,500	0	0	0	14,607,500
Japan Center for Michigan Universities - one-time payment	500,000	0	0	0	500,000
One-time 1% increase for MSU AgBioResearch	349,400	0	0	0	349,400
One-time 1% increase for MSU Extension.....	301,400	0	0	0	301,400
Total Higher Education	\$100,500,000	\$0	\$0	\$0	\$100,500,000
Judiciary					
Compliance with <i>Montgomery v. Louisiana</i>	\$939,100	\$0	\$0	\$0	\$939,100
Justice for all initiative	798,000	0	0	0	798,000
Contract attorneys for JTC	204,000	0	0	0	204,000
Total Judiciary	\$1,941,100	\$0	\$0	\$0	\$1,941,100
Labor & Economic Opportunity					
Michigan enhancement grants	\$146,892,000	\$0	\$0	\$0	\$146,892,000
Community revitalization and placemaking grants	100,000,000	100,000,000	0	0	0
Michigan infrastructure grants	48,020,200	0	0	0	48,020,200
Futures for frontliners	25,000,000	0	0	25,000,000	0
Michigan career and technical institute	23,750,000	18,750,000	0	0	5,000,000
Statewide pre-apprenticeship program	8,000,000	0	0	0	8,000,000
Wraparound services	6,000,000	0	0	0	6,000,000
Rural jobs and capital investment	5,000,000	0	0	0	5,000,000
Jobs training center equipment grants	3,000,000	0	0	0	3,000,000
Child care facilitator pilot program.....	2,500,000	0	0	0	2,500,000
Child savings account	2,000,000	0	0	0	2,000,000
Diploma Equity project	1,800,000	0	0	0	1,800,000
West Michigan construction institute	1,000,000	0	0	0	1,000,000
Poverty task force	1,000,000	0	0	0	1,000,000
Focus: HOPE	1,000,000	0	0	0	1,000,000
Centers for employment opportunity	660,000	0	0	0	660,000
Total Labor & Economic Opportunity	\$375,622,200	\$118,750,000	\$0	\$25,000,000	\$231,872,200
Legislature					
Legislative IT Redesign	\$7,542,200	\$0	\$0	\$0	\$7,542,200
Capitol Security	0	0	0	0	0
Total Legislature	\$7,542,200	\$0	\$0	\$0	\$7,542,200
Licensing & Regulatory Affairs					
Michigan saves green bank reserve fund and credit enhancement.....	\$1,500,000	\$0	\$0	\$0	\$1,500,000
Nursing home infection control surveys	1,100,000	0	0	0	1,100,000
Urban search and rescue equipment upgrades	1,000,000	0	0	0	1,000,000
Renewable natural gas study.....	250,000	0	0	0	250,000
Total Licensing & Regulatory Affairs	\$3,850,000	\$0	\$0	\$0	\$3,850,000

Table 2 - continued

FY 2021-22 INITIAL ONE-TIME APPROPRIATIONS BY FUND SOURCE					
Department/Budget Area	Gross	Federal	Local/ Private	State Restricted	GF/GP
Military & Veterans Affairs					
Grand Rapids home for veterans FY 2021-22 transition costs	\$6,456,000	\$1,831,000	\$0	\$560,000	\$4,065,000
Record consolidation and digitization.....	2,500,000	0	0	0	2,500,000
Total Military & Veterans Affairs	\$8,956,000	\$1,831,000	\$0	\$560,000	\$6,565,000
Natural Resources					
Kalamazoo River Watershed Improvements.....	\$6,000,000	\$0	\$0	\$6,000,000	\$0
Fish Hatchery Energy Efficiencies	1,995,800	0	0	0	1,995,800
Chronic Wasting Disease Testing	500,000	0	0	0	500,000
Total Natural Resources	\$8,495,800	\$0	\$0	\$6,000,000	\$2,495,800
School Aid					
School nurses, counselors	\$240,000,000	\$0	\$0	\$240,000,000	\$0
Year-round schools: HVAC improvement	75,000,000	75,000,000	0	0	0
Year-round schools: 3% foundation increase	60,000,000	0	0	60,000,000	0
Inkster debt	25,500,000	0	0	25,500,000	0
School safety grants.....	10,000,000	0	0	7,500,000	2,500,000
YMCA Youth in Government.....	3,750,000	0	0	0	3,750,000
Special education learning library	3,000,000	0	0	0	3,000,000
COOR ISD CTE program	2,500,000	0	0	2,500,000	0
Launch MI streamlining data and spending analysis	1,500,000	0	0	0	1,500,000
Task force for personnel working with children with disabilities	1,500,000	0	0	1,500,000	0
Genesee County early childhood collaborative	1,384,900	0	0	0	1,384,900
Flint Educare	1,000,000	0	0	0	1,000,000
Total School Aid	\$425,134,900	\$75,000,000	\$0	\$337,000,000	\$13,134,900
State Police					
Emergency and disaster response and mitigation	\$45,000,000	\$45,000,000	\$0	\$0	\$0
Lawsuit settlement	8,500,000	0	0	0	8,500,000
Trooper school FY 2021-22	4,885,500	0	0	0	4,885,500
Contracts and services.....	3,100,000	0	0	0	3,100,000
Breathalyzer replacement	2,500,000	0	0	0	2,500,000
Secondary road patrol program	2,000,000	0	0	0	2,000,000
Total State Police	\$65,985,500	\$45,000,000	\$0	\$0	\$20,985,500
Technology, Management, & Budget					
Advanced persistent cyber threats	\$20,000,000	\$0	\$0	\$0	\$20,000,000
Information technology investment fund	15,000,000	0	0	0	15,000,000
Legal services funding	12,300,000	0	0	0	12,300,000
Energy efficiency revolving fund	5,000,000	0	0	0	5,000,000
Longitudinal data study	2,750,000	0	0	0	2,750,000
Business incentive study.....	1,000,000	0	0	0	1,000,000
Statewide PPE stockpile procurement	1,000,000	0	0	0	1,000,000
Michigan-Indiana border study.....	500,000	0	0	0	500,000
Vendor data tracking	300,000	0	0	0	300,000
State innovation waiver actuarial study.....	250,000	0	0	0	250,000
Total Technology, Management, & Budget	\$58,100,000	\$0	\$0	\$0	\$58,100,000

Table 2 - continued

FY 2021-22 INITIAL ONE-TIME APPROPRIATIONS BY FUND SOURCE					
Department/Budget Area	Gross	Federal	Local/ Private	State Restricted	GF/GP
Treasury - Operations					
Transportation administration support fund.....	\$18,000,000	\$0	\$0	\$0	\$18,000,000
NextGen infrastructure	16,000,000	0	0	0	16,000,000
Local first responder training and recruitment grants	5,000,000	0	0	0	5,000,000
Flow-through entity tax implementation	4,600,000	0	0	0	4,600,000
Total Treasury - Operations	\$43,600,000	\$0	\$0	\$0	\$43,600,000
Treasury - Revenue Sharing					
Coronavirus relief local government grants.....	\$433,000	\$0	\$0	\$0	\$433,000
Total Treasury - Revenue Sharing.....	\$433,000	\$0	\$0	\$0	\$433,000
TOTAL ONE-TIME APPROPRIATIONS	\$3,007,464,700	\$1,899,430,100	\$0	\$371,796,500	\$736,238,100

GUBERNATORIAL VETOES

Constitutional line-item veto authority is granted to the Governor under Article V, Section 19 of the State Constitution of 1963. Governor Whitmer chose to veto several items from the FY 2021-22 appropriation bills. The Governor's vetoes totaled \$172.3 million Gross and \$15.1 million GF/GP of the appropriations enrolled by the Legislature. [Table 3](#) outlines the Gross and GF/GP amount vetoed by department. Most notably the Governor vetoed a \$155.0 million reading scholarship program and several programs in the DHHS including adoption marketing and pregnancy resource centers.

Additionally, the Governor considered various boilerplate language provisions to be unenforceable. In her signing letter, the Governor stated, "I note the following boilerplate provisions that violate the Michigan Constitution and will therefore not take effect". The unenforceable sections specifically cited by the Governor are summarized in [Appendix A](#).

Table 3

FY 2021-22 GUBERNATORIAL VETOES		
Department/Budget Area	Gross	GF/GP
Community Colleges.....	\$500,000	\$0
Health and Human Services	15,252,000	14,550,000
Higher Education	500,000	500,000
School Aid.....	156,000,000	0
GOVERNOR'S TOTAL VETOES	\$172,252,000	\$15,050,000

FY 2021-22 INITIAL APPROPRIATIONS

The initial level of FY 2021-22 Gross appropriations is \$69.9 billion, which is \$6.1 billion, or 8.0%, less than the year-to-date (as of September 30, 2021) Gross appropriations for FY 2020-21, as outlined in [Table 4](#). The major reason for this reduction in Gross spending is an \$8.5 billion reduction in Federal appropriations from FY 2020-21 levels, which largely reflects the expiration of one-time Federal funding related to various Federal COVID-19 funding legislation. [Table 5](#) summarizes FY 2021-22 appropriations by department and by fund source. The initial level of FY 2021-22 Adjusted Gross appropriations² (the more accurate measure of total appropriations because interdepartmental grants (IDGs) are netted out) totals \$68.7 billion and is illustrated in [Figure A](#). This level of Adjusted Gross appropriations includes \$30.3 billion of Federal funds, \$495.7 million of local and private revenue, \$26.2 billion of State Restricted revenue, and \$11.8 billion of State GF/GP revenue. Initial FY 2021-22 Adjusted Gross appropriations represent a \$6.1 billion, or 8.2%, decrease from the year-to-date level of FY 2020-21 appropriations. Initial State Spending from State Resources appropriations total \$37.9 billion, an increase of \$2.4 billion, or 6.9%, from the year-to-date level of FY 2020-21 appropriations. Initial GF/GP appropriations total \$11.8 billion, an increase of \$1.3 billion, or 12.7%, from the year-to-date level of FY 2020-21 appropriations. [Tables 6, 7, and 8](#) and [Figures B, C, and D](#) provide a department-by-department comparison of FY 2021-22 initial appropriations to FY 2020-21 year-to-date appropriations in terms of Adjusted Gross, State Spending from State Resources, and GF/GP appropriations, respectively. The FY 2021-22 Flint drinking water emergency appropriations are summarized in [Table 9](#).

It should be noted that a FY 2020-21 supplemental appropriation was included as Article 14 of the FY 2021-22 General omnibus budget, PA 87 of 2021. While these appropriations are included in the FY 2020-21 year-to-date figures throughout this document, the details of the FY 2020-21 supplemental appropriations will be included in the SFA publication: *FY 2020-21 Appropriations Report Part III - Year-End Appropriations*.

HIGHLIGHTS OF CHANGES IN STATE APPROPRIATIONS

There are various elements that account for the \$6.1 billion Gross appropriation decrease and the \$1.3 billion GF/GP increase noted previously. These elements include new programs, program increases, program eliminations and reductions, fund shifts, and economic adjustments. The single largest driver of the Gross changes relates to the removal of one-time Federal funding made available during FY 2020-21 to combat Federal, State, and local government pressures resulting from the COVID-19 pandemic. Federal funds for COVID-19 were used in FY 2020-21 in addition to traditional Federal programmatic funding and adjusted Federal match rates were used in place of certain GF/GP funds. The \$6.1 billion reduction in Gross appropriation consists of a \$2.6 billion increase for new programs, a \$3.4 billion increase for program funding increases, \$12.1 billion of savings because of program eliminations and funding reductions, a reduction of \$14.6 million for standard economic adjustments, and an increase of \$557,400 for unclassified salaries. The largest factors in the \$1.3 billion increase in GF/GP appropriations are the anticipated expiration of a pandemic-related Medicaid match rate increase (increasing GF/GP costs by \$618.2 million), the expiration of Federal COVID-19 funding used to offset staffing costs in the Department of Corrections and the Department of State Police (MSP) (increasing GF/GP costs by \$237.5 million), enhancement and infrastructure grants (total of \$194.9 million GF/GP), and expansion of economic development and education/job training programs (\$80.8 million GF/GP). A summary of the Gross and GF/GP appropriation changes from FY 2020-21 to FY 2021-22 is presented in [Table 10](#). [Tables 11](#) through [17](#) provide details on the appropriation changes.

There are a number of new programs for FY 2021-22. [Table 11](#) summarizes FY 2021-22 Gross and GF/GP funding for new programs by department. New programs in various departments account for \$2.6 billion of Gross and \$510.4 million of GF/GP appropriations. The single largest Gross piece is \$1.5 billion in Federal funds for child care enhancements. The second largest Gross new program appropriation is \$240.0 million in School Aid Fund (SAF) revenue for school nurses and counselors. Also of note is \$146.9 million Gross and GF/GP for Michigan enhancement grants, \$100.0 million Gross and Restricted for community revitalization and placemaking grants, and \$135.0 million in SAF revenue for HVAC and a foundation increase for year-round schools.

² Adjusted Gross appropriations are defined as Gross appropriations less interdepartmental grants received.

In addition to new programs, there are Gross program increases of \$3.4 billion and GF/GP increases of \$811.9 million, which are outlined in [Table 12](#). The largest Gross funding increase is \$649.0 million Gross and SAF reflecting an increase in the foundation allowance to \$8,700 per pupil. Other large increases include \$272.6 million Gross (with a \$15.8 million GF/GP savings) for Medicaid special financing adjustments, \$249.2 million Gross (\$500,000 GF/GP with the rest being SAF) for a Michigan Public School Employees' Retirement Systems (MPERS) rate stabilization payment, \$204.6 million Gross and \$50.2 million GF/GP for Medicaid actuarial soundness adjustments, and \$168.5 million Gross (\$121.0 million Federal and \$47.5 million SAF) for the Great Start Readiness Program (GSRP).

[Table 13](#) outlines the programs eliminated in the FY 2021-22 initial appropriations. Of the total \$8.6 billion in Gross program eliminations (\$372.7 million GF/GP), the single largest areas of elimination across all departments relate to appropriations from one-time Federal funds, most notably \$6.0 billion in one-time Federal funds for ESSER and other items in the School Aid budget. The eliminations in the Department of Labor and Economic Opportunity (LEO) account for \$1.0 billion Gross and \$58.6 million GF/GP, mostly tied to one-time COVID-19-related Federal funds. Most of the other large program elimination items also are related to the expiration of Federal COVID-19 funds.

[Table 14](#) lists program reductions in the FY 2021-22 initial appropriations. Of the total \$3.5 billion Gross (\$233.0 million GF/GP) program reductions, the largest areas of reduction also relate to reduced Federal funds available for COVID-19 response; \$1.4 billion Gross and Federal is reduced from the DHHS for the expiration of Federal COVID-19 related funding and \$781.1 million Gross and Federal is removed because of the expected drop in the Food Assistance Program caseload, largely tied to the expiration of enhanced benefits. There also is the removal of \$168.0 million in one-time FY 2020-21 supplemental funding for water state revolving funds in the Department of Environment, Great Lakes, and Energy (EGLE) and a savings of \$94.0 million Gross and SAF in the School Aid budget for technical foundation allowance cost adjustments.

Fund shifts affecting the General Fund are listed in [Table 15](#). These shifts represent increases and decreases to GF/GP appropriations leading to a net GF/GP increase of \$610.3 million. The largest fund shift reflects the assumed expiration on January 1, 2022, of the 6.2% pandemic emergency enhancement in the Federal Medicaid match rate, which would increase GF/GP costs by \$618.2 million. As this enhanced rate is tied to the Federal declaration of emergency, it is possible that the enhancement will continue into calendar year 2022, which would reduce the GF/GP cost increase. An increase in the traditional Medicaid base match rate reduces GF/GP costs by \$165.1 million. There is a large GF/GP cost increase due to the expiration of the use of Coronavirus Relief Fund (CRF) revenue in the Department of Corrections (\$190.2 million) and the MSP (\$47.4 million).

[Table 16](#) lists program transfers that occurred across six departments. [Table 17](#) summarizes the FY 2021-22 initial appropriations economic adjustments, which reflect savings of \$14.7 million Gross and an increase of \$3.1 million GF/GP. In addition to the economic adjustments, there is a Gross increase for unclassified salaries of \$557,400 Gross and \$337,200 GF/GP. State employee compensation changes are discussed in the next section of this report.

All of the changes listed in [Tables 11](#) through [17](#) result in an overall appropriation reduction from FY 2020-21 to FY 2021-22 of \$6.1 billion Gross and an appropriation increase of \$1.3 billion GF/GP.

Table 4

GROSS APPROPRIATIONS FY 2020-21 VERSUS FY 2021-22				
Department/Budget Area	FY 2020-21 Year-to-Date Appropriations¹⁾	FY 2021-22 Initial Appropriations	Dollar Difference	Percent Change
Agriculture & Rural Development	\$124,895,000	\$155,560,300	\$30,665,300	24.6%
Attorney General.....	106,978,600	108,398,800	1,420,200	1.3
Capital Outlay	1,000	0	(1,000)	(100.0)
Civil Rights	18,037,400	17,834,100	(203,300)	(1.1)
Community Colleges.....	438,363,600	431,417,000	(6,946,600)	(1.6)
Corrections.....	2,060,788,400	2,065,873,000	5,084,600	0.2
Education	560,867,300	1,912,027,900	1,351,160,600	240.9
Environment, Great Lakes, & Energy	684,359,200	689,770,700	5,411,500	0.8
Executive	7,114,300	7,318,600	204,300	2.9
Health & Human Services.....	33,000,318,300	31,651,808,000	(1,348,510,300)	(4.1)
Higher Education	1,757,229,400	1,807,751,200	50,521,800	2.9
Insurance & Financial Services	98,315,700	72,987,600	(25,328,100)	(25.8)
Judiciary.....	313,946,200	320,463,100	6,516,900	2.1
Labor & Economic Opportunity.....	2,667,735,500	2,073,829,100	(593,906,400)	(22.3)
Legislature	202,453,800	213,762,800	11,309,000	5.6
Licensing & Regulatory Affairs.....	484,389,600	517,236,400	32,846,800	6.8
Military & Veterans Affairs	260,239,800	220,852,600	(39,387,200)	(15.1)
Natural Resources	469,594,100	464,341,400	(5,252,700)	(1.1)
Natural Resources Trust Fund.....	39,189,600	0	(39,189,600)	(100.0)
School Aid.....	21,720,040,700	16,978,110,700	(4,741,930,000)	(21.8)
State.....	254,297,500	252,164,300	(2,133,200)	(0.8)
State Police.....	872,688,500	829,457,700	(43,230,800)	(5.0)
Technology, Management, & Budget	1,699,600,700	1,701,869,800	2,269,100	0.1
Transportation.....	5,498,353,700	5,236,619,200	(261,734,500)	(4.8)
Treasury (Debt Service).....	113,735,000	99,064,000	(14,671,000)	(12.9)
Treasury (Operations).....	1,110,129,500	667,235,900	(442,893,600)	(39.9)
Treasury (Revenue Sharing)	1,430,784,600	1,412,735,300	(18,049,300)	(1.3)
TOTAL BUDGET AREA APPROPRIATIONS	\$75,994,447,000	\$69,908,489,500	(\$6,085,957,500)	(8.0%)

¹⁾ Appropriations as of September 30, 2021

Table 5

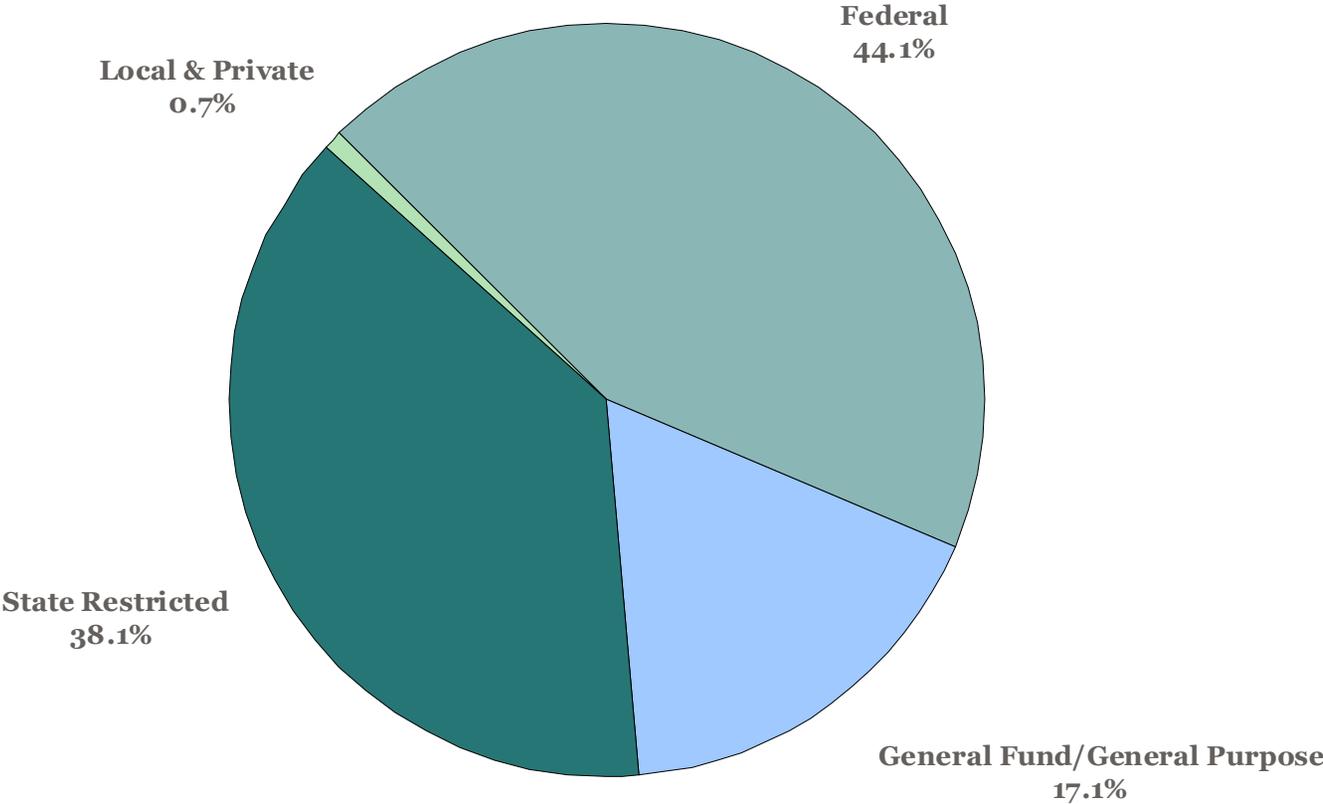
**APPROPRIATIONS BY SOURCE OF FUNDS
FY 2021-22 INITIAL APPROPRIATIONS**

Department/Budget Area	Gross	IDGs	Adjusted Gross	Federal	Local & Private	State Restricted	General Fund/ General Purpose
Agriculture & Rural Development	\$155,560,300	\$320,000	\$155,240,300	\$13,599,800	\$71,300	\$44,202,300	\$97,366,900
Attorney General	108,398,800	35,083,600	73,315,200	9,868,400	0	20,390,800	43,056,000
Capital Outlay	0	0	0	0	0	0	0
Civil Rights	17,834,100	298,900	17,535,200	2,850,700	18,700	58,500	14,607,300
Community Colleges	431,417,000	0	431,417,000	0	0	431,417,000	0
Corrections	2,065,873,000	0	2,065,873,000	5,364,100	9,646,100	45,493,400	2,005,369,400
Education	1,912,027,900	0	1,912,027,900	1,797,625,600	8,108,800	9,785,400	96,508,100
Environment, Great Lakes, & Energy	689,770,700	3,544,900	686,225,800	226,889,200	1,411,200	304,549,900	153,375,500
Executive	7,318,600	0	7,318,600	0	0	0	7,318,600
Health & Human Services	31,651,808,000	14,593,500	31,637,214,500	22,907,479,800	335,227,600	2,986,632,100	5,407,875,000
Higher Education	1,807,751,200	0	1,807,751,200	128,526,400	0	361,403,300	1,317,821,500
Insurance & Financial Services	72,987,600	724,600	72,263,000	1,017,100	0	71,245,900	0
Judiciary	320,463,100	1,652,300	318,810,800	6,374,800	8,842,400	94,312,700	209,280,900
Labor & Economic Opportunity	2,073,829,100	0	2,073,829,100	1,282,114,800	22,167,000	273,502,700	496,044,600
Legislature	213,762,800	6,345,200	207,417,600	0	406,000	6,877,300	200,134,300
Licensing & Regulatory Affairs	517,236,400	45,079,800	472,156,600	29,030,900	0	258,929,800	184,195,900
Military & Veterans Affairs	220,852,600	101,800	220,750,800	120,015,300	640,000	21,336,700	78,758,800
Natural Resources	464,341,400	203,100	464,138,300	91,291,300	7,039,200	317,195,300	48,612,500
Natural Resources Trust Fund	0	0	0	0	0	0	0
School Aid	16,978,110,700	0	16,978,110,700	2,024,478,500	0	14,868,232,200	85,400,000
State	252,164,300	20,000,000	232,164,300	1,460,000	50,100	218,218,600	12,435,600
State Police	829,457,700	24,816,300	804,641,400	125,953,100	4,867,700	145,998,100	527,822,500
Technology, Management, & Budget	1,701,869,800	1,057,210,900	644,658,900	5,129,800	2,463,400	121,020,600	516,045,100
Transportation	5,236,619,200	4,044,800	5,232,574,400	1,448,519,000	81,682,000	3,702,373,400	0
Treasury (Debt Service)	99,064,000	0	99,064,000	0	0	0	99,064,000
Treasury (Operations)	667,235,900	13,073,500	654,162,400	27,361,400	13,063,000	447,723,800	166,014,200
Treasury (Revenue Sharing)	1,412,735,300	0	1,412,735,300	0	0	1,412,302,300	433,000
TOTAL BUDGET AREA APPROPS	\$69,908,489,500	\$1,227,093,200	\$68,681,396,300	\$30,254,950,000	\$495,704,500	\$26,163,202,100	\$11,767,539,700

Figure A

Appropriations by Source of Funds

FY 2021-22 Initial Adjusted Gross Appropriations



Total = \$ 68,681,396,300

Table 6
ADJUSTED GROSS APPROPRIATIONS
FY 2020-21 VERSUS FY 2021-22

Department/Budget Area	FY 2020-21 Year-to-Date Appropriations¹⁾	FY 2021-22 Initial Appropriations	Dollar Difference	Percent Change
Agriculture & Rural Development	\$124,570,600	\$155,240,300	\$30,669,700	24.6%
Attorney General.....	71,692,800	73,315,200	1,622,400	2.3
Capital Outlay	1,000	0	(1,000)	(100.0)
Civil Rights.....	17,737,600	17,535,200	(202,400)	(1.1)
Community Colleges	438,363,600	431,417,000	(6,946,600)	(1.6)
Corrections	2,060,788,400	2,065,873,000	5,084,600	0.2
Education.....	560,867,300	1,912,027,900	1,351,160,600	240.9
Environment, Great Lakes, & Energy	681,021,500	686,225,800	5,204,300	0.8
Executive	7,114,300	7,318,600	204,300	2.9
Health & Human Services	32,986,488,400	31,637,214,500	(1,349,273,900)	(4.1)
Higher Education	1,757,229,400	1,807,751,200	50,521,800	2.9
Insurance & Financial Services	97,587,100	72,263,000	(25,324,100)	(26.0)
Judiciary.....	312,348,400	318,810,800	6,462,400	2.1
Labor & Economic Opportunity.....	2,667,735,500	2,073,829,100	(593,906,400)	(22.3)
Legislature	196,203,400	207,417,600	11,214,200	5.7
Licensing & Regulatory Affairs	437,725,000	472,156,600	34,431,600	7.9
Military & Veterans Affairs	260,138,000	220,750,800	(39,387,200)	(15.1)
Natural Resources	469,391,000	464,138,300	(5,252,700)	(1.1)
Natural Resources Trust Fund	39,189,600	0	(39,189,600)	(100.0)
School Aid.....	21,720,040,700	16,978,110,700	(4,741,930,000)	(21.8)
State	234,297,500	232,164,300	(2,133,200)	(0.9)
State Police.....	847,836,800	804,641,400	(43,195,400)	(5.1)
Technology, Management, & Budget	674,879,800	644,658,900	(30,220,900)	(4.5)
Transportation.....	5,494,290,600	5,232,574,400	(261,716,200)	(4.8)
Treasury (Debt Service)	113,735,000	99,064,000	(14,671,000)	(12.9)
Treasury (Operations)	1,097,016,700	654,162,400	(442,854,300)	(40.4)
Treasury (Revenue Sharing)	1,430,784,600	1,412,735,300	(18,049,300)	(1.3)
TOTAL BUDGET AREA APPROPRIATIONS.....	\$74,799,074,600	\$68,681,396,300	(\$6,117,678,300)	(8.2%)

¹⁾ Appropriations as of September 30, 2021

Figure B
Adjusted Gross Appropriations by Major Category

FY 2021-22 Initial Appropriations

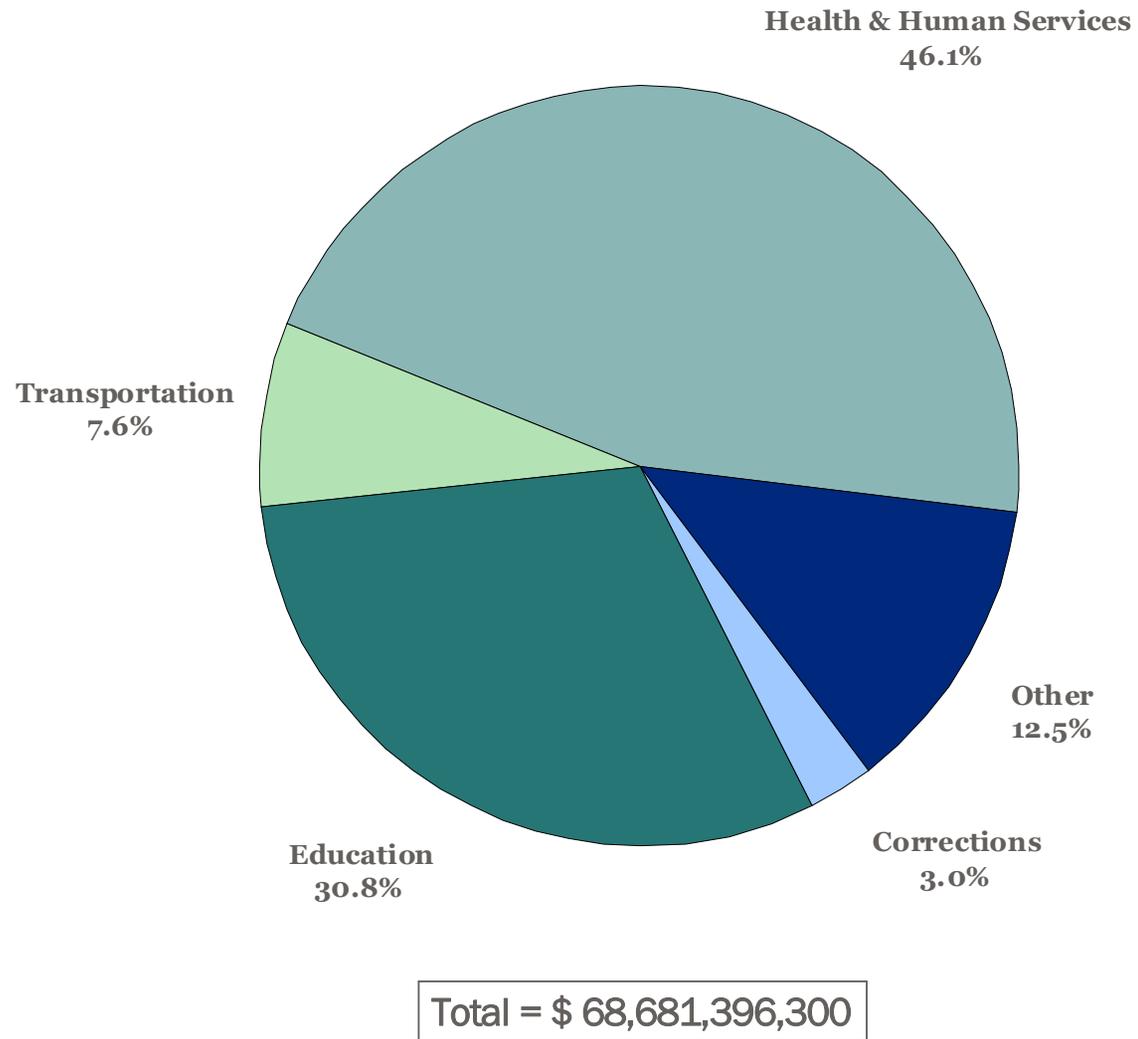


Table 7

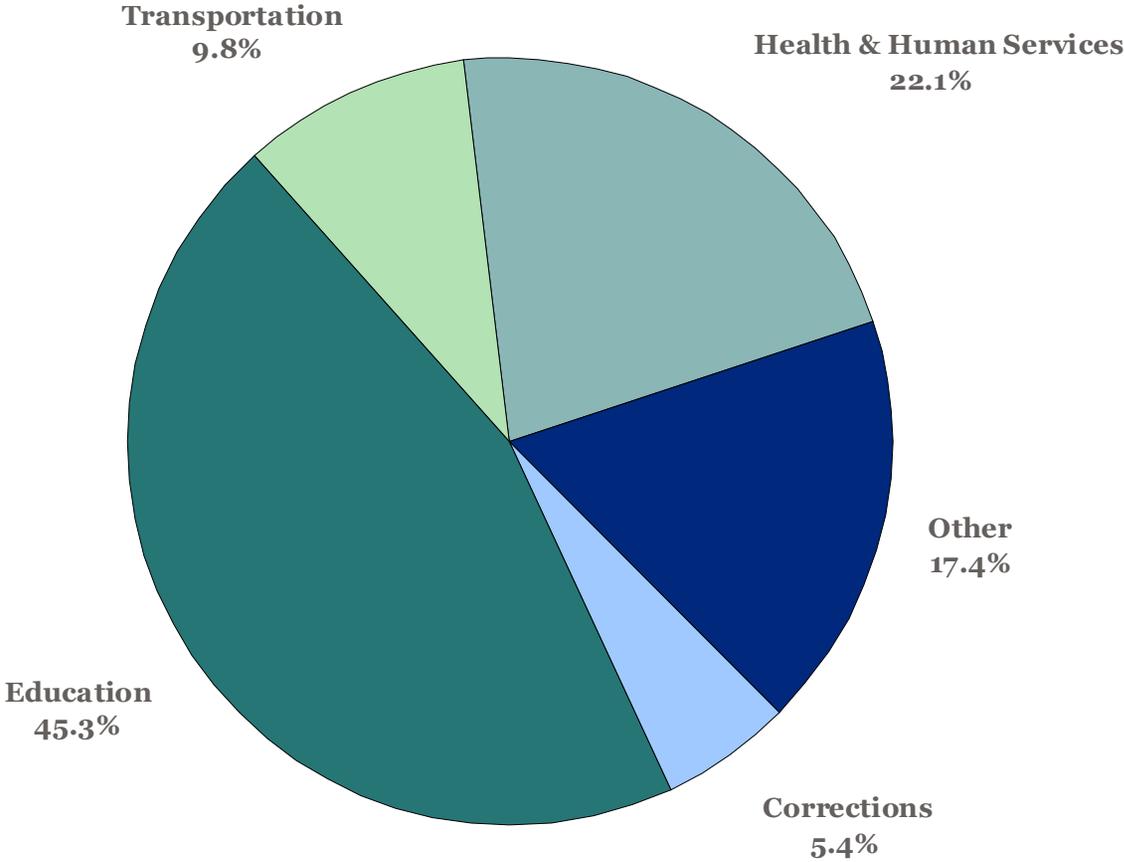
STATE SPENDING FROM STATE RESOURCES FY 2020-21 VERSUS FY 2021-22				
Department/Budget Area	FY 2020-21 Year-to-Date Appropriations¹⁾	FY 2021-22 Initial Appropriations	Dollar Difference	Percent Change
Agriculture & Rural Development	\$107,769,800	\$141,569,200	\$33,799,400	31.4%
Attorney General.....	61,786,700	63,446,800	1,660,100	2.7
Capital Outlay	1,000	0	(1,000)	(100.0)
Civil Rights	14,850,700	14,665,800	(184,900)	(1.2)
Community Colleges.....	438,363,600	431,417,000	(6,946,600)	(1.6)
Corrections.....	1,854,736,900	2,050,862,800	196,125,900	10.6
Education	99,882,600	106,293,500	6,410,900	6.4
Environment, Great Lakes, & Energy	367,635,700	457,925,400	90,289,700	24.6
Executive	7,114,300	7,318,600	204,300	2.9
Health & Human Services.....	7,619,721,700	8,394,507,100	774,785,400	10.2
Higher Education	1,631,203,000	1,679,224,800	48,021,800	2.9
Insurance & Financial Services	96,570,000	71,245,900	(25,324,100)	(26.2)
Judiciary.....	296,811,900	303,593,600	6,781,700	2.3
Labor & Economic Opportunity.....	523,815,100	769,547,300	245,732,200	46.9
Legislature	195,803,400	207,011,600	11,208,200	5.7
Licensing & Regulatory Affairs.....	408,901,300	443,125,700	34,224,400	8.4
Military & Veterans Affairs	105,518,600	100,095,500	(5,423,100)	(5.1)
Natural Resources	373,498,100	365,807,800	(7,690,300)	(2.1)
Natural Resources Trust Fund.....	37,789,600	0	(37,789,600)	(100.0)
School Aid.....	13,850,072,600	14,953,632,200	1,103,559,600	8.0
State.....	232,787,400	230,654,200	(2,133,200)	(0.9)
State Police.....	622,905,900	673,820,600	50,914,700	8.2
Technology, Management, & Budget	664,018,200	637,065,700	(26,952,500)	(4.1)
Transportation.....	3,597,529,400	3,702,373,400	104,844,000	2.9
Treasury (Debt Service).....	113,735,000	99,064,000	(14,671,000)	(12.9)
Treasury (Operations).....	734,360,500	613,738,000	(120,622,500)	(16.4)
Treasury (Revenue Sharing)	1,430,784,600	1,412,735,300	(18,049,300)	(1.3)
TOTAL BUDGET AREA APPROPRIATIONS.....	\$35,487,967,600	\$37,930,741,800	\$2,442,774,200	6.9%

¹⁾ Appropriations as of September 30, 2021

Figure C

State Spending From State Resources

FY 2021-22 Initial Appropriations



Total = \$ 37,930,741,800

Table 8

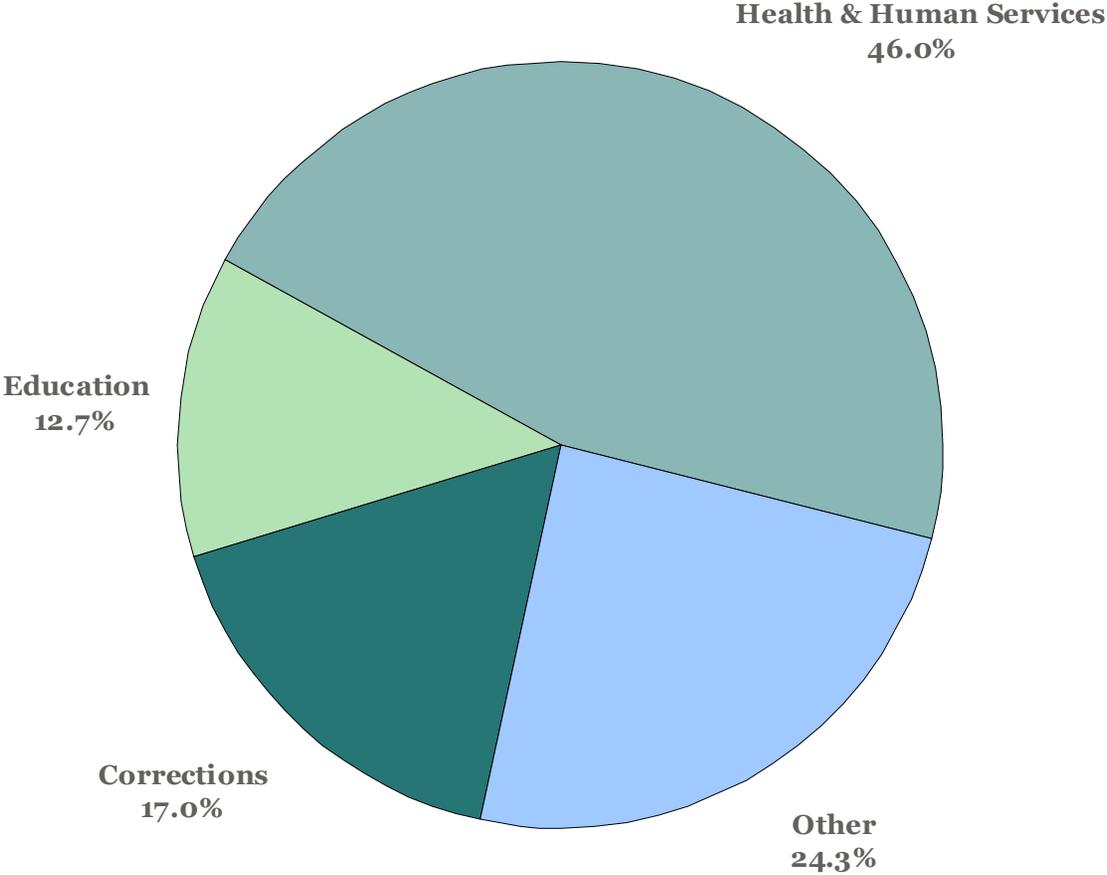
GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS FY 2020-21 VERSUS FY 2021-22				
Department/Budget Area	FY 2020-21 Year-to-Date Appropriations¹⁾	FY 2021-22 Initial Appropriations	Dollar Difference	Percent Change
Agriculture & Rural Development	\$63,616,800	\$97,366,900	\$33,750,100	53.1%
Attorney General.....	41,298,400	43,056,000	1,757,600	4.3
Capital Outlay	1,000	0	(1,000)	(100.0)
Civil Rights	14,792,200	14,607,300	(184,900)	(1.2)
Community Colleges.....	0	0	0	0.0
Corrections.....	1,809,258,400	2,005,369,400	196,111,000	10.8
Education	90,067,100	96,508,100	6,441,000	7.2
Environment, Great Lakes, & Energy	59,443,900	153,375,500	93,931,600	158.0
Executive	7,114,300	7,318,600	204,300	2.9
Health & Human Services.....	4,661,285,300	5,407,875,000	746,589,700	16.0
Higher Education	1,275,139,700	1,317,821,500	42,681,800	3.3
Insurance & Financial Services	25,000,000	0	(25,000,000)	(100.0)
Judiciary.....	201,934,300	209,280,900	7,346,600	3.6
Labor & Economic Opportunity.....	251,426,000	496,044,600	244,618,600	97.3
Legislature	189,026,600	200,134,300	11,107,700	5.9
Licensing & Regulatory Affairs.....	149,605,600	184,195,900	34,590,300	23.1
Military & Veterans Affairs	84,280,200	78,758,800	(5,521,400)	(6.6)
Natural Resources	50,697,300	48,612,500	(2,084,800)	(4.1)
Natural Resources Trust Fund.....	0	0	0	0.0
School Aid.....	54,464,600	85,400,000	30,935,400	56.8
State.....	12,597,500	12,435,600	(161,900)	(1.3)
State Police.....	454,476,600	527,822,500	73,345,900	16.1
Technology, Management, & Budget	540,971,800	516,045,100	(24,926,700)	(4.6)
Transportation.....	0	0	0	0.0
Treasury (Debt Service).....	113,735,000	99,064,000	(14,671,000)	(12.9)
Treasury (Operations).....	286,932,200	166,014,200	(120,918,000)	(42.1)
Treasury (Revenue Sharing)	0	433,000	433,000	100.0
TOTAL BUDGET AREA APPROPRIATIONS	\$10,437,164,800	\$11,767,539,700	\$1,330,374,900	12.7%

¹⁾ Appropriations as of September 30, 2021

Figure D

General Fund/General Purpose

FY 2021-22 Initial Appropriations



Total = \$ 11,767,539,700

Table 9

FY 2021-22 FLINT DRINKING WATER EMERGENCY INITIAL APPROPRIATIONS PUBLIC ACTS 48 and 87 of 2021					
Department/Program	Gross	Federal	Reserve Fund	Other State Restricted	GF/GP
Health & Human Services					
Medicaid waiver	\$30,352,500	\$24,254,400	\$0	\$0	\$6,098,100
Drinking water emergency response	3,821,100	0	0	0	3,821,100
Rides to wellness	300,000	0	0	0	500,000
Federally qualified health centers	500,000	0	0	0	300,000
Total Health & Human Services	\$34,973,600	\$24,254,400	\$0	\$0	\$10,719,200
School Aid¹⁾					
Flint declaration of emergency	\$8,075,100	\$0	\$0	\$5,000,100	\$3,075,000
Total School Aid	\$8,075,100	\$0	\$0	\$5,000,100	\$3,075,000
TOTAL FY 2021-22 INITIAL APPROPRIATIONS	\$43,048,700	\$24,254,400	\$0	\$5,000,100	\$13,794,200

¹⁾ This total does not include \$1.0 million for Flint Educare or \$1.4 million appropriated for a Genesee County early childhood collaborative since these appropriations serve a younger population of children than those supported by the Flint Drinking Water appropriations.

Table 10

SUMMARY OF FY 2021-22 APPROPRIATION CHANGES		
	Gross	GF/GP
FY 2020-21 Year-To-Date Appropriation¹⁾	\$75,994,447,000	\$10,437,164,800
Changes for FY 2021-22:		
New Programs	\$2,594,657,400	\$510,368,900
Program Increases	3,394,248,800	811,944,700
Program Eliminations	(8,578,903,400)	(372,661,400)
Program Reductions	(3,481,871,500)	(232,952,200)
Major Fund Shifts Affecting GF/GP	0	610,286,500
Other Technical Program Transfers/Adjustments	0	0
Economic Adjustments	(14,646,200)	3,051,200
Unclassified Salaries Adjustments (Executive Branch)	557,400	337,200
Total Changes	(\$6,085,957,500)	\$1,330,374,900
FY 2021-22 INITIAL APPROPRIATION	\$69,908,489,500	\$11,767,539,700

¹⁾ Appropriation as of September 30, 2021

Table 11

FY 2021-22 INITIAL APPROPRIATIONS NEW PROGRAMS		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Agriculture nutrient best management voluntary practices program.....	\$25,000,000	\$25,000,000
Farm innovation grant program.....	3,180,000	3,180,000
Local conservation districts.....	3,000,000	3,000,000
Bovine TB quarantine - producer reimbursement.....	400,000	400,000
Total Agriculture & Rural Development.....	\$31,580,000	\$31,580,000
Attorney General		
Clean slate.....	\$560,000	\$560,000
Address confidentiality program.....	500,000	500,000
Total Attorney General.....	\$1,060,000	\$1,060,000
Civil Rights		
Discrimination Outreach.....	\$250,000	\$250,000
Total Civil Rights.....	\$250,000	\$250,000
Corrections		
Prosperity Region 8 Pilot Program.....	\$300,000	\$300,000
Total Corrections.....	\$300,000	\$300,000
Education		
Child care enhancements.....	\$1,495,863,500	\$0
Before and after school program.....	5,000,000	5,000,000
Educator shortage.....	1,950,000	1,950,000
Library pilot program.....	800,000	800,000
School board member training reimbursement.....	260,000	260,000
Poet laureate.....	100,000	100,000
Total Education.....	\$1,503,973,500	\$8,110,000
Environment, Great Lakes, & Energy		
Lead Line Replacement (10 FTE).....	\$192,100	\$192,100
Total Environment, Great Lakes, & Energy.....	\$192,100	\$192,100
Health & Human Services		
Children's Legal Representation.....	\$500,000	\$500,000
Total Health & Human Services.....	\$500,000	\$500,000
Higher Education		
MPSERS obligation paydown.....	\$84,741,700	\$84,741,700
Japan Center for Michigan Universities - one-time payment.....	500,000	500,000
Total Higher Education.....	\$85,241,700	\$85,241,700
Judiciary		
Justice for all initiative.....	\$798,000	\$798,000
Jail reform advisory support.....	150,000	150,000
Total Judiciary.....	\$948,000	\$948,000

Table 11 - continued

FY 2021-22 INITIAL APPROPRIATIONS NEW PROGRAMS		
Budget Area/Program	Gross	GF/GP
Labor & Economic Opportunity		
Michigan enhancement grants	\$146,892,000	\$146,892,000
Community revitalization and placemaking grants	100,000,000	0
Michigan infrastructure grants	48,020,200	48,020,200
Flint settlement debt service.....	35,000,000	35,000,000
Futures for frontliners	25,000,000	0
Michigan career and technical institute	23,750,000	5,000,000
Wraparound services	6,000,000	6,000,000
Rural jobs and capital investment	5,000,000	5,000,000
Unemployment insurance fraud detection.....	4,000,000	4,000,000
Jobs training center equipment grants	3,000,000	3,000,000
Child savings account	2,000,000	2,000,000
Diploma Equity project	1,800,000	1,800,000
Brownfield redevelopment fund.....	1,175,000	0
West Michigan construction institute	1,000,000	1,000,000
Poverty task force.....	1,000,000	1,000,000
Focus: HOPE.....	1,000,000	1,000,000
Centers for employment opportunity	660,000	660,000
Total Labor & Economic Opportunity.....	\$405,297,200	\$260,372,200
Licensing & Regulatory Affairs		
Nursing home infection control surveys	\$1,100,000	\$1,100,000
Renewable natural gas study	250,000	250,000
Total Licensing & Regulatory Affairs.....	\$1,350,000	\$1,350,000
School Aid		
School nurses, counselors	\$240,000,000	\$0
Year-round schools: HVAC	75,000,000	0
Year-round schools: foundation increase.....	60,000,000	0
Inkster Schools debt payoff	25,500,000	0
Benchmark assessment development for FY 2022-23	11,500,000	0
School safety grants	10,000,000	2,500,000
Intermediate school district (ISD) Brownfield redevelopment reimbursement	7,500,000	0
Career and technical education (CTE) equipment upgrades.....	7,500,000	7,500,000
PRIME schools	6,000,000	0
Early literacy: LETRS program.....	4,000,000	0
YMCA Youth in Government.....	3,750,000	3,750,000
COOR ISD CTE program	2,500,000	0
Navigate 360	1,947,000	1,947,000
Jewish Federation	1,700,000	1,700,000
Launch Michigan streamlining data and spending analysis.....	1,500,000	1,500,000

Table 11 - continued

FY 2021-22 INITIAL APPROPRIATIONS NEW PROGRAMS		
Budget Area/Program	Gross	GF/GP
School Aid (continued)		
Task force in support of personnel assisting children with disabilities	1,500,000	0
Project SEARCH	1,500,000	0
Early childhood collaborative - Genesee County	1,384,900	1,384,900
Innovative community libraries	1,000,000	0
Mi Alma - Exito Educativo	450,000	450,000
Total School Aid	\$464,231,900	\$20,731,900
State Police		
Professional development bureau	\$4,500,000	\$4,500,000
Body cameras.....	3,800,000	3,800,000
Michigan international speedway traffic support	300,000	300,000
Total State Police	\$8,600,000	\$8,600,000
Technology, Management, and Budget		
Advanced persistent cyber threats	\$20,000,000	\$20,000,000
Legal services funding.....	12,300,000	12,300,000
Energy efficiency revolving fund.....	5,000,000	5,000,000
Longitudinal data study	2,750,000	2,750,000
State budget office	2,500,000	2,500,000
Building operation services	1,500,000	1,500,000
Business incentive study	1,000,000	1,000,000
Statewide PPE procurement	1,000,000	1,000,000
Michigan-Indiana border study	500,000	500,000
Vendor data tracking	300,000	300,000
State innovation waiver actuarial study	250,000	250,000
Total Technology, Management, and Budget	\$47,100,000	\$47,100,000
Treasury - Operations		
Transportation administration support fund.....	\$18,000,000	\$18,000,000
NextGen infrastructure	16,000,000	16,000,000
Local first responder training and recruitment grants.....	5,000,000	5,000,000
Flow-through entity tax implementation	4,600,000	4,600,000
Total Treasury - Operations	\$43,600,000	\$43,600,000
Treasury - Revenue Sharing		
Coronavirus relief local government grants reimbursement	\$433,000	\$433,000
Total Treasury - Revenue Sharing	\$433,000	\$433,000
TOTAL NEW PROGRAMS	\$2,594,657,400	\$510,368,900

Table 12

FY 2021-22 INITIAL APPROPRIATIONS
PROGRAM INCREASES

Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Agriculture equine industry development fund	\$3,200,000	\$3,200,000
County fairs, shows, and exhibitions	1,950,000	1,950,000
Fair food network - double up food bucks	1,100,000	1,100,000
Maintenance and support for licensing and inspection systems	254,900	210,000
Rural development specialist	175,000	175,000
Laboratory integration of food safety system	100,000	0
Total Agriculture & Rural Development.....	\$6,779,900	\$6,635,000
Attorney General		
NextGen case and data management.	\$1,060,000	\$1,060,000
Total Attorney General	\$1,060,000	\$1,060,000
Community Colleges		
One-time: 2% operations increase	\$3,236,500	\$0
MPSERS UAAL stabilization payment	3,300,000	0
Total Community Colleges	\$6,536,500	\$0
Corrections		
<i>John Doe v. MDOC</i> settlement agreement	\$25,000,000	\$25,000,000
New corrections officer training	7,373,700	7,373,700
Chance for Life	1,500,000	1,500,000
Employee wellness program	809,400	809,400
Goodwill Flip the Script.....	250,000	250,000
Transportation/Prison industries services	72,000	0
Administrative hearings and rules caseload increases	0	0
Total Corrections	\$35,005,100	\$34,933,100
Education		
State aid to libraries.....	\$2,000,000	\$2,000,000
Total Education	\$2,000,000	\$2,000,000
Environment, Great Lakes, & Energy		
Water Infrastructure Improvements for the Nation Act.....	\$45,000,000	\$0
Premcor Settlement.....	29,300,000	0
Drinking water emergency assistance	15,000,000	15,000,000
PFAS remediation	14,450,000	14,450,000
High water infrastructure grants	14,325,000	14,325,000
Dam safety grant program.....	13,000,000	13,000,000
Lead service line replacements.....	10,000,000	10,000,000
Contaminated site cleanup	10,000,000	10,000,000
Superfund Cleanup - Spartan Chemical	10,000,000	0
Emergency dam safety action fund	6,000,000	6,000,000
Land and water resources funding (35.0 FTEs).....	5,317,000	5,317,000
Sustainable business park	4,000,000	4,000,000
Harbor site environmental cleanup.....	2,300,000	2,300,000

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS		
PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Environment, Great Lakes, & Energy (continued)		
Wastewater retention basin.....	2,000,000	2,000,000
GF/GP spending in lieu of fee increases.....	1,886,600	1,886,600
Drinking water laboratory (3.0 FTEs)	1,450,000	0
Brownfield redevelopment fund.....	1,100,000	0
Increase authorization for remedial settlement fund	1,000,000	0
Watershed council grants.....	600,000	600,000
Federal oil and gas program oversight activities (2.0 FTEs).....	370,000	0
Drinking water and industrial stormwater operator certification funding (1.0 FTE)	309,400	309,400
National pollutant discharge elimination system and stormwater funding (15.0 FTEs) ..	194,900	194,900
Hazardous waste site identification funding	100,000	100,000
Contaminated site cleanup contingency reserve fund	100	100
Contaminated Site Cleanup - Boilerplate Appropriation	0	0
Total Environment, Great Lakes, & Energy.....	\$187,703,000	\$99,483,000
Health & Human Services		
Medicaid and Healthy Michigan Plan Special Financing Adjustments.....	\$272,600,200	(\$15,804,800)
Medicaid - HMO: Actuarial Soundness	204,600,000	50,229,000
Risk Corridor Backout: Budgeted FY21 Savings Must Be Reflected in FY20 Bookclosing	175,046,000	48,100,000
<i>KB v. Lyon</i> Agreement	90,991,800	30,000,000
Medicaid Behavioral Health-PIHP: Actuarial Soundness.....	68,000,000	22,419,600
Rate Increase for Emergency Services.....	54,344,700	12,921,000
Behavioral Health - PIHP Base and Caseload.....	54,285,300	20,162,900
One-time: Long-term care facility supports - state fiscal recovery funds	37,500,000	0
Raise the Age - 1st Year Cost Phase-In	29,100,000	24,200,000
Certified Community Behavioral Health Clinics Demonstration Program	26,497,300	4,950,000
Foster Care Private Agency Rate Increase.....	21,324,600	9,879,400
One-time: Home Help IT Changes	21,000,000	2,100,000
One-time: E-FMAP redetermination compliance.....	20,900,700	9,240,700
MI Choice Expansion: 1,000 Slots	19,125,000	4,405,500
One-time: CNSI Technology upgrades	18,000,000	2,150,000
One-time: Statewide Health Information Exchange Projects (MiHIN).....	17,500,000	1,750,000
One-time: Comprehensive child welfare information system.....	16,824,200	8,748,600
Children's Special Health Care Services Base and Caseload.....	16,666,700	10,173,800
Autism Base and Caseload	16,187,100	6,317,700
Qualified Residential Treatment Program (QRTP) Compliance Child Caring Institutions Rate Increase FY22	16,101,600	11,491,700
Autism: Actuarial Soundness	15,000,000	4,945,500
Annualization of Direct Care Wage Increase	14,511,900	24,464,400
Legal Services Costs.....	12,300,000	12,300,000
HMP - Behavioral Health: Actuarial Soundness.....	12,000,000	1,200,000
Tribal Pharmacy Federal Reimbursement and Private Authorization Increase	11,375,100	0
Healthy Moms, Healthy Babies Annualization	9,002,900	3,099,900
HMP - Behavioral Health: Base and Caseload	8,661,300	866,100

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Health & Human Services (continued)		
One-time: Policy and planning administration.....	8,375,000	5,125,000
One-time: Lead Poisoning Prevention Fund	8,000,000	8,000,000
Home Visiting Expansion	7,410,000	6,250,000
Additional Information Technology (IT) Funding	7,000,000	7,000,000
Child Care Fund Base and Caseload.....	6,957,300	2,289,700
Increase in Adoption Private Agency Rates.....	6,900,000	4,830,000
CSHCS: Coverage for Adult Sickle Cell Disease Patients.....	6,650,000	6,650,000
One-time: Northern psychiatric residency program.....	5,200,000	2,600,000
One-time: Home health and safety.....	5,000,000	5,000,000
One-time: Jail Diversion Fund	5,000,000	5,000,000
One-time: Injury control intervention - traumatic brain injury	5,000,000	5,000,000
One-time: Children's Healing Center.....	5,000,000	5,000,000
Changes in Federal Authorization	4,936,600	0
One-time: Greenlawn Hospital Behavioral Health Pilot Program.....	4,500,000	4,500,000
One-time: Increased Funding for Multicultural Integration	4,400,000	0
FFPSA Foster Care Prevention Proposal	4,316,300	2,420,400
One-time: Families Against Narcotics	4,000,000	4,000,000
Child Support Operations Funding	3,900,000	1,326,000
Recognize Dental Oral Health Screenings Costs	3,260,000	260,000
Stroke and STEMI Care Initiative	3,000,000	3,000,000
One-time: Sheridan Hospital Infrastructure Improvements	2,826,000	2,826,000
Rate Increase for Medicaid Private Duty Nursing Services	2,600,000	933,400
IT - New Child Welfare IT System Maintenance and Operating Costs for Licensing Module	2,345,200	1,836,900
Increased Funding for Behavioral Health Diversion Services	2,266,700	138,500
Annualize Foster Care CCI Third Party Assessments	1,700,200	1,246,300
Electronic Visit Verification Requirements	1,622,000	811,000
One-time: Nurse practitioner expansion program	1,573,000	1,573,000
Increased Funding for MiDOCS Program	1,300,000	1,300,000
Salvation Army Harbor Light Funding	1,100,000	1,100,000
Family Incentive Grant Increase.....	1,000,000	1,000,000
Funding for Van Andel Institute	1,000,000	1,000,000
One-time: Access Health.....	1,000,000	1,000,000
One-time: Team Cares and Team wellness services	1,000,000	1,000,000
Federal Lab Services Grants.....	802,100	0
Increase in Homeless Services Funding.....	800,000	800,000
Vital Records Backfill - PA 53 & 54 of 2020 Implementation	600,000	1,445,900
Opioid Grant Recovery Centers	600,000	600,000
One-time: Behavioral health patient health information tool	600,000	600,000
Court-Appointed Special Advocates Funding	500,000	500,000
Study of Managed Health Care for Foster Care Medical Services	500,000	250,000
One-time: Human trafficking victims inclusive services grant program.....	500,000	500,000

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Health & Human Services (continued)		
Recognize State Psych Hospitals Pharmacy Inflation Costs	490,900	426,200
Additional Department Audit Staff	450,000	237,000
One-time: Dementia unit	400,000	400,000
Restoration of Legal Services Association of Michigan Contract.....	325,000	325,000
Section 1062 Spending Plan	300,000	300,000
One-time: Healthy Communities Grant	300,000	300,000
One-time: St. Louis Center care facility.....	300,000	300,000
Increased Funding to Combat Sexually Transmitted Diseases	250,000	250,000
Diaper Bank Assistance Grants	250,000	0
One-time: Safe Substance Coalition	250,000	250,000
WIC Vendor Fines and Penalties Revenue Adjustment.....	200,000	0
Increased Funding for My Community Dental Centers (MCDC).....	200,000	200,000
Guardianship Assistance Payment Base and Caseload.....	101,300	70,500
Enforcement of Human Embryo Policies	100,000	100,000
Foster Care Initiatives (FC Closet and Caseworker Ass't).....	100,000	100,000
Newborn Screening Revenue Adjustments	89,300	0
Child Welfare Settlement Monitor Contract Increase	75,800	63,900
Marihuana Regulatory Fund Revenue Adjustment	59,700	0
Immunization Public Information	50,000	50,000
Total Health & Human Services.....	\$1,418,778,800	\$412,395,700
Higher Education		
One-time: 1% operations increase	\$14,607,500	\$14,607,500
MPSERS normal cost offset payment.....	3,540,000	0
Tuition Incentive Program - increase for anticipated program growth	2,500,000	0
MPSERS UAAL stabilization payment	1,800,000	0
North American Indian tuition waiver reimbursement adjustment.....	484,000	484,000
One-time: 1% increase for MSU AgBioResearch	349,400	349,400
One-time: 1% increase for MSU Extension.....	301,400	301,400
Midwestern Higher Education Compact - 1.5% increase in dues	1,800	1,800
Total Higher Education	\$23,584,100	\$15,744,100
Judiciary		
Juvenile lifer unit funding	\$939,100	\$939,100
Statewide e-File project implementation	821,800	0
Expungement legislation implementation costs	605,000	605,000
Problem solving courts	600,000	600,000
Court of Appeals operations.....	497,300	497,300
State Appellate Defender Office (SADO) minimum funding	360,700	360,700
Additional contract attorneys for Judicial Tenure Commission (JTC) backlog.....	204,000	204,000
Maintaining the Michigan Legal Help website	200,000	200,000

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Judiciary (continued)		
Permanent staff attorney for JTC	182,300	182,300
Justice training grant revenue	100,000	0
Innovative pretrial services	0	0
Total Judiciary.....	\$4,510,200	\$3,588,400
Labor & Economic Opportunity		
Michigan reconnect grant program.....	\$25,000,000	\$50,000,000
Pure Michigan.....	15,000,000	(5,000,000)
Workforce development programs	13,075,000	0
Going pro	11,329,300	11,329,300
Statewide pre-apprenticeship program	8,000,000	8,000,000
Centers for independent living.....	3,000,000	3,000,000
Child care facilitator pilot program.....	2,500,000	2,500,000
State historic preservation office	2,100,000	0
Technical adjustment	1,719,000	78,100
Arts and cultural grants	1,500,000	1,500,000
Graduation alliance	1,500,000	1,500,000
At-risk youth grants	1,000,000	1,000,000
Total Labor & Economic Opportunity.....	\$85,723,300	\$73,907,400
Legislature		
Legislative IT Redesign.....	\$7,542,200	\$7,542,200
State Capitol Historic Site legislature adjustment	1,046,800	590,000
House legislature adjustment.....	1,045,300	1,045,300
Senate legislature adjustment.....	741,500	741,500
Legislative Council legislature adjustment	520,500	920,500
Office of the Auditor General legislature adjustment	400,700	274,900
Property management legislature adjustment	312,000	312,000
Legislative Retirement System legislature adjustment	80,500	61,800
Total Legislature	\$11,689,500	\$11,488,200
Licensing & Regulatory Affairs		
Michigan indigent defense grants (standards 1-4)	\$19,350,000	\$19,350,000
Michigan indigent defense grants (standard 5)	12,000,000	12,000,000
Michigan saves green bank reserve fund and credit enhancement.....	1,500,000	1,500,000
Urban search and rescue equipment upgrades	1,000,000	1,000,000
Inspections related to adult-use marijuana	648,000	0
Carnival safety.....	500,000	500,000
Underground natural gas storage inspection program.....	352,500	0
Local indigent defense reimbursement	100,000	0
Total Licensing & Regulatory Affairs.....	\$35,450,500	\$34,350,000

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Military & Veterans Affairs		
Chesterfield township home for veterans	\$12,394,700	\$1,529,700
Grand Rapids home for veterans - one time	6,456,000	4,065,000
Record consolidation and digitization	2,500,000	2,500,000
Veterans service grants	414,500	414,500
Michigan veterans trust fund	397,200	0
County veteran service fund	250,000	250,000
Military retirement payments	217,000	217,000
Test project fees for military training sites	100,000	0
Camp Grayling morale, welfare and recreation program	50,000	0
Total Military & Veterans Affairs	\$22,779,400	\$8,976,200
Natural Resources		
Align Land and Water Conservation Fund Authority with Projected Federal Revenue	\$7,000,000	\$0
Kalamazoo River Watershed Improvements	6,000,000	0
Fish Hatchery Energy Efficiencies	1,995,800	1,995,800
Trail Easements	1,500,000	0
Improve State Park Experiences / Employee Recruitment and Retention (8.8 FTEs) ...	1,486,400	0
Align Off-Road Vehicle Trail Improvement Fund Authority with Available Revenue....	1,000,000	0
Increase State Park and Recreation Authority for Utility Costs	625,000	0
Chronic Wasting Disease Testing	500,000	500,000
Minimum Wage Increase	394,300	0
Recreational Search Software	320,000	0
Increase State Park and Recreation Authority for CAMIS Costs	175,000	0
State Park Improvement Bond Debt Service	500	0
Total Natural Resources	\$20,997,000	\$2,495,800
School Aid		
Foundation allowance increase - \$171 to \$589 per pupil	\$649,000,000	\$0
MPSERS rate stabilization payment	249,200,000	500,000
Great Start Readiness Program (GSRP)	168,520,000	0
Special education required reimbursement cost increase	44,400,000	0
ISD special education millage equalization bonus payment	34,200,000	0
MPSERS additional normal and defined contribution costs	31,500,000	0
Special education - additional 1% reimbursement (nonmandated)	30,000,000	0
Bilingual education	12,200,000	0
Early on	7,000,000	0
Imagine Learning	4,500,000	4,500,000
Graduation Alliance: attendance recovery	4,000,000	4,000,000
ISD general operations increase	2,765,600	0
Promise zone payments	2,500,000	0
At risk	2,500,000	0
10 Cents a Meal	2,500,000	300,000
Math and literacy essentials (early literacy)	2,000,000	0

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
School Aid (continued)		
Center for Educational Performance and Information (CEPI).....	2,000,000	2,000,000
Dental screenings (in addition to vision and hearing)	1,500,000	1,500,000
Special education learning library	1,500,000	1,500,000
Isolated districts funding.....	1,420,000	0
Boys and Girls Club.....	1,000,000	1,000,000
Algebra Nation.....	1,000,000	1,000,000
Nonpublic schools reimbursement for health/safety mandates	1,000,000	1,000,000
Cash flow borrowing costs	800,000	0
Michigan Education Corps	727,000	727,000
Robotics (\$323,200 for public; \$300,000 for nonpublic).....	623,200	300,000
Orton Gillingham Dyslexia Tool.....	500,000	500,000
Chaldean Community Foundation.....	250,000	250,000
PILT reimbursement.....	65,000	0
Total School Aid.....	\$1,259,170,800	\$19,077,000
State		
Motorcycle safety fund increased authorization	\$300,000	\$0
Total State.....	\$300,000	\$0
State Police		
Lawsuit settlement payment.....	\$8,500,000	\$8,500,000
FY 2020-21 recruit school annualization	4,914,100	4,914,100
FY 2021-22 trooper recruit school - one time.....	4,885,500	4,885,500
FY 2021-22 trooper recruit school - ongoing.....	2,793,300	2,793,300
Breathalyzer replacement	2,500,000	2,500,000
Adjustment to align funding with authorization.....	2,102,200	0
MCOLES de-escalation training	500,000	500,000
Contracts and services	400,000	400,000
MCOLES information tracking system increase.....	358,000	0
MCOLES staffing enhancement.....	306,500	0
Total State Police	\$27,259,600	\$24,492,900
Technology, Management, & Budget		
Information technology IDG baseline adjustments.....	\$33,138,500	\$0
Information technology investment fund	17,500,000	17,500,000
SIGMA data storage and agency services	1,650,000	1,650,000
Veterans homes accounting services alignment.....	1,051,900	0
Office of Retirement Services.....	400,000	0
Office of the Children's Ombudsman	200,000	200,000
Public safety officers survivors benefits	43,000	43,000
Total Technology, Management, & Budget.....	\$53,983,400	\$19,393,000
Transportation		
Debt service increase	\$38,547,300	\$0
County road and bridge construction	33,925,900	0

Table 12 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM INCREASES		
Budget Area/Program	Gross	GF/GP
Transportation (continued)		
City and village road and bridge construction	18,915,200	0
Transportation economic development programs	12,807,400	0
Rail operations and infrastructure	5,618,200	0
Highway maintenance materials costs	4,108,800	0
Highway maintenance direct force increase	3,500,000	0
Local bus operating	3,000,000	0
Highway maintenance Monroe County	2,900,000	0
Service initiatives	2,829,300	0
State trunkline road and bridge construction	1,881,200	0
Detroit Metro/Wayne County Airport	897,000	0
Local bridge program	812,500	0
Intercity services	800,000	0
Airport safety, protection, and improvement program	500,000	0
Aviation services	413,600	0
Movable bridge	108,900	0
Detroit/Wayne County Port Authority	100,000	0
Marine passenger services	84,000	0
Van pooling	45,000	0
Total Transportation	\$131,794,300	\$0
Treasury - Debt Service		
Great Lakes water quality bond	\$24,383,000	\$24,383,000
Total Treasury - Debt Service	\$24,383,000	\$24,383,000
Treasury - Operations		
Wrongful imprisonment compensation fund	\$7,000,000	\$7,000,000
Recreational marihuana grants	6,600,000	0
Michigan infrastructure council	3,000,000	3,000,000
Unisys mainframe and servers	2,600,000	2,600,000
Payments in lieu of taxes	2,183,200	1,774,500
Primary information technology system support	2,000,000	2,000,000
Dual enrollment payments	667,400	667,400
Senior citizen cooperative housing	500,000	500,000
Home heating assistance	2,000	0
Total Treasury - Operations	\$24,552,600	\$17,541,900
Treasury - Revenue Sharing		
City, village, and township revenue sharing increase	\$5,220,500	\$0
County revenue sharing increase	4,539,500	0
County revenue sharing (Leelanau County)	447,800	0
Total Treasury - Revenue Sharing	\$10,207,800	\$0
TOTAL PROGRAM INCREASES	\$3,394,248,800	\$811,944,700

Table 13

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM ELIMINATIONS		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Conservation reserve enhancement program - one time	(\$4,400,000)	(\$4,400,000)
Total Agriculture & Rural Development.....	(\$4,400,000)	(\$4,400,000)
Education		
FY 2020-21 Supplemental Removal	(\$109,171,600)	\$0
Total Education	(\$109,171,600)	\$0
Higher Education		
One-time passthrough payment to Bay Mills Tribal College	(\$1,000,000)	(\$1,000,000)
Total Higher Education	(\$1,000,000)	(\$1,000,000)
Judiciary		
FY 2020-21 supplemental removal	(\$305,000)	\$0
Total Judiciary.....	(\$305,000)	\$0
Labor & Economic Opportunity		
FY 2020-21 supplemental removal	(\$1,041,871,200)	(\$58,558,400)
FY 2020-21 one-time appropriations.....	(41,288,800)	(31,288,800)
Total Labor & Economic Opportunity.....	(\$1,083,160,000)	(\$89,847,200)
Military & Veterans Affairs		
Camp Grayling National Guard readiness center	(\$18,905,000)	\$0
Veterans benefits eligibility study - one time	(250,000)	(250,000)
Total Military & Veterans Affairs	(\$19,155,000)	(\$250,000)
School Aid		
One-time Federal funds (ESSER and others).....	(\$6,047,489,600)	\$0
One-time equalization payment (School Aid Fund).....	(136,000,000)	0
One-time per-pupil increase (roughly \$66 per pupil).....	(95,000,000)	0
Growing districts categorical	(50,000,000)	0
Innovative summer school programs	(10,000,000)	0
TRAILS - training school mental health professionals	(5,400,000)	0
Teacher retention incentives	(5,000,000)	0
State portion of benchmark assessments' development.....	(4,197,900)	0
Virtual education supports.....	(2,000,000)	0
Michigan Kindergarten Entry Observation (MKEO) tool	(1,500,000)	0
School meal debt forgiveness	(1,000,000)	0
Distance learning study	(150,000)	(150,000)
Education reform commission placeholder	(100)	(100)
Total School Aid.....	(\$6,357,737,600)	(\$150,100)
State Police		
Joint task force on jail and pretrial incarceration FY 2020-21 one time	(\$4,200,000)	(\$4,200,000)
Trooper school FY 2020-21 one time.....	(3,509,100)	(3,509,100)
COVID-19 emergency management performance grants	(2,556,000)	0
Total State Police.....	(\$10,265,100)	(\$7,709,100)

Table 13 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM ELIMINATIONS		
Budget Area/Program	Gross	GF/GP
Technology, Management, & Budget		
Venture Michigan Fund II	(\$37,200,000)	(\$37,200,000)
Venture Michigan Fund voucher purchase	(21,000,000)	(21,000,000)
Enterprisewide special maintenance funds	(15,000,000)	(15,000,000)
Statewide broadband grant funds	(14,305,000)	(14,305,000)
Coronavirus relief funds	(3,250,000)	0
Retirement Services Customer Relationship Management System	(2,100,000)	0
Total Technology, Management, & Budget	(\$92,855,000)	(\$87,505,000)
Transportation		
FY 2020-21 supplemental removal	(\$390,883,100)	\$0
Total Transportation	(\$390,883,100)	\$0
Treasury - Operations		
FY 2020-21 supplemental removal	(\$399,146,000)	(\$77,000,000)
FY 2020-21 one-time appropriations	(108,825,000)	(104,800,000)
Compulsive gaming prevention fund	(2,000,000)	0
Total Treasury - Operations	(\$509,971,000)	(\$181,800,000)
TOTAL PROGRAM ELIMINATIONS	(8,578,903,400)	(372,661,400)

Table 14

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Agriculture & Rural Development		
Specialty crop block grant program	(\$2,600,000)	\$0
Farm stress program	(275,000)	225,000
Information technology technical adjustment	(3,900)	0
Total Agriculture & Rural Development	(\$2,878,900)	\$225,000
Attorney General		
Document retention costs for clergy abuse investigation	(\$150,000)	(\$150,000)
Total Attorney General	(\$150,000)	(\$150,000)
Capital Outlay		
Remove FY21 capital outlay projects	(\$1,000)	(\$1,000)
Total Capital Outlay	(\$1,000)	(\$1,000)
Community Colleges		
Remove FY21 one-time MOE supplemental payment	(\$12,696,000)	\$0
MPSERS normal cost offset payment	(694,000)	0
North American Indian tuition waiver reimbursement adjustment	(93,100)	0
Total Community Colleges	(\$13,483,100)	\$0

Table 14 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Corrections		
Removal of FY 2020-21 one-time funding	(\$15,000,000)	(\$15,000,000)
Detroit Re-Entry Center closure full-year savings	(10,523,600)	(10,523,600)
Total Corrections	(\$25,523,600)	(\$25,523,600)
Education		
Child development and care CREC adjustment.....	(\$42,542,000)	\$0
Total Education	(\$42,542,000)	\$0
Environment, Great Lakes, & Energy		
Water state revolving funds	(\$168,000,000)	\$0
Premcor settlement	(5,000,000)	0
Decrease scrap tire authorization.....	(3,000,000)	0
Lead and copper rule support	(2,750,000)	(2,750,000)
Watershed council grants	(600,000)	(600,000)
Madison Heights demolition project	(600,000)	(600,000)
Michigan geological survey	(500,000)	(500,000)
Multistate aquifer study	(500,000)	(500,000)
Parchment water treatment plant	(450,000)	(450,000)
Cooperative lakes monitoring program	(150,000)	(150,000)
Blanchard Dam study	(10,000)	(10,000)
Total Environment, Great Lakes, & Energy	(\$181,560,000)	(\$5,560,000)
Health & Human Services		
One-Time: Removal of Federal COVID-19 and Stimulus Related Grants	(\$1,388,183,800)	\$0
Food Assistance Program Base and Caseload	(781,074,100)	0
HMP Base and Caseload Adjustments	(199,361,100)	(5,711,000)
Removal of COVID-19 Grants Funded in FY 2020-21 via Senate Bill 748.....	(122,074,000)	(107,801,100)
Reversal of FY 2020-21 Technical Adjustments	(103,488,400)	(827,100)
Traditional Medicaid Base and Caseload Adjustments.....	(34,923,800)	105,619,200
Adult Home Help Payment Changes	(33,431,100)	(11,022,200)
Removal of FY 2020-21 One-Time Projects	(25,734,800)	(4,984,800)
Removal of Private Funding from State of Illinois - MMIS	(20,000,000)	0
Foster Care Pmts Base and Caseload.....	(14,420,100)	(8,891,000)
Removal of SB 748 Federal immunization grant.....	(5,888,400)	0
Food Assistance Program Reinvestment Adjustment.....	(5,192,100)	(5,192,100)
Family Independence Program (FIP) Base and Caseload	(4,641,000)	(974,600)
MI HealthLink - Non-PERS Service.....	(3,750,000)	(1,236,400)
ClaimSure Contract Savings	(3,744,400)	(1,234,500)
Adoption Subsidies Program Base and Caseload	(2,401,100)	(770,700)
Recognize Additional Local Funding from School Aid	(2,100,000)	0
Family Support Subsidy Base and Caseload.....	(1,817,600)	0
Reduced Lease Space - Downtown Lansing Office Space	(1,074,300)	(429,700)
Adoption Subsidies - Adoption and Legal Guardian Grant decrease	(850,000)	0
State Disability Assistance Base and Caseload.....	(697,000)	(538,900)

Table 14 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Health & Human Services (continued)		
CCWIS - Funding Adjustments	(622,300)	203,300
State Supplementation Income Base and Caseload	(512,400)	(512,400)
Analytical Lab Equipment Lapse	(500,000)	(500,000)
Medical/Psychiatric Evals Lapse	(300,000)	(300,000)
Child Welfare Actuarial study	(250,000)	(250,000)
State Opioid Grant and Transfer Funding	(59,700)	0
Total Health & Human Services.....	(\$2,757,091,500)	(\$45,354,000)
Higher Education		
Remove FY 21 one-time MOE supplement	(\$57,304,000)	(\$57,304,000)
Total Higher Education	(\$57,304,000)	(\$57,304,000)
Insurance and Financial Services		
Post-Acute Auto Injury Provider Relief Fund.....	(\$25,000,000)	(\$25,000,000)
Total Insurance and Financial Services	(\$25,000,000)	(\$25,000,000)
Judiciary		
Removal of prior-year one-time appropriations.....	(\$1,806,800)	(\$1,806,800)
Remove one district judge position	(164,400)	(164,400)
Total Judiciary.....	(\$1,971,200)	(\$1,971,200)
Legislature		
Census Tracking.....	(\$340,000)	(\$340,000)
Independent Citizens Redistricting Commission.....	(40,500)	(40,500)
Total Legislature	(\$380,500)	(\$380,500)
Licensing & Regulatory Affairs		
CSB technical adjustments	(\$1,398,400)	\$0
Removal of FY 2020-21 one-time funding	(1,000,000)	(1,000,000)
Total Licensing & Regulatory Affairs.....	(\$2,398,400)	(\$1,000,000)
Military & Veterans Affairs		
Grand Rapids home for veterans FY 2020-21 transition costs - one time	(\$13,233,000)	(\$13,233,000)
Special maintenance - National Guard	(10,000,000)	0
Grand Rapids home for veterans funding adjustment	(6,598,400)	1,841,600
COVID-19 state veterans homes operating grants	(5,100,000)	0
DJ Jacobetti home for veterans.....	(4,466,000)	0
Coronavirus response activities	(1,650,000)	(1,650,000)
Coronavirus response activities - Michigan veterans affairs agency	(1,209,000)	(1,209,000)
COVID-19 special maintenance veterans homes	(650,000)	0
National Guard operations - meal stipend.....	(110,000)	0
Adjustment for restricted revenue received.....	(84,000)	0
Coronavirus response activities - Michigan veterans affairs agency	(27,300)	0
Total Military & Veterans Affairs	(\$43,127,700)	(\$14,250,400)

Table 14 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Natural Resources		
Capital Outlay - 2021 Appropriations No Longer Needed.....	(\$11,000,000)	\$0
Removal of Current Year One-Time Funding	(8,400,000)	(2,500,000)
State Parks Repair and Maintenance	(2,925,000)	0
Remove Local Marine Patrol Grants	(1,750,000)	(1,750,000)
State Boating Infrastructure Maintenance.....	(350,000)	0
Reduce Deer Range Improvement Grants.....	(245,800)	(245,800)
Local Boating Infrastructure Maintenance and Improvements.....	(150,000)	0
Total Natural Resources	(\$24,820,800)	(\$4,495,800)
Natural Resources Trust Fund		
Acquisition Projects	(\$28,689,600)	\$0
Development Projects	(10,500,000)	0
Total Natural Resources Trust Fund.....	(\$39,189,600)	\$0
School Aid		
Technical foundation allowance cost adjustments	(\$94,000,000)	\$0
MPSERS normal cost for dedicated gains policy.....	(13,040,000)	(10,000)
School mental health.....	(3,000,000)	0
Total School Aid.....	(\$110,040,000)	(\$10,000)
State		
Reinstatement fee revenue adjustment	(\$1,204,300)	\$0
Total State.....	(\$1,204,300)	\$0
State Police		
Adjustment for FY 2020-21 boilerplate appropriations.....	(\$30,234,000)	\$0
Emergency and disaster response and mitigation	(30,210,900)	(10,000,000)
Clean slate.....	(17,750,000)	1,250,000
Intelligence operations	(1,750,000)	0
Secondary road patrol grant program	(700,000)	(700,000)
Departmentwide	(550,000)	0
Investigative services	(202,100)	0
Total State Police	(\$81,397,000)	(\$9,450,000)
Technology, Management, & Budget		
User fees alignment	(\$3,545,700)	(\$3,545,700)
Office of children's ombudsman	(100,000)	(100,000)
MSP retirement system supplemental payments.....	(27,000)	(27,000)
Total Technology, Management, & Budget.....	(\$3,672,700)	(\$3,672,700)
Transportation		
Interdepartmental grant adjustments	(\$391,100)	\$0
Total Transportation	(\$391,100)	\$0
Treasury - Debt Service		
Clean Michigan initiative.....	(\$25,743,000)	(\$25,743,000)
Quality of life bond.....	(13,311,000)	(13,311,000)
Total Treasury - Debt Service	(\$39,054,000)	(\$39,054,000)

Table 14 - continued

FY 2021-22 INITIAL APPROPRIATIONS PROGRAM REDUCTIONS		
Budget Area/Program	Gross	GF/GP
Treasury - Revenue Sharing		
Constitutional revenue sharing grants.....	(\$28,690,100)	\$0
Total Treasury - Revenue Sharing	(\$28,690,100)	\$0
TOTAL PROGRAM REDUCTIONS	(\$3,481,871,500)	(\$232,952,200)

Table 15

FY 2021-22 INITIAL APPROPRIATIONS FUND SHIFTS TO INCREASE/(REDUCE) GF/GP	
Budget Area/Program	GF/GP
Agriculture and Rural Development	
Pesticide and plant pest management.....	\$0
Total Agriculture and Rural Development.....	\$0
Corrections	
Coronavirus Relief Fund reversal	\$190,164,500
Total Corrections	\$190,164,500
Education	
Child development and care matching adjustment.....	(\$1,019,600)
Total Education	(\$1,019,600)
Health & Human Services	
Remove One-Time CRF Funding from State Facilities.....	\$22,358,000
Resumption of Phase-Out of CMH Local Match	5,095,100
Health and Safety Fund GF Backfill	1,489,900
Change in Title XXI Match Rate	(9,281,000)
Restore GF/GP from Laboratory Fee Balance and Re-align authorization.....	1,000,000
Capped Federal Defined Calculation Offset.....	(724,000)
Continuation of enhanced Medicaid Match Rate	618,221,400
Additional GF Savings from School Based Services	(29,252,300)
Medicaid Restricted Fund Adjustments.....	(60,000,000)
Change in Base Medicaid Match Rate from 64.08% to 65.48%	(165,105,600)
Total Health & Human Services.....	\$383,801,500
Insurance and Financial Services	
Net-to-zero insurance evaluation program shift	\$0
Total Insurance and Financial Services	\$0
Judiciary	
Reduced court fee fund for judicial compensation	\$1,358,600
Total Judiciary.....	\$1,358,600
School Aid	
Replace GF/GP with SAF	(\$11,167,000)
Total School Aid.....	(\$11,167,000)

Table 15 - continued

FY 2021-22 INITIAL APPROPRIATIONS FUND SHIFTS TO INCREASE/(REDUCE) GF/GP	
Budget Area/Program	GF/GP
State Police	
Public safety payroll shift - from CRF to GF/GP	\$47,361,100
Fund shift/cost allocation	0
Total State Police	\$47,361,100
Technology, Management, & Budget	
Statewide Cost Allocation Plan (SWCAP) adjustments	(\$212,600)
Total Technology, Management, & Budget	(\$212,600)
TOTAL FUND SHIFTS AFFECTING GF/GP	\$610,286,500

Table 16

FY 2021-22 INITIAL APPROPRIATIONS - PROGRAM TRANSFERS		
Budget Area/Program	Gross	GF/GP
Civil Rights		
Transfer of Women's Commission to LEO	(\$366,800)	(\$366,800)
Total Civil Rights	(\$366,800)	(\$366,800)
Education		
Special education virtual learning tool	(\$1,500,000)	(\$1,500,000)
Educare transfer to school aid	(1,000,000)	(1,000,000)
Total - Education	(\$2,500,000)	(\$2,500,000)
Labor and Economic Opportunity		
Michigan women's commission	\$366,800	\$366,800
Total Labor and Economic Opportunity	\$366,800	\$366,800
School Aid		
Special education virtual learning tool	\$1,500,000	\$1,500,000
Flint Educare - transferred from MDE	1,000,000	1,000,000
Total School Aid	\$2,500,000	\$2,500,000
State Police		
Michigan public safety communications systems leases to DTMB....	(\$157,500)	(\$157,500)
Total State Police	(\$157,500)	(\$157,500)
Technology, Management, and Budget		
MPSCS radio leases	\$157,500	\$157,500
Total Technology, Management, and Budget	\$157,500	\$157,500
TOTAL PROGRAM TRANSFERS	\$0	\$0

Table 17

FY 2021-22 INITIAL APPROPRIATIONS						
ECONOMIC AND UNCLASSIFIED SALARIES ADJUSTMENTS BY FUND SOURCE						
Department/Budget Area	Gross	IDGs	Federal	Local & Private	State Restricted	GF/GP
Agriculture & Rural Development	(\$433,700)	(\$1,200)	(\$27,900)	\$0	(\$96,700)	(\$307,900)
Attorney General	(574,700)	(202,200)	(37,700)	0	(97,500)	(237,300)
Civil Rights	(108,300)	(900)	(17,500)	0	0	(89,900)
Corrections	(4,756,000)	0	(842,300)	(34,500)	(57,100)	(3,822,100)
Education	(626,700)	0	(419,800)	(2,600)	(33,800)	(170,500)
Environment, Great Lakes, & Energy	(948,700)	(12,900)	(233,800)	(1,600)	(510,400)	(190,000)
Executive	163,500	0	0	0	0	163,500
Health & Human Services	(10,734,500)	(38,500)	(5,686,900)	(91,300)	(139,300)	(4,778,500)
Insurance & Financial Services	(352,800)	(4,000)	0	0	(348,800)	0
Judiciary	3,334,900	(500)	(18,700)	(40,600)	(28,100)	3,422,800
Labor & Economic Opportunity	(2,255,800)	0	(1,723,400)	(800)	(340,300)	(191,300)
Legislature	0	0	0	0	0	0
Licensing & Regulatory Affairs	(1,632,400)	(208,700)	(171,200)	0	(1,141,800)	(110,700)
Military & Veterans Affairs	69,100	0	178,200	0	(64,900)	(44,200)
Natural Resources	(1,454,000)	0	(162,400)	0	(1,206,800)	(84,800)
School Aid	(55,100)	0	0	0	(8,700)	(46,400)
State	(1,249,600)	0	0	0	(1,067,000)	(182,600)
State Police	12,828,500	101,400	1,876,500	(8,500)	659,500	10,199,600
Technology, Management, & Budget	(2,472,500)	(1,725,700)	(9,500)	(8,900)	(529,800)	(198,600)
Transportation	(2,279,400)	(18,300)	(315,500)	0	(1,945,600)	0
Treasury (Operations)	(1,108,000)	(39,300)	(64,400)	(27,500)	(696,900)	(279,900)
TOTAL ECONOMIC ADJUSTMENTS	(\$14,646,200)	(\$2,150,800)	(\$7,676,300)	(\$216,300)	(\$7,654,000)	\$3,051,200
UNCLASSIFIED SALARIES ADJ.	\$557,400	\$15,500	\$59,900	\$0	\$144,800	\$337,200

STATE EMPLOYEE COMPENSATION CHANGES AND EMPLOYMENT LEVELS

The FY 2021-22 initial budget reflects the recommendations for State employee compensation adopted by the Civil Service Commission on December 16, 2020. As part of a one-year agreement for employees who are exclusively represented by employee unions (AFSCME, MCO, MSEA, SEIU, and UAW), the Civil Service Commission approved for FY 2021-22 a 2.0% base wage increase to become effective October 1, 2021, and another 1.0% base wage increase to become effective April 1, 2022, for most represented employees. No lump-sum payment will be provided in FY 2021-22. Contracts will continue to require represented employees to pay 20.0% of their health care premiums.

The Civil Service Commission also adopted a Coordinated Compensation Plan for nonexclusively represented State classified employees (NEREs) for FY 2021-22. The Commission approved a 2.0% base wage increase to become effective October 1, 2021, and another 1.0% base wage increase to become effective April 1, 2022. No lump-sum payment will be provided in FY 2021-22. They also continue to be required to pay an employee share of health insurance premiums of 20.0%.

Table 18 provides a summary of the incremental State employee cost changes for FY 2021-22, including employee salary increases of \$105.0 million; \$50.1 million GF/GP. The State's portion of the cost increase for employee health insurance is estimated at \$1.3 million Gross and \$600,000 GF/GP for FY 2021-22. The amount that needs to be contributed to the State employee retirement systems in FY 2021-22 results in an increase in costs for the FY 2021-22 budget. Retirement contributions will increase by \$16.9 million Gross and \$7.8 million GF/GP. Other employee retirement costs (OERCs) for FY 2021-22 are less than the costs in FY 2020-21; OERCs will decrease by \$141.7 million Gross and \$60.4 million GF/GP. Other economic adjustments, including worker's compensation, total \$4.6 million Gross; \$5.3 million GF/GP. The total impact of economic adjustments for FY 2021-22 is an estimated decrease of \$13.9 million Gross and \$3.4 million GF/GP on a total wage and salary base of approximately \$5.8 billion.

Table 18

FY 2021-22 INITIAL APPROPRIATIONS ESTIMATES OF ECONOMIC ADJUSTMENTS INCLUDED IN BUDGET (millions of dollars)		
	Gross	GF/GP
Wages and Salaries	\$105.0	\$50.1
Longevity and Employee Insurance Costs.....	1.3	0.6
Retirement Contributions	16.9	7.8
Other Employee Retirement Costs (OERC)	(141.7)	(60.4)
Workers' Compensation	0.5	0.8
All Other Economics.....	4.1	4.5
TOTAL ESTIMATED ECONOMIC INCREASES	(\$13.9)	\$3.4

Table 19 and Figure E provide a summary of State classified full-time equated positions (FTEs) appropriated in FY 2021-22 versus the year-to-date level of FTE positions appropriated in FY 2020-21. Total appropriated FTEs in FY 2021-22 equal 54,360, an increase of 181.4, or 0.3%, from FY 2020-21. The largest FTE increase, 118.0 FTEs, is in the Department of Transportation (MDOT), and is primarily due to the addition of 76.0 FTEs for transitioning seasonal maintenance employees to full time, and 42.0 FTEs to assume maintenance duties in Monroe County. The largest FTE decrease (202.4 FTEs) is in the Department of Corrections and primarily reflects the elimination of the Detroit Reentry Center (237.9 FTEs).

Table 19
FULL-TIME EQUATED POSITIONS
FY 2020-21 VERSUS FY 2021-22

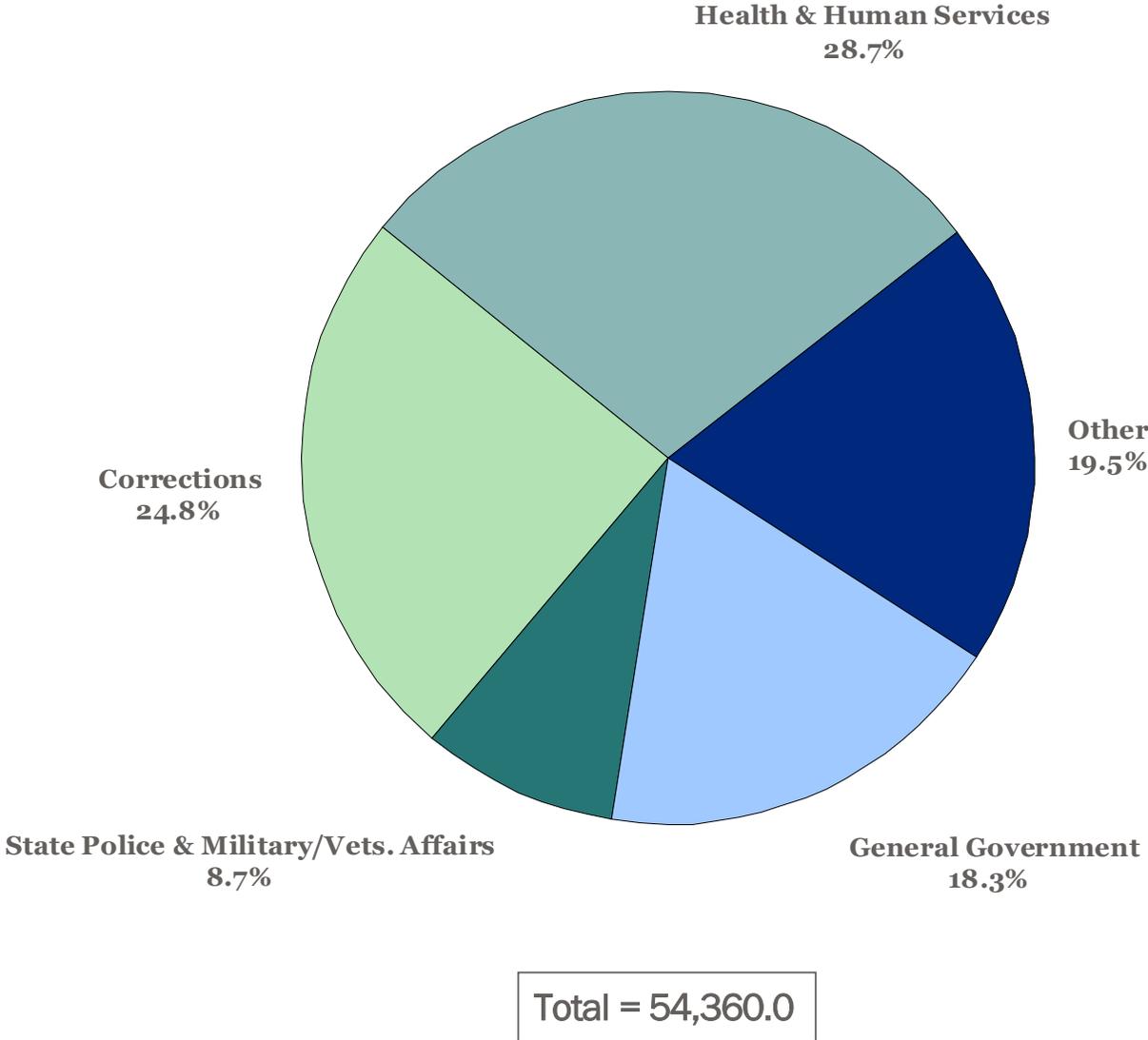
Department/Budget Area	FY 2020-21 Year-to-Date Positions	FY 2021-22 Initial Positions	Position Change	Percent Change
Agriculture & Rural Development	519.0	521.0	2.0	0.4%
Attorney General.....	537.4	541.4	4.0	0.7
Civil Rights	110.0	109.0	(1.0)	(0.9)
Corrections.....	13,686.8	13,484.4	(202.4)	(1.5)
Education	614.5	615.5	1.0	0.2
Environment, Great Lakes, & Energy	1,418.0	1,461.0	43.0	3.0
Executive	79.2	79.2	0.0	0.0
Health & Human Services.....	15,499.0	15,581.5	82.5	0.5
Insurance & Financial Services	372.5	372.5	0.0	0.0
Judiciary.....	513.0	524.0	11.0	2.1
Labor & Economic Opportunity.....	2,545.4	2,553.4	8.0	0.3
Licensing & Regulatory Affairs.....	1,827.9	1,827.9	0.0	0.0
Military & Veterans Affairs	1,052.0	1,054.5	2.5	0.2
Natural Resources	2,346.1	2,354.9	8.8	0.4
State.....	1,586.0	1,586.0	0.0	0.0
State Police.....	3,596.0	3,692.0	96.0	2.7
Technology, Management, & Budget	3,133.0	3,141.0	8.0	0.3
Transportation.....	2,818.3	2,936.3	118.0	4.2
Treasury (Operations).....	1,924.5	1,924.5	0.0	0.0
TOTAL POSITIONS	54,178.6	54,360.0	181.4	0.3%

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

Figure E

Full-Time Equated Classified Positions

FY 2021-22 Initial Appropriations



SCHOOL AID BUDGET HIGHLIGHTS

The FY 2021-22 K-12/School Aid budget totals just under \$17.0 billion, a decrease of \$4.7 billion from final FY 2020-21 gross appropriations (which included roughly \$6.0 billion in Federal COVID-19-related dollars), but an increase of \$1.1 billion in State support. In addition to supporting the K-12 budget, the SAF continues to allocate revenue to support postsecondary budgets, with \$431.4 million SAF allocated for community colleges (of which \$3.2 million is designated as one-time funding) and \$361.4 million allocated for higher education. The total SAF allocated for postsecondary purposes is \$792.8 million for FY 2020-21, a decrease of \$1.7 million below year-end FY 2020-21 (attributable to the one-time 4.0% increase provided in a supplemental, mostly offset by increases in retirement costs for which the State is responsible).

The K-12 portion of the budget includes spending of \$649.0 million to close the per-pupil funding gap between the minimum and the target foundation allowances, bringing all districts up to a minimum foundation allowance of \$8,700 per pupil. Districts with foundation allowances in excess of \$8,700 receive a \$171 per-pupil increase, and the budget also includes \$40.0 million to ensure the State share of the foundation allowance cost is calculated in the same manner for both hold-harmless and non-hold harmless districts.

New programs in the budget include \$240.0 million for school nurses, counselors, and social workers. Another \$135.0 million is included for year-round schools, with \$75.0 million (Federal) allocated for building improvements and \$65.0 million (SAF) allocated to provide a 3% increase in operational funding for schools that provide instruction year-round. Other new programs include one-time funding to pay off Inkster Schools' debt (\$25.5 million); \$11.5 million to develop benchmark assessments for FY 2022-23; and \$10.0 million for school safety grants.

Significant increases in existing programs are found in funding for the MPSERS (an additional \$249.2 million to pay for costs related to the most recent experience study and \$31.5 million for additional defined contribution (DC) costs), \$168.5 million (\$121.0 million Federal) to expand the GSRP and also increase the payment per child, and special education payments (\$108.6 million). Smaller increases in existing programs include \$12.2 million for bilingual education, \$7.0 million for Early On, \$4.5 million for Imagine Learning, and \$4.0 million for Graduation Alliance's attendance recovery program.

Technical cost reductions of \$94.0 million are recognized, mainly from declining enrollment and rising taxable values (which reduce the State share of the foundation allowance). The MPSERS normal cost appropriation is reduced \$13.0 million because of better actuarial experience than assumed. School mental health funding is reduced \$3.0 million (to \$53.9 million total).

General Fund/General Purpose support of the K-12 portion of the budget is increased from \$54.5 million in FY 2020-21 to \$85.4 million for FY 2021-22, and Community District Trust Fund revenue declines to its annual statutory earmark of \$72.0 million.

RETIREMENT COSTS AND BUDGETED APPROPRIATIONS

A significant aspect of the State budget, as well as the budgets of K-12 school districts and community colleges, is the amount employers are required to pay toward the retirement accounts of their employees. The Governor's budget includes the required employer contribution rates to the two largest plans: the State Employees' Retirement System (SERS) and MPSERS. The State also has retirement plans for State Police, Judiciary, and the Legislature, but those systems are not discussed here as they are much smaller in scale. Public Acts 300 of 2012 and 136 of 2016 implemented a cap on the rate school employers in MPSERS pay toward the unfunded accrued liabilities (UALs) in the system, and Public Act 92 of 2017 implemented a cap on the rate employers pay toward the optional DC plan, with any payments above the cap paid by the State.

Public Act 300 of 2012

Public Act 300 of 2012 capped how much employers in MPSERS pay toward UALs (which measure the difference between assets in the system and the value of all earned benefits if those benefits had to be paid out today). Employers pay 20.96% applied to payroll to pay off the legacy debt, and the State is required to pay any annual payments in excess of that cap. For FY 2021-22, the State's required payment for the rate cap (across the K-12, community colleges, and higher education budgets) is \$1.6 billion (with \$140.0 million of that being an "extra" payment in FY 2021-22).

Lowering the Assumed Rate of Return (AROR) and Public Act 92 of 2017

Beginning in FY 2017-18, as reflected in [Tables 20](#) and [21](#), the AROR in most of the State's retirement plans was lowered from 8.0% to 7.5%. The AROR for MPSERS was lowered one-quarter point to 7.75%. Continuing in FY 2018-19, the MPSERS AROR was reduced another one-quarter point, from 7.75% to 7.5%. Because of the adoption of a "dedicated gains" policy by the various retirement system boards, beginning in FY 2019-20 for MPSERS, and beginning in FY 2020-21 for the other State systems, the ARORs is adjusted downward any time there are gains that exceed the AROR (i.e., excess gains will be "dedicated" to "buying down" the ARORs). For legacy pensions in MPSERS, the AROR for FY 2021-22 is 6.8%.

Any time the AROR is lowered, there are increases in both the payments for liabilities accrued in the past (legacy costs) and the amount required to pay for benefits earned today (normal cost). The State is required to pay any legacy costs that exceed the statutory caps for local employers in MPSERS; the State is not required to reimburse employers for increases in normal costs (however, the budget for FY 2021-22 continues the previous years' policy to hold districts harmless from all the costs, normal and legacy, related to lowering the AROR).

In FY 2021-22, there was a decrease in normal costs required to be paid by schools and colleges because the dedicated gains policy is estimated at \$10.2 million; the enacted budget continues to hold local employers harmless from the AROR change by reimbursing districts for those costs out of the SAF. (The total cost in FY 2021-22 for this hold-harmless payment related to AROR is \$193.8 million.) Starting in FY 2020-21, there were additional normal costs required to be paid by the State for the other State retirement systems. These costs will occur any time "dedicated gains" are used to "buy down" the AROR. The excess gains pay for the increase in legacy UAL payments, but not the increase in normal costs.

Under Public Act 92 of 2017, the State is required to pay any additional DC costs in excess of 4.0% of payroll for participating employees. Also, the budget covers the increase in employer normal costs due to PA 92 of 2017 (which arise because the hybrid plan assumes 6.0% rate of return, making the plan more expensive today but less expensive later). The cost for these two initiatives is estimated at \$65.3 million for FY 2021-22, an increase of \$31.5 million above FY 2020-21 costs.

Contribution Rates and Estimated Costs for SERS and MPSERS

[Table 20](#) provides a three-year summary of the contribution rates for defined benefit (DB) and DC retirement for SERS. Beginning in FY 2012-13, the UAL in SERS was spread across both DB and DC payroll, rather than just the declining DB payroll as had been the case previously. Also, beginning in FY 2011-12, the funding methodology for retiree health care was changed from a cash basis to a prefunding basis, requiring larger contributions up front in order to save money down the road. The State Employees' Retirement System pension component was closed to newly hired employees on March 31, 1997, and the retiree health care premium coverage component was closed to new employees on January 1, 2012.

Table 20

STATE RETIREMENT CONTRIBUTION RATES AS A PERCENTAGE OF PAYROLL				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2021-22 Change
<u>State Employees' Retirement System</u> ¹⁾				
Defined Benefit Pension	23.82%	23.90%	23.97%	0.07%
Defined Benefit Health Care	20.67	23.09	17.26	(5.83)
Total Defined Benefit Costs	44.49%	46.99%	41.23%	(5.76%)
Defined Contribution Retirement	23.69%	25.63% ²⁾	25.75% ²⁾	0.12%
Defined Contribution Health Care	20.67	23.76 ³⁾	17.93 ³⁾	(5.83)
Total Defined Contribution Costs	44.38%	49.39%	43.68%	(5.71%)
¹⁾ Public Act 264 of 2011 required the UAL to be spread across both DB and DC payroll. Also, FY 2021-22 will be the 11 th year of prefunding retiree health. ²⁾ Assumes mandatory 4.0% employer contribution plus average of 2.7% matching contribution (maximum is 3.0%), plus administration expenses (applied on all payroll). ³⁾ For DC employees hired after January 1, 2012, cost can be up to 2.0% higher to pay the 401k health match (since 1/3 of DC hired since 2012, 1/3 of 2.0% is included here).				

Table 21 provides a look at the FY 2021-22 contribution rates for the eight different retirement plan combinations in MPSERS. Before the enactment of significant MPSERS reforms in 2010 and 2012, there were two principal types of retirement plans available to school employees, based on hire date: the basic system and the Member Investment Plan (MIP) system. Since the passage of the reforms that began in 2010, there are now eight combinations of retirement and retiree health care plans in MPSERS, including the earlier basic and MIP plans (no longer available to new employees), the Pension Plus hybrid plan (available between July 2010 and January 2018), a straight DC plan (available since September 2012), and a second hybrid plan (available since February 2018). Retiree health care for school employees first hired since September 4, 2012, is now strictly a personal health fund (401k or similar savings account) and does not contain any health care premium subsidy. All employees hired before September 4, 2012, also were given an opportunity to "cash out" the value of their health care premium subsidy and convert to a personal health fund. Similar to one of the SERS reforms, prefunding of retiree health care is now a component of MPSERS.

In addition to the \$1.4 billion appropriated for the rate caps, the education budgets for FY 2021-22 appropriate \$100.0 million to school districts to help offset a portion of their retirement costs, \$193.9 million to assist school employers with higher costs due to lowering the assumed rate of investment returns, and \$65.3 million for the additional costs to school employers related to Public Act 92 of 2017 (i.e., higher DC costs and higher hybrid normal costs). Also, \$140.0 million is appropriated in School Aid and \$84.7 million is appropriated in Higher Education for additional system payments, and a total of \$1.7 million for community colleges is appropriated to help pay for the cost of retiree health care. Table 22 illustrates the FY 2020-21 MPSERS-related appropriations by budget area and purpose.

Table 21

FY 2021-22 MPERS EMPLOYER CONTRIBUTION RATES								
	Basic/MIP with Premium Subsidy	Pension Plus with Premium Subsidy	Pension Plus PHF	Pension Plus to DC with PHF	Basic/MIP to DC with Premium Subsidy	Basic/MIP to DC with PHF	Basic/MIP with PHF	Pension Plus 2 with PHF
<u>Pension Contributions</u>								
Pension Normal Cost	6.41%	3.49%	3.49%	0.00%	0.00%	0.00%	6.41%	6.20%
Pension UAL	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73
Pension Total Rate	20.14%	17.22%	17.22%	13.73%	13.73%	13.73%	20.14%	19.93%
<u>Health Contributions</u>								
Health Normal Cost	0.86%	0.86%	0.00%	0.00%	0.86%	0.00%	0.00%	0.00%
Health UAL	7.23	7.23	7.23	7.23	7.23	7.23	7.23	7.23
Health Total Rate	8.09%	8.09%	7.23%	7.23%	8.09%	7.23%	7.23%	7.23%
DB CONTRIBUTION TOTAL	28.23%	25.31%	24.45%	20.96%	21.82%	20.96%	27.37%	27.16%
<u>DC Contributions</u>								
DC Employer Contributions	0.00%	1.00%	1.00%	3.00%	4.00%	4.00%	0.00%	0.00%
Personal Health Care Fund	0.00	0.00	2.00	2.00	0.00	2.00	2.00	2.00
DC CONTRIBUTION TOTAL	0.00%	1.00%	3.00%	5.00%	4.00%	6.00%	2.00%	2.00%
<u>Total Uncapped Rate (w/o DC)</u>	43.28%	40.36%	39.50%	36.01%	36.87%	36.01%	42.42%	42.21%
State Subsidy	15.05	15.05	15.05	15.05	15.05	15.05	15.05	15.05
DC = Defined Contribution; MIP = Member Investment Plan; PHF = Personal Health Fund								
Note: The budget includes \$1.33 billion in the K-12 budget, \$87.2 million in the Community Colleges budget, and \$13.5 million in the Higher Education budget to pay the required State subsidy for the UAL rate cap, and \$65.3 million in the K-12 budget for the increased cost for the enhanced DC matching and to hold employers harmless from the increase in normal costs associated with the hybrid plan's 6% assumed rate of return (for new hires choosing the plan, that began February 1, 2018). The budget includes \$177.5 million in the K-12 budget, \$11.7 million in the Community Colleges budget, and \$4.7 million in the Higher Education budget to hold the entities harmless from AROR costs.								

Source: State Budget Office

Table 22

FY 2021-22 APPROPRIATIONS RELATED TO MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM (millions of dollars)						
Budget Area	Rate Cap (Statutory)	Additional AROR Costs	Cost Offset Grants	Additional UAL or Retiree Health	New Costs PA 92 of 2017	Total
School Aid	\$1,328.5	\$177.4	\$100.0	\$140.0	\$65.3	\$1,811.2
Community Colleges	\$87.2	\$11.7	\$0.0	\$1.7	\$0.0	\$100.6
Higher Education	\$13.5	\$4.7	\$0.0	\$84.7	\$0.0	\$102.9
Libraries	\$0.5	\$0.1	\$0.0	\$0.0	\$0.0	\$0.6
TOTAL	\$1,429.7	\$193.9	\$100.0	\$226.4	\$65.3	\$2,015.3

Table 23 outlines the FY 2021-22 estimated contributions to SERS and MPSERS by the State and local employers, as proposed in the Governor's budget. The total combined cost of the estimated employer (State and local) contributions is approximately \$5.3 billion.

Table 23

FY 2021-22 ESTIMATED CONTRIBUTIONS TO THE STATE'S TWO LARGEST RETIREMENT SYSTEMS (millions of dollars)	
<u>State Employees' Retirement System (SERS)¹⁾</u>	
Defined Benefit Payroll Pension Normal Costs.....	\$32.0
Defined Contribution Payroll 401k Costs	233.8
Legacy Pension Unfunded Accrued Actuarial Liability (UAAL) Costs	709.6
Legacy Retiree Health UAAL Costs	547.6
Retiree Health Care and Health Savings Normal Costs	117.4
Subtotal State Employees' Retirement System ²⁾	\$1,640.4
<u>Michigan Public School Employees' Retirement System (MPSERS)³⁾</u>	
<u>Local Share</u>	
Defined Benefit Pension.....	\$1,345.1
Defined Benefit Health Care	492.5
"401k" for Health Care	40.0
Subtotal MPSERS (Local).....	\$1,877.6
<u>State Share</u>	
Statutory Cap on Unfunded Accrued Liabilities (Pension and Health)	\$1,429.7
Statutory Payments Required under PA 92 of 2017	65.3
Hold Harmless Payments for Reductions in AROR.....	193.9
Offset Payments.....	101.7
Subtotal MPSERS (State).....	\$1,790.6
Subtotal Michigan Public School Employees' Retirement System	\$3,668.2
TOTAL ESTIMATED RETIREMENT CONTRIBUTIONS.....	\$5,308.6
FY 2020-21 Estimated State Share Subsidy Per K-12 Pupil on Average	\$1,095
¹⁾ Public Act 264 of 2011 requires the UAL to be spread across both DB and DC payroll. ²⁾ Excludes FICA. ³⁾ Excludes DC contributions for pension plans; includes DC contributions for health.	

For the seventh year, the budget includes a boilerplate section for each department identifying how much of the appropriation is in support of the legacy costs associated with the SERS. As noted earlier, the total contributions made to a retirement system are a combination of a payment toward the past UALs for benefits already earned (legacy costs) and a payment toward the accrual of service credit in the future (normal costs). As shown on [Table 23](#), the total contributions in the SERS are estimated by the SFA at \$1.6 billion and, of that total, \$1.3 billion is estimated by the State Budget Office for legacy costs (both pension and health), with the remaining \$383.2 million for normal costs including State DC contributions for SERS. [Table 24](#) identifies the estimated legacy costs for pension and for retiree health care, and the total of the two, for each department.

Table 24
FY 2021-22
DEPARTMENT SERS LEGACY COSTS BREAKOUT – PENSIONS & HEALTH CARE

Department	Pension-Related Legacy Costs (Retirement) Gross	Health Care Legacy Costs (OPEB) Gross	Total Legacy Costs Gross
Agriculture & Rural Development	\$6,617,900	\$5,194,400	\$11,812,300
Attorney General	9,544,500	7,491,500	17,036,000
Civil Rights	1,356,000	1,064,300	2,420,300
Corrections	156,450,700	122,799,000	279,249,700
Education	7,716,600	6,056,800	13,773,400
Environment, Great Lakes, & Energy	18,851,400	14,796,600	33,648,000
Health & Human Services	182,808,800	143,487,700	326,296,500
Insurance & Financial Services	5,369,000	4,214,100	9,583,100
Judiciary	7,844,500	6,157,200	14,001,700
Labor and Economic Opportunity	33,467,000	26,268,500	59,735,500
Licensing & Regulatory Affairs	23,116,100	18,144,000	41,260,100
Military & Veterans Affairs	10,316,900	8,097,800	18,414,700
Natural Resources	24,387,100	19,141,500	43,528,600
State	16,470,600	12,927,900	29,398,500
State Police	83,109,900	55,845,700	138,955,600
Technology, Management & Budget	45,777,800	35,931,200	81,709,000
Transportation	37,452,900	29,397,000	66,849,900
Treasury	23,198,100	18,208,300	41,406,400
TOTAL	\$709,594,200	\$547,576,800	\$1,257,171,000

Source: State Budget Office

STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT

Article IX, Section 30 of the State Constitution of 1963 prohibits the State from reducing the portion of State appropriations paid to local units of government below the FY 1978-79 level of 48.97%. It is estimated that the initial FY 2021-22 appropriations exceed this minimum constitutional requirement by more than \$2.8 billion. Table 25 provides a summary of the calculations used to determine the State's compliance with this constitutional requirement for FY 2020-21 and FY 2021-22. Table 26 lists State payments to local units of government that are appropriated in each State department or budget area.

It is important to note that Table 25 illustrates the estimated State payments to local units of government *inclusive* of estimated payments to public school academies (PSAs, i.e., charter schools). However, a ruling from the Michigan Supreme Court in *Taxpayers for Michigan Constitutional Government* could reduce State payments to local units of government by \$1.24 billion to \$1.45 billion, depending on whether payments to PSAs chartered by local school districts or community colleges would continue to count as payments to local units of government. If payments to PSAs are removed from the calculation of State payments to locals, then the surplus shown in Table 25 would decline to \$1.4 billion to \$1.6 billion.

Table 25

STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT ARTICLE IX, SECTION 30 REQUIREMENT FY 2020-21 AND FY 2021-22 ESTIMATES (millions of dollars)		
	FY 2020-21 Estimate	FY 2021-22 Estimate
State Spending from State Resources	\$35,484.4	\$37,930.7
Required Payments to Local Units of Government (48.97%).....	\$17,376.7	\$18,574.7
Estimated Payments to Local Units of Government.....	\$20,064.8	\$21,429.4
Estimated Payments as a Percentage of Total State Spending.....	56.5%	56.5%
Surplus of Section 30 Payments	\$2,688.1	\$2,854.7

Table 26

STATE PAYMENTS TO LOCAL UNITS OF GOVERNMENT FY 2020-21 VERSUS FY 2021-22				
Department/Budget Area	FY 2020-21	FY 2021-22	Dollar Difference	Percent Change
	Year-to-Date Appropriations	Initial Appropriations		
Agriculture & Rural Development	\$8,800,000	\$11,800,000	\$3,000,000	34.1%
Attorney General.....	0	0	0	0.0
Capital Outlay	0	0	0	0.0
Civil Rights	0	0	0	0.0
Community Colleges.....	438,363,600	431,417,000	(6,946,600)	(1.6)
Corrections.....	123,330,800	122,895,500	(435,300)	(0.4)
Education	15,267,700	18,327,700	3,060,000	20.0
Environment, Great Lakes, & Energy	44,000,600	54,146,000	10,145,400	23.1
Executive	0	0	0	0.0
Health & Human Services.....	1,562,528,200	1,775,502,800	212,974,600	13.6
Higher Education	0	0	0	0.0
Insurance & Financial Services	0	0	0	0.0
Judiciary.....	146,925,300	148,056,300	1,131,000	0.8
Labor & Economic Opportunity.....	39,115,200	51,944,500	12,829,300	32.8
Legislature	0	0	0	0.0
Licensing & Regulatory Affairs.....	137,967,400	169,417,400	31,450,000	22.8
Military & Veterans Affairs	4,136,500	4,386,500	250,000	6.0
Natural Resources	10,409,300	10,491,100	81,800	0.8
Natural Resources Trust Fund.....	30,105,400	0	(30,105,400)	(100.0)
School Aid.....	13,680,775,500	14,743,857,700	1,063,082,200	7.8
State.....	1,041,800	1,343,800	302,000	29.0
State Police.....	18,599,900	20,253,300	1,653,400	8.9
Technology, Management, & Budget	0	0	0	0.0
Transportation.....	2,125,342,100	2,196,214,200	70,872,100	3.3
Treasury (Debt Service).....	0	0	0	0.0
Treasury (Operations).....	247,351,800	256,634,700	9,282,900	3.8
Treasury (Revenue Sharing)	1,430,784,600	1,412,735,300	(18,049,300)	(1.3)
TOTAL BUDGET AREA APPROPRIATIONS	\$20,064,845,700	\$21,429,423,800	\$1,364,578,100	6.8%

DEBT SERVICE APPROPRIATIONS

Table 27 provides a summary of debt service appropriations for FY 2021-22. These include State park improvement revenue bonds appropriated in the Department of Natural Resources (DNR); School Bond Loan Fund bonds in K-12 School Aid; debt service costs related to the Facility for Rare Isotope Beams, the Community College Skilled Trades Equipment Program, and the Flint settlement appropriated in the Department of Labor and Economic Opportunity; State Building Authority rent payments appropriated in the Department of Technology, Management, and Budget (DTMB); various transportation-related bonds in MDOT; and general obligation bonds in the Department of Treasury. Gross appropriations for debt service on these bonds total \$743.4 million for FY 2021-22. This represents a \$58.9 million 8.6% increase from the \$684.5 million debt service appropriations in FY 2020-21. The majority of this increase is attributable to a new \$35.0 million payment for Flint settlement debt service, and a \$38.5 million increase for State Trunkline bonds.

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 28 illustrates, there are several transfers out of the tobacco settlement revenue before it is deposited into the Merit Award Trust Fund, where it is available for appropriation by the Legislature. Pursuant to law, \$75.0 million of the tobacco settlement revenue is earmarked each fiscal year, from FY 2007-08 through FY 2022-23, for the 21st Century Jobs Trust Fund. Also pursuant to law, \$17.5 million of the tobacco settlement revenue is deposited each fiscal year, from FY 2014-15 through FY 2034-35, into the Budget Stabilization Fund (BSF) as repayment for a FY 2013-14 State appropriation of \$194.8 million to the Settlement Administration Fund to help mitigate the impact of the City of Detroit bankruptcy on its pensioners. A statutory earmark for the Community District Trust Fund of \$72.0 million annually for 10 years was enacted in FY 2016-17 to implement a new system for schools in Detroit.

The other transfer of funds from tobacco settlement revenue is for debt service on the securitization of a portion of the tobacco settlement revenue in 2006 and 2007. The debt service amount for FY 2021-22 is estimated to be \$72.6 million.

Pursuant to the Michigan Trust Fund Act (Public Act 489 of 2000), tobacco settlement revenue available after the required transfers are netted out is retained in the Michigan Merit Award Trust Fund, from which appropriations may be made. For FY 2021-22, net revenue for the Michigan Merit Award Trust Fund is \$93.5 million. The initial FY 2021-22 budget includes the appropriation of \$63.9 million of tobacco settlement funds through the Michigan Merit Award Trust Fund to four State budget areas. The largest appropriation is \$57.2 million for the Medicaid program in the Department of Health and Human Services, followed by an appropriation of \$4.1 million for the Department's Office of Aging respite services. If the Merit Award Trust Fund appropriations are deducted from the Merit Award Trust Fund net revenue, there is an estimated FY 2021-22 Merit Award Trust Fund year-end balance of \$29.6 million.

Table 27

DEBT SERVICE APPROPRIATIONS FY 2021-22 COMPARED WITH FY 2020-21				
Department/Program	FY 2020-21 Gross Appropriation	FY 2021-22 Gross Appropriation	Dollar Change	Percent Change
Labor & Economic Opportunity¹				
Facility for Rare Isotope Beams (MSF)	\$7,300,000	\$7,300,000	\$0	0.0%
Community College Skilled Trades Equipment Program (MSF)	4,600,000	4,600,000	0	0.0
Flint Settlement Debt Service (MSF).....	0	35,000,000	35,000,000	N/A
Subtotal Labor & Economic Opportunity	\$11,900,000	\$46,900,000	\$35,000,000	294.1%
Natural Resources				
State Park Improvement Revenue Bonds	\$1,201,300	\$1,204,000	\$2,700	0.2%
Subtotal Natural Resources	\$1,201,300	\$1,204,000	\$2,700	0.2%
School Aid				
School Bond Loan	\$111,000,000	\$111,000,000	\$0	0.0%
Subtotal School Aid	\$111,000,000	\$111,000,000	\$0	0.0%
DTMB - State Building Authority Rent				
State Agencies	\$63,393,700	\$68,293,700	\$4,900,000	7.7%
Universities	134,995,300	130,595,300	(4,400,000)	(3.3%)
Community Colleges	33,181,600	32,681,600	(500,000)	(1.5%)
Subtotal Technology, Management, & Budget.....	\$231,570,600	\$231,570,600	\$0	0.0%
Transportation				
State Trunkline	\$180,133,000	\$218,679,300	\$38,546,300	21.4%
Economic Development	11,485,800	11,485,600	(200)	(0.0)
Local Bridge Fund	2,330,700	2,330,400	(300)	(0.0)
Blue Water Bridge Fund.....	6,810,900	6,809,800	(1,100)	(0.0)
Airport Safety and Protection Plan	3,432,000	3,438,700	6,700	0.2
Comprehensive Transportation	10,903,900	10,899,800	(4,100)	(0.0)
Subtotal Transportation	\$215,096,300	\$253,643,600	\$38,547,300	17.9%
Treasury				
Clean Michigan Initiative	\$49,514,000	\$23,771,000	(\$25,743,000)	(52.0%)
Great Lakes Water Initiative	47,600,000	71,983,000	24,383,000	51.2
Quality of Life Bond	16,621,000	3,310,000	(14,671,000)	(80.1)
Subtotal Treasury.....	\$113,735,000	\$99,064,000	(\$14,671,000)	(12.9%)
TOTAL	\$684,503,200	\$743,382,200	\$58,879,000	8.6%

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 28

TOBACCO SETTLEMENT REVENUE AND APPROPRIATIONS ESTIMATES			
FY 2020-21 COMPARED TO FY 2021-22			
(actual dollars)			
	FY 2020-21	FY 2021-22	Initial Chg. From
	Year-To-Date	Initial	FY 2020-21
Revenue			
Unreserved Balance From Prior Fiscal Year	\$877,860	\$29,376,890	\$28,499,030
Total Annual Payments	312,042,064	301,209,200	(10,832,864)
Settlement Credit to Manufacturers	0	0	0
Correction of prior year expenditures/other	0	0	0
Interest Earnings	60,000	60,000	0
Total Tobacco Settlement Revenue.....	\$312,979,924	\$330,646,090	\$17,666,166
Less Transfers Out For:			
21 st Century Jobs Trust Fund	(\$75,000,000)	(\$75,000,000)	\$0
Detroit Public Schools Trust Fund.....	(72,000,000)	(72,000,000)	0
Payment to Budget Stabilization Fund (Detroit)	(17,500,000)	(17,500,000)	0
Payment on 2006 Bond Securitization	(41,626,410)	(40,181,310)	1,445,100
Payment on 2007 Bond Securitization	(33,606,930)	(32,440,230)	1,166,700
Total Transfers Out	(\$239,733,340)	(\$237,121,540)	\$2,611,800
Net Revenue To Merit Award Trust Fund	\$73,246,584	\$93,524,550	\$20,277,966
Appropriations			
Attorney General			
Operations	\$526,600	\$524,000	(\$2,600)
Health and Human Services			
Medicaid Base - Long-term Care.....	37,200,000	57,200,000	20,000,000
Aging - Respite Care	4,068,700	4,068,700	0
State Police			
Tobacco Tax Enforcement.....	854,400	872,400	18,000
Department of Treasury			
Student Financial Services Administration	1,220,000	1,216,300	(3,700)
Total Merit Award Trust Fund Appropriations	\$43,869,700	\$63,881,400	\$20,011,700
MERIT AWARD TRUST FUND YEAR-END BALANCE	\$29,376,890	\$29,643,150	\$266,260

PROJECTED GF/GP YEAR-END BALANCES

The FY 2020-21 projected year-end GF/GP balance of \$2.4 billion is based on the May 2021 consensus estimate of GF/GP revenue and other revenue adjustments agreed upon as part of the budget process. (The SFA will be releasing its updated economic forecast in late December or early January and the year-end balances in that report will differ from the ones shown here, which were based on the May estimates.) The FY 2020-21 estimated GF/GP expenditures are based on initial appropriations, an appropriation to the Budget Stabilization Fund, and enacted supplemental appropriations that include caseload and cost adjustments (estimated department lapses are not yet built into the balance sheets).

The second column of [Table 29](#) presents the SFA's estimate of the FY 2021-22 GF/GP year-end balance of \$1.8 billion. The FY 2021-22 projections also are based on the May 2021 consensus estimate of GF/GP revenue. The FY 2021-22 discretionary State revenue sharing payments are continued, along with an estimated increase, resulting in a total revenue reduction of \$500.3 million for revenue sharing payments. Additionally, the FY 2021-22 balance sheet revenue includes a \$75.0 million increase in revenue based on the repurchase of Venture Michigan Fund II vouchers. Non-ongoing changes to the revenue include a \$2.6 million reduction from a redirection of restricted revenue. Based on these assumptions, and including the \$2.4 billion estimated beginning balance, total FY 2021-22 estimated GF/GP revenue is \$13.6 billion.

The FY 2021-22 estimated GF/GP expenditures are based on initial ongoing appropriations of \$11.0 billion, initial one-time appropriations of \$736.2 million, reimbursement of Federally disallowed Disproportionate Share Hospital costs, and DEGLE boilerplate appropriations of \$10.0 million. When GF/GP estimated revenue is compared to GF/GP estimated expenditures, there is a projected FY 2021-22 ending balance of \$1.8 billion.

PROJECTED SCHOOL AID FUND YEAR-END BALANCES

The FY 2020-21 projected year-end SAF balance of \$1.7 billion is based on the May 2021 consensus estimate of SAF revenue and other revenue adjustments agreed upon as part of the budget process. (As noted above for the GF/GP balances, the SFA will be releasing its updated economic forecast in late December or early January. The year-end balances in that report will differ from the ones shown here, which were based on the May estimates.) The FY 2020-21 estimated SAF expenditures are based on initial ongoing and one-time appropriations and enacted supplemental appropriations.

The second column of [Table 30](#) presents the SFA's estimate of the FY 2021-22 SAF year-end balance of \$1.1 billion. The FY 2021-22 projections also are based on the May 2021 consensus estimate of SAF revenue and other revenue adjustments. For FY 2021-22, SAF revenue adjustments include an \$85.4 million GF/GP grant; \$72.0 million from the Community District Education Trust Fund to pay the additional foundation allowance costs while the Detroit Public Schools' existing 18-mill property tax levy is diverted to pay off debt; and \$2.0 billion of Federal aid (of which \$1.8 billion is ongoing and \$202.0 million is one-time). Based on these assumptions, and including the \$1.7 billion estimated beginning balance, total FY 2021-22 estimated School Aid revenue is \$19.0 billion.

The FY 2021-22 estimated SAF expenditures are based on initial ongoing K-12 appropriations of \$16.4 billion and initial one-time K-12 appropriations of \$536.8 million. In addition, the SAF balance sheet reflects the continued use of SAF revenue to support the Community Colleges and Higher Education budgets. In the Community Colleges budget, the SAF allocation for FY 2021-22 is decreased by \$7.0 million below FY 2020-21 (due to a one-time supplemental adjustment of \$12.7 million in FY 2020-21) and continues to fully fund community colleges with SAF revenue at a level of \$431.4 million in FY 2021-22. The SAF partially supports the Higher Education budget with the allocation for FY 2021-22 of \$361.4 million. Across the two budgets, SAF support of postsecondary purposes totals \$792.8 million for FY 2021-22. The balance sheet also includes the SFA's estimate for a maintenance-of-effort cost related to Higher Education, totaling \$131.5 million for FY 2021-22.

Table 29

FY 2020-21 AND FY 2021-22 GENERAL FUND/GENERAL PURPOSE REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES (millions of dollars)		
	FY 2020-21 Year-to-Date	FY 2021-22 Initial
Beginning Balance	\$2,363.0	\$2,350.4
Ongoing Revenue:		
Consensus Revenue Estimate (May 2021)	\$11,276.8	\$11,673.1
Other Revenue Adjustments:		
Revenue Sharing Payments	(\$490.1)	(\$490.5)
Revenue Sharing Increase	0.0	(9.8)
Shift VMFII to Voucher Purchase	<u>0.0</u>	<u>75.0</u>
Subtotal Ongoing Revenue	\$10,786.7	\$11,247.8
Non-Ongoing Revenue:		
Reimbursement for Implementation of Recreational Marihuana	\$5.7	\$0.0
Legal Settlements/Redirection of Restricted Revenue	(2.6)	(2.6)
Restricted Revenue Redirected to GF	13.0	0.0
GF-equivalent Restricted Revenue	0.8	0.0
Increase unassigned fund balance - inventory; amount reduced in FY20	<u>155.9</u>	<u>0.0</u>
Subtotal Non-Ongoing Revenue	172.8	(2.6)
Total Estimated GF/GP Revenue	\$13,322.5	\$13,595.5
Expenditures:		
Ongoing Appropriations:		
Initial Ongoing Appropriations	<u>\$10,294.9</u>	<u>\$10,984.8</u>
Subtotal Ongoing Appropriations	\$10,294.9	\$10,984.8
One-Time and Other Appropriations:		
Estimated One-Time Appropriations	\$272.3	\$736.2
BSF Deposit	535.0	0.0
PA 87 of 2021 Boilerplate Appropriation	0.0	10.0
Enacted Supplementals	(165.0)	0.0
Federal Disallowed Psych DSH Costs	0.0	62.8
Additional K-12 GF Contribution (PA 146 and 165 of 2020)	0.0	11.5
Flint Settlement Debt Service	<u>35.0</u>	<u>35.0</u>
Subtotal One-Time and Other Appropriations	677.3	855.5
Total Estimated GF/GP Expenditures	\$10,972.2	\$11,840.3
PROJECTED YEAR-END GF/GP BALANCE	\$2,350.4	\$1,755.2

Table 30
FY 2020-21 AND FY 2021-22 SCHOOL AID FUND
REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES
(millions of dollars)

	FY 2020-21 Year-to-Date	FY 2021-22 Initial
Beginning Balance	\$1,190.5	\$1,705.3
Ongoing Revenue:		
Consensus Revenue Estimate (May 2021)	\$15,032.4	\$15,131.0
Other Revenue Adjustments:		
General Fund/General Purpose (GF/GP) Grant	\$54.5	\$73.9
Community District Education Trust Fund	79.8	72.0
Federal Ongoing Aid	<u>1,806.9</u>	<u>1,822.5</u>
Subtotal Ongoing Revenue	\$16,973.6	\$17,099.4
Non-Ongoing Revenue:		
Federal Stimulus	\$6,055.7	\$202.0
GF/GP for DPSCD Add'l Cost Exceeding CDTF \$72M/yr	<u>0.0</u>	<u>11.5</u>
Subtotal Non-Ongoing Revenue	6,055.7	\$213.5
Total Estimated School Aid Fund Revenue	\$24,219.8	\$19,018.2
Expenditures:		
Ongoing Appropriations:		
Initial Ongoing K-12 Appropriations	\$15,430.2	\$16,441.3
Fund Community Colleges with SAF	425.7	428.2
Partially Fund Higher Education with SAF	<u>356.1</u>	<u>361.4</u>
Subtotal Ongoing Appropriations	\$16,211.9	\$17,230.9
One-Time and Other Appropriations:		
Initial One-Time K-12 Appropriations	\$95.0	\$536.8
Initial One-Time Community College Appropriations	12.7	3.2
Higher Education Maintenance of Effort	0.0	131.5
Enacted Supplementals	6,194.9	0.0
Subtotal One-Time and Other Appropriations	6,302.6	671.5
Total Estimated School Aid Fund Expenditures	\$22,514.5	\$17,902.4
PROJECTED YEAR-END SCHOOL AID FUND BALANCE.....	\$1,705.3	\$1,115.8

ECONOMIC FORECAST AND REVENUE ESTIMATES

A. ECONOMIC FORECAST

The economic forecast on which the enacted FY 2021-22 State budget was based is the consensus economic forecast adopted at the May 2021 Consensus Revenue Estimating Conference (CREC). Under this consensus economic forecast, the US economy (as measured by inflation-adjusted Gross Domestic Product (GDP)) will expand 6.4% in 2021, with growth slowing to 4.4% in 2022 and 2.4% in 2023. Light vehicle sales will rise from 14.5 million units in 2020 to 16.9 million units in 2021, 17.0 million units in 2022, and 16.9 million units in 2023. The market share for the Detroit 3 automakers will remain relatively stable over the forecast period, at roughly 40% of the market. In 2021 and 2022, steady economic growth will result in Michigan employment growing more rapidly than at any time since the mid-1980s, although 2023 employment likely will remain almost 65,000 jobs below the 2019 level. Michigan personal income, adjusted for inflation, is expected to fall 0.1% in 2021 (reflecting lower levels of Federal fiscal stimulus in 2021 compared to 2020). As Federal fiscal stimulus is exhausted by 2022, inflation-adjusted personal income is expected to fall 3.3% in 2022 before rising 1.7% in 2023. In contrast, strong growth in employment will result in wage and salary income rising between 3.8% and 4.5% per year during the forecast period. Compared to 2019 and 2020, inflation will be higher, with the Detroit Consumer Price Index forecast to rise 1.9% in 2021, and 2.3% in both 2022 and 2023—although these increases are still less than the 2.4% rise experienced in 2018.

B. GENERAL FUND/GENERAL PURPOSE AND SCHOOL AID FUND REVENUE ESTIMATES

General Fund/General Purpose and SAF revenue from ongoing sources is expected to total \$26.8 billion in FY 2021-22, a 1.9% increase from the \$26.3 billion predicted to be received during FY 2020-21. The total revenue collected in a fiscal year includes two major types of revenue: 1) revenue from ongoing revenue sources, and 2) revenue from various revenue adjustments (such as tax changes and one-time sources, including beginning balances carried over from the previous year). The projected levels of revenue from ongoing revenue sources for these two fiscal years are the estimates adopted at the May 2021 CREC. Although combined GF/GP and SAF ongoing revenue is expected to increase 1.9% in FY 2021-22, total combined GF/GP and SAF revenue is expected to decrease 13.3%. The decline in total revenue reflects changes in revenue that is not ongoing, particularly Federal stimulus revenue in the SAF. The estimates of total revenue, as well as a breakdown between these two types of revenue, are presented in [Table 31](#) for both the GF/GP budget and the SAF for FY 2020-21 and FY 2021-22.

1. General Fund/General Purpose Revenue

- In FY 2021-22, GF/GP revenue is projected to total an estimated \$13.6 billion, an increase of 2.1%, or \$286.1 million, from the \$13.3 billion in revenue estimated for FY 2020-21, as shown in [Table 31](#). The increase in total GF/GP revenue reflects a slight \$12.7 million decrease in the beginning balance being more than offset by the \$396.3 million increase in ongoing GF/GP revenue. The growth in ongoing revenue during FY 2021-22 largely reflects the stronger economy during FY 2021-22 more than offsetting the growth in tax credits under the Michigan Business Tax (MBT) and declining corporate income tax revenue.
- The balance carried over from FY 2020-21 is expected to total \$2,350.4 million, which is \$12.7 million less than the \$2,363.0 million that was carried over from FY 2019-20.
- Revenue from ongoing sources during FY 2021-22 will total an estimated \$11.7 billion, which is 3.5%, or \$396.3 million, above the forecasted FY 2020-21 level.
- The increase in GF/GP ongoing revenue in FY 2021-22 primarily reflects several factors:
 - COVID-19-related economic impacts. Economic activity during FY 2020-21 has been affected by a variety of COVID-19-related factors, ranging from reductions in business activity; precautionary behavior by consumers, workers, and businesses; changes in labor force participation by workers; and a variety of COVID-19-related impacts on energy and commodity prices, and on supply chains and transportation. Many of these effects are expected to continue in some degree during at least a portion of FY 2021-22. However, during

FY 2020-21, the Federal government has implemented substantial measures to stimulate the economy and offset the negative impacts of COVID-19. Many of these measures were effective, allowing individual income tax withholding, sales tax revenue, and a variety of other revenue sources to generate greater revenue than would have occurred absent the measures. In some cases, the combination of negative COVID-19 issues and stimulus measures have resulted in significant swings in consumer behavior, which has complicated labor shortages and generally increased tax revenue (for example, lower levels of services consumption, which generally are not subject to sales taxes, and higher levels of goods consumption, which is generally subject to sales taxes). However, virtually all of these measures expired by the end of FY 2020-21 and stimulus impacts will fade rapidly during 2022. As a result, while many economic COVID-19-related impacts during calendar year 2022 are not expected to be as great as during FY 2020-21, they will not be offset by significant stimulus efforts. Furthermore, it is unknown how rapidly consumption prices and labor force participation will return to pre-COVID-19 levels. Combined, these factors will result in most major taxes exhibiting minimal revenue growth, and in some cases, generating less revenue in FY 2021-22 than they generated in FY 2020-21.

- The direct impact of Federal stimulus efforts on revenue. Offsetting the positive revenue impact of Federal stimulus efforts to stimulate the economy, many Federal stimulus provisions have directly lowered revenue by expanding exemptions and deductions. In FY 2020-21, those provisions are forecast to reduce individual income tax and corporate income tax revenue by \$1.2 billion (\$1.1 billion of it GF/GP revenue) but are expected to lower revenue by \$550.8 million (\$488.8 million GF/GP) in FY 2021-22. The reduced impact of these Federal provisions effectively adds approximately \$618.9 million (\$567.6 million GF/GP) to FY 2021-22 collections from these two taxes, accounting for more than all of the gain in net ongoing revenue in FY 2021-22.
- Policy changes affecting the individual income tax. Legislation enacted in 2015 as part of a road funding package both increased Homestead Property Tax Credits and redirected \$150.0 million in individual income tax revenue in FY 2018-19 and \$325.0 million in FY 2019-20 from the General Fund to the Michigan Transportation Fund (MTF). In 2018, the FY 2019-20 earmark to the MTF was increased by an additional \$143.0 million, bringing the total earmark of individual income tax revenue to the MTF to \$468.0 million. While the additional earmark does not affect FY 2021-22 revenue, the original 2015 legislation increased the earmark to \$600.0 million beginning in FY 2020-21. Because the earmark will not increase in FY 2021-22, individual income tax revenue to the General Fund will grow more rapidly than the underlying economic activity being taxed. Gross individual income tax collections are expected to increase 1.8% in FY 2021-22, but GF/GP revenue from the individual income tax will grow 7.3%. Offsetting these increases, the personal exemption is adjusted each year for inflation, and those adjustments will reduce individual income tax revenue by an additional \$33.7 million in FY 2021-22, of which \$32.4 million will lower GF/GP revenue (the remainder will lower SAF revenue).
- Other revenue diversions. Much like the redirections of individual income tax revenue to the MTF, the redirection of use tax revenue from the General Fund to the Local Community Stabilization Authority (LCSA) will increase by \$29.8 million. The LCSA distributes the redirected use tax revenue to local units in order to compensate them for revenue losses associated with personal property tax reform.
- Certificated Credits. While the MBT was effectively eliminated for most taxpayers beginning in 2012, some taxpayers continue to file an MBT return in order to claim certain tax credits that were awarded under the MBT and/or the Single Business Tax, which preceded the MBT. Net MBT is expected to total approximately negative \$592.9 million in FY 2021-22, as refunds exceed collections, a smaller subtraction than the negative \$626.9 million expected in FY 2020-21.

2. School Aid Fund

- Revenue going to the SAF will total an estimated \$19.0 billion in FY 2021-22, a decrease of 21.5%, or \$5.2 billion, from the SAF revenue estimate for FY 2020-21. The SAF revenue estimate is presented in [Table 31](#).
- Revenue from ongoing taxes and net lottery revenue earmarked to the SAF will total an estimated \$15.1 billion in FY 2021-22, up 0.7%, or \$98.6 million, from FY 2020-21, largely reflecting a return to more normal levels of lottery sales and the expiration of Federal stimulus measures that supported tax revenue in FY 2020-21.

- In addition to the revenue from the ongoing earmarked taxes, the SAF will receive an estimated \$2.2 billion during FY 2021-22. Most of this additional revenue reflects Federal aid, inclusive of Federal stimulus revenue, totaling an estimated \$2.0 billion. Additional SAF revenue also includes \$73.9 million in grants from the General Fund in FY 2021-22, up from a \$54.5 million grant in FY 2020-21, and \$72.0 million in revenue from the Community District Education Trust Fund in FY 2021-22, down slightly from \$79.8 million in FY 2020-21. The majority of the decline in SAF revenue in FY 2021-22 reflects the \$5.9 billion decline in Federal stimulus revenue available for SAF purposes.

Table 31

GENERAL FUND/GENERAL PURPOSE AND SCHOOL AID FUND REVENUE ESTIMATES FOR FY 2020-21 AND FY 2021-22 (millions of dollars)				
	FY 2020-21	FY 2021-22	\$ Change	% Change
GENERAL FUND/GENERAL PURPOSE				
Beginning Balance	\$2,363.0	\$2,350.4	(\$12.7)	---
Consensus Estimate From Ongoing Sources¹⁾:				
Net Income	\$6,793.9	\$7,289.1	\$495.2	7.3%
Michigan Business/Corporate Income Tax	757.2	605.0	(152.2)	(20.1)
Sales & Use Taxes	2,515.2	2,531.8	16.6	0.7
Tobacco Taxes	176.2	172.6	(3.6)	(2.0)
Alcoholic Beverage Taxes	121.0	122.0	1.0	0.8
Insurance Company Premiums	390.0	405.0	15.0	3.8
Telephone & Telegraph	32.0	32.0	0.0	0.0
Oil & Gas Severance	14.0	18.5	4.5	32.1
All Other Taxes	<u>106.0</u>	<u>114.0</u>	<u>8.0</u>	<u>7.5</u>
Subtotal Taxes	\$10,905.5	\$11,290.0	\$384.5	3.5%
Nontax Revenue	<u>371.3</u>	<u>383.2</u>	<u>11.9</u>	<u>3.2</u>
Subtotal Consensus Estimates Ongoing Revenue ¹⁾	\$11,276.8	\$11,673.1	\$396.3	3.5%
Revenue Adjustments:				
Revenue Sharing Payments	(\$490.1)	(\$490.5)	(\$0.4)	0.1%
Revenue Sharing Increase	0.0	(9.8)	(9.8)	---
Purchase Venture Michigan Fund Tax Vouchers	0.0	75.0	75.0	---
Increase Unassigned Fund Balance/Inventory, FY 20 Offset ..	155.9	0.0	(155.9)	---
Legal Settlements/Redirection of Restricted Revenue	(2.6)	(2.6)	0.0	---
Reimbursement, Implementation Medical Marihuana	5.7	0.0	(5.7)	---
General Fund-Equivalent Restricted Revenue	<u>0.8</u>	<u>0.0</u>	<u>(0.8)</u>	---
Subtotal Revenue Adjustments	(\$330.3)	(\$427.9)	(\$97.6)	29.6%
TOTAL GF/GP REVENUE	\$13,309.6	\$13,595.6	\$286.1	2.1%

Table 31 - continued

GENERAL FUND/GENERAL PURPOSE AND SCHOOL AID FUND REVENUE ESTIMATES FOR FY 2020-21 AND FY 2021-22 (millions of dollars)				
	FY 2020-21	FY 2021-22	\$ Change	% Change
SCHOOL AID FUND				
Beginning Balance	\$1,190.5	\$1,705.3	\$514.8	----
Consensus Estimate From Ongoing Sources¹⁾:				
Sales & Use Taxes	\$7,324.3	\$7,391.0	\$66.7	0.9%
Income Tax	3,188.2	3,245.4	57.2	1.8
State Education Property Tax	2,267.6	2,324.3	56.7	2.5
Real Estate Transfer Tax	433.6	402.4	(31.2)	(7.2)
Tobacco Taxes	325.3	318.2	(7.1)	(2.2)
Casino Wagering Tax	134.9	181.7	46.8	34.7
Other Tax Revenue	150.4	174.1	23.7	15.8
Subtotal Taxes	\$13,824.3	\$14,037.1	\$212.8	1.5%
Lottery	1,208.1	1,093.9	(114.2)	(9.5)
Subtotal Consensus Estimates Ongoing Revenue ¹⁾	\$15,032.4	\$15,131.0	\$98.6	0.7%
Other Revenue:				
General Fund Grant & One-Time GF Deposit	\$54.5	\$73.9	\$19.4	35.6%
Community District Education Trust Fund	79.8	72.0	(7.8)	(9.8)
Federal Stimulus Revenue	6,055.7	202.0	(5,853.7)	(96.7)
Reserve Fund for MPSERS	0.0	0.0	0.0	----
CEPI Work Project Lapses	0.0	0.0	0.0	----
GF/GP for DPSCD, Cost for Exceeding CDTF	0.0	11.5	11.5	----
Federal Aid	1,806.9	1,822.5	15.6	0.9
Subtotal Other Revenue	\$7,996.9	\$2,181.9	\$(5,815.0)	(72.7%)
TOTAL SAF REVENUE	\$24,219.8	\$19,018.2	(\$5,201.6)	(21.5%)
TOTAL GF/GP AND SAF:				
Beginning Balances	\$3,553.5	\$4,055.7	\$502.1	14.1%
Consensus Estimate Ongoing Revenue	26,309.2	26,804.1	494.9	1.9
Other Revenue ²⁾	7,612.1	1,680.1	(5,932.1)	(77.9)
TOTAL REVENUE²⁾	\$37,474.9	\$32,539.9	(\$4,935.0)	(13.2%)
¹⁾ May 2021 Consensus Revenue Estimating Conference.				
²⁾ Total and other revenue excludes GF/GP grant to SAF.				

C. BUDGET AND ECONOMIC STABILIZATION FUND

Michigan's cyclical economy can produce significant swings in the rate of growth, or decline, in tax revenue from one year to the next. To help smooth the flow of revenue over the economic cyclical swings, Michigan created the Counter-Cyclical Budget and Economic Stabilization Fund in 1977. This Fund, more commonly referred to as the Budget Stabilization Fund, is designed to be a cash reserve to which the State adds money during good economic times and from which it withdraws money during poor economic years. Having the money available during poor economic years helps the State avoid having to cut spending and/or increase taxes, and therefore helps stabilize the State budget and the tax structure.

A formula based on personal income growth is used to indicate when economic conditions justify transfers into and out of the BSF. However, all transfers into and out of the BSF must be appropriated by the Legislature and approved by the Governor. In addition, the Legislature and the Governor may appropriate funds into and from the BSF even if these formulas do not trigger a transfer. Historically, most of the BSF transactions have not been directly tied to the formulas but have been made at the will of the Legislature and Governor.

As shown in [Table 32](#), the BSF ended FY 2019-20 with a balance of \$829.1 million. The budget for FY 2020-21 appropriated \$17.5 million of tobacco settlement revenue and an additional deposit of \$535.0 million from the General Fund. The enacted budget for FY 2021-22 includes \$17.5 million of tobacco settlement revenue into the BSF. Under the May 2021 consensus revenue estimates, the formulas do not calculate either a pay-in or withdrawal in FY 2021-22. The BSF is expected to end FY 2021-22 with a balance of \$1,401.3 million.

D. CONSTITUTIONAL REVENUE LIMIT

The Michigan Constitution places a limit on the amount of revenue State government may collect in any fiscal year. The limit essentially requires that total revenue, excluding Federal aid, not exceed 9.49% of personal income.

- As shown in [Table 33](#), revenue subject to the limit has been well below the limit in recent years and revenue is expected to remain considerably below the constitutional limit through FY 2021-22.
- In FY 2008-09, revenue subject to the limit fell below the limit by the greatest margin in the history of the limit: approximately \$8.0 billion or 24.3%; although the greatest absolute amount by which revenue was below the limit was in FY 2019-20, when revenue was \$11.9 billion or 21.0% below the limit.
- In FY 2019-20, the gap between revenue and the limit increased from \$9.7 billion in FY 2018-19 to \$11.9 billion or 21.0%, reflecting revenue growing more slowly (a 0.1% increase) than the 5.2% increase in personal income during 2018—the base year used to compute the FY 2019-20 revenue limit.
- In FY 2020-21, the gap between revenue and the limit is estimated to decrease to \$10.5 billion, or 22.4%, reflecting 6.3% revenue growth during FY 2020-21 combined with 1.6% growth in personal income in 2019—the base year used to compute the FY 2020-21 revenue limit.
- It is estimated that the gap between revenue and the limit will increase to \$13.3 billion or 26.5% in FY 2021-22, reflecting revenue subject to the limit growing at 1.8% and more slowly than the 7.4% increase in personal income. If the estimate is correct, the gap between revenue and the limit in FY 2021-22 will be a new record for both the absolute size of the gap as well as the percentage by which revenue is below the limit.

Table 32

BUDGET AND ECONOMIC STABILIZATION FUND TRANSFERS, EARNINGS, AND FUND BALANCE FY 1997-98 TO FY 2021-22 ESTIMATE (millions of dollars)				
Fiscal Year	Pay-In	Interest Earned	Pay-Out	Fund Balance
1997-98	\$0.0	\$60.1	\$212.0	\$1,000.5
1998-99	244.4	51.2	73.7	1,222.5
1999-2000	100.0	73.9	132.0	1,264.4
2000-01	0.0	66.7	337.0	994.2
2001-02	0.0	20.8	869.8	145.1
2002-03	0.0	1.8	147.0	0.0
2003-04	81.3	0.0	0.0	81.3
2004-05	0.0	2.0	81.3	2.0
2005-06	0.0	0.0	0.0	2.0
2006-07	0.0	0.1	0.0	2.1
2007-08	0.0	0.1	0.0	2.2
2008-09	0.0	0.0	0.0	2.2
2009-10	0.0	0.0	0.0	2.2
2010-11	0.0	0.0	0.0	2.2
2011-12	362.7	0.2	0.0	365.1
2012-13	140.0	0.5	0.0	505.6
2013-14	75.0	0.4	194.8	386.2
2014-15	111.5	0.4	0.0	498.1
2015-16	112.5	1.8	0.0	612.4
2016-17	92.5	5.1	0.0	710.0
2017-18	282.5	13.5	0.0	1,006.0
2018-19	117.5	25.1	0.0	1,148.6
2019-20	17.5	13.0	350.0	829.1
Estimates:				
2020-21	552.5	0.8	0.0	1,382.4
2021-22	17.5	1.4	0.0	1,401.3

Table 33

**COMPLIANCE WITH CONSTITUTIONAL REVENUE LIMIT
FY 1997-98 TO FY 2021-22
(millions of dollars)**

Fiscal Year	Revenue Subject to Limit	Revenue Limit	Under (Over) Limit
1997-98	\$22,072.3	\$22,712.4	\$640.1
1998-99	23,208.5	23,186.8	(21.7)
1999-2000	24,362.9	24,203.2	(159.7)
2000-01	23,907.6	26,315.4	2,407.8
2001-02	23,546.0	27,463.1	3,917.1
2002-03	24,061.6	28,243.1	4,181.5
2003-04	24,384.7	28,825.4	4,440.7
2004-05	25,626.8	29,842.3	4,215.5
2005-06	25,814.2	30,760.3	4,946.1
2006-07	26,118.4	31,440.7	5,322.3
2007-08	27,716.3	32,368.0	4,651.7
2008-09	24,838.6	32,824.5	7,985.9
2009-10	25,572.6	33,178.2	7,605.6
2010-11	27,248.2	32,829.0	5,580.8
2011-12	27,288.3	32,518.7	5,230.4
2012-13	28,102.0	33,988.6	5,886.6
2013-14	27,432.5	35,914.2	8,481.7
2014-15	29,277.6	36,676.1	7,398.5
2015-16	30,188.4	38,313.6	8,125.2
2016-17	31,109.2	40,314.2	9,205.0
2017-18	32,956.1	41,695.4	8,739.3
2018-19	34,011.3	43,679.6	9,668.3
2019-20	34,052.0	45,934.4	11,882.5
Estimates: ¹⁾			
2020-21	36,198.7	46,655.9	10,457.2
2021-22	36,833.5	50,116.0	13,282.5

¹⁾ May 2021 Consensus Revenue Estimating Conference.

BUDGET AREA DETAIL

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
PA 87 of 2021 – ARTICLE 1**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	519.0	520.0	440.1	519.0	521.0	2.0	0.4
GROSS	124,895,000	116,252,300	122,277,300	119,330,300	155,560,300	30,665,300	24.6
Less:							
Interdepartmental Grants Received	324,400	320,000	320,000	320,000	320,000	(4,400)	(1.4)
ADJUSTED GROSS	124,570,600	115,932,300	121,957,300	119,010,300	155,240,300	30,669,700	24.6
Less:							
Federal Funds	16,729,500	13,599,800	13,599,800	13,599,800	13,599,800	(3,129,700)	(18.7)
Local and Private	71,300	71,300	71,300	71,300	71,300	0	0.0
TOTAL STATE SPENDING	107,769,800	102,261,200	108,286,200	105,339,200	141,569,200	33,799,400	31.4
Less:							
Other State Restricted Funds	44,153,000	44,377,300	44,152,300	44,202,300	44,202,300	49,300	0.1
GENERAL FUND/GENERAL PURPOSE ...	63,616,800	57,883,900	64,133,900	61,136,900	97,366,900	33,750,100	53.1
PAYMENTS TO LOCALS	8,800,000	8,800,000	11,800,000	8,800,000	11,800,000	3,000,000	34.1

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | | |
|---|------------------------|----------------------------------|
| <p>1. Agriculture Nutrient Best Management Voluntary Practices Program. The budget includes \$25.0 million GF/GP for an agricultural nutrient best management voluntary practices program, in which the Department will administer a pilot program to support the implementation of agricultural nutrient best management practices with the goal of water quality improvement, including a reduction of phosphorus levels, in the western Lake Erie basin. The program will spend funds for grants, cost sharing, incentives, technical support, soil or water testing, and education and outreach.</p> | <p>Gross
GF/GP</p> | <p>25,000,000
25,000,000</p> |
| <p>2. Farm Innovation Grants. The budget includes a Farm Innovation Grant Program to support innovative solutions to real, immediate, and future farm problems faced by Michigan's agricultural industry. All in-state universities, colleges, community colleges, tech centers, technology incubators, and research centers are eligible to apply for and receive grant funding.</p> | <p>Gross
GF/GP</p> | <p>3,180,000
3,180,000</p> |
| <p>3. Local Conservation Districts. The budget includes \$3.0 million GF/GP for local conservation districts, which will be distributed in equal amounts to local conservation districts in Michigan that were in operation as of April 15, 2021.</p> | <p>Gross
GF/GP</p> | <p>3,000,000
3,000,000</p> |
| <p>4. Bovine TB Quarantine - Producer Reimbursement. The budget includes \$400,000 in GF/GP financial assistance to livestock producers for costs of maintaining livestock under quarantine issued under Section 12 of the Animal Industry Act, MCL 287.712. Costs eligible for reimbursement include those for feed, bedding, veterinary care, and electronic monitoring devices incurred not less than 30 days after the date of the quarantine, limited to \$20,000 to any one producer.</p> | <p>Gross
GF/GP</p> | <p>400,000
400,000</p> |

B. PROGRAM INCREASES

- | | | |
|---|------------------------|--------------------------------|
| <p>1. Agriculture Equine Industry Development Fund. The budget includes \$3.2 million GF/GP to be deposited into the Michigan Agriculture Equine Industry Development Fund created under Section 320 of the Horse Racing Law, MCL 431.320. All funds in the Agriculture Equine Industry Development Fund are appropriated and available for expenditure under Section 320 of the Law, MCL 431.320.</p> | <p>Gross
GF/GP</p> | <p>3,200,000
3,200,000</p> |
|---|------------------------|--------------------------------|

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

<p>2. County Fairs, Shows, and Exhibitions. The budget includes a one-time increase of \$1,950,000 GF/GP for a grant program to assist in the promotion of building improvements or other capital improvements at county fairgrounds of the State and to provide financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in Michigan. Total appropriations for the program for FY 2021-22 is \$2,450,000 GF/GP.</p>	<p>Gross 1,950,000 GF/GP 1,950,000</p>
<p>3. Fair Food Network - Double Up Food Bucks. The budget includes a one-time increase of \$1.1 million GF/GP for the program designed to support the purchase of healthier food by food assistance program recipients. This addition results in a total appropriation of \$2.0 million for FY 2021-22, which includes \$900,000 GF/GP in existing ongoing appropriations.</p>	<p>Gross 1,100,000 GF/GP 1,100,000</p>
<p>4. Maintenance and Support for Licensing and Inspection Systems. The budget includes an additional \$254,900 gross (\$44,900 restricted and \$210,000 GF/GP) to support needed maintenance and support costs for licensing and inspection programs.</p>	<p>FTE 1.0 Gross 254,900 Restricted 44,900 GF/GP 210,000</p>
<p>5. Rural Development Specialist. The budget includes \$175,000 in additional GF/GP funding to establish a new position that would specialize in rural development efforts.</p>	<p>FTE 1.0 Gross 175,000 GF/GP 175,000</p>
<p>6. Laboratory Integration of Food Safety System. The budget includes \$600,000 in Federal funds to assist in the integration of the Department's food safety system.</p>	<p>Gross 600,000 Federal 600,000 GF/GP 0</p>

C. PROGRAM ELIMINATIONS

<p>1. Conservation Reserve Enhancement Program - One Time. The budget removed one-time appropriations of \$4.4 million GF/GP to reestablish the Conservation Reserve Enhancement Program, a partnership between the State, the Federal government, and MDARD, designed to reduce nonpoint source pollution from crop production.</p>	<p>Gross (4,400,000) GF/GP (4,400,000)</p>
<p>2. Specialty Crop Block Grant Program. The budget eliminates a one-time appropriation of \$2.6 million Federal for a grant program to promote specialty crops in the State.</p>	<p>Gross (2,600,000) Federal (2,600,000) GF/GP 0</p>

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

D. PROGRAM REDUCTIONS

<p>1. Farm Stress Program. The budget includes the reduction of a grant program designed to assist farmers and other agriculture workers with problems of stress, leaving a FY 2021-22 appropriation of \$225,000 GF/GP.</p>	<p>Gross (275,000) Federal (500,000) GF/GP 225,000</p>
<p>2. Information Technology Technical Adjustment. The budget includes an adjustment to reflect actual revenue to be received in FY 2021-22.</p>	<p>Gross (3,900) IDG (3,200) Restricted (700) GF/GP 0</p>

E. FUNDING SHIFTS

<p>Pesticide and Plant Pest Management. The budget includes a funding shift to reflect actual revenue to be received in FY 2021-22.</p>	<p>Gross 0 Federal (101,800) Restricted 101,800 GF/GP 0</p>
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F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

<p>The budget increases Gross funding for the unclassified salaries line item from \$599,900 to \$617,900.</p>	<p>Gross 18,000 GF/GP 18,000</p>
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I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

<p>The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective</p>	<p>Gross (433,700) IDGs (1,200) Federal (27,900) Restricted (96,700) GF/GP (307,900)</p>
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October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

K. ONE-TIME APPROPRIATIONS

The budget identifies \$36,055,000 of FY 2021-22 one-time appropriations, and eliminates \$7,500,00 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Agriculture Nutrient Best Management Voluntary Practices Program	\$25,000,000	\$25,000,000
Agriculture Equine Industry Development Fund	3,200,000	3,200,000
Farm Innovation Grant Program	3,180,000	3,180,000
County Fairs, Shows, and Expositions	1,950,000	1,950,000
Fair Food Network - Double Up Food Bucks	1,100,000	1,100,000
Local Conservation Districts	3,000,000	3,000,000
Bovine TB Quarantine - Producer Reimbursement	400,000	400,000
Farm Stress Program.....	225,000	225,000
Subtotal.....	\$36,055,000	\$36,055,000
FY 2020-21 Elimination of One-Time Appropriations		
Conservation Reserve Enhancement Program	(\$4,400,000)	(\$4,400,000)
Specialty Crop Block Grant Program.....	(2,600,000)	0
Farm Stress Program.....	(500,000)	0
Subtotal.....	(\$7,500,000)	(\$4,400,000)

L. VETOES - NONE

**DEPARTMENT OF ATTORNEY GENERAL
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	537.4	541.4	0.0	541.4	541.4	4.0	0.7
GROSS	106,978,600	107,338,800	106,444,700	26,497,500	108,398,800	1,420,200	1.3
Less:							
Interdepartmental Grants Received	35,285,800	35,083,600	35,083,600	8,771,300	35,083,600	(202,200)	(0.6)
ADJUSTED GROSS	71,692,800	72,255,200	71,361,100	17,726,200	73,315,200	1,622,400	2.3
Less:							
Federal Funds	9,906,100	9,868,400	9,868,400	2,467,200	9,868,400	(37,700)	(0.4)
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	61,786,700	62,386,800	61,492,700	15,259,000	63,446,800	1,660,100	2.7
Less:							
Other State Restricted Funds	20,488,300	20,390,800	20,390,800	5,098,200	20,390,800	(97,500)	(0.5)
GENERAL FUND/GENERAL PURPOSE ...	41,298,400	41,996,000	41,101,900	10,160,800	43,056,000	1,757,600	4.3
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | | |
|--|------------------------|----------------------------|
| <p>1. Address Confidentiality Program. The budget includes \$500,000 GF/GP as a one-time appropriation for an online system to assist crime victims who wish to protect their personal information.</p> | <p>Gross
GF/GP</p> | <p>500,000
500,000</p> |
| <p>2. Clean Slate for Michigan. The budget includes \$560,000 GF/GP for costs related to recently passed criminal records expungement legislation, particularly the manual review of records.</p> | <p>Gross
GF/GP</p> | <p>560,000
560,000</p> |

B. PROGRAM INCREASES

<p>NextGen Case and Data Management. The budget includes \$1.1 million GF/GP for the continued development and implementation of the NextGen Case and Data Management system for the Prosecuting Attorneys Coordinating Council.</p>	<p>Gross GF/GP</p>	<p>1,060,000 1,060,000</p>
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C. PROGRAM ELIMINATIONS

<p>Document Management. The budget removes \$150,000 GF/GP appropriated in FY 2020-21 for document management related to the clergy abuse investigation.</p>	<p>Gross GF/GP</p>	<p>(150,000) (150,000)</p>
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D. PROGRAM REDUCTIONS - NONE

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

<p>The budget increases Gross funding for the unclassified salaries line item from \$828,500 to \$853,400.</p>	<p>Gross GF/GP</p>	<p>24,900 24,900</p>
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I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(574,700)
IDG	(202,200)
Federal	(37,700)
Restricted	(97,500)
GF/GP	(237,300)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$1.6 million of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$0 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
NextGen Case and Document Management System.....	\$1,060,000	\$1,060,000
Address Confidentiality Program	500,000	500,000
Subtotal.....	\$1,560,000	\$1,560,000

L. VETOES - NONE

**DEPARTMENT OF CIVIL RIGHTS
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	110.0	109.0	69.9	109.0	109.0	(1.0)	(0.9)
GROSS	18,037,400	17,584,100	17,812,300	4,249,300	17,834,100	(203,300)	(1.1)
Less:							
Interdepartmental Grants Received	299,800	298,900	298,900	74,700	298,900	(900)	(0.3)
ADJUSTED GROSS	17,737,600	17,285,200	17,513,400	4,174,600	17,535,200	(202,400)	(1.1)
Less:							
Federal Funds	2,868,200	2,850,700	2,850,700	712,800	2,850,700	(17,500)	(0.6)
Local and Private	18,700	18,700	18,700	4,700	18,700	0	0.0
TOTAL STATE SPENDING	14,850,700	14,415,800	14,644,000	3,457,100	14,665,800	(184,900)	(1.2)
Less:							
Other State Restricted Funds	58,500	58,500	58,500	14,600	58,500	0	0.0
GENERAL FUND/GENERAL PURPOSE ...	14,792,200	14,357,300	14,585,500	3,442,500	14,607,300	(184,900)	(1.2)
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

Crimes of Discrimination and Discrimination Awareness Outreach. The budget includes new one-time funding for the Department to conduct public outreach about criminal activity primarily motivated by discrimination and ethnic intimidation during the COVID-19 pandemic.

Gross	250,000
GF/GP	250,000

B. PROGRAM INCREASES - NONE

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS - NONE

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS

Women's Commission. The budget transfers all funding for the Women's Commission to the Department of Labor and Economic Opportunity.

Gross	(366,800)
GF/GP	(366,800)

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$725,600 to \$747,400.

Gross	21,800
GF/GP	21,800

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(108,300)
IDG	(900)
Federal	(17,500)
GF/GP	(89,900)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$250,000 of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$0 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Crimes of Discrimination and Discrimination Awareness Outreach	\$250,000	\$250,000
Subtotal	\$250,000	\$250,000

L. VETOES - NONE

**COMMUNITY COLLEGES
PA 86 of 2021 - ARTICLE 2**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	438,363,600	434,653,600	434,653,600	449,955,000	431,417,000	(6,946,600)	(1.6)
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	438,363,600	434,653,600	434,653,600	449,955,000	431,417,000	(6,946,600)	(1.6)
Less:							
Federal Funds	0	0	0	0	0	0	0.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	438,363,600	434,653,600	434,653,600	449,955,000	431,417,000	(6,946,600)	(1.6)
Less:							
Other State Restricted Funds	438,363,600	434,653,600	434,653,600	445,266,900	431,417,000	(6,946,600)	(1.6)
GENERAL FUND/GENERAL PURPOSE ...	0	0	0	4,688,100	0	0	0.0
PAYMENTS TO LOCALS	438,363,600	434,653,600	434,653,600	449,955,000	431,417,000	(6,946,600)	(1.6)

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

- | | | |
|--|---|--|
| <p>1. Community College Operations. The budget includes a one-time increase of 1.0% to be distributed as a one-time performance funding payment outside of base State operations payments. That increase will be distributed using the current statutory funding formula for community colleges.</p> | <p>Gross</p> <p>Restricted</p> <p>GF/GP</p> | <p>3,236,500</p> <p>3,236,500</p> <p>0</p> |
| <p>2. MPSERS Unfunded Accrued Actuarial Liability (UAAL) Stabilization Payments. The budget includes an increase for this item to reflect an increase in the State's share of costs above the statutory cap. The increase is largely because of updated payroll growth assumptions. This change brings total MPSERS UAAL stabilization payments for community colleges to \$87.2 million.</p> | <p>Gross</p> <p>Restricted</p> <p>GF/GP</p> | <p>3,300,000</p> <p>3,300,000</p> <p>0</p> |

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

- | | | |
|--|---|--|
| <p>1. FY 2020-21 One-Time Operational Support Payments. The budget includes a one-time supplemental payment for FY 2020-21, but does not carry that payment into the base for FY 2021-22. This item reflects the removal of the payment in the FY 2021-22 budget.</p> | <p>Gross</p> <p>Restricted</p> <p>GF/GP</p> | <p>(12,696,000)</p> <p>(12,696,000)</p> <p>0</p> |
| <p>2. MPSERS Normal Cost Offset. The budget reduces this item to a total of \$11.7 million. The change reflects the amount necessary to make required payments at the current assumed rate of return for MPSERS of 6.8%.</p> | <p>Gross</p> <p>Restricted</p> <p>GF/GP</p> | <p>(694,000)</p> <p>(694,000)</p> <p>0</p> |
| <p>3. North American Indian Tuition Waiver (ITW) Reimbursement Adjustment. The budget reduces ITW reimbursements to \$1.7 million to reflect the most recent waiver cost data provided by community colleges.</p> | <p>Gross</p> <p>Restricted</p> <p>GF/GP</p> | <p>(93,100)</p> <p>(93,100)</p> <p>0</p> |

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES - NONE

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS - NONE

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

K. ONE-TIME APPROPRIATIONS

The budget identifies \$3.2 million of FY 2021-22 one-time appropriations, and eliminates \$12.7 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
One-time performance funding	\$3,236,500	\$0
Subtotal	\$3,236,500	\$0
FY 2020-21 Elimination of One-Time Appropriations		
One-time operational support payments	(\$12,696,000)	\$0
Subtotal	(\$12,696,000)	\$0

L. VETOES

Line Item or Boilerplate Language	Gross	GF/GP
Sec. 201(7) Pregnant and parenting support services	\$500,000	\$0
Sec. 226f Pregnant and parenting support services.....	0	0
Subtotal	\$500,000	\$0

FY 2021-22 Community College Appropriations - Initial Appropriations

College	FY 2020-21 Ongoing Appropriations ¹			FY 2021-22 Adjustments											
	Operations	ITW Reimburse.	Year-To-Date	30.0% Sustainability	10.0% Performance Improvement	10.0% Performance Completion	10.0% Performance Completion Rate	25.0% Contact Hours	5.0% Administrative Costs	5.0% Local Strategic Value	Total Formula Distribution	Non-Formula Adjustments	Total Adjustments	FY 2020-21 Appropriation	Percent Change
Alpena	\$5,753,300	\$14,200	\$5,767,500	\$17,260	\$6,098	\$3,728	\$8,237	\$8,831	\$6,360	\$2,877	\$53,400	\$9,700	\$63,100	\$5,830,600	1.1%
Bay de Noc	5,602,800	116,700	5,719,500	16,808	10,583	3,983	8,058	10,143	5,600	2,801	58,000	(5,100)	52,900	5,772,400	0.9%
Delta	15,160,500	47,700	15,208,200	45,481	13,265	13,249	15,581	42,214	6,029	7,580	143,400	12,400	155,800	15,364,000	1.0%
Glen Oaks	2,651,200	0	2,651,200	7,953	8,658	1,723	5,720	7,159	772	1,326	33,300	0	33,300	2,684,500	1.3%
Gogebic	4,873,700	49,600	4,923,300	14,621	3,899	2,158	8,151	6,158	4,933	2,437	42,400	2,400	44,800	4,968,100	0.9%
Grand Rapids	18,773,100	233,900	19,007,000	56,319	18,773	21,218	18,509	90,433	6,884	9,386	221,500	(35,300)	186,200	19,193,200	1.0%
Henry Ford	22,533,100	24,500	22,557,600	67,598	18,026	15,526	18,026	68,372	6,992	11,266	205,800	(9,500)	196,300	22,753,900	0.9%
Jackson	12,756,200	58,000	12,814,200	38,268	12,337	8,577	10,205	27,713	6,445	6,378	109,900	(11,800)	98,100	12,912,300	0.8%
Kalamazoo Valley	13,099,900	63,800	13,163,700	39,299	14,730	10,996	13,837	41,668	7,271	6,550	134,400	22,300	156,700	13,320,400	1.2%
Kellogg	10,267,100	61,600	10,328,700	30,801	11,410	9,365	11,762	25,273	7,017	5,133	100,800	(10,300)	90,500	10,419,200	0.9%
Kirtland	3,358,400	36,400	3,394,800	17,108	10,075	6,439	3,259	2,687	9,445	5,529	39,100	(29,900)	9,200	3,404,000	0.3%
Lake Michigan	5,702,700	8,600	5,711,300	17,108	4,562	4,774	4,562	15,338	3,210	2,851	52,400	4,500	56,900	5,768,200	1.0%
Lansing	32,852,000	158,000	33,010,000	98,555	29,400	27,752	29,800	72,160	6,467	16,426	280,600	(35,300)	245,300	33,255,300	0.7%
Macomb	34,276,100	43,400	34,319,500	102,827	27,421	30,151	31,025	114,684	7,022	17,138	330,300	(20,100)	310,200	34,629,700	0.9%
Mid Michigan	5,184,400	124,800	5,309,200	15,553	4,147	5,308	7,494	18,486	4,621	2,592	58,000	29,100	87,100	5,396,300	1.6%
Monroe	4,746,200	500	4,746,700	14,238	5,599	4,482	3,797	14,466	6,264	2,373	51,200	200	51,400	4,798,100	1.1%
Montcalm	3,570,600	7,100	3,577,700	10,712	4,614	3,860	2,856	7,510	5,903	1,785	37,200	(2,300)	34,900	3,612,600	1.0%
Mott	16,440,000	24,000	16,464,000	49,319	13,152	14,802	13,152	37,649	6,199	8,220	142,500	17,000	159,500	16,623,500	1.0%
Muskegon	9,289,100	73,900	9,363,000	27,867	7,431	6,623	10,953	20,776	6,767	4,644	85,100	(16,400)	68,700	9,431,700	0.7%
North Central	3,389,300	173,400	3,562,700	10,168	4,477	3,605	6,108	10,097	6,060	1,695	42,200	7,800	50,000	3,612,700	1.4%
Northwestern	9,567,100	276,000	9,843,100	28,701	9,795	7,024	11,324	21,188	5,757	4,783	88,600	(24,800)	63,800	9,906,900	0.6%
Oakland	22,211,700	35,100	22,246,800	66,634	21,522	29,523	21,311	83,529	6,405	11,106	240,000	(1,600)	238,400	22,485,200	1.1%
Schoolcraft	13,196,200	40,300	13,236,500	39,588	10,557	17,198	14,039	56,624	7,139	6,598	151,700	(1,500)	150,200	13,386,700	1.1%
Southwestern	6,979,400	37,200	7,016,600	20,938	16,150	4,768	5,583	12,772	4,709	3,490	68,400	(3,100)	65,300	7,081,900	0.9%
St. Clair	7,385,200	3,400	7,388,600	22,155	6,409	8,444	9,837	22,470	5,349	3,693	78,400	11,700	90,100	7,478,700	1.2%
Washtenaw	13,855,900	32,300	13,888,200	41,567	11,085	39,802	14,892	68,438	6,660	6,928	189,400	3,000	192,400	14,080,600	1.4%
Wayne County	17,593,400	14,900	17,608,300	52,780	21,012	19,651	14,075	51,808	5,554	8,797	173,700	100	173,800	17,782,100	1.0%
West Shore	2,585,600	26,500	2,612,100	7,757	2,099	2,103	2,068	5,544	3,908	1,293	24,800	(6,300)	18,500	2,630,600	0.7%
Subtotal Operations:	\$323,654,200	\$1,785,800	\$325,440,000	\$970,950	\$323,650	\$323,650	\$323,650	\$970,950	\$161,825	\$161,825	\$3,236,500	(\$93,100)	\$3,143,400	\$328,583,400	1.0%
MPERS Normal Cost Offset			\$12,394,000									(\$694,000)	(\$694,000)	\$11,700,000	(5.6%)
MPERS Retiree Health Care			1,733,600									0	0	1,733,600	0.0%
MPERS Reform Costs			83,900,000									3,300,000	3,300,000	87,200,000	3.9%
Pregnant and Parenting Student Svcs.			0									0 ²	0 ²	0 ²	N/A
Renaissance Zone Reimbursements			2,200,000									0	0	2,200,000	0.0%
Total Appropriations:			\$425,667,600	\$970,950	\$323,650	\$323,650	\$323,650	\$970,950	\$161,825	\$161,825	\$3,236,500	\$2,512,900	\$5,749,400	\$431,417,000	1.4%
State School Aid Fund			425,667,600	970,950	323,650	323,650	323,650	970,950	161,825	161,825	3,236,500	2,512,900	5,749,400	431,417,000	1.4%
GF/GP			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%

¹ Ongoing appropriations do not include \$12.7 million in Operational Supplement payments that were made to colleges in FY 2020-21 as part of the FY 2021-22 budget.

² \$500,000 for Pregnant and Parenting Student Services was vetoed.

FY 2021-22 Community College Appropriations

College	FY 2020-21 Year-To-Date ¹	FY 2021-22 Governor's Recommendation			FY 2021-22 Senate			FY 2021-22 House			FY 2021-22 Initial Appropriations		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,767,500	\$116,500	\$5,884,000	2.0%	\$116,500	\$5,884,000	2.0%	\$587,400	\$6,354,900	10.2%	\$63,100	\$5,830,600	1.1%
Bay de Noc	5,719,500	110,900	5,830,400	1.9	110,900	5,830,400	1.9	566,300	6,285,800	9.9	52,900	5,772,400	0.9
Delta	15,208,200	299,200	15,507,400	2.0	299,200	15,507,400	2.0	1,487,100	16,695,300	9.8	155,800	15,364,000	1.0
Glen Oaks	2,651,200	66,700	2,717,900	2.5	66,700	2,717,900	2.5	265,100	2,916,300	10.0	33,300	2,684,500	1.3
Gogebic	4,923,300	87,100	5,010,400	1.8	87,100	5,010,400	1.8	495,000	5,418,300	10.1	44,800	4,968,100	0.9
Grand Rapids	19,007,000	407,700	19,414,700	2.1	407,700	19,414,700	2.1	1,861,900	20,868,900	9.8	186,200	19,193,200	1.0
Henry Ford	22,557,600	402,100	22,959,700	1.8	402,100	22,959,700	1.8	875,600	23,433,200	3.9	196,300	22,753,900	0.9
Jackson	12,814,200	208,000	13,022,200	1.6	208,000	13,022,200	1.6	566,300	13,380,500	4.4	98,100	12,912,300	0.8
Kalamazoo Valley	13,163,700	291,000	13,454,700	2.2	291,000	13,454,700	2.2	1,340,900	14,504,600	10.2	156,700	13,320,400	1.2
Kellogg	10,328,700	191,200	10,519,900	1.9	191,200	10,519,900	1.9	955,500	11,284,200	9.3	90,500	10,419,200	0.9
Kirtland	3,394,800	48,400	3,443,200	1.4	48,400	3,443,200	1.4	306,600	3,701,400	9.0	9,200	3,404,000	0.3
Lake Michigan	5,711,300	109,300	5,820,600	1.9	109,300	5,820,600	1.9	576,100	6,287,400	10.1	56,900	5,768,200	1.0
Lansing	33,010,000	525,800	33,535,800	1.6	525,800	33,535,800	1.6	0	33,010,000	0.0	245,300	33,255,300	0.7
Macomb	34,319,500	640,400	34,959,900	1.9	640,400	34,959,900	1.9	105,800	34,425,300	0.3	310,200	34,629,700	0.9
Mid Michigan	5,309,200	145,500	5,454,700	2.7	145,500	5,454,700	2.7	562,900	5,872,100	10.6	87,100	5,396,300	1.6
Monroe	4,746,700	102,600	4,849,300	2.2	102,600	4,849,300	2.2	474,900	5,221,600	10.0	51,400	4,798,100	1.1
Montcalm	3,577,700	72,300	3,650,000	2.0	72,300	3,650,000	2.0	355,200	3,932,900	9.9	34,900	3,612,600	1.0
Mott	16,464,000	302,000	16,766,000	1.8	302,000	16,766,000	1.8	0	16,464,000	0.0	159,500	16,623,500	1.0
Muskegon	9,363,000	153,700	9,516,700	1.6	153,700	9,516,700	1.6	918,300	10,281,300	9.8	68,700	9,431,700	0.7
North Central	3,562,700	92,200	3,654,900	2.6	92,200	3,654,900	2.6	364,900	3,927,600	10.2	50,000	3,612,700	1.4
Northwestern	9,843,100	152,300	9,995,400	1.5	152,300	9,995,400	1.5	979,500	10,822,600	10.0	63,800	9,906,900	0.6
Oakland	22,246,800	478,500	22,725,300	2.2	478,500	22,725,300	2.2	2,222,900	24,469,700	10.0	238,400	22,485,200	1.1
Schoolcraft	13,236,500	302,000	13,538,500	2.3	302,000	13,538,500	2.3	1,322,000	14,558,500	10.0	150,200	13,386,700	1.1
Southwestern	7,016,600	133,700	7,150,300	1.9	133,700	7,150,300	1.9	698,300	7,714,900	10.0	65,300	7,081,900	0.9
St. Clair	7,388,600	168,400	7,557,000	2.3	168,400	7,557,000	2.3	751,700	8,140,300	10.2	90,100	7,478,700	1.2
Washtenaw	13,888,200	381,700	14,269,900	2.7	381,700	14,269,900	2.7	1,392,100	15,280,300	10.0	192,400	14,080,600	1.4
Wayne County	17,608,300	347,500	17,955,800	2.0	347,500	17,955,800	2.0	1,394,800	19,003,100	7.9	173,800	17,782,100	1.0
West Shore	2,612,100	43,300	2,655,400	1.7	43,300	2,655,400	1.7	254,300	2,866,400	9.7	18,500	2,630,600	0.7
Subtotal Operations:	\$325,440,000	\$6,380,000	\$331,820,000	2.0%	\$6,380,000	\$331,820,000	2.0%	\$21,681,400	\$347,121,400	6.7%	\$3,143,400	\$328,583,400	1.0%
MPSERS Normal Cost Offset	\$12,394,000	(\$694,000)	\$11,700,000	(5.6%)	(\$694,000)	\$11,700,000	(5.6%)	(\$694,000)	\$11,700,000	(5.6%)	(\$694,000)	\$11,700,000	(5.6%)
MPSERS Retiree Health Care	1,733,600	0	1,733,600	0.0	0	1,733,600	0.0	0	1,733,600	0.0	0	1,733,600	0.0
MPSERS Reform Costs	83,900,000	3,300,000	87,200,000	3.9	3,300,000	87,200,000	3.9	3,300,000	87,200,000	3.9	3,300,000	87,200,000	3.9
Pregnant and Parenting Student Services	0	0	0	N/A	0	0	N/A	0	0	N/A	0 ²	0 ²	N/A
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0	0	2,200,000	0.0	0	2,200,000	0.0	0	2,200,000	0.0
Total Appropriations:	\$425,667,600	\$8,986,000	\$434,653,600	2.1%	\$8,986,000	\$434,653,600	2.1%	\$24,287,400	\$449,955,000	5.7%	\$5,749,400	\$431,417,000	1.4%
State School Aid Fund	425,667,600	8,986,000	434,653,600	2.1	8,986,000	434,653,600	2.1	16,993,300	449,955,000	4.0	5,749,400	431,417,000	1.4
GF/GP	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%	\$4,688,100	\$4,688,100	N/A	\$0	\$0	0.0%

¹ Ongoing appropriations do not include \$12.7 million in Operational Supplement payments that were made to colleges in FY 2020-21 as part of the FY 2021-22 budget.

² \$500,000 for Pregnant and Parenting Student Services was vetoed.

**DEPARTMENT OF CORRECTIONS
PA 87 of 2021 – ARTICLE 2**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	13,686.8	13,484.4	12,831.6	13,484.4	13,484.4	(202.4)	(1.5)
GROSS	2,060,788,400	2,079,027,000	2,064,288,900	2,077,373,000	2,065,873,000	5,084,600	0.2
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	2,060,788,400	2,079,027,000	2,064,288,900	2,077,373,000	2,065,873,000	5,084,600	0.2
Less:							
Federal Funds	196,370,900	5,364,100	5,364,100	808,364,100	5,364,100	(191,006,800)	(97.3)
Local and Private	9,680,600	9,646,100	9,646,100	9,646,100	9,646,100	(34,500)	(0.4)
TOTAL STATE SPENDING	1,854,736,900	2,064,016,800	2,049,278,700	1,259,362,800	2,050,862,800	196,125,900	10.6
Less:							
Other State Restricted Funds	45,478,500	45,493,400	45,493,400	45,493,400	45,493,400	14,900	0.0
GENERAL FUND/GENERAL PURPOSE ...	1,809,258,400	2,018,523,400	2,003,785,300	1,213,869,400	2,005,369,400	196,111,000	10.8
PAYMENTS TO LOCALS	123,330,800	122,895,500	122,895,500	122,695,500	122,895,500	(435,300)	(0.4)

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

Prosperity Region 8 Pilot Program. The budget includes new funding for a pilot program to provide care management post-release, which may include the development of a prerelease mental health discharge plan for parolees in Prosperity Region 8.	Gross	300,000
	GF/GP	300,000

B. PROGRAM INCREASES

- | | | |
|--|------------|------------|
| 1. John Does v. MDOC Settlement Agreement. The budget includes increased funding for lawsuit settlement payments related to juvenile incarcerations. The Governor had recommended the full \$40.0 million for the fourth and final payment of the total \$80.0 million settlement. After this payment, the State will have \$15.0 million remaining in payments to meet the settlement agreement. | Gross | 25,000,000 |
| | GF/GP | 25,000,000 |
| 2. New Custody Staff Training. The budget includes increased funding of \$7.4 million for total funding of \$21.2 million for FY 2021-22 to train approximately 700 new corrections officers. | Gross | 7,373,700 |
| | GF/GP | 7,373,700 |
| 3. Chance for Life. This budget includes \$1.5 million in funding for an evidence-based mentoring program that emphasizes job training, life skills, and family reintegration. | Gross | 1,500,000 |
| | GF/GP | 1,500,000 |
| 4. Employee Wellness Program. The budget provides increased funding to support additional employee wellness resources and support services for Department employees. Ideas may be submitted by employees or by worksite. | Gross | 809,400 |
| | GF/GP | 809,400 |
| 5. Goodwill Flip the Script. The budget increased funding for this program for total funding of \$1.5 million to provide job placement assistance for recently released prisoners. | Gross | 250,000 |
| | GF/GP | 250,000 |
| 6. Transportation/Prison Industries Services. The budget increased the spending authority from the Correctional Industries Revolving Fund to support increased transportation costs for goods made by Michigan State Industries sold to correctional facilities. Increased fund revenue from the sale of goods provides restricted funding for this increase. | Gross | 72,000 |
| | Restricted | 72,000 |
| | GF/GP | 0 |

C. PROGRAM ELIMINATIONS - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

D. PROGRAM REDUCTIONS

- | | | |
|---|------------------------|--------------------------------------|
| <p>1. Removal of FY 2020-21 One-Time Funding. The budget removes a total of \$15.0 million of one-time funding for payments related to <i>John Does v. MDOC 2020</i> settlement agreement related to the incarceration of juveniles.</p> | <p>Gross
GF/GP</p> | <p>(15,000,000)
(15,000,000)</p> |
| <p>2. Detroit Reentry Center Closure. The budget includes the full-year savings to be realized in the fiscal year because of the closure of the Center in January 2021.</p> | <p>Gross
GF/GP</p> | <p>(10,523,600)
(10,523,600)</p> |

E. FUNDING SHIFTS

<p>Coronavirus Relief Fund Reversal. The budget includes the reversal of GF/GP expenditures that helped the Department realize a savings in FY 2020-21 by including a one-time shift of \$191.0 million GF/GP to the Federal Coronavirus Relief Fund to support payroll costs during the pandemic. The expiration/exhaustion of CRF funds requires the restoration of the GF/GP funds in FY 2021-22. This shift has zero effect in the gross appropriation while increasing GF/GP expenditures by \$190.2 million.</p>	<p>Gross Federal GF/GP</p>	<p>0 (190,164,500) 190,164,500</p>
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F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

<p>The budget increases Gross funding for the unclassified salaries line item from \$1,971,300 to \$2,030,400.</p>	<p>Gross GF/GP</p>	<p>59,100 59,100</p>
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I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(4,756,000)
Federal	(842,300)
Local	(34,500)
Restricted	(57,100)
GF/GP	(3,822,100)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$27.1 million of FY 2021-22 one-time appropriations and eliminates \$15.0 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Chance for Life	\$1,500,000	\$1,500,000
Goodwill Flip the Script	250,000	250,000
<i>John Does v. MDOC</i> Settlement Agreement	25,000,000	25,000,000
Prosperity Region 8 Pilot Program.....	300,000	300,000
Subtotal	\$27,050,000	\$27,050,000
 FY 2020-21 Elimination of One-Time Appropriations		
<i>John Does v. MDOC</i> Settlement Agreement	(\$15,000,000)	(\$15,000,000)
Subtotal	(\$15,000,000)	(\$15,000,000)

L. VETOES - NONE

**DEPARTMENT OF EDUCATION
PA 87 of 2021 – ARTICLE 3**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	614.5	615.0	614.5	614.5	615.5	1.0	0.2
GROSS	560,867,300	531,091,400	530,219,000	135,383,000	1,912,027,900	1,351,160,600	240.9
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	560,867,300	531,091,400	530,219,000	135,383,000	1,912,027,900	1,351,160,600	240.9
Less:							
Federal Funds	452,873,300	344,304,100	421,301,500	91,715,700	1,797,625,600	1,344,752,300	296.9
Local and Private	8,111,400	8,108,800	8,108,800	7,068,100	8,108,800	(2,600)	(0.0)
TOTAL STATE SPENDING	99,882,600	178,678,500	100,808,700	36,599,200	106,293,500	6,410,900	6.4
Less:							
Other State Restricted Funds	9,815,500	9,785,400	10,181,700	3,327,700	9,785,400	(30,100)	(0.3)
GENERAL FUND/GENERAL PURPOSE ...	90,067,100	168,893,100	90,627,000	33,271,500	96,508,100	6,441,000	7.2
PAYMENTS TO LOCALS	15,267,700	15,267,700	17,267,700	15,267,700	18,327,700	3,060,000	20.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

<p>1. Child Care Enhancements. The budget includes one-year, two-year, and ongoing child care enhancements using one-time Federal dollars from the Coronavirus Response and Relief Supplemental Appropriation Act and the American Rescue Plan Act totaling \$1,495,863,500 Gross and Federal. The various enhancements include \$700,708,800 to issue two rounds of stabilization grants to child care providers over the next six months; \$222.0 million to provide an additional temporary reimbursement rate payment over the next 39 biweekly pay periods; \$100.0 million to provide technical and financial support to new and expanding child care providers; \$36.5 million to contract for infant and toddler slots in areas with limited child care providers; \$30.0 million to provide up to \$1,000 in bonus pay and starting bonuses for child care employees; \$7,154,700 to support Department administration; \$1.5 million for mental health consultation; and uses all remaining dollars to increase the ongoing hourly reimbursement rate 30%, make payments based on enrollment for two years, and increase the income entry threshold to 185% of the Federal Poverty Level while allowing the entry threshold to increase if enrollment remains below 32,000 children after six months, and implementing a wait list if the number of children enrolled is above 40,000 for over three months.</p>	<p>Gross 1,495,863,500 Federal 1,495,863,500 GF/GP 0</p>
<p>2. Before- and After-School Program. The budget includes \$5.0 million Gross and GF/GP for grants to support Before- and After-School Programs. Of the total, \$1,090,000 is designated as ongoing and \$3,910,000 is designated as a one-time appropriation.</p>	<p>Gross 5,000,000 GF/GP 5,000,000</p>
<p>3. Educator Shortage Initiative. The budget includes \$1,950,000 Gross and GF/GP and 1.0 FTE position to address teacher shortage. Of the total, \$1,670,000 and 1.0 FTE position is appropriated to Educator Excellence to support teacher recruitment and to remove barriers for substitute teachers to become licensed teachers and \$280,000 to support teacher license fees for returning teachers.</p>	<p>FTE 1.0 Gross 1,950,000 GF/GP 1,950,000</p>
<p>4. Library Pilot Program. The budget includes \$800,000 Gross and GF/GP to support a pilot program to allow librarians to be shared between public and school libraries.</p>	<p>Gross 800,000 GF/GP 800,000</p>
<p>5. School Board Member Training. The budget includes \$260,000 Gross and GF/GP to reimburse school board member training, capped at \$100 per course.</p>	<p>Gross 260,000 GF/GP 260,000</p>
<p>6. Poet Laureate. The budget includes \$100,000 Gross and GF/GP to create a Michigan Poet Laureate program to promote poetry, the spoken word, and literary arts.</p>	<p>Gross 100,000 GF/GP 100,000</p>

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

B. PROGRAM INCREASES

State Aid to Libraries. The budget includes a \$2.0 million Gross and GF/GP increase to State aid to libraries to bring State aid payments up to the statutory level.

Gross	2,000,000
GF/GP	2,000,000

C. PROGRAM ELIMINATIONS

1. FY 2020-21 Supplemental Removal. The budget removes \$109,171,600 in Gross and Federal funds from FY 2020-21 supplemental appropriations. Of the total, \$105.0 million is from PA 67 of 2021 and \$4,171,600 is from PA 87 of 2021.

Gross	(109,171,600)
Federal	(109,171,600)
GF/GP	0

2. Special Education Virtual Learning Tool. The budget includes the removal of \$1.5 million Gross and GF/GP to support the development of virtual learning tools for special education learners.

Gross	(1,500,000)
GF/GP	(1,500,000)

D. PROGRAM REDUCTIONS

Child Development and Care Public Assistance. The budget includes a reduction of \$42,542,000 Gross and Federal funds in the Child Development and Care Public Assistance line item to align with the May 2021 CREC.

Gross	(42,542,000)
Federal	(42,542,000)
GF/GP	0

E. FUNDING SHIFTS

Child Development and Care Matching Requirement. The budget includes a shift of \$1,019,600 from GF/GP to Federal funds in the Child Development and Care Public Assistance line item to align with current Federal matching requirements.

Gross	0
Federal	1,019,600
GF/GP	(1,019,600)

F. PROGRAM TRANSFERS

Educare Grant. The budget includes the transfer of \$1.0 million Gross and GF/GP for the child cooperative in Genesee County to the School Aid budget.

Gross	(1,000,000)
GF/GP	(1,000,000)

G. OTHER ISSUES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$995,200 to \$1,022,600.

Gross	27,400
Federal	2,600
Restricted	3,700
GF/GP	21,100

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Non-exclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(626,700)
Federal	(419,800)
Local	(1,800)
Private	(800)
Restricted	(33,800)
GF/GP	(170,500)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$1,500,133,500 of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$1,000,000 of FY 2020-21 one-time appropriations:

	<u>Gross</u>	<u>GF/GP</u>
FY 2021-22 One-Time Appropriations		
Child Care Enhancements	\$1,495,863,500	\$0
Before and After School Program.....	3,910,000	3,910,000
School Board Member Training	260,000	260,000
Michigan Poet Laureate	100,000	100,000
Subtotal.....	\$1,500,133,500	\$4,270,000

FY 2020-21 Elimination of One-Time Appropriations

Educare.....	(\$1,000,000)	(\$1,000,000)
Subtotal.....	(\$1,000,000)	(\$1,000,000)

L. VETOES - NONE

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
PA 87 of 2021 – ARTICLE 4**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	1,418.0	1,460.0	1,418.0	1,418.0	1,461.0	43.0	3.0
GROSS	684,359,200	906,016,900	565,270,500	604,275,600	689,770,700	5,411,500	0.8
Less:							
Interdepartmental Grants Received	3,337,700	3,544,900	3,544,800	3,324,900	3,544,900	207,200	6.2
ADJUSTED GROSS	681,021,500	902,472,000	561,725,700	600,950,700	686,225,800	5,204,300	0.8
Less:							
Federal Funds	311,973,000	171,889,200	171,889,200	226,739,200	226,889,200	(85,083,800)	(27.3)
Local and Private	1,412,800	1,411,200	1,411,200	1,411,200	1,411,200	(1,600)	(0.1)
TOTAL STATE SPENDING	367,635,700	729,171,600	388,425,300	372,800,300	457,925,400	90,289,700	24.6
Less:							
Other State Restricted Funds	308,191,800	600,471,200	304,531,400	303,099,900	304,549,900	(3,641,900)	(1.2)
GENERAL FUND/GENERAL PURPOSE ...	59,443,900	128,700,400	83,893,900	69,700,400	153,375,500	93,931,600	158.0
PAYMENTS TO LOCALS	44,000,600	326,521,000	41,521,000	32,521,000	54,146,000	10,145,400	23.1

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | |
|---|---|
| <p>1. FY 2021-22 One-Time Appropriations. The budget includes funding for 11 new one-time projects in the amount of \$91.0 million GF/GP. Additionally, \$600,000 GF/GP for Watershed Council Grants was funded again. For a complete list of the 11 projects see Section K below.</p> | <p>Gross 91,075,100
GF/GP 91,075,100</p> |
| <p>2. Premcor Settlement. This new program authorizes the Department to use \$29.3 million in funding from the Premcor Administrative Consent order to fund cleanups of petroleum releases at 79 sites. Fiscal year 2020-21 included supplemental funding in PA 87 of 2021 of \$5.0 million for the same program.</p> | <p>Gross 24,300,000
Restricted 24,300,000
GF/GP 0</p> |
| <p>3. Superfund Cleanup - Spartan Chemical. The Wyoming Spartan Chemical site was a former industrial facility used for chemical storage, mixing, and bulk transport operations. These operations resulted in the contamination of this location and its being listed as a Superfund site, allowing \$10.0 million in additional funding from the Environmental Protection Agency to support remediation activities at the site.</p> | <p>Gross 10,000,000
Federal 10,000,000
GF/GP 0</p> |
| <p>4. Contaminated Site Cleanup - Boilerplate Appropriation. This program includes \$10.0 million in restricted funds that are available only for the rapid response activities to emerging contaminated sites and to address the cleanup of contaminated sites. The funding requires the funds be transferred to another line in accordance with Section 393(2) of the Management and Budget Act, MCL 18.1393.</p> | <p>Gross 9,999,900
GF/GP 9,999,900</p> |
| <p>5. Lead Line Replacement. This new program consists of \$192,000 in GF/GP and one FTE authorization for a new Lead Line Replacement program within the Drinking Water and Environmental Health division.</p> | <p>FTE 1.0
Gross 192,100
GF/GP 192,100</p> |

B. PROGRAM INCREASES

- | | |
|---|---|
| <p>1. Brownfield Redevelopment Fund. This authorization is to be used to support redevelopment projects as created in PA 502 of 2012.</p> | <p>Gross 1,100,000
Restricted 1,100,000
GF/GP 0</p> |
| <p>2. Increase Authorization for Remedial Settlement Fund. This authorization is to be used for one-time contamination remediation and cleanup projects.</p> | <p>Gross 1,000,000
Restricted 1,000,000
GF/GP 0</p> |

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

<p>3. Drinking Water Laboratory. Additional funding authorization and an increase of 3.0 FTEs to support drinking water testing in the State.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">FTE</td> <td style="text-align: right;">3.0</td> </tr> <tr> <td>Gross</td> <td style="text-align: right;">1,450,000</td> </tr> <tr> <td>Restricted</td> <td style="text-align: right;">1,450,000</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">0</td> </tr> </table>	FTE	3.0	Gross	1,450,000	Restricted	1,450,000	GF/GP	0		
FTE	3.0										
Gross	1,450,000										
Restricted	1,450,000										
GF/GP	0										
<p>4. Federal Oil and Gas Program Oversight Activities. Regulatory oversight responsibilities for underground injection and gas storage wells to be transferred to the Oil, Gas, and Minerals Division from the Environmental Protection Agency and includes an increase of 2.0 FTEs.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">FTE</td> <td style="text-align: right;">2.0</td> </tr> <tr> <td>Gross</td> <td style="text-align: right;">370,000</td> </tr> <tr> <td>IDG</td> <td style="text-align: right;">220,000</td> </tr> <tr> <td>Federal</td> <td style="text-align: right;">150,000</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">0</td> </tr> </table>	FTE	2.0	Gross	370,000	IDG	220,000	Federal	150,000	GF/GP	0
FTE	2.0										
Gross	370,000										
IDG	220,000										
Federal	150,000										
GF/GP	0										
<p>5. GF/GP Spending in Lieu of Fee Increases. \$1.9 million in GF/GP to support four existing programs within the Water Resources Division and the Drinking Water and Environmental Health:</p> <ul style="list-style-type: none"> a. National Pollutant Discharge Elimination System (NPDES) Nonstorm Water: \$1,405,100. b. Storm Water Activities: \$415,800. c. Surface Water: \$35,500 d. Environmental Health: \$30,200. 	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Gross</td> <td style="text-align: right;">1,886,600</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">1,886,600</td> </tr> </table>	Gross	1,886,600	GF/GP	1,886,600						
Gross	1,886,600										
GF/GP	1,886,600										
<p>6. Increase Land and Water Resources Funding. The funding is to support permitting and compliance activities that affect wetlands, lakes and streams, floodplains, critical dunes, and dam safety and includes 25.0 new FTEs. This change also includes a transfer of 10.0 FTEs from Renew Michigan for a total change of 35.0 FTEs.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">FTE</td> <td style="text-align: right;">25.0</td> </tr> <tr> <td>Gross</td> <td style="text-align: right;">5,317,000</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">5,317,000</td> </tr> </table>	FTE	25.0	Gross	5,317,000	GF/GP	5,317,000				
FTE	25.0										
Gross	5,317,000										
GF/GP	5,317,000										
<p>7. Increase Drinking Water and Industrial Stormwater Operator Certification Funding. The funding is to modernize the certification and renewal tracking system, operator training, and process of conducting operator exams.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">FTE</td> <td style="text-align: right;">1.0</td> </tr> <tr> <td>Gross</td> <td style="text-align: right;">309,400</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">309,400</td> </tr> </table>	FTE	1.0	Gross	309,400	GF/GP	309,400				
FTE	1.0										
Gross	309,400										
GF/GP	309,400										
<p>8. Increase NPDES and Storm Water Funding. The additional funding and staff will be used to support permitting and compliance activities that affect discharges into State waterways and includes 11.0 new FTEs. This change also includes a transfer of 4.0 FTEs from Renew Michigan for a total change of 15.0 FTEs.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">FTE</td> <td style="text-align: right;">11.0</td> </tr> <tr> <td>Gross</td> <td style="text-align: right;">194,900</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">194,900</td> </tr> </table>	FTE	11.0	Gross	194,900	GF/GP	194,900				
FTE	11.0										
Gross	194,900										
GF/GP	194,900										
<p>9. Increase Hazardous Waste Site Identification Funding. The funding will support the cost of processing new sites.</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Gross</td> <td style="text-align: right;">100,000</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">100,000</td> </tr> </table>	Gross	100,000	GF/GP	100,000						
Gross	100,000										
GF/GP	100,000										

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

C. PROGRAM ELIMINATIONS

FY 2020-21 Elimination of One-Time Appropriations. The budget eliminated funding for seven one-time projects from FY 2020-21 in the amount of \$5.0 million GF/GP. For a complete list of the projects see Section K below.

Gross	(4,960,000)
GF/GP	(4,960,000)

D. PROGRAM REDUCTIONS

Decrease Scrap Tire Authorization. Reducing this program funding to match anticipated revenue.

Gross	(3,000,000)
Restricted	(3,000,000)
GF/GP	0

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES

Water Infrastructure Improvements for the Nation Act. This \$45.0 million in Federal funding will be used for service line replacements, meter replacements, and other projects as designated by the Department, for the City of Flint.

Gross	45,000,000
Federal	45,000,000
GF/GP	0

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$828,600 to \$853,700.

Gross	25,100
IDG	100
Restricted	18,500
GF/GP	6,500

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Non-exclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(948,700)
IDG	(12,900)
Federal	(233,800)
Private	(1,600)
Restricted	(510,400)
GF/GP	(190,000)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$91.0 million of FY 2021-22 one-time appropriations and eliminates \$5.0 million of FY 2020-21 one-time appropriations:

	<u>Gross</u>	<u>GF/GP</u>
FY 2021-22 One-Time Appropriations		
Drinking water emergency assistance	\$15,000,000	\$15,000,000
PFAS Remediation	14,450,000	14,450,000
High water infrastructure grants.....	14,325,000	14,325,000
Dam safety grant program	13,000,000	13,000,000
Contaminated site cleanup	10,000,000	10,000,000
Lead service line replacements.	10,000,000	10,000,000
Dam safety emergency action fund	6,000,000	6,000,000
Sustainable business park.....	4,000,000	4,000,000
Harbor site environmental clean up	2,300,000	2,300,000
Wastewater retention basin	2,000,000	2,000,000
Contaminated site cleanup contingency reserve fund.....	100	100
Subtotal.....	\$91,075,100	\$91,075,100

FY 2021-22 Shift from One-Time to Ongoing - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

FY 2020-21 Elimination of One-Time Appropriations

Blanchard Dam study	(\$10,000)	(\$10,000)
Cooperative lakes monitoring program.....	(150,000)	(150,000)
Parchment water treatment plant.....	(450,000)	(450,000)
Michigan geological survey.....	(500,000)	(500,000)
Multistate aquifer study	(500,000)	(500,000)
Madison Heights demolition project.....	(600,000)	(600,000)
Lead and copper rule support.....	(2,750,000)	(2,750,000)
Subtotal.....	(\$4,960,000)	(\$4,960,000)

L. VETOES - NONE

**EXECUTIVE OFFICE
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	79.2	79.2	79.2	79.2	79.2	0.0	0.0
GROSS	7,114,300	7,318,600	7,318,600	7,318,600	7,318,600	204,300	2.9
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	7,114,300	7,318,600	7,318,600	7,318,600	7,318,600	204,300	2.9
Less:							
Federal Funds	0	0	0	0	0	0	0.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	7,114,300	7,318,600	7,318,600	7,318,600	7,318,600	204,300	2.9
Less:							
Other State Restricted Funds	0	0	0	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE ...	7,114,300	7,318,600	7,318,600	7,318,600	7,318,600	204,300	2.9
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES - NONE

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS - NONE

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$1,360,200 to \$1,401,000.

Gross	40,800
GF/GP	40,800

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	163,500
GF/GP	163,500

K. VETOES - NONE

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
PA 87 of 2021 – ARTICLE 6**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	15,499.0	15,583.5	14,776.8	15,544.5	15,581.5	82.5	0.5
GROSS	33,000,318,300	31,647,234,200	31,610,467,000	28,700,098,200	31,651,808,000	(1,348,510,300)	(4.1)
Less:							
Interdepartmental Grants Received	13,829,900	13,791,400	13,706,800	3,932,000	14,593,500	763,600	5.5
ADJUSTED GROSS	32,986,488,400	31,633,442,800	31,596,760,200	28,696,166,200	31,637,214,500	(1,349,273,900)	(4.1)
Less:							
Federal Funds	25,017,324,800	22,910,690,100	22,939,242,000	21,191,501,300	22,907,479,800	(2,109,845,000)	(8.4)
Local and Private	349,441,900	351,956,700	327,691,700	239,238,600	335,227,600	(14,214,300)	(4.1)
TOTAL STATE SPENDING	7,619,721,700	8,370,796,000	8,329,826,500	7,265,426,300	8,394,507,100	774,785,400	10.2
Less:							
Other State Restricted Funds	2,958,436,400	3,094,113,000	3,093,149,900	2,991,883,000	2,986,632,100	28,195,700	1.0
GENERAL FUND/GENERAL PURPOSE ...	4,661,285,300	5,276,683,000	5,236,676,600	4,273,543,300	5,407,875,000	746,589,700	16.0
PAYMENTS TO LOCALS	1,562,528,200	1,743,164,400	1,742,019,200	1,658,556,000	1,775,502,800	212,974,600	13.6

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

Child Legal Representation. The budget includes funding for two sites for a pilot program that will work to ensure that parents, children, and youth receive high quality legal representation at all stages of child welfare proceedings.

Gross	500,000
GF/GP	500,000

B. PROGRAM INCREASES

1. Changes in Federal Authorization. The budget includes a net increase to Federal authorization to reflect several changes in Federal funding for the Department.

Gross	4,936,600
Federal	4,936,600
GF/GP	0

2. Programmatic Increases Related to *KB v. Lyon* Lawsuit. The budget includes funding to remedy a failure in fulfilling its legal obligation to provide mental health services for children in the Medicaid program.

Gross	90,991,800
Federal	60,991,800
GF/GP	30,000,000

3. Annualization of Direct Care Worker Wage Increase. A \$2.00-per-hour direct care worker wage increase was first implemented retroactive to March 1, 2020. It was expanded and continued into FY 2020-21. When the budget was released, it was funded through February 28, 2021, with \$250.0 million Gross and \$65.3 million GF/GP. The budget funds a \$2.35-per-hour direct care worker wage increase and expands eligibility for the increase to adult foster care workers and those working in supportive employment. The bill also funded a \$2.00-per-hour increase for front line workers employed by child caring institutions. The additional FY 2021-22 cost of this item is \$14.5 million Gross and \$24.5 million GF/GP.

Gross	14,511,900
Federal	(9,952,500)
GF/GP	24,464,400

4. Legal Services. The budget includes funding to cover legal services costs for current and former Department employees.

Gross	12,300,000
GF/GP	12,300,000

5. Additional Audit Staff. The budget includes funding for additional audit staff within the Department.

FTE	3.0
Gross	450,000
Federal	213,000
GF/GP	237,000

6. Child Support Operations Funding. The budget initiates additional funding for child support enforcement.

Gross	3,900,000
Federal	2,574,000

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
		GF/GP	1,326,000
7. Increase in Homeless Services Funding.	The budget adds additional funding for homelessness services to increase payments to the providers of these services.	Gross	800,000
		GF/GP	800,000
8. Child Welfare Base, Caseload, and Fund Source Adjustments - Child Care Fund.	The budget reflects an increase in the expenditures from the CCF to approximately \$270.0 million annually.	Gross	6,957,300
		Federal	(979,000)
		Local	5,646,600
		GF/GP	2,289,700
9. Child Welfare Base, Caseload, and Fund Source Adjustments - Guardianship Assistance Program (GAP).	The budget assumes minor growth in the GAP with an average caseload estimate of 1,209 cases at \$687.87 monthly.	Gross	101,300
		Federal	30,800
		GF/GP	70,500
10. Raise the Age Implementation Costs.	The budget provides the funding for the first year (commenced October 1, 2021) of the phase-in costs for placing 17-year-old offenders in juvenile justice facilities rather than adult facilities per the Raise the Age legislation.	Gross	29,100,000
		Federal	4,900,000
		GF/GP	24,200,000
11. Qualified Residential Treatment Program Compliance Rate Increase.	The budget provides a rate increase for implementation of the Federal Family First Preservation (FFPSA) requirements for standards of care and staffing.	Gross	16,101,600
		Federal	4,609,900
		GF/GP	11,491,700
12. Annualize Foster Care Child Caring Institution Third-Party Assessments.	The budget includes funding to annualize costs of implementing the FFPSA for residential placements for congregate care facilities. The FFPSA requires third-party assessments of the children in placement to determine the most effective and appropriate level of treatment and care.	Gross	1,700,200
		Federal	453,900
		GF/GP	1,246,300
13. Prevention of Foster Care and Congregate Care Entry FFPSA Adjustments.	The budget provides funding for programming designed to keep families intact by preventing children from entering foster care. With the implementation of FFPSA, Federal Title IV-E dollars may be used for foster care prevention programs rather than exclusively for children already in foster care. This funding is intended to use evidence-based programming to reduce out-of-home placement of children.	FTE	18.0
		Gross	4,316,300
		Federal	1,895,900
		GF/GP	2,420,400
14. Settlement Monitor Contract Increase.	The budget includes funding that recognizes contractual rate increases for the monitor of the <i>Dwayne B. v. Whitmer</i> settlement agreement.	Gross	75,800
		Federal	11,900
		GF/GP	63,900

		FY 2021-22 Change From FY 2020-21 Year-to-Date
15. Family Incentive Grants Increase. The budget includes funding to support initial licensure of a foster home (recruitment) or licensure renewal for an existing foster family home (retention).	Gross GF/GP	1,000,000 1,000,000
16. Court-Appointed Special Advocates (CASA) Funding. The budget provides support for CASA, which are trained individuals who are appointed by a judge to represent the best interests of an abused and neglected child in court	Gross GF/GP	500,000 500,000
17. Foster Care Initiatives. The budget includes \$50,000 for a "foster-care closets" program and \$50,000 for casework "immediate assistance" grants.	Gross GF/GP	100,000 100,000
18. Foster Care Private Agency Rate Increase. The budget funds a \$9.00-per-day rate increase for private agencies and a \$12.00-per-day rate increase for independent living.	Gross Federal GF/GP	21,324,600 11,445,200 9,879,400
19. Increase in Adoption Agency Rates. The budget includes funding to increase adoption reimbursement rates by \$3.00 per day.	Gross Federal GF/GP	6,900,000 2,070,000 4,830,000
20. Diaper Bank Assistance Grants. The budget includes funding for the procurement of supplies for diaper assistance programs throughout the State.	Gross Federal GF/GP	250,000 250,000 0
21. Restoration of Legal Services of Michigan (LSAM) Contract. The budget provides funding for the LSAM contract, a group that helps disabled individuals qualify for Federal disability payments.	Gross GF/GP	325,000 325,000
22. Section 1062 Spending Plan. The budget includes funding tied to a boilerplate requirement that the Department provide a five-year plan on the need for psychiatric beds.	Gross GF/GP	300,000 300,000
23. Medicaid Base and Caseload Adjustments - Medicaid Behavioral Health Services. The budget reflects an increase for traditional Medicaid mental health based on the consensus estimate agreed to in May 2021.	Gross Federal GF/GP	54,285,300 34,122,400 20,162,900
24. Medicaid Base and Caseload Adjustments - Healthy Michigan Plan (HMP) Behavioral Health. The budget reflects an increase in the cost of the HMP behavioral health program.	Gross Federal GF/GP	8,661,300 7,795,200 866,100

		FY 2021-22 Change From FY 2020-21 Year-to-Date
25. Medicaid Base and Caseload Adjustments - Autism Services. The budget reflects an increase in the cost of Medicaid autism services.	Gross Federal GF/GP	16,187,100 9,869,400 6,317,700
26. Medicaid Mental Health Services Actuarial Soundness Adjustment. The budget reflects a 2.5% actuarial soundness adjustment to capitation rates paid to the prepaid inpatient health plans (PIHPs) for traditional Medicaid behavioral health services.	Gross Federal GF/GP	68,000,000 45,580,400 22,419,600
27. HMP Behavioral Health Services Actuarial Soundness Adjustment. The budget reflects a 2.5% actuarial soundness adjustment to capitation rates paid to the PIHPs for HMP Medicaid behavioral health services.	Gross Federal GF/GP	12,000,000 10,800,000 1,200,000
28. Medicaid Autism Services Actuarial Soundness Adjustment. The budget contains a 4.3% increase in rates paid to PIHPs to cover autism services costs based on past cost history used to estimate FY 2021-22 cost increases.	Gross Federal GF/GP	15,000,000 10,054,500 4,945,500
29. Increase in Medical Marihuana Revenue. The budget contains an increase in available revenue from medical marihuana regulation.	Gross Restricted GF/GP	59,700 59,700 0
30. Certified Community Behavioral Health Clinic Demonstration Implementation. The budget includes funding for a two-year demonstration project to establish 14 Certified Community Behavioral Health Clinic sites across the State. These sites will provide integrated behavioral and physical health care services to adults and children with mental health needs.	FTE Gross Federal GF/GP	6.0 26,497,300 21,547,300 4,950,000
31. One-Time: Increased Funding for Multicultural Services. The budget includes an increase in funding for existing providers of multicultural services using State fiscal recovery funds from the American Rescue Plan Act.	Gross Federal GF/GP	4,400,000 4,400,000 0
32. Increased Funding for Behavioral Health Diversion Services. The budget increases funding for assertive community treatment and crisis stabilization unit services aimed at reducing the number of placements at State mental health facilities.	Gross Federal GF/GP	2,266,700 2,128,200 138,500
33. Salvation Army Harbor Light Funding. The budget includes GF/GP funding for the Salvation Army Harbor Light program, which provides detox, rehabilitation, food, shelter, and support services for those suffering from substance abuse in the Detroit area.	Gross GF/GP	1,100,000 1,100,000

		FY 2021-22 Change From FY 2020-21 Year-to-Date
34. Opioid Grant Recovery Centers. The budget includes funding for competitive grants to recovery community organizations that assist in the recovery from opioid substance use disorder.	Gross GF/GP	600,000 600,000
35. Pharmacy Inflation at State Facilities. The budget assumes a 5.0% increase in State psychiatric hospital pharmacy costs.	Gross Federal Local Restricted GF/GP	490,900 19,700 28,700 16,300 426,200
36. Information Materials Related to Human Embryo Policies. The budget includes funding for the creation and distribution of informational materials related to the human embryo policies contained in the Michigan State Constitution.	Gross GF/GP	100,000 100,000
37. Recognition of Newborn Screening Fee Revenue Increase. The budget reflects a 0.5% inflationary increase in Newborn Screening Fee Revenue and increased State restricted authorization to support equipment costs for newly approved tests.	Gross Restricted GF/GP	89,300 89,300 0
38. Vital Records Backfill. The budget provides GF/GP to replace declining Vital Records Fee restricted revenue and support increased costs related to the implementation of PA 53 and PA 54 of 2020.	Gross Restricted GF/GP	600,000 (845,900) 1,445,900
39. Stroke and STEMI Care Initiative. The budget includes funding for a new stroke and STEMI (ST-Segment Elevation Myocardial Infarction) initiative.	Gross GF/GP	3,000,000 3,000,000
40. Adjustment to Lab Services IDG. The budget reflects an updated estimate of the lab services IDG from DEGLE.	Gross IDG GF/GP	802,100 802,100 0
41. Increased Funding to Combat Sexually Transmitted Infections. The budget provides additional funding for efforts to reduce the incidence and transmission of sexually transmitted infections.	Gross GF/GP	250,000 250,000
42. Recognize Dental Oral Health Screening Costs. The budget includes local School Aid and Private sourced funding for staffing and services to implement the dental oral assessment program for school children required by PA 261 of 2020.	FTE Gross Local Private GF/GP	1.5 3,260,000 1,500,000 1,500,000 260,000

	FY 2021-22 Change From FY 2020-21 Year-to-Date	
43. Expansion of Home Visiting Programs. The budget includes funding for an expansion of 1,000 home visiting slots for at-risk families. Funding will be used to increase access to behavioral health services for families and provide support to hospitals and clinics to hire home visiting navigators to connect potential program participants with appropriate services.	FTE	2.0
	Gross	7,410,000
	Federal	1,160,000
	GF/GP	6,250,000
44. Recognize Additional Private Funds from WIC Vendor Fines and Penalties. The budget increases authorization to reflect available WIC Vendor Fines and Penalties revenue.	Gross	200,000
	Private	200,000
	GF/GP	0
45. Immunization Public Information. The budget provides \$50,000 for general immunization informational resources.	Gross	50,000
	GF/GP	50,000
46. Increase for My Community Dental Centers (MCDC). The budget increases funding for community dental centers across the State. My Community Dental Centers provide full service dental care for individuals who do not have dental insurance or access to adequate oral health care.	Gross	200,000
	GF/GP	200,000
47. Medical Care and Treatment Base, Fund Source, and Caseload. The budget reflects a decrease in the costs for the Children's Special Health Care Services program.	Gross	16,666,700
	Federal	6,492,900
	GF/GP	10,173,800
48. Cover Sickle Cell Disease for Adults in CSHCS Program. The budget includes funding to extend coverage of Sickle Cell Disease treatments to approximately 400 adults annually through the CSHCS Program and expand statewide clinical services.	FTE	2.0
	Gross	6,650,000
	GF/GP	6,650,000
49. Funding for the Van Andel Institute. The budget provides funding to the Van Andel Institute.	Gross	1,000,000
	GF/GP	1,000,000
50. Electronic Visit Verification Staff and Administrative Costs. Because of changes in Federal law, the State now must implement IT changes to verify provision of Adult Home Help services. The budget provides funding for 15.0 FTEs for data analysis, provider support and systems coordination.	FTE	15.0
	Gross	1,622,000
	Federal	811,000
	GF/GP	811,000
51. Study of Managed Care for Foster Care Medical Services. The budget includes funding to research the feasibility of a foster care specific health plan.	Gross	500,000
	Federal	250,000
	GF/GP	250,000

	FY 2021-22 Change From FY 2020-21 Year-to-Date	
52. General Medicaid Provider Tax Adjustments. The budget reflects the traditional adjustments in provider tax payments that are used to minimize GF/GP costs.	Gross	272,600,200
	Federal	201,933,000
	Local	(200)
	Restricted	86,472,200
	GF/GP	(15,804,800)
53. Medicaid and HMP Actuarial Soundness. The budget includes actuarial soundness adjustments for traditional and expansion Medicaid physical health. These adjustments include 1.0% for Healthy Kids Dental, 1.6% for the Home and Community Based Waiver, 2.5% for Program of All-Inclusive Care for the Elderly, and 2.5% for base Medicaid managed care program and HMP.	Gross	204,600,000
	Federal	154,371,000
	GF/GP	50,229,000
54. Remove One-Time Health Plan Risk Corridor Savings. The budget removes savings related to the Medicaid managed care risk corridor that were accounted for in the FY 2019-20 year-end accrual to align the savings to the fiscal year in which they were achieved.	Gross	175,046,000
	Federal	126,946,000
	GF/GP	48,100,000
55. Annualization of the Healthy Moms, Healthy Babies Program. The budget includes funding that annualize costs related to the Healthy Moms, Healthy Babies initiative that was phased in during FY 2020-21.	Gross	9,002,900
	Federal	5,903,000
	GF/GP	3,099,900
56. Increase MiChoice Home- and Community-Based Waiver Program Slots. The budget reflects additional funding for 1,000 new slots in the MiChoice Home- and Community-Based Wavier Program by the end of FY 2021-22.	Gross	19,125,000
	Federal	14,719,500
	GF/GP	4,405,500
57. Recognize Federal Reimbursement for Tribal Pharmacy Services. The budget includes Federal funding to implement Federal reimbursement for pharmacy services for native tribes in the State.	Gross	11,375,100
	Federal	11,375,100
	GF/GP	0
58. Increased Funding for MiDOCS Program. The budget includes an increase in funding for the MiDOCS graduate medical education consortium.	Gross	1,300,000
	GF/GP	1,300,000
59. Rate Increase for Medicaid Private Duty Nursing Services. The budget provides funding for a 10.0% rate increase for Medicaid private duty nursing services.	Gross	2,600,000
	Federal	1,666,600
	GF/GP	933,400

		FY 2021-22 Change From FY 2020-21 Year-to-Date
60. Rate Increase for Emergency Medical Services (EMS). The budget includes funding for Medicaid EMS in order to increase EMS rates to Medicare levels.	Gross	54,344,700
	Federal	41,423,700
	GF/GP	12,921,000
61. System Maintenance and Operations Increases. The budget includes an increase in base funding for CPS IT costs in the Centralized Intake Database and the CPS Technology Suite.	Gross	2,345,200
	Federal	508,300
	GF/GP	1,836,900
62. Information Technology Funding Increase. The budget provides funding of an additional \$7.0 million to help cover costs of IT activities in the Department.	Gross	7,000,000
	GF/GP	7,000,000
63. New FY 2021-22 One-Time Items. The budget provides funding for several new one-time items.	Gross	143,748,900
	Federal	78,935,600
	GF/GP	64,813,300
64. Continuation of FY 2020-21 One-Time Items. The budget includes funding for several items that were included in the one-time unit of the FY 2020-21 budget.	Gross	22,385,000
	Federal	15,750,000
	GF/GP	6,635,000
C. PROGRAM ELIMINATIONS - NONE		
D. PROGRAM REDUCTIONS		
1. Removal of FY 2020-21 One-Time Federal COVID-19 and Stimulus-Related Grants. The budget removes one-time Federal grants appropriated in FY 2020-21 supplementals tied to major Federal COVID-19 and stimulus legislation.	Gross	(1,388,183,800)
	Federal	(1,388,183,800)
	GF/GP	0
2. Removal of FY 2020-21 Technical Adjustments Included in Supplementals. The budget removes one-time technical adjustments that were included in FY 2020-21 supplementals and contingency fund transfers.	Gross	(103,488,400)
	Federal	(103,905,100)
	Restricted	1,243,800
	GF/GP	(827,100)
3. Reduction in Leased Space Costs. The budget reflects savings from the elimination of an office lease in Lansing.	Gross	(1,074,300)
	Federal	(644,600)
	GF/GP	(429,700)

	FY 2021-22 Change From FY 2020-21 Year-to-Date	
4. Child Welfare Base, Caseload, and Fund Source Adjustments - Foster Care Payments. The budget reflects a decrease in foster care costs with estimated caseload averaging 7,958 at an average annual cost of \$31,552.	Gross	(14,420,100)
	Federal	(5,615,800)
	Local	87,300
	Private	(600)
	GF/GP	(8,891,000)
5. Child Welfare Base, Caseload, and Fund Source Adjustments - Adoption Subsidies. The budget reflects caseload consensus projections of 21,877 cases at a cost of \$723.92 per case per month.	Gross	(2,401,100)
	Federal	(1,630,400)
	GF/GP	(770,700)
6. Adoption Support Subsidies Federal Authorization Reduction. The budget reduces capped Federal funding authorization because medical subsidies are no longer funded using capped Federal authorization.	Gross	(850,000)
	Federal	(850,000)
	GF/GP	0
7. Remove Child Welfare Actuarial Study Funding. The budget removes funding to complete an actuarial review of foster care and residential rates that was completed in the previous fiscal year.	Gross	(250,000)
	GF/GP	(250,000)
8. Public Assistance Base and Caseload Adjustments - Family Independence Program. The budget reflects caseload consensus projections of 12,426 cases at a cost of \$352.23 per case per month.	Gross	(4,641,000)
	Federal	(3,666,400)
	GF/GP	(974,600)
9. Public Assistance Base and Caseload Adjustments - State Disability Assistance. The budget reflects caseload consensus projections of 1,674 cases at a cost of \$200.59 per case per month.	Gross	(697,000)
	Restricted	(158,100)
	GF/GP	(538,900)
10. Public Assistance Base and Caseload Adjustments - Supplemental Security Income. The budget includes caseload consensus projections of 255,523 cases at a cost of \$18.85 per case per month.	Gross	(512,400)
	GF/GP	(512,400)
11. Public Assistance Base and Caseload Adjustments - Food Assistance Program (FAP). The budget reflects a net decrease in the FAP caseload from the final FY 2020-21 appropriation due to the anticipated expiration of certain COVID-19-related payment enhancements.	Gross	(781,074,100)
	Federal	(781,074,100)
	GF/GP	0
12. Food Assistance Program Reinvestment FTE Adjustment. The budget contains funding to correct errors in the FAP and increases the number of FTEs to continue error mitigation efforts. There is a net decrease in funding due to the removal of a one-time increase from FY 2020-21.	FTE	10.0
	Gross	(5,192,100)
	GF/GP	(5,192,100)

		FY 2021-22 Change From FY 2020-21 Year-to-Date
13. Recognize Lapse in Medical/Psychiatric Evaluations Costs. The budget recognizes historical lapse amounts for medical/psychiatric evaluation costs.	Gross GF/GP	(300,000) (300,000)
14. Adjust New State Opioid Response Grant Funding. The FY 2020-21 supplemental included Federal authorization to recognize the receipt of a State Opioid Response Year 2 grant. The budget includes a slight net reduction.	Gross Federal GF/GP	(59,700) (59,700) 0
15. Behavioral Health Base and Caseload Adjustments - Family Support Subsidy. The budget reflects caseload consensus projections of 4,300 cases at a cost of \$229.31 per case per month.	Gross Federal GF/GP	(1,817,600) (1,817,600) 0
16. Recognize Savings from Lapsing Analytical Lab Equipment Funding. The budget recognizes savings based on previous year lapses.	Gross GF/GP	(500,000) (500,000)
17. Adjust Local Funding from School Aid Budget. The budget adjusts Local fund authorization to recognize the funding appropriated in the School Aid Budget used to support school-based behavioral health services.	Gross Local GF/GP	(2,100,000) (2,100,000) 0
18. Remove One-Time Federal Immunization Grant. The budget removes a one-time Federal grant appropriated in PA 257 of 2020 to support local health department COVID-19 immunization activities.	Gross Federal GF/GP	(5,888,400) (5,888,400) 0
19. Medicaid Base and Caseload Adjustments - Traditional Medicaid Program. The budget reflects the August 2021 consensus agreement on adjustments to the traditional Medicaid line items.	Gross Federal Restricted GF/GP	(34,923,800) (192,927,400) 52,384,400 105,619,200
20. Medicaid Base and Caseload Adjustments - HMP. The budget reflects the August 2021 consensus agreement on adjustments to the HMP line item.	Gross Federal GF/GP	(70,447,800) (62,882,500) (7,565,300)
21. Medicaid Special Financing Adjustments - General Medicaid Special Financing Adjustments. The budget reflects the traditional adjustments in special financing mechanisms that are used to minimize GF/GP exposure.	Gross Federal Local Restricted GF/GP	(128,913,300) (32,582,000) 5,354,700 (103,540,300) 1,854,300

	FY 2021-22 Change From FY 2020-21 Year-to-Date	
22. Adult Home Help Payment Changes. The budget recognizes savings from the implementation of systems changes ensuring the proper payment of adult home help claims. An increase of \$21.0 million Gross and \$2.1 million GF/GP is included in the One-Time Unit to support the cost of the systems changes, while savings of \$33.4 million Gross and \$11.0 million GF/GP are included in the Medical Services Unit.	Gross Federal GF/GP	(12,431,100) (3,508,900) (8,922,200)
23. MI Health Link - Non-Personal Emergency Response System (PERS) Services. The budget realigns beneficiaries in the MI Health Link program to a lower cost tier for those beneficiaries receiving only PERS Services to allow capitation rates to more accurately reflect the cost of providing services without affecting service provision.	Gross Federal GF/GP	(3,750,000) (2,513,600) (1,236,400)
24. Claimsure Contract Savings. The budget reflects savings from the identification of unallowable Medicaid payments.	Gross Federal GF/GP	(3,744,400) (2,509,900) (1,234,500)
25. Funding Adjustments for New Comprehensive Child Welfare Information System (CCWIS). The budget removes funding for the development of the CCWIS licensing module and includes funding for the maintenance and operation of the CCWIS licensing module, resulting in a net decrease in Gross funding but a slight increase in GF/GP funding.	Gross Federal GF/GP	(622,300) (825,600) 203,300
26. Remove Private Illinois CHAMPS Funding. The budget removes all but \$5.0 million in Private authorization to recognize the cessation in payments from the State of Illinois for use of Michigan's Medicaid computer system.	Gross Private GF/GP	(20,000,000) (20,000,000) 0
27. Remove FY 2020-21 One-Time Items. The budget removes funding for the Access Health actuarial study, the Autism Train-the-Trainer Grant, the Detroit Children's Center, a Washtenaw County youth development pilot, the Great Lakes Recovery Center, Project Baby Deer, and a special needs vision clinic located in Saginaw.	Gross Federal Private GF/GP	(2,319,800) (650,000) (100,000) (1,569,800)
28. Remove FY 2020-21 COVID-19 One-Time Items. The budget removes funding included in the FY 2020-21 budget for Coronavirus-related efforts such as response activities, supply purchasing, vaccine strategy, long-term care facility payment enhancements, long-term care facility personal protection equipment, Medicaid reimbursement for Remdesivir, and temporary hospital staffing assistance.	Gross Federal GF/GP	(142,074,000) (34,272,900) (107,801,100)

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

E. FUNDING SHIFTS

1. Change in Base Medicaid Match Rate for FY 2021-22. The base Medicaid match rate increases from 64.08% to 65.48% in FY 2021-22, leading to a decrease in GF/GP costs.	Gross 0 Federal 209,607,200 Local (1,144,400) Restricted (43,357,200) GF/GP (165,105,600)
2. Change in Title XXI Match Rate for FY 2021-22. The Federal Title XXI match rate, used to support the MIChild program, increases from 74.86% to 75.84%, decreasing GF/GP costs.	Gross 0 Federal 9,281,000 GF/GP (9,281,000)
3. Continuation of Enhanced Medicaid Match Rate. The budget recognizes the extension of a 6.2% enhancement in the regular Medicaid match rate through the first quarter of FY 2021-22. The FY 2020-21 budget included four quarters of the enhanced match rate.	Gross 0 Federal (596,682,100) Restricted (21,539,300) GF/GP 618,221,400
4. Foster Care Capped Federal Fund Source Swap. The budget replaces GF/GP with capped Federal authorization in the Foster Care Payments line-item.	Gross 0 Federal 724,000 GF/GP (724,000)
5. Limitation on CMH Local Match Funding. The budget reflects the second year of a five-year phase-out of the use of CMH local funding used to pull down Federal Medicaid match dollars, leading to an increase in GF/GP costs.	Gross 0 Local (5,095,100) GF/GP 5,095,100
6. Remove One-Time Coronavirus Relief Fund Money from State Facilities. The budget removes one-time Federal Coronavirus Relief Fund money from the State Facilities line items for employee costs and backfills that funding with GF/GP.	Gross 0 Federal (22,358,000) GF/GP 22,358,000
7. Replace One-Time Laboratory Restricted Dollars with GF/GP. The budget removes one-time Restricted authorization resulting from an increase in laboratory fees and replaces it with GF/GP.	Gross 0 Restricted (1,000,000) GF/GP 1,000,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

8. Merit Award Trust Fund Revenue. The budget reflects an increase in available Tobacco Settlement Merit Award Trust Fund revenue, resulting in a decrease in GF/GP.	Gross Tobacco GF/GP	0 20,000,000 (20,000,000)
9. Healthy Michigan Fund Revenue. The budget reflects an increase in available Healthy Michigan Fund revenue, resulting in a decrease in GF/GP.	Gross Restricted GF/GP	0 2,000,000 (2,000,000)
10. Medicaid Benefits Trust Fund Revenue. The budget reflects an increase in available Medicaid Benefits Trust Fund revenue leading to a decrease in GF/GP costs in Medicaid.	Gross Restricted GF/GP	0 36,000,000 (36,000,000)
11. Health Insurance Claims Assessment (HICA) Revenue. The budget reflects remaining HICA revenue and uses it to offset GF/GP costs in Medicaid.	Gross Restricted GF/GP	0 2,000,000 (2,000,000)
12. Health and Safety Fund GF/GP Backfill. The budget reflects a decrease in available Health and Safety Fund revenue, resulting in an increase in GF/GP.	Gross Restricted GF/GP	0 (1,489,900) 1,489,900
13. Increased Federal Funding for School-Based Services. The budget reflects additional Federal revenue from school-based services Medicaid reimbursement, resulting in a decrease in GF/GP.	Gross Federal GF/GP	0 29,252,300 (29,252,300)

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES

1. Increase FTE Count in Bureau of Community Services and Outreach. The budget includes an increase in FTEs, funded out of existing appropriations, to administer additional grant funding that the Bureau was awarded by the Federal CARES Act.	FTE Gross GF/GP	4.0 0 0
2. Adjust FTE Count for Primary Care Grants. The budget includes an additional FTE, supported by Federal grant funding, to manage contracts between primary care clinics and the Department.	FTE Gross GF/GP	1.0 0 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$1,230,000 to \$1,266,900.

Gross	36,900
Federal	11,900
GF/GP	25,000

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(10,734,500)
IDG	(38,500)
Federal	(5,686,900)
Local	(38,800)
Private	(52,500)
Restricted	(139,300)
GF/GP	(4,778,500)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$202,343,900 of FY 2021-22 one-time appropriations, shifts \$1,025,000 of appropriations from one-time to ongoing, and eliminates \$405,203,800 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Behavioral health patient health information tool.....	\$600,000	\$600,000
Community-based coverage entity	1,000,000	1,000,000
Complex medical condition center	5,000,000	5,000,000
Comprehensive child welfare information system	16,824,200	8,748,600
Dementia unit.....	400,000	400,000
E-FMAP redetermination compliance	20,900,700	9,240,700
First responder and public safety staff mental health	2,500,000	2,500,000
Free health clinics	250,000	250,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

Healthy communities grant	300,000	300,000
Home health and safety	5,000,000	5,000,000
Hospital behavioral health pilot program	4,500,000	4,500,000
Hospital infrastructure improvements	2,826,000	2,826,000
Human trafficking victims inclusive services grant program ...	500,000	500,000
Injury control intervention – traumatic brain injury	5,000,000	5,000,000
Jail diversion fund	5,000,000	5,000,000
Kids' food basket.....	525,000	525,000
Lead poisoning prevention fund.....	10,000,000	10,000,000
Legal assistance	20,000	20,000
Long-term care facility supports – state fiscal recovery funds ..	37,500,000	0
Michigan Medicaid information system home help payments...	21,000,000	21,000,000
Multicultural integration funding – state fiscal recovery funds ...	4,400,000	0
Narcotics awareness program	4,000,000	4,000,000
Nonprofit mental health clinics.....	200,000	200,000
Northern psychiatric residency program	5,200,000	2,600,000
Nurse practitioner expansion program.....	1,573,000	1,573,000
Policy and planning administration	8,375,000	5,125,000
Primary care and wellness service	1,000,000	1,000,000
Senior citizen center program grants.....	150,000	150,000
Special Olympics capital improvement project	1,000,000	1,000,000
Special residential care facility.....	300,000	300,000
Statewide health information exchange projects	17,500,000	1,750,000
Substance abuse community and school outreach	250,000	250,000
Technology upgrades	18,000,000	2,150,000
Unified clinics resiliency center for families and children.....	750,000	750,000
Subtotal.....	\$202,343,900	\$84,358,300

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

FY 2021-22 Shift from One-Time to Ongoing

Autism navigator	(\$1,025,000)	(\$1,025,000)
Subtotal	(\$1,025,000)	(\$1,025,000)

FY 2020-21 Elimination of One-Time Appropriations

Actuarial study	(\$275,000)	(\$275,000)
Autism train the trainer grant	(244,800)	(244,800)
Children's center	(200,000)	(200,000)
Coronavirus response activities.....	(25,883,300)	(25,333,300)
Coronavirus supplies purchasing.....	(15,000,000)	(15,000,000)
Coronavirus vaccine strategy	(51,334,700)	(51,334,700)
County coronavirus related youth funding	(250,000)	(250,000)
COVID-19 direct care worker hazard pay adjustment.....	(100,000,000)	(26,666,700)
Direct care worker temporary wage increase	(150,000,000)	(40,000,000)
First responder and public safety staff mental health	(2,500,000)	(2,500,000)
Great Lakes recovery center	(250,000)	(250,000)
Healthy communities grant	(300,000)	(300,000)
Infant rapid whole genome sequencing project	(1,000,000)	(250,000)
Kids' food basket.....	(250,000)	(250,000)
Lead poisoning prevention fund.....	(2,000,000)	(2,000,000)
Legal assistance	(60,000)	(60,000)
Long-term care COVID-19 enhancement payments	(2,000,000)	(2,000,000)
Medicaid reimbursement for remdesivir.....	(17,856,000)	(4,133,100)
Nonprofit mental health clinics.....	(200,000)	(200,000)
Senior citizen center program grants.....	(150,000)	(150,000)
Skilled nursing facility personal protective equipment grants....	(20,000,000)	0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

Special Olympics capital improvement project	(1,000,000)	(1,000,000)
Statewide health information exchange projects	(2,750,000)	(2,750,000)
Substance abuse community and school outreach	(100,000)	(100,000)
Temporary hospital staffing assistance	(10,000,000)	(10,000,000)
Unified clinics resilience center for families and children	(1,500,000)	(1,500,000)
Vision clinic	(100,000)	(100,000)
Subtotal	(\$405,203,800)	(\$186,847,600)

L. VETOES

Line Item or Boilerplate Language	Gross	GF/GP
Adoption support services (Adoption Marketing Campaign) Sec. 528	\$10,000,000	\$10,000,000
Maternal navigator pilot program Sec. 1345.....	3,000,000	3,000,000
Policy and planning administration (Notification of Prohibition of State Funds for Abortion) Sec. 243	50,000	50,000
Pregnancy resource centers Sec. 1346	1,500,000	1,500,000
Prenatal care outreach and service deliver support (Real Alternatives) Sec. 1307	700,000	0
Subtotal	\$15,250,000	\$14,550,000

**HIGHER EDUCATION
PA 86 of 2021 - ARTICLE 3**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	1,757,229,400	1,731,967,300	1,737,767,300	1,708,901,200	1,807,751,200	50,521,800	2.9
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	1,757,229,400	1,731,967,300	1,737,767,300	1,708,901,200	1,807,751,200	50,521,800	2.9
Less:							
Federal Funds	126,026,400	122,726,400	128,526,400	128,526,400	128,526,400	2,500,000	2.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	1,631,203,000	1,609,240,900	1,609,240,900	1,580,374,800	1,679,224,800	48,021,800	2.9
Less:							
Other State Restricted Funds	356,063,300	361,403,300	361,403,300	361,403,300	361,403,300	5,340,000	1.5
GENERAL FUND/GENERAL PURPOSE ...	1,275,139,700	1,247,837,600	1,247,837,600	1,218,971,500	1,317,821,500	42,681,800	3.3
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | | |
|---|------------------------|----------------------------------|
| <p>1. Japan Center for Michigan Universities. The budget includes one-time funds to support the Japan Center for Michigan Universities.</p> | <p>Gross
GF/GP</p> | <p>500,000
500,000</p> |
| <p>2. MPSERS Obligation Paydown. The budget includes one-time funding to reduce MPSERS obligations of the seven participating universities by \$84.7 million. The current outstanding MPSERS obligations of those universities is about \$760.0 million.</p> | <p>Gross
GF/GP</p> | <p>84,741,700
84,741,700</p> |

B. PROGRAM INCREASES

- | | | |
|---|---------------------------------------|--------------------------------------|
| <p>1. University Operations. The budget includes a 1.0% one-time increase to university operations, distributed across-the-board based on each university's FY 2020-21 ongoing operations amount.</p> | <p>Gross
GF/GP</p> | <p>15,258,300
15,258,300</p> |
| <p>2. Tuition Incentive Program (TIP). The budget provides an additional \$2.5 million in TANF funds for TIP to reflect an anticipated increase in demand for the program. This increase brings total funding for the program to \$71.3 million.</p> | <p>Gross
Federal
GF/GP</p> | <p>2,500,000
2,500,000
0</p> |
| <p>3. MPSERS Normal Cost Offset. The budget increases this item to \$4.7 million. The change reflects the amount necessary to make required payments at the current assumed rate of return for MPSERS of 6.8%.</p> | <p>Gross
Restricted
GF/GP</p> | <p>3,540,000
3,540,000
0</p> |
| <p>4. MPSERS UAAL Stabilization Payments. The budget includes an increase for this item to reflect an increase in the State's share of costs above the statutory cap. The increase is largely due to updated payroll growth assumptions. This change brings total MPSERS UAAL stabilization payments for universities to \$13.5 million.</p> | <p>Gross
Restricted
GF/GP</p> | <p>1,800,000
1,800,000
0</p> |
| <p>5. North American ITW Reimbursement Adjustment. The budget increases ITW reimbursements to \$12.4 million to reflect the most recent waiver cost data provided by universities.</p> | <p>Gross
GF/GP</p> | <p>484,000
484,000</p> |
| <p>6. Midwest Higher Education Compact. The budget includes an increase for dues paid by Michigan to support the Compact, bringing the total to \$116,800.</p> | <p>Gross
GF/GP</p> | <p>1,800
1,800</p> |

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

C. PROGRAM ELIMINATIONS

Remove One-Time Passthrough Payment to Bay Mills Community College. The budget removes a \$1.0 million one-time passthrough payment to Bay Mills Community College. The passthrough was performed by Lake Superior State University, so the reduction is reflected in LSSU's operations line.

Gross	(1,000,000)
GF/GP	(1,000,000)

D. PROGRAM REDUCTIONS

FY 2020-21 One-Time Operational Support Payments. The budget includes a one-time supplemental payment for FY 2020-21 but does not carry that payment into the base for FY 2021-22. This item reflects the removal of the payment in the FY 2021-22 budget.

Gross	(57,304,000)
GF/GP	(57,304,000)

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES - NONE

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS - NONE

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

K. ONE-TIME APPROPRIATIONS

The budget identifies \$100.5 million of FY 2021-22 one-time appropriations, and eliminates \$57.3 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
One-time supplemental funding.....	\$15,258,300	\$15,258,300
MPSERS obligation paydown.....	84,741,700	84,741,700
Japan Center for Michigan Universities.....	500,000	500,000
Subtotal.....	\$100,500,000	\$100,500,000
FY 2020-21 Elimination of One-Time Appropriations		
One-time operational support payments	(\$57,304,000)	(\$57,304,000)
Subtotal.....	(\$57,304,000)	(\$57,304,000)

L. VETOES

Line Item or Boilerplate Language	Gross	GF/GP
Sec. 236(10) Pregnant and parenting support services	\$500,000	\$500,000
Sec. 275j Pregnant and parenting support services.....	0	0
Subtotal.....	\$500,000	\$500,000

HIGHER EDUCATION APPROPRIATIONS: INITIAL APPROPRIATIONS

University	FY 2020-21 Year-To-Date Operations ¹	FY 2020-21 Year-To-Date ITW Reimb.	FY 2020-21 Year-To-Date Appropriation ²	Operations Adjustments		ITW Adjustment and Other Changes	FY 2021-22 Initial	Dollar Change From FY 2020-21	Percent Change	Appropriation Per FYES
				1% Across-the- Board Increase	Total Formula Distribution					
Central	\$87,600,000	\$1,964,500	\$89,564,500	\$876,000	\$876,000	\$0	\$90,440,500	\$876,000	1.0%	\$ 4,835
Eastern	77,253,700	301,500	77,555,200	772,500	772,500	(21,800)	78,305,900	750,700	1.0	\$ 5,164
Ferris	55,025,500	908,800	55,934,300	550,300	550,300	57,000	56,541,600	607,300	1.1	\$ 5,255
Grand Valley	72,313,500	1,177,200	73,490,700	723,100	723,100	0	74,213,800	723,100	1.0	\$ 3,307
Lake Superior	14,307,000	945,100	15,252,100	133,100	133,100	(1,018,600)	14,366,600	(885,500)	(5.8)	\$ 8,214
Michigan State	287,331,700	1,604,000	288,935,700	2,873,300	2,873,300	328,800	292,137,800	3,202,100	1.1	\$ 6,315
Michigan Tech	50,101,600	693,600	50,795,200	501,000	501,000	75,700	51,371,900	576,700	1.1	\$ 7,720
Northern	47,809,100	1,060,600	48,869,700	478,100	478,100	(9,100)	49,338,700	469,000	1.0	\$ 7,290
Oakland	53,147,400	266,100	53,413,500	531,500	531,500	67,900	54,012,900	599,400	1.1	\$ 3,113
Saginaw Valley	30,583,800	219,500	30,803,300	305,800	305,800	(65,600)	31,043,500	240,200	0.8	\$ 4,183
UM-Ann Arbor	321,970,100	961,000	322,931,100	3,219,700	3,219,700	114,600	326,265,400	3,334,300	1.0	\$ 6,846
UM-Dearborn	26,167,000	167,800	26,334,800	261,700	261,700	(2,800)	26,593,700	258,900	1.0	\$ 3,712
UM-Flint	23,616,200	348,200	23,964,400	236,200	236,200	(3,200)	24,197,400	233,000	1.0	\$ 3,975
Wayne State	202,996,700	462,200	203,458,900	2,030,000	2,030,000	7,500	205,496,400	2,037,500	1.0	\$ 8,994
Western	111,522,200	841,700	112,363,900	1,115,200	1,115,200	(46,400)	113,432,700	1,068,800	1.0	\$ 5,953
Subtotal University Operations:	\$1,461,745,500	\$11,921,800	\$1,473,667,300	\$14,607,500	\$14,607,500	(\$516,000)	\$1,487,758,800	\$14,091,500	1.0%	\$ 5,779
MPERSERS Reimbursement			\$11,695,000			\$1,800,000	\$13,495,000	\$1,800,000	15.4%	
MPERSERS Normal Cost Offset			1,200,000			3,540,000	4,740,000	3,540,000	295.0	
MPERSERS Paydown			0			84,741,700	84,741,700	84,741,700	N/A	
MSU AgBioResearch	34,937,300		34,937,300	349,400	349,400		35,286,700	349,400	1.0	
MSU Extension	30,136,100		30,136,100	301,400	301,400		30,437,500	301,400	1.0	
Higher Education Database			200,000				200,000	0	0.0	
Pregnant and parenting student services ³			0			0	0	0	N/A	
Japan Center for Michigan Universities			0			500,000	500,000	500,000	N/A	
Midwest Higher Ed Compact			115,000			1,800	116,800	1,800	1.6	
King-Chavez-Parks			2,691,500				2,691,500	0	0.0	
Total Universities			\$1,554,642,200	\$15,258,300	\$15,258,300	\$90,067,500	\$1,659,968,000	\$105,325,800	6.8%	
School Aid Fund			356,063,300		0	5,340,000	361,403,300	5,340,000	1.5	
State GF/GP			\$1,198,578,900	\$15,258,300	\$15,258,300	\$84,727,500	\$1,298,564,700	\$99,985,800	8.3%	
Grants and Financial Aid										
State Competitive Scholarships Tuition			\$29,861,700				\$29,861,700	\$0	0.0%	
Grants			42,021,500				42,021,500	0	0.0	
Tuition Incentive Program (TIP)			68,800,000			2,500,000	71,300,000	2,500,000	3.6	
Children of Veterans & Officer's Tuition			1,400,000				1,400,000	0	0.0	
Project Gear-Up			3,200,000				3,200,000	0	0.0	
Total Grants/Financial Aid			\$145,283,200			\$2,500,000	\$147,783,200	\$2,500,000	1.7%	
Federal Higher Ed Act			3,200,000			0	3,200,000	0	0.0	
Federal TANF			122,826,400			2,500,000	125,326,400	2,500,000	2.0	
State GF/GP			\$19,256,800	\$0	\$0	\$0	\$19,256,800	\$0	0.0%	
TOTAL HIGHER EDUCATION										
TOTAL ALL FUNDS			\$1,699,925,400	\$15,258,300	\$15,258,300	\$92,567,500	\$1,807,751,200	\$107,825,800	6.3%	
TOTAL FEDERAL			126,026,400	0	0	2,500,000	128,526,400	2,500,000	2.0	
TOTAL STATE RESTRICTED			356,063,300	0	0	5,340,000	361,403,300	5,340,000	1.5	
TOTAL STATE GF/GP			\$1,217,835,700	\$15,258,300	\$15,258,300	\$84,727,500	\$1,317,821,500	\$99,985,800	8.2%	

¹ Operations figure for LSSU includes a \$1.0 million one-time passthrough payment to Bay Mills Tribal College for FY 2020-21. This payment was removed for FY 2021-22.

² Ongoing operations funding does not include \$57.3 million in one-time Operational Supplement funding that was included for FY 2020-21 as part of the FY 2021-22 budget.

³ \$500,000 for Pregnant and Parenting Student Services was vetoed.

FY 2021-22 Higher Education Appropriations

University	FY 2020-21 Year-To-Date ²	Governor's Recommendation			Senate			House			Initial Appropriations		
		FY 2021-22 Gov. Rec.	Dollar Change	Percent Change	FY 2021-22 Senate	Dollar Change	Percent Change	FY 2021-22 House	Dollar Change	Percent Change	FY 2021-22 Conference	Dollar Change	Percent Change
Central	\$89,564,500	\$91,316,500	\$1,752,000	2.0%	\$91,311,500	\$1,747,000	2.0%	\$98,521,000	\$8,956,500	10.0%	\$90,440,500	\$876,000	1.0%
Eastern	77,555,200	79,078,500	1,523,300	2.0	79,073,500	1,518,300	2.0	85,286,700	7,731,500	10.0	78,305,900	750,700	1.0
Ferris	55,934,300	57,091,800	1,157,500	2.1	57,086,800	1,152,500	2.1	61,548,900	5,614,600	10.0	56,541,600	607,300	1.1
Grand Valley	73,490,700	74,937,000	1,446,300	2.0	74,932,000	1,441,300	2.0	80,839,800	7,349,100	10.0	74,213,800	723,100	1.0
Lake Superior ¹	15,252,100	14,499,600	(752,500)	(4.9)	14,494,600	(757,500)	(5.0)	14,252,100	(1,000,000)	(6.6)	14,366,600	(885,500)	(5.8)
Michigan State	288,935,700	295,011,100	6,075,400	2.1	295,006,100	6,070,400	2.1	292,498,500	3,562,800	1.2	292,137,800	3,202,100	1.1
Michigan Tech	50,795,200	51,872,900	1,077,700	2.1	51,867,900	1,072,700	2.1	50,795,200	0	0.0	51,371,900	576,700	1.1
Northern	48,869,700	49,816,800	947,100	1.9	49,811,800	942,100	1.9	48,869,700	0	0.0	49,338,700	469,000	1.0
Oakland	53,413,500	54,544,300	1,130,800	2.1	54,539,300	1,125,800	2.1	58,829,500	5,416,000	10.1	54,012,900	599,400	1.1
Saginaw Valley	30,803,300	31,349,400	546,100	1.8	31,344,400	541,100	1.8	33,811,500	3,008,200	9.8	31,043,500	240,200	0.8
UM-Ann Arbor	322,931,100	329,485,100	6,554,000	2.0	329,480,100	6,549,000	2.0	283,478,200	(39,452,900)	(12.2)	326,265,400	3,334,300	1.0
UM-Dearborn	26,334,800	26,855,300	520,500	2.0	26,850,300	515,500	2.0	28,965,200	2,630,400	10.0	26,593,700	258,900	1.0
UM-Flint	23,964,400	24,433,500	469,100	2.0	24,428,500	464,100	1.9	26,357,300	2,392,900	10.0	24,197,400	233,000	1.0
Wayne State	203,458,900	207,526,300	4,067,400	2.0	207,521,300	4,062,400	2.0	195,256,900	(8,202,000)	(4.0)	205,496,400	2,037,500	1.0
Western	112,363,900	114,547,900	2,184,000	1.9	114,542,900	2,179,000	1.9	113,840,800	1,476,900	1.3	113,432,700	1,068,800	1.0
Subtotal University Operations:	\$1,473,667,300	\$1,502,366,000	\$28,698,700	1.9%	\$1,502,291,000	\$28,623,700	1.9%	\$1,473,151,300	(\$516,000)	(0.0%)	\$1,487,758,800	\$14,091,500	1.0%
MPSERS Reimbursement	\$11,695,000	\$13,495,000	\$1,800,000	15.4%	\$13,495,000	\$1,800,000	15.4%	\$13,495,000	\$1,800,000	15.4%	\$13,495,000	\$1,800,000	15.4%
MPSERS Normal Cost Offset	1,200,000	4,740,000	3,540,000	295.0	4,740,000	3,540,000	295.0	4,740,000	3,540,000	295.0	4,740,000	3,540,000	295.0
MSU AgBioResearch	34,937,300	35,636,000	698,700	2.0	35,636,000	698,700	2.0	34,937,300	0	0.0	35,286,700	349,400	1.0
MSU Extension	30,136,100	30,738,800	602,700	2.0	30,738,800	602,700	2.0	30,136,100	0	0.0	30,437,500	301,400	1.0
Higher Education Database	200,000	200,000	0	0.0	200,000	0	0.0	200,000	0	0.0	200,000	0	0.0
Midwest Higher Ed Compact	115,000	116,800	1,800	1.6	116,800	1,800	1.6	116,800	1,800	1.6	116,800	1,800	1.6
King-Chavez-Parks	2,691,500	2,691,500	0	0.0	2,617,900	(73,600)	(2.7)	2,691,500	0	0.0	2,691,500	0	0.0
Pregnant and Parenting Services ³	0	0	0	N/A	148,600	148,600	N/A	500,000	500,000	N/A	0	0	N/A
MPSERS Obligation Paydown	0	0	0	N/A	0	0	N/A	0	0	N/A	84,741,700	84,741,700	N/A
Japan Center for Michigan Universities	0	0	0	N/A	0	0	N/A	0	0	N/A	500,000	500,000	N/A
WSU De-Escalation Training Ctr.	0	0	0	N/A	0	0	N/A	150,000	150,000	N/A	0	0	N/A
Prison Collegiate Ed. Init. - Calvin U.	0	0	0	N/A	0	0	N/A	1,000,000	1,000,000	N/A	0	0	N/A
Total Universities	\$1,554,642,200	\$1,589,984,100	\$35,341,900	2.3%	\$1,589,984,100	\$35,341,900	2.3%	\$1,561,118,000	\$6,475,800	0.4%	\$1,659,968,000	\$105,325,800	6.8%
School Aid Fund	356,063,300	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5
State GF/GP	\$1,198,578,900	\$1,228,580,800	\$30,001,900	2.5%	\$1,228,580,800	\$30,001,900	2.5%	\$1,199,714,700	\$1,135,800	0.1%	\$1,298,564,700	\$99,985,800	8.3%
Grants and Financial Aid													
State Competitive Scholarships	\$29,861,700	\$29,861,700	\$0	0.0%	\$29,861,700	\$0	0.0%	\$29,861,700	\$0	0.0%	\$29,861,700	\$0	0.0%
Tuition Grants	42,021,500	42,021,500	0	0.0	42,021,500	0	0.0	42,021,500	0	0.0	42,021,500	0	0.0
Tuition Incentive Program (TIP)	68,800,000	65,500,000	(3,300,000)	(4.8)	71,300,000	2,500,000	3.6	71,300,000	2,500,000	3.6	71,300,000	2,500,000	3.6
Children of Veterans & Officer's Tuition	1,400,000	1,400,000	0	0.0	1,400,000	0	0.0	1,400,000	0	0.0	1,400,000	0	0.0
Project Gear-Up	3,200,000	3,200,000	0	0.0	3,200,000	0	0.0	3,200,000	0	0.0	3,200,000	0	0.0
Total Grants/Financial Aid	\$145,283,200	\$141,983,200	(\$3,300,000)	(2.3%)	\$147,783,200	\$2,500,000	1.7%	\$147,783,200	\$2,500,000	1.7%	\$147,783,200	\$2,500,000	1.7%
Federal Higher Ed Act	3,200,000	3,200,000	0	0.0	3,200,000	0	0.0	3,200,000	0	0.0	3,200,000	0	0.0
Federal TANF	122,826,400	119,526,400	(3,300,000)	(2.7)	125,326,400	2,500,000	2.0	125,326,400	2,500,000	2.0	125,326,400	2,500,000	2.0
State GF/GP	\$19,256,800	\$19,256,800	\$0	0.0%	\$19,256,800	\$0	0.0%	\$19,256,800	\$0	0.0%	\$19,256,800	\$0	0.0%
TOTAL HIGHER EDUCATION													
TOTAL ALL FUNDS	\$1,699,925,400	\$1,731,967,300	\$32,041,900	1.9%	\$1,737,767,300	\$37,841,900	2.2%	\$1,708,901,200	\$8,975,800	0.5%	\$1,807,751,200	\$107,825,800	6.3%
TOTAL FEDERAL	126,026,400	122,726,400	(3,300,000)	(2.6)	128,526,400	2,500,000	2.0	128,526,400	2,500,000	2.0	128,526,400	2,500,000	2.0
TOTAL STATE RESTRICTED	356,063,300	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5	361,403,300	5,340,000	1.5
TOTAL STATE GF/GP	\$1,217,835,700	\$1,247,837,600	\$30,001,900	2.5%	\$1,247,837,600	\$30,001,900	2.5%	\$1,218,971,500	\$1,135,800	0.1%	\$1,317,821,500	\$99,985,800	8.2%

¹ FY 2021-22 amounts for LSSU reflect the removal of a \$1.0 million one-time passthrough payment to Bay Mills Community College.

² Ongoing operations funding does not include \$57.3 million in one-time Operational Supplement funding that was included for FY 2020-21 as part of the FY 2021-22 budget.

³ \$500,000 for Pregnant and Parenting Student Services was vetoed.

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
PA 87 of 2021 – ARTICLE 7**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	372.5	382.5	309.7	382.5	372.5	0.0	0.0
GROSS	98,315,700	72,987,600	72,962,900	18,078,900	72,987,600	(25,328,100)	(25.8)
Less:							
Interdepartmental Grants Received	728,600	724,600	724,600	181,100	724,600	(4,000)	(0.5)
ADJUSTED GROSS	97,587,100	72,263,000	72,238,300	17,897,800	72,263,000	(25,324,100)	(26.0)
Less:							
Federal Funds	1,017,100	1,017,100	1,017,100	254,300	1,017,100	0	0.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	96,570,000	71,245,900	71,221,200	17,643,500	71,245,900	(25,324,100)	(26.2)
Less:							
Other State Restricted Funds	71,570,000	71,245,900	71,221,200	17,643,500	71,245,900	(324,100)	(0.5)
GENERAL FUND/GENERAL PURPOSE ...	25,000,000	0	0	0	0	(25,000,000)	(100.0)
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES - NONE

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

Removal of FY 2020-21 Appropriation. The budget removes \$25.0 million GF/GP for the Post-Acute Auto Injury Provider Relief Fund appropriated in Public Act 65 of 2021.

Gross	(25,000,000)
GF/GP	(25,000,000)

E. FUNDING SHIFTS

Net-to-Zero Insurance Evaluation Program Shift. The budget includes a net-to-zero fund shift of \$2.0 million from the Insurance Bureau Fund to Insurance Licensing and Regulation Fees within the Insurance Evaluation Program to more accurately align funding with regulatory expenditures.

Gross	0
Restricted	0
GF/GP	0

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES

Regulatory Staffing Shift. The budget includes a shift of 10.0 FTEs from Insurance Evaluation to Consumer Services and Protection.

Gross	0
GF/GP	0

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$820,600 to \$845,300.

Gross	24,700
Restricted	24,700
GF/GP	0

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, other employment retirement costs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(352,800)
IDG	(4,000)
Restricted	(348,800)
GF/GP	0

K. ONE-TIME APPROPRIATIONS

The budget identifies \$0 of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$25.0 million of FY 2020-21 one-time appropriations:

	<u>Gross</u>	<u>GF/GP</u>
FY 2020-21 Elimination of One-Time Appropriations		
Post-Acute Auto Injury Provider Relief Fund.....	(\$25,000,000)	(\$25,000,000)
Subtotal.....	(\$25,000,000)	(\$25,000,000)

L. VETOES - NONE

JUDICIARY
PA 87 of 2021 – ARTICLE 8

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	513.0	521.0	521.0	520.0	524.0	11.0	2.1
GROSS	313,946,200	319,505,100	338,412,500	318,631,500	320,463,100	6,516,900	2.1
Less:							
Interdepartmental Grants Received	1,597,800	1,652,300	1,652,300	1,652,300	1,652,300	54,500	3.4
ADJUSTED GROSS	312,348,400	317,852,800	336,760,200	316,979,200	318,810,800	6,462,400	2.1
Less:							
Federal Funds	6,653,500	6,374,800	6,374,800	6,374,800	6,374,800	(278,700)	(4.2)
Local and Private	8,883,000	8,842,400	8,842,400	8,842,400	8,842,400	(40,600)	(0.5)
TOTAL STATE SPENDING	296,811,900	302,635,600	321,543,000	301,762,000	303,593,600	6,781,700	2.3
Less:							
Other State Restricted Funds	94,877,600	94,312,700	94,312,700	94,312,700	94,312,700	(564,900)	(0.6)
GENERAL FUND/GENERAL PURPOSE ...	201,934,300	208,322,900	227,230,300	207,449,300	209,280,900	7,346,600	3.6
PAYMENTS TO LOCALS	146,925,300	148,056,300	148,056,300	148,056,300	148,056,300	1,131,000	0.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | | |
|---|------------------------|----------------------------|
| <p>1. Justice for All Initiative. Funding and 2.0 FTEs are authorized for creation and operation of the Justice for All Commission. The funding supports implementation of a strategic plan to simplify court rules, provide additional training to judges and staff, develop an online forms portal, and increase community engagement.</p> | <p>Gross
GF/GP</p> | <p>798,000
798,000</p> |
| <p>2. Jail Reform Advisory Support. Funding and 1.0 FTE is authorized to assist with implementation of recent criminal justice reforms and to support the work of the Jail Reform Advisory Council.</p> | <p>Gross
GF/GP</p> | <p>150,000
150,000</p> |

B. PROGRAM INCREASES

- | | | |
|--|---------------------------------------|----------------------------------|
| <p>1. MiFile Implementation. Available restricted revenue and 8.0 FTEs are authorized to further implement the statewide electronic filing system.</p> | <p>Gross
Restricted
GF/GP</p> | <p>821,800
821,800
0</p> |
| <p>2. Clean Slate Implementation. Additional funding is authorized to assist courts affected by expungement legislation.</p> | <p>Gross
GF/GP</p> | <p>605,000
605,000</p> |
| <p>3. Court of Appeals Operations. Funding is authorized for the Court of Appeals to fill three senior positions, including Detroit District Commissioner, an Assistant District Clerk, and the Information Systems Deputy Director. Pandemic-related shutdowns and a hiring freeze caused vacancies in the positions leading to lapsed funds that were not restored in the previous fiscal year.</p> | <p>Gross
GF/GP</p> | <p>497,300
497,300</p> |
| <p>4. State Appellate Defender Office (SADO) Minimum Funding. Additional ongoing funding is authorized to allow SADO to backfill three attorney positions and to help the office maintain the statutory 25% appeals representation minimum.</p> | <p>Gross
GF/GP</p> | <p>360,700
360,700</p> |
| <p>5. Contract Attorneys for the Judicial Tenure Commission (JTC). Additional one-time funding is authorized to help the JTC address the current backlog and to represent the JTC before the Michigan Supreme Court.</p> | <p>Gross
GF/GP</p> | <p>204,000
204,000</p> |
| <p>6. Legal Help Website Maintenance. Additional funding is authorized to help maintain the State's self-help legal website.</p> | <p>Gross
GF/GP</p> | <p>200,000
200,000</p> |

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

7. Permanent Staff Attorney for JTC. Ongoing funding is authorized to address the current judicial complaint backlog by increasing the number of staff attorneys at the JTC from two to three.	Gross GF/GP	182,300 182,300
8. Justice Training Grant Revenue. Spending is authorized after grant revenue was awarded by the Michigan Commission on Law Enforcement Standards.	Gross IDG GF/GP	100,000 100,000 0
9. Juvenile Lifer Resentencing. An additional 6.6% funding is authorized to assist SADO in adjudication of juvenile lifer resentencing hearings required under the United States Supreme Court's ruling in <i>Montgomery v. Louisiana</i> .	Gross GF/GP	58,000 58,000
C. PROGRAM ELIMINATIONS		
Pretrial Risk Assessment. Pilot testing of a pretrial risk assessment tool was completed in the previous fiscal year. Funding for the pilot is not authorized for FY 2021-22.	Gross GF/GP	(325,700) (325,700)
D. PROGRAM REDUCTIONS		
District Judge Reduction. A planned reduction of one district judge position reduces the authorization by a small percentage (0.5%).	Gross GF/GP	(164,400) (164,400)
E. FUNDING SHIFTS		
Judicial Compensation Fund Shift. Reduced court fee revenue is replaced with General Fund.	Gross Restricted GF/GP	0 (1,358,600) 1,358,600
F. PROGRAM TRANSFERS - NONE		
G. OTHER ISSUES		
1. Reversal of FY 2020-21 Supplemental Funding. The budget does not include supplemental funding that was added for the previous fiscal year, including a \$45,000 grant from the MSP and Federal COVID-19 funds for court improvements.	Gross IDG Federal GF/GP	(305,000) (45,000) (260,000) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

2. **Problem Solving Courts.** Funding is authorized for drug treatment courts at \$400,000, mental health courts at \$100,000, and veterans courts at \$100,000. The funding was previously included in FY 2020-21 as one-time funding and is now authorized as ongoing funding.

Gross 0
GF/GP 0

H. UNCLASSIFIED SALARIES - NONE

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross 3,334,900
IDG (500)
Federal (18,700)
Local (34,700)
Private (5,900)
Restricted (28,100)
GF/GP 3,422,800

K. ONE-TIME APPROPRIATIONS

The budget identifies \$1,941,100 of FY 2021-22 one-time appropriations, shifts \$600,000 of appropriations from one-time to ongoing, and eliminates \$1,806,800 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Compliance with <i>Montgomery v. Louisiana</i>	\$939,100	\$939,100
Justice for All Initiative	798,000	798,000
Contract Attorneys for JTC	204,000	204,000
Subtotal	\$1,941,100	\$1,941,100

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

FY 2021-22 Shift from One-Time to Ongoing

Problem-Solving Courts.....	(\$600,000)	(\$600,000)	
Subtotal.....	(\$600,000)	(\$600,000)	

FY 2020-21 Elimination of One-Time Appropriations

Compliance with <i>Montgomery v. Louisiana</i>	(\$881,100)	(\$881,100)	
Problem-Solving Courts.....	(600,000)	(600,000)	
Pretrial Risk Assessment.....	(325,700)	(325,700)	
Subtotal.....	(\$1,806,800)	(\$1,806,800)	

L. VETOES - NONE

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	2,545.4	3,061.4	2,510.4	2,524.4	2,553.4	8.0	0.3
GROSS	2,667,735,500	1,830,177,600	1,670,331,700	401,882,500	2,073,829,100	(593,906,400)	(22.3)
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	2,667,735,500	1,830,177,600	1,670,331,700	401,882,500	2,073,829,100	(593,906,400)	(22.3)
Less:							
Federal Funds	2,121,702,600	1,143,364,800	1,140,485,800	285,695,600	1,282,114,800	(839,587,800)	(39.6)
Local and Private	22,217,800	22,167,000	22,167,000	5,541,800	22,167,000	(50,800)	(0.2)
TOTAL STATE SPENDING	523,815,100	664,645,800	507,678,900	110,645,100	769,547,300	245,732,200	46.9
Less:							
Other State Restricted Funds	272,389,100	243,502,700	273,225,700	63,176,000	273,502,700	1,113,600	0.4
GENERAL FUND/GENERAL PURPOSE ...	251,426,000	421,143,100	234,453,200	47,469,100	496,044,600	244,618,600	97.3
PAYMENTS TO LOCALS	39,115,200	52,863,300	51,994,500	10,153,900	51,944,500	12,829,300	32.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

A. NEW PROGRAMS

<p>1. Michigan Enhancement Grants. The budget includes \$146,892,000 Gross and GF/GP for 175 Michigan Enhancement Grants, which includes: (1) Minority Supplier Development Council \$2.0 million, (2) Making it Happen \$1.0 million, (3) McLaren (Lansing) \$1.0 million, (4) Border to Border trail \$750,000, (5) Pedestrian Trail safety \$750,000, (6) Battle Creek City Hall \$1.0 million, (7) Mackinac Island State Park \$500,000, (8) McCamly Plaza Hotel \$2.0 million, (9) Bay Co. Veterans Workshop \$300,000, (10) SVSU Talent Lab \$1.75 million, (11) Berrien Co. Youth Fair \$600,000, (12) St. Joseph United Way \$26,000, (13) Harsen's Island bridge study \$250,000, (14) Houghton Trail \$4.0 million, (15) Maritime Museum South Haven \$500,000, (16) Meals on Wheels - Livingston \$1.0 million, (17) St. Ignace ambulance \$1.5 million, (18) Litchfield skilled trades \$150,000, (19) Hillsdale Co. Sheriff \$210,000, (20) Jackson ISD \$10.0 million, (21) Point Betsie Lighthouse \$5,183,400, (22) Ottawa groundwater \$1,141,500, (23) River Raisin Battlefield \$2.0 million, (24) Midland Center for the Arts \$5.0 million, (25) West Michigan Immigration Center \$500,000, (26) Midland Community Center \$6,557,100, (27) YMCA-Jackson \$224,000, (28) Berrien Co. Tower \$5.0 million, (29) Steve Mariucci Beacon House \$3,150,000, (30) Great Lakes Central projects \$1,195,000, (31) Van Dyke apartment \$1.5 million, (32) Mancelona sewer \$500,000, (33) Berston Field House \$1.0 million, (34) Flint Library \$250,000, (35) GM Linden Parkway \$200,000, (36) Flint social club \$375,000, (37) Flint United Basketball \$100,000, (38) Flint Food Market \$460,000, (39) CMH Oakland Co. \$250,000, (40) Pontiac FQHC \$1.0 million, (41) GR AA Health Institute \$500,000, (42) GR Children's Healing Center \$500,000, (43) GR Public Museum \$500,000, (44) Palmer Park \$1.0 million, (45) Binder Street Block Club \$25,000, (46) Women of Tomorrow \$200,000, (47) Wayne State \$150,000, (48) Riverside Arts Center \$450,000, (49) HighScope \$300,000, (50) Washtenaw Co. re-entry pilot \$500,000, (51) Iron Belle Train study \$30,000, (52) Superior Twp. Library \$150,000, (53) AA soldier memorial \$25,000, (54) Parkridge Community Center \$50,000, (55) Rockwood wastewater treatment \$350,000, (56) Village of Westland \$1.0 million, (57) Motown Museum \$1.0 million, (58) JROTC DPSCD \$250,000, (59) Great Lakes Center - Autism \$1.0 million, (60) Portage Senior Center \$1.5 million, (61) I-75 sound wall \$300,000, (62) Rochester Innovation Hills \$500,000, (63) Carpenter Lake Nature Preserve \$600,000, (64) Living and Learning Center \$50,000, (65) Livonia Senior Park \$100,000, (66) Goudy Park \$500,000, (67) Cody Rouge Community Action Alliance \$750,000, (68) Sickle Cell Anemia \$750,000, (69) Authority Health \$450,000, (70) Child and Family charities \$1.0 million, (71) Mikey 23 \$100,000, (72) Poor People's Campaign \$375,000, (73) Tri-County Special Ops. \$150,000, (74) Allen Neighborhood \$85,000, (75) Beach Water Hazard \$200,000, (76) Lansing Arts Center \$2.0 million, (77) Farmer's Market Association \$350,000, (78) Veterans Service Orgs. \$1.8 million, (79) Warren emergency vehicle \$400,000, (80) Women's Center of Lansing \$25,000, (81) Firecracker Foundation \$25,000, (82) Lansing Police Department \$75,000, (83) Kent Co. Youth Fair \$5,200,000, (84) Lowell YMCA \$150,000, (85) PFAS GR Water \$1,625,000, (86) Boys and Girls Alpena \$500,000, (87) Michigan Snowmobile</p>	<table border="0"> <tr> <td>Gross</td> <td style="text-align: right;">146,892,000</td> </tr> <tr> <td>GF/GP</td> <td style="text-align: right;">146,892,000</td> </tr> </table>	Gross	146,892,000	GF/GP	146,892,000
Gross	146,892,000				
GF/GP	146,892,000				

and ORV Association \$1,150,000, (88) Chaldean Community Center \$150,000, (89) MI Law Enforcement Memorial Fund \$500,000, (90) Dearborn Community Center \$1,500,000, (91) Amity Foundation \$2.0 million, (92) Yemeni American Association \$100,000, (93) Manton Library \$250,000, (94) Rising Stars \$100,000, (95) Degage Ministries \$500,000, (96) 9/11 Memorial \$500,000, (97) Newaygo Co. Fair Barn \$800,000, (98) Arenac Fair Grounds \$2,830,000, (99) Sanilac Co. Parks \$20,000, (100) St. Clair Co. Nutrition \$50,000, (101) Holiday Camp in Monroe \$150,000, (102) St. Joseph Center for Hope \$100,000, (103) Blight Cleanup \$200,000, (104) Detroit Public Library \$500,000, (105) Luce Co. road \$6.0 million, (106) Calumet Fire \$250,000, (107) UP State Fair \$500,000, (108) Restore the Rapids \$7.0 million, (109) Van Andel Institute \$1.0 million, (110) Fort Gratiot Campground \$50,000, (111) Long Boat Lake \$300,000, (112) Walbo Corp. Cass City \$1.5 million, (113) Linden Mill Pond \$30,000, (114) West Michigan Aviation Academy \$1.0 million, (115) Calvin Prison Institute \$1.0 million, (116) MiLaunch \$250,000, (117) Small Business Development Centers \$200,000, (118) Novi Education Foundation \$400,000, (119) Plymouth Cultural Center \$250,000, (120) City of Sterling Heights \$200,000, (121) Tree Canopy Grants \$250,000, (122) Delta Twp. Regional Fire \$1.4 million, (123) United Way - Washtenaw Co. \$275,000, (124) Eden Park \$300,000, (125) Covenant House \$200,000, (126) GR Center for Transformation \$500,000, (127) Grant Bridging Communities \$250,000, (128) Youth Development Program \$500,000, (129) Third Street Wharf Project \$1.5 million, (130) City of Farmington fire \$100,000, (131) Level 2 EV charging station \$36,000, (132) Farmington Hills police \$300,000, (133) Mack Avenue Streetscape Plan - Phase 1 \$200,000, (134) Lakeshore Drive Seawall \$750,000, (135) Invest Detroit \$500,000, (136) Detroit Parks Coalition \$500,000, (137) Block Club Grants \$300,000, (138) Royal Oak Twp. \$125,000, (139) Kids Kicking Cancer \$200,000, (140) Hamtramck Alleyway improvements \$750,000, (141) Lansing Capitol security \$1.0 million, (142) Lathrup infrastructure \$200,000, (143) Franklin sewer \$200,000, (144) Meridian Twp. Fire \$225,000, (145) Marquette Planetarium \$250,000, (146) MI Hispanic Collaborative \$2.0 million, (147) Talent Development Coalition - Oakland \$200,000, (148) Keego Harbor \$50,000, (149) Wayne Co. Action Agency \$1.5 million, (150) Flint Beecher HS \$500,000, (151) Lincoln Park traffic signal \$128,000, (152) Westland school conversion \$500,000, (153) Veterans Memorial Project \$50,000, (154) Taylor Fire \$500,000, (155) Michigan Science Olympiad \$30,000, (156) Ingham - Advance Peace Street Outreach \$357,000, (157) Garden City Fire \$400,000, (158) Clawson crosswalk \$80,000, (159) Youth Offender Pilot Program \$81,000, (160) Downriver Community Conference \$400,000, (161) Bloomfield Twp. SOAR \$500,000, (162) Flint Blight Removal \$1.0 million, (163) Belleville Lake bridge \$500,000, (164) Avalon House \$250,000, (165) Ann Arbor Housing Commission \$200,000, (166) Highland Park Fire \$850,000, (167) Burton Indigent Defense \$125,000, (168) Mount Clemens HS \$200,000, (169) Center Line - Indigent Defense \$125,000, (170) Adult Adjustable changing table grants \$100,000, (171) Community Garden and Playground Equipment \$60,000, (172) Barton Elementary \$78,000, (173) Children's Center Detroit \$250,000, (174) Detroit Horse Power Capital Improvement \$300,000, and (175) Development Center Grants \$150,000.

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
2. Community Revitalization and Placemaking Grants.	The budget includes \$100.0 million Gross and Federal to provide Community Revitalization and Placemaking Grants.	Gross Federal GF/GP	100,000,000 100,000,000 0
3. Michigan Infrastructure Grants.	The budget includes \$48,020,200 Gross and GF/GP for 25 Michigan Infrastructure grants, which include: (1) Livonia flooding \$1.0 million, (2) I-131 at Kalamazoo \$3.0 million, (3) Michigan International Technology Center \$1.0 million, (4) Gladwin Dam \$2.0 million, (5) McLaren/Groesbeck Rd \$3.0 million, (6) Lake State Line \$1.1 million, (7) Bay Co. Road Commission \$2,314,000, (8) Houghton Co. Road Commission flood repair \$2,314,000, (9) City of Houghton flood repair \$320,200, (10) City of Hancock flood repair \$235,000, (11) Briggs Dam \$850,000, (12) Shanty Creek Road \$2.0 million, (13) Mackinac Coal Dock \$1.5 million, (14) Barry/Allen road renovation \$951,000, (15) Michigan Sugar Plant \$2.5 million, (16) Farwell Mill Pond \$3.5 million, (17) Cascades dredging \$1.0 million, (18) City of Adrian tunnel \$3.5 million, (19) Kingsley water line replacement \$1.5 million, (20) Secore Rd. \$2.0 million, (21) Mission Road project \$1.5 million, (22) Mt. Pleasant traffic \$200,000, (23) Wealthy St. w/ 131 \$10.0 million, (24) Manistee Lake rail study \$400,000, and (25) Cheese Factory Rd. \$150,000.	Gross GF/GP	48,020,200 48,020,200
4. Flint Settlement Debt Service.	The budget includes \$35.0 million Gross and GF/GP in the Michigan Strategic Fund to support ongoing debt service payments for the Flint Settlement Bond.	Gross GF/GP	35,000,000 35,000,000
5. Futures for Frontliners.	The budget includes \$25.0 million Gross and Talent Investment Funds to support current students in the Futures for Frontliners program.	Gross Restricted GF/GP	25,000,000 25,000,000 0
6. Michigan Career and Technical Institute.	The budget includes \$23,750,000 Gross (\$18,750,000 Federal and \$5.0 million GF/GP) to support capital improvements to the Michigan Career and Technical Institute, which is operated by Michigan Rehabilitation Services.	Gross Federal GF/GP	23,750,000 18,750,000 5,000,000
7. Wraparound Services.	The budget includes \$6.0 million Gross and GF/GP to support wraparound services for those enrolled in Michigan Reconnect and Futures for Frontliners.	Gross GF/GP	6,000,000 6,000,000
8. Rural Jobs and Capital Investment.	The budget includes a \$5.0 million Gross and GF/GP deposit into the Rural Jobs and Capital Investment Fund.	Gross GF/GP	5,000,000 5,000,000
9. Unemployment Insurance Fraud Detection.	The budget includes \$4.0 million Gross and GF/GP to support an Unemployment Insurance fraud detection contract.	Gross GF/GP	4,000,000 4,000,000

		FY 2021-22 Change From FY 2020-21 Year-to-Date
10. Jobs Training Center Equipment Grants. The budget includes \$3.0 million Gross and GF/GP to support equipment upgrade grants for jobs training centers.	Gross GF/GP	3,000,000 3,000,000
11. Child Savings Account. The budget includes \$2.0 million Gross and GF/GP for a child savings account pilot program in two locations.	Gross GF/GP	2,000,000 2,000,000
12. Diploma Equity Project. The budget includes \$1.8 million Gross and GF/GP for a diploma equity project.	Gross GF/GP	1,800,000 1,800,000
13. Brownfield Redevelopment Fund. The budget includes \$1,750,000 Gross and Brownfield Redevelopment Funds to support various community redevelopment projects authorized by PA 502 of 2012.	Gross Restricted GF/GP	1,175,000 1,175,000 0
14. West Michigan Construction Institute. The budget includes \$1.0 million Gross and GF/GP to support job training and education at the West Michigan Construction Institute.	Gross GF/GP	1,000,000 1,000,000
15. Poverty Task Force. The budget includes \$1.0 million Gross and GF/GP to support research and planning for the Poverty Task Force.	Gross GF/GP	1,000,000 1,000,000
16. Focus: HOPE. The budget includes \$1.0 million for workforce development programming, early childhood education, youth development, food assistance, and community development at Focus: HOPE.	Gross GF/GP	1,000,000 1,000,000
17. Centers for Employment Opportunity. The budget includes \$660,000 Gross and GF/GP to support workforce development for parolees and probationers at the Centers for Employment Opportunity.	Gross GF/GP	660,000 660,000

B. PROGRAM INCREASES

1. Michigan Reconnect Grant Program. The budget includes an increase of \$25.0 million Gross, bringing the total to \$55.0 million Gross (\$5.0 million in Talent Investment Funds and \$50.0 million GF/GP) to support expansion of the Michigan Reconnect Grant Program.	Gross Restricted GF/GP	25,000,000 (25,000,000) 50,000,000
2. Pure Michigan. The budget includes a \$15.0 million Gross and \$20.0 Federal fund increase to the Pure Michigan Promotion Program, which results in a \$5.0 million GF/GP decrease. Total FY 2021-22 appropriations to Pure Michigan are \$40.0 million Gross: \$20.0 million Federal, \$5.0 million Private, \$5.0 million Local, and \$10.0 million GF/GP.	Gross Federal GF/GP	15,000,000 20,000,000 (5,000,000)

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
3. Workforce Development Programs.	The budget includes a \$13,075,000 Gross and Federal increase in the Workforce Development Programs line item. Of the total, \$5,950,000 is for the Michigan Learning and Education Advancement Program, \$4.0 million is for the Gaining Early Awareness and Readiness for Undergraduate Program, and \$3,125,000 is for H1-B workforce development grants.	Gross Federal GF/GP	13,075,000 13,075,000 0
4. Going Pro.	The budget includes an \$11,329,300 Gross and GF/GP increase to Going Pro. Total FY 2021-22 appropriations for Going Pro are \$40.0 million Gross: \$9,540,800 Restricted, and \$30,459,200 GF/GP.	Gross GF/GP	11,329,300 11,329,300
5. Statewide Pre-Apprenticeship Program.	The budget includes \$8.0 million for expansion of statewide pre-apprenticeship program. Of the total, \$5.5 million is for general pre-apprenticeship programming and \$2.5 million is for transportation sector construction pre-apprenticeship programming.	Gross GF/GP	8,000,000 8,000,000
6. Centers for Independent Living.	The budget includes an increase of \$3.0 million Gross and GF/GP to the Centers for Independent Living. Total FY 2021-22 appropriations to the Centers of Independent Living are \$18,531,700 Gross, \$8,451,600 Federal, \$10,000 Private, and \$10,070,100 GF/GP.	Gross GF/GP	3,000,000 3,000,000
7. Child Care Facilitator Pilot Program.	The budget includes \$2.5 million Gross and GF/GP to expand the child care facilitator pilot program, which began in FY 2020-21.	Gross GF/GP	2,500,000 2,500,000
8. State Historic Preservation Office.	The budget includes \$2.1 million Gross and Restricted to the State Historic Preservation Office for the historic tax credit program.	Gross Restricted GF/GP	2,100,000 2,100,000 0
9. Technical Adjustments.	The budget includes an increase of \$1,719,000 Gross (an increase of \$3,580,400 Federal, a reduction of \$50,000 Private, a reduction of \$1,869,500 Restricted, and an increase of \$78,100 GF/GP) for various technical adjustments to align revenue source projections.	Gross Federal Private Restricted GF/GP	1,719,000 3,580,400 (50,000) (1,889,500) 78,100
10. Arts and Cultural Grants.	The budget includes an increase of \$1.5 million for Arts and Cultural Grants. Total FY 2021-22 appropriations for arts and cultural grants are \$11.0 million Gross, \$1,050,000 Federal, \$100,000 Private, and \$9,850,000 GF/GP.	Gross GF/GP	1,500,000 1,500,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

- | | | |
|---|---------------------------|-----------------------------------|
| <p>11. Graduation Alliance. The budget includes \$1.5 million Gross and GF/GP and unrolls the grant for Graduation Alliance from Going Pro to its own line item.</p> | <p>Gross</p> <p>GF/GP</p> | <p>1,500,000</p> <p>1,500,000</p> |
| <p>12. At-Risk Youth Grants. The budget includes a \$1.0 million Gross and GF/GP increase to At-Risk Youth Grants. Total FY 2021-22 appropriations for at-risk youth grants are \$4,750,000 Gross and GF/GP.</p> | <p>Gross</p> <p>GF/GP</p> | <p>1,000,000</p> <p>1,000,000</p> |

C. PROGRAM ELIMINATIONS

- | | | |
|--|--|---|
| <p>1. FY 2020-21 Supplemental Removal. The budget includes the removal of \$1,041,871,200 Gross (\$983,312,800 Federal and \$58,558,400 GF/GP) in FY 2020-21 supplemental appropriations. Of the total, \$58.5 million Gross and GF/GP is from PA 257 of 2020; \$282,581,700 Gross and Federal is from PA 2 of 2021; \$378,324,900 Gross and Federal is from PA 30 of 2021; and \$322,464,600 Gross, \$322,406,200 Federal, and \$58,400 GF/GP is from PA 87 of 2021.</p> | <p>Gross</p> <p>Federal</p> <p>GF/GP</p> | <p>(1,041,871,200)</p> <p>(983,312,800)</p> <p>(58,558,400)</p> |
| <p>2. FY 2020-21 One-Time Appropriations Removal. The budget includes the removal of \$41,288,800 Gross (\$10.0 million Federal and \$31,288,800 GF/GP) for FY 2020-21 one-time appropriations. Of the total, \$31,288,800 Gross and GF/GP is from various Michigan Enhancement Grants and \$10.0 million Gross and Federal is from Coronavirus Relief Grants.</p> | <p>Gross</p> <p>Federal</p> <p>GF/GP</p> | <p>(41,288,800)</p> <p>(10,000,000)</p> <p>(31,288,800)</p> |

D. PROGRAM REDUCTIONS - NONE

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS

- | | | |
|---|--------------------------------------|--|
| <p>Michigan Women's Commission. The budget transfers in \$366,800 Gross and GF/GP and 1.0 FTE position from the Department of Civil Rights for the transfer of the Michigan Women's Commission in EO 2020-3.</p> | <p>FTE</p> <p>Gross</p> <p>GF/GP</p> | <p>1.0</p> <p>366,800</p> <p>366,800</p> |
|---|--------------------------------------|--|

G. OTHER ISSUES

- | | | |
|---|--------------------------------------|------------------------------|
| <p>Executive Direction. The budget includes an increase of 7.0 FTE positions in the Executive Direction line item.</p> | <p>FTE</p> <p>Gross</p> <p>GF/GP</p> | <p>7.0</p> <p>0</p> <p>0</p> |
|---|--------------------------------------|------------------------------|

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$4,197,300 to \$4,319,400.

Gross	122,100
Federal	43,000
Restricted	68,400
GF/GP	10,700

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(2,255,800)
Federal	(1,723,400)
Private	(800)
Restricted	(340,300)
GF/GP	(191,300)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$375,622,200 of FY 2021-22 one-time appropriations, shifts \$30.0 million of appropriations from one-time to ongoing, and eliminates \$41,288,800 of FY 2020-21 one-time appropriations:

	<u>Gross</u>	<u>GF/GP</u>
FY 2021-22 One-Time Appropriations		
Michigan Enhancement Grants	\$146,892,000	\$146,892,000
Community Revitalization	100,000,000	0
Michigan infrastructure grants	48,020,200	48,020,200
Futures for Frontliners	25,000,000	0
Michigan career and technical institute	23,750,000	5,000,00
Statewide pre-apprenticeship program.....	8,000,000	8,000,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

Wraparound services	6,000,000	6,000,000
Rural jobs and capital investment.....	5,000,000	5,000,000
Jobs training center equipment grants.....	3,000,000	3,000,000
Child care facilitator pilot program	2,500,000	2,500,000
Child savings account.....	2,000,000	2,000,000
Diploma Equity project.....	1,800,000	1,800,000
West Michigan construction institute	1,000,000	1,000,000
Poverty task force	1,000,000	1,000,000
Focus: HOPE	1,000,000	1,000,000
Centers for employment opportunity.....	660,000	660,000
Subtotal.....	\$375,622,200	\$231,872,200

FY 2021-22 Shift from One-Time to Ongoing

Michigan Reconnect Grant Program	(\$30,000,000)	(\$30,000,000)
Subtotal.....	(\$30,000,000)	(\$30,000,000)

FY 2020-21 Elimination of One-Time Appropriations

Michigan Enhancement Grants	(\$31,288,800)	(\$31,288,800)
Coronavirus Relief Fund	(10,000,000)	(10,000,000)
Subtotal.....	(\$41,288,800)	(\$41,288,800)

L. VETOES - NONE

**LEGISLATURE
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	202,453,800	210,057,800	205,052,600	207,001,800	213,762,800	11,309,000	5.6
Less:							
Interdepartmental Grants Received	6,250,400	6,345,200	6,345,200	6,345,200	6,345,200	94,800	1.5
ADJUSTED GROSS	196,203,400	203,712,600	198,707,400	200,656,600	207,417,600	11,214,200	5.7
Less:							
Federal Funds	0	0	0	0	0	0	0.0
Local and Private	400,000	406,000	406,000	406,000	406,000	6,000	1.5
TOTAL STATE SPENDING	195,803,400	203,306,600	198,301,400	200,250,600	207,011,600	11,208,200	5.7
Less:							
Other State Restricted Funds	6,776,800	6,877,300	6,877,300	6,877,300	6,877,300	100,500	1.5
GENERAL FUND/GENERAL PURPOSE ...	189,026,600	196,429,300	191,424,100	193,373,300	200,134,300	11,107,700	5.9
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

<p>1. Senate Operations. The budget includes an overall increase of 1.5% for Senate Operations. This increase includes \$639,700 for the Michigan Senate; \$41,000 for IT; and \$60,800 for the Fiscal Agency.</p>	<p>Gross 741,500 GF/GP 741,500</p>
<p>2. House Operations. The budget includes an overall increase of 1.5% for House Operations. This increase includes \$943,500 for the Michigan House; \$41,000 for IT; and \$60,800 for the Fiscal Agency.</p>	<p>Gross 1,045,300 GF/GP 1,045,300</p>
<p>3. Legislative Auditor General. The budget provides a 1.5% overall increase for the Legislative Auditor General totaling \$400,700 Gross, \$274,900 GF/GP.</p>	<p>Gross 400,700 IDG 94,800 Restricted 31,000 GF/GP 274,900</p>
<p>4. Legislative Council. The budget includes a 1.5% overall increase for the Legislative Council. This increase includes \$207,800 for the Council; \$1.4 million for IT; \$15,100 for the Legislative Corrections Ombudsman; \$4,700 for the Michigan Veterans Facility Ombudsman; \$9,000 for National Association Dues; \$2,300 for Worker's Compensation; and the budget moves \$400,000 in private funds to the State Capitol Historic Site.</p>	<p>Gross 1,285,500 Private (400,000) GF/GP 1,685,500</p>
<p>5. Legislative IT Design Special Project. The budget includes an overall increase of \$6.7 million from the previous year for upgrades to the Legislature's chamber automation system. Total funding for this project in FY 2021-22 is \$7,542,200.</p>	<p>Gross 6,777,200 GF/GP 6,777,200</p>
<p>6. Property Management. The budget includes an increase totaling \$312,000 that consists of \$185,500 for the Cora Anderson House Building and \$126,500 for the Binsfeld Office Building.</p>	<p>Gross 312,000 GF/GP 312,000</p>
<p>7. Legislative Retirement System. The budget provides a 1.5% overall increase for the Legislative Retirement System totaling \$80,500.</p>	<p>Gross 80,500 Restricted 18,700 GF/GP 61,800</p>

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

8. State Capitol Historic Site. The budget provides an increase totaling \$1.0 million that consists of an increase of \$590,000 for General Operations and an increase of \$50,800 for Restoration, Renewal, and Maintenance. The budget also transfers \$406,000 in private funds from the Legislative Council.

Gross	1,046,800
Private	406,000
Restricted	50,800
GF/GP	590,000

C. PROGRAM ELIMINATIONS

Census Tracking. The budget removes funding of \$170,000 a piece for the House of Representatives and the Michigan Senate for census tracking costs.

Gross	(340,000)
GF/GP	(340,000)

D. PROGRAM REDUCTIONS

Independent Citizens Redistricting Commission. The budget provides the constitutionally required funding for the Commission resulting in a decrease of \$40,500. The State is required to provide funding equal to 25% of the GF/GP funding for the Department of State totals \$12,435,600 for FY 2021-22 requiring a decrease in funding totaling \$40,500.

Gross	(40,500)
GF/GP	(40,500)

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES - NONE

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS - NONE

K. ONE-TIME APPROPRIATIONS

The budget identifies \$7,542,200 of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$0 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Legislative IT Design Special Project	\$7,542,200	\$7,542,200
Total	\$7,542,200	\$7,542,200

L. VETOES - NONE

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PA 87 of 2021 – ARTICLE 9**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	1,827.9	1,827.9	1,486.7	1,811.9	1,827.9	0.0	0.0
GROSS	484,389,600	519,486,400	498,010,900	90,563,700	517,236,400	32,846,800	6.8
Less:							
Interdepartmental Grants Received	46,664,600	45,079,800	45,079,800	11,269,900	45,079,800	(1,584,800)	(3.4)
ADJUSTED GROSS	437,725,000	474,406,600	452,931,100	79,293,800	472,156,600	34,431,600	7.9
Less:							
Federal Funds	28,823,700	29,030,900	29,030,500	7,533,000	29,030,900	207,200	0.7
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	408,901,300	445,375,700	423,900,600	71,760,800	443,125,700	34,224,400	8.4
Less:							
Other State Restricted Funds	259,295,700	259,429,800	256,055,700	64,630,300	258,929,800	(365,900)	(0.1)
GENERAL FUND/GENERAL PURPOSE ...	149,605,600	185,945,900	167,844,900	7,130,500	184,195,900	34,590,300	23.1
PAYMENTS TO LOCALS	137,967,400	169,417,400	169,417,400	5,125,000	169,417,400	31,450,000	22.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

Nursing Home Infection Control Surveys. The budget includes \$1.1 million GF/GP for nursing home infection control surveys related to the COVID-19 pandemic.

Gross	1,100,000
GF/GP	1,100,000

B. PROGRAM INCREASES

1. Michigan Indigent Defense Commission Grants. The budget includes a \$31.4 million GF/GP increase for Michigan Indigent Defense Commission Grants as well as a \$100,000 Restricted increase in the local reimbursement authorization.

Gross	31,450,000
Restricted	100,000
GF/GP	31,350,000

2. Michigan Saves Green Bank Reserve Fund and Credit Enhancement. The budget includes an increase of \$500,000 GF/GP for a grant to Michigan Saves from the one-time appropriation of \$1.0 million GF/GP provided for FY 2020-21, for a total FY 2021-22 appropriation of \$1.5 million GF/GP.

Gross	500,000
GF/GP	500,000

3. Urban Search and Rescue Equipment Upgrades. The budget maintains \$1.0 million GF/GP in on-going funding for Urban Search and Rescue and an additional \$1.0 million GF/GP in one-time funding for Urban Search and Rescue equipment upgrades.

Gross	1,000,000
GF/GP	1,000,000

4. Marijuana Regulatory Inspections. The budget includes \$648,000 from the Marijuana Regulation Fund for increased inspections in the adult-use marijuana market.

Gross	648,000
Restricted	648,000
GF/GP	0

5. Carnival Safety. The budget includes \$500,000 GF/GP to the Ski and Amusement Safety Division in the Bureau of Construction Codes for inspections and enforcement activities under the Carnival-Amusement Safety Act, 225 PA 1966.

Gross	500,000
GF/GP	500,000

6. Underground Natural Gas Storage Inspection Program. The budget includes an increase of \$352,500 from a Federal grant for the Underground Natural Gas Storage Inspection Program.

Gross	352,500
Federal	352,500
GF/GP	0

7. Renewable Natural Gas Study. The budget includes a \$250,000 GF/GP one-time appropriation for a study of renewable natural gas resources and use potential in Michigan to be conducted by the Public Service Commission.

Gross	250,000
GF/GP	250,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

Technical Adjustments. The budget includes a total of \$1.4 million Gross in technical adjustments made to reflect estimates of Restricted and Federal fund revenues.

Gross	(1,398,400)
IDG	(1,376,100)
Federal	25,500
Restricted	(47,800)
GF/GP	0

E. FUNDING SHIFTS

Net-to-Zero Internal IDG Transfer. The budget includes the transfer of \$1.7 million IDG from the Bureau of Community and Health Systems Administration line to the Childcare Licensing and Regulation line to reflect actual spending.

Gross	0
GF/GP	0

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$2,572,400 to \$2,649,500.

Gross	77,100
Federal	400
Restricted	75,700
GF/GP	1,000

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(1,632,400)
IDG	(208,700)
Federal	(171,200)
Restricted	(1,141,800)
GF/GP	(110,700)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$3.9 million of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$1.0 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Michigan Saves.....	\$1,500,000	\$1,500,000
Nursing Facility Infection Control Surveys.....	1,100,000	1,100,000
Urban Search and Rescue Equipment Upgrades	1,000,000	1,000,000
Public Service Commission Renewable Natural Gas Study ..	250,000	250,000
Subtotal.....	\$3,850,000	\$3,850,000
 FY 2020-21 Elimination of One-Time Appropriations		
Michigan Saves.....	(\$1,000,000)	(\$1,000,000)
Subtotal.....	(\$1,000,000)	(\$1,000,000)

L. VETOES - NONE

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
PA 87 of 2021 – ARTICLE 10**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	1,052.0	1,054.5	1,054.5	1,058.5	1,054.5	2.5	0.2
GROSS	260,239,800	217,688,100	217,641,100	217,688,100	220,852,600	(39,387,200)	(15.1)
Less:							
Interdepartmental Grants Received	101,800	101,800	101,800	101,800	101,800	0	0.0
ADJUSTED GROSS	260,138,000	217,586,300	217,539,300	217,586,300	220,750,800	(39,387,200)	(15.1)
Less:							
Federal Funds	153,869,400	120,015,300	120,015,300	120,015,300	120,015,300	(33,854,100)	(22.0)
Local and Private	750,000	640,000	640,000	640,000	640,000	(110,000)	(14.7)
TOTAL STATE SPENDING	105,518,600	96,931,000	96,884,000	96,931,000	100,095,500	(5,423,100)	(5.1)
Less:							
Other State Restricted Funds	21,238,400	21,336,700	21,336,700	21,336,700	21,336,700	98,300	0.5
GENERAL FUND/GENERAL PURPOSE ...	84,280,200	75,594,300	75,547,300	75,594,300	78,758,800	(5,521,400)	(6.6)
PAYMENTS TO LOCALS	4,136,500	4,136,500	20,253,300	4,136,500	4,386,500	250,000	6.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

1. Chesterfield Township Home for Veterans. The budget includes funding of \$12,394,700 Gross to reflect projected expenses at the new Chesterfield Township Home for Veterans, including \$8,525,000 Federal, \$2,340,000 restricted, and \$1,529,700 GF/GP.	Gross Federal Restricted GF/GP	12,394,700 8,525,000 2,340,000 1,529,700
2. Grand Rapids Home for Veterans - One Time. The budget includes a one-time funding adjustment reflecting projected expenses at the new Grand Rapids home to continue operation of old building on the campus grounds during transition to the new home, including \$1,831,000 Federal, \$560,000 restricted, and \$4,065,000 GF/GP.	Gross Federal Restricted GF/GP	6,456,000 1,831,000 560,000 4,065,000
3. Record Consolidation and Digitization. The budget provides one-time funding of \$2.5 million GF/GP for a project to consolidate and digitize State National Guard records.	Gross GF/GP	2,500,000 2,500,000
4. Veterans Service Grants. The budget includes an increase from \$3,835,500 GF/GP to \$4,250,000 GF/GP for Veterans Service Grants.	Gross GF/GP	414,500 414,500
5. Michigan Veterans Trust Fund. The budget increases the Trust Fund revenue authorization to use for trust fund grants and administration from \$2,330,000 restricted to \$2.5 million restricted for grants and from \$915,700 restricted to \$1,142,900 for administration.	FTE Gross Restricted GF/GP	2.0 397,200 397,200 0
6. County Veteran Service Fund. The budget includes an increase from \$4.0 million GF/GP to \$4,250,000 GF/GP to the County Veteran Service Fund.	Gross GF/GP	250,000 250,000
7. Military Retirement Payments. The budget includes an increase in Military Retirement appropriations by \$217,000 GF/GP to meet projected payment obligations for FY 2021-22 of \$875,000 GF/GP.	Gross GF/GP	217,000 217,000
8. Test Project Fees for Military Training Sites. The budget includes \$50,000 in restricted authorization to receive and spend projected funding from private companies paying to test equipment at State military facilities.	Gross Restricted	50,000 50,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

9. Camp Grayling Morale, Welfare and Recreation Program. The budget includes restricted funding of \$100,000 for a new program to provide for recreational opportunities for National Guard members and their families.	Gross	100,000
	Restricted	100,000
	GF/GP	0

C. PROGRAM ELIMINATIONS

1. Camp Grayling National Guard Readiness Center. The budget included the elimination of funding of \$18,905,000 Federal for the building project, which was funded in its entirety in FY 2020-21 with 100% Federal revenue.	Gross	(18,905,000)
	Federal	(18,905,000)
	GF/GP	0
2. Veterans Benefit Eligibility Study - One Time. The budget includes the elimination of a one-time appropriation of \$250,000 GF/GP from FY 2020-21 for a veterans eligibility study.	Gross	(250,000)
	GF/GP	(250,000)

D. PROGRAM REDUCTIONS

1. Grand Rapids Home for Veterans Transition - One Time. The budget includes elimination of one-time Grand Rapids Home for Veterans GF/GP needs associated with funding requirements from FY 2020-21.	Gross	(13,233,000)
	GF/GP	(13,233,000)
2. Special Maintenance - National Guard. The budget includes an adjustment for the amount of Federal dollars received for special maintenance from \$40.0 million Federal to \$30.0 million Federal.	Gross	(10,000,000)
	Federal	(10,000,000)
	GF/GP	0
3. Grand Rapids Home for Veterans - Funding Adjustment. The budget includes a funding adjustment of (\$5,240,00) Federal, (\$3,200,000) restricted and \$1,841,600 GF/GP to reflect ongoing funding necessary for the move to a new Grand Rapids home and its operation.	FTE	0.5
	Gross	(6,598,400)
	Federal	(5,240,000)
	Restricted	(3,200,000)
	GF/GP	1,841,600
4. COVID-19 State Veterans Homes Operating Grants. The budget includes the elimination of one-time Federal COVID-19 operating grants.	Gross	(5,100,000)
	Federal	(5,100,000)
	GF/GP	0
5. D.J. Jacobetti Home for Veterans. The budget includes an adjustment for the D.J. Jacobetti Home for Veterans to reflect actual funds received for FY 2021-22.	Gross	(4,466,000)
	Federal	(4,466,000)
	GF/GP	0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

6. Coronavirus Response Activities. The budget includes the elimination of one-time Federal Coronavirus response grants.	Gross GF/GP	(1,650,000) (1,650,000)
7. Coronavirus Response Activities - Michigan Veterans Affairs Agency (MVAA). The budget includes the elimination of a one-time Federal Coronavirus response grant - MVAA.	Gross GF/GP	(1,209,000) (1,209,000)
8. COVID-19 Special Maintenance - Veterans Homes. The budget includes the elimination of one-time Federal special maintenance grants.	Gross Federal GF/GP	(650,000) (650,000) 0
9. National Guard Operations - Meal Stipend. The budget includes the elimination of a one-time grant to National Guard Members who served duty in Washington, D.C.	Gross Private GF/GP	(110,000) (110,000) 0
10. Adjustment for Restricted Revenue Received. The budget includes an adjustment for actual restricted funds received.	Gross Restricted GF/GP	(84,000) (84,000) 0
11. Coronavirus Response Activities - MVAA. The budget includes the elimination of a one-time Federal Coronavirus response grant - MVAA.	Gross Federal GF/GP	(27,300) (27,300) 0

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$1,756,600 to \$1,803,600.

Gross	47,000
GF/GP	47,000

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	69,100
Federal	178,200
Restricted	(64,900)
GF/GP	(44,200)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$8,956,000 of FY 2021-22 one-time appropriations, and eliminates \$22,119,300 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Grand Rapids Home for Veterans Transition FY 2021-22	\$6,456,000	\$4,065,000
Record Consolidation and Digitization	2,500,000	2,500,000
Subtotal	\$8,956,000	\$6,656,000
 FY 2020-21 Elimination of One-Time Appropriations		
Grand Rapids Home for Veterans Transition FY 2020-21	(\$13,233,000)	(\$13,233,000)
COVID-19 State Veterans Homes Operating Grants.....	(5,100,000)	0
Coronavirus Response Activities.....	(1,650,000)	(1,650,000)
Coronavirus Response Activities - Michigan Veterans Affairs Agency ..	(1,209,000)	(1,209,000)
COVID-19 Special Maintenance Veterans Homes	(650,000)	0
Veterans Benefit Eligibility Study.....	(250,000)	(250,000)
Coronavirus Response Activities - Michigan Veterans Affairs Agency ..	(27,300)	0
Subtotal	(\$22,119,300)	(\$16,342,000)

L. VETOES - NONE

**DEPARTMENT OF NATURAL RESOURCES
PA 87 of 2021 – ARTICLE 11**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	2,346.1	2,354.9	0.0	2,354.9	2,354.9	8.8	0.4
GROSS	469,594,100	456,341,400	453,472,800	463,841,400	464,341,400	(5,252,700)	(1.1)
Less:							
Interdepartmental Grants Received	203,100	203,100	203,100	203,100	203,100	0	0.0
ADJUSTED GROSS	469,391,000	456,138,300	453,269,700	463,638,300	464,138,300	(5,252,700)	(1.1)
Less:							
Federal Funds	88,453,700	91,291,300	91,291,300	91,291,300	91,291,300	2,837,600	3.2
Local and Private	7,439,200	7,039,200	7,039,200	7,039,200	7,039,200	(400,000)	(5.4)
TOTAL STATE SPENDING	373,498,100	357,807,800	354,939,200	365,307,800	365,807,800	(7,690,300)	(2.1)
Less:							
Other State Restricted Funds	322,800,800	309,695,300	309,670,200	317,195,300	317,195,300	(5,605,500)	(1.7)
GENERAL FUND/GENERAL PURPOSE ...	50,697,300	48,112,500	45,269,000	48,112,500	48,612,500	(2,084,800)	(4.1)
PAYMENTS TO LOCALS	10,409,300	10,491,100	10,491,100	10,491,100	10,491,100	81,800	0.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

<p>1. Align Land and Water Conservation Fund Authority with Projected Federal Revenues. This \$7.0 million will align the Department's forecasted revenue with Federal authority for Land and Water Conservation Fund grants funding. The increased spending ensures Michigan will fully use the Federal apportionment.</p>	<p>Gross 7,000,000 Federal 7,000,000 GF/GP 0</p>
<p>2. Kalamazoo River Watershed Improvements. This \$6.0 million authorization in spending authority allows the Department to spend settlement funds from the Environmental Protection Fund for natural resource damages caused to the Kalamazoo River.</p>	<p>Gross 6,000,000 Restricted 6,000,000 GF/GP 0</p>
<p>3. Fish Hatchery Energy Efficiencies. Capital outlay project for \$2.0 million that incorporates renewable energy into State fish hatcheries. Priority projects include the installation of solar arrays and battery storage at State fish hatcheries.</p>	<p>Gross 1,995,800 GF/GP 1,995,800</p>
<p>4. Chronic Wasting Disease (CWD) Testing. This \$500,000 GF/GP funding is to provide CWD check points or drop stations in every county within the core CWD zone during 2022 hunting season.</p>	<p>Gross 500,000 GF/GP 500,000</p>
<p>5. Recreational Search Software. This funding will support one-time upgrades and ongoing maintenance costs for the Department's recreational search software.</p>	<p>Gross 320,000 Restricted 320,000 GF/GP 0</p>

B. PROGRAM INCREASES

<p>1. Trail Easements. This \$1.5 million in funding is to acquire easements on 87.2 miles of trails in Marquette and Baraga Counties from Lyme Timber.</p>	<p>Gross 1,500,000 Restricted 1,500,000 GF/GP 0</p>
<p>2. Improve State Park Experiences and Employee Recruitment and Retention. This funding will add 8.8 FTE positions to the Parks and Recreation Division and provide hours and wages to assist with employee recruitment and retention. A part of this funding will go to support a new sanitation contract for Interlochen State Park in order to comply with EGLE regulations.</p>	<p>Gross 1,486,400 Restricted 1,486,400 GF/GP 0</p>

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

3. Align Off-Road Vehicle (ORV) Trail Improvement Fund Authority with Available Revenue. This increase in spending authority for the ORV Trail Improvement Fund will match available revenue. Distributions of revenue will be done in accordance with MCL 324.81119.	Gross Restricted GF/GP	1,000,000 1,000,000 0
4. Increase State Park and Recreation Authority for Utility Costs. This increase in spending authorization is for utility costs at Belle Isle Park and other State parks and recreational boating sites. The State must pay 100% of all use charges for public utilities for the Belle Isle Park per terms of the lease, including heating, cooling, illumination, power, water, sewer, and telecommunications.	Gross Restricted GF/GP	625,000 625,000 0
5. Minimum Wage Increase. This funding will ensure the Department is in alignment for funding its short-term worker's pay rates with the new minimum wage increase in FY 2021-22. As prescribed by law, the minimum wage will increase to \$10.10 an hour in Michigan, effective January 1, 2022.	Gross Restricted GF/GP	394,300 394,300 0
6. Increase State Park and Recreation Authority for CAMIS Costs. This funding is to increase the authorization for making payments to the vendor for the camping and harbor reservation system (CAMIS). The current contract bills the Department based on the number of reservations and cancellations processed. The increased authorization reflected the increase in the use of reservation activity related to State campgrounds and harbor reservations.	Gross Restricted GF/GP	175,000 175,000 0
7. State Park Improvement Bond Debt Service. This funding increase will align the Department with the debt service schedule, which requires a payment of just over \$1.2M in FY 2021-22 towards Sterling State Park bonds issued in 2002.	Gross Restricted GF/GP	500 500 0

C. PROGRAM ELIMINATIONS

1. Remove Local Marine Patrol Grants. The budget included the removal of no-wake zone patrol grants.	Gross GF/GP	(1,750,000) (1,750,000)
2. Capital Outlay - 2021 Appropriations No Longer Needed. The budget included the removal of funding for four one-time projects amounting to a \$8.4 million reduction. For a complete list of the projects see Section K below.	Gross Restricted GF/GP	(8,400,000) (5,900,000) (2,500,000)
3. Removal of Current Year One-Time Funding. The budget included the removal of funding for four one-time projects amounting to a \$11.0 million reduction. For a complete list of the projects see Section K below.	Gross Restricted GF/GP	(11,000,000) (11,000,000) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

D. PROGRAM REDUCTIONS

- | | |
|---|---|
| <p>1. Local Boating Infrastructure Maintenance and Improvements. This reduction removes FY 2020-21 capital outlay appropriations that are no longer needed from the previous fiscal year.</p> | <p>Gross (150,000)
Restricted (150,000)
GF/GP 0</p> |
| <p>2. Reduce Deer Range Improvement Grants. This reduction removes GF/GP support for Deer Range Improvement grants. The remaining restricted funding will support deer habitat grants in the Northern Lower Peninsula and Upper Peninsula.</p> | <p>Gross (245,800)
GF/GP (245,800)</p> |
| <p>3. State Boating Infrastructure Maintenance. This reduction is an adjustment for infrastructure improvements at State harbors and at State boating access sites owned and operated by the Department.</p> | <p>Gross (350,000)
Restricted (350,000)
GF/GP 0</p> |
| <p>4. State Parks Repair and Maintenance. This reduction is an adjustment for support maintenance, repair, and improvement needs across the State's parks, and are based on projected revenue estimates. The adjustment complies with Proposal 2020-1, which amended the Michigan Constitution to change how revenue for State parks may be spent.</p> | <p>Gross (2,925,000)
Restricted (2,925,000)
GF/GP 0</p> |

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$828,600 to \$853,700.

Gross	25,100
Restricted	25,100
GF/GP	0

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(1,454,000)
Federal	(162,400)
Restricted	(1,206,800)
GF/GP	(84,800)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$8.5 million of FY 2021-22 one-time appropriations and eliminates \$19.4 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Kalamazoo River watershed improvements	\$6,000,000	\$0
Capital outlay - fish hatchery energy efficiencies	1,995,800	1,995,800
Chronic wasting disease (CWD) testing	500,000	500,000
Subtotal	\$8,495,800	\$2,495,800
 FY 2020-21 Elimination of One-Time Appropriations		
<u>Capital Outlay - 2021 Appropriations No Longer Needed</u>		
Fish hatchery infrastructure investment.....	(2,500,000)	0
Forest development infrastructure	(2,500,000)	0
Mass timber facility Newberry customer service center	(5,000,000)	0
Wetlands restoration, enhancement and acquisition.....	(1,000,000)	0
Subtotal	(\$11,000,000)	\$0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

Removal of Current Year One-Time Funding

Cedar forest sustainability	(500,000)	0
Forest fire equipment	(1,000,000)	0
Milliken visitors center	(2,500,000)	(2,500,000)
Shooting range development.....	(4,400,000)	0
Subtotal.....	(\$8,400,000)	(\$2,500,000)

L. VETOES - NONE

**SCHOOL AID
PA 48 of 2021**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	21,720,040,700	15,853,068,000	17,134,110,700	16,807,871,500	16,978,110,700	(4,741,930,000)	(21.8)
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	21,720,040,700	15,853,068,000	17,134,110,700	16,807,871,500	16,978,110,700	(4,741,930,000)	(21.8)
Less:							
Federal Funds	7,869,968,100	1,822,478,500	2,179,478,500	1,943,478,500	2,024,478,500	(5,845,489,600)	(74.3)
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	13,850,072,600	14,030,589,500	14,954,632,200	14,864,393,000	14,953,632,200	1,103,559,600	8.0
Less:							
Other State Restricted Funds	13,795,608,000	13,990,589,500	14,869,232,200	14,784,393,000	14,868,232,200	1,072,624,200	7.8
GENERAL FUND/GENERAL PURPOSE ...	54,464,600	40,000,000	85,400,000	80,000,000	85,400,000	30,935,400	56.8
PAYMENTS TO LOCALS	13,680,775,500	13,873,111,900	14,744,857,700	14,668,145,400	14,743,857,700	1,063,082,200	7.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

1. School Psychologists, Nurses, Counselors, Social Workers. The budget includes \$240.0 million SAF to increase the number of school psychologists, social workers, counselors, and nurses. Funding is intended to cover three years of costs.	Gross Restricted GF/GP	240,000,000 240,000,000 0
2. Year-Round Schools. The budget includes \$75.0M Federal funding for one-time building improvements in schools intending to begin operating year-round, and \$60.0 million SAF to provide a 3.0% foundation allowance increase to support ongoing increases in costs for schools operating year-round.	Gross Federal Restricted GF/GP	135,000,000 75,000,000 60,000,000 0
3. Inkster Debt. The budget includes funding to eliminate Inkster Schools' debt. (The district is no longer operating.)	Gross Restricted GF/GP	25,500,000 25,500,000 0
4. Benchmark Assessments Development for FY 2022-23. The budget includes new funding to develop benchmark assessments for the 2022-23 school fiscal year.	Gross Restricted GF/GP	11,500,000 11,500,000 0
5. School Safety Grants. The budget includes \$10.0 million for school safety grants, of which \$2.5 million would be available for nonpublic schools, and the remaining \$7.5 million would be available for public schools.	Gross Restricted GF/GP	10,000,000 7,500,000 2,500,000
6. ISD Brownfield Redevelopment Reimbursement. The budget includes new funding to reimburse ISDs for lost revenue due to brownfield redevelopments.	Gross Restricted GF/GP	7,500,000 7,500,000 0
7. Career and Technical Education (CTE) Equipment Upgrades. The budget includes \$7.5 million to provide CTE grants to career education planning districts (CEPDs) where at least 50% of the area served by the CEPD is located in an ISD that does not levy CTE millage.	Gross GF/GP	7,500,000 7,500,000
8. PRIME Schools. The budget includes \$6.0 million in Federal ARP funds to provide high schools with cost-effective and tailored engineering and manufacturing programs.	Gross Federal GF/GP	6,000,000 6,000,000 0

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
9. Early Literacy: LETRS Program.	The budget includes \$4.0 million to provide professional development in early literacy to pre-K to grade 3 teachers.	Gross	4,000,000
		Restricted	4,000,000
		GF/GP	0
10. Youth in Government.	The budget includes \$3.75 million for the YMCA to operate the Youth in Government program.	Gross	3,750,000
		GF/GP	3,750,000
11. Special Education Learning Library.	The budget includes \$3.0 million for the development of content for use by special education students, teachers, and others.	Gross	3,000,000
		GF/GP	3,000,000
12. C-O-O-R ISD CTE Program.	The budget includes \$2.5 million for the Crawford-Oscoda-Ogemaw-Roscommon (COOR) ISD's CTE program.	Gross	2,500,000
		Restricted	2,500,000
		GF/GP	0
13. Navigate 360.	The budget includes just under \$2.0 million for Navigate 360, a program that is designed to reduce detentions and suspensions and focus on social and emotional learning.	Gross	1,947,000
		GF/GP	1,947,000
14. Jewish Federation.	The budget includes \$1.7 million for the Jewish Federal of Metro Detroit to support day schools, day camps, and summer programming.	Gross	1,700,000
		GF/GP	1,700,000
15. Launch Michigan: Data Streamlining and Spending Analysis.	The budget includes \$1.5 million for Launch Michigan to compile a report on streamlining data submissions and recommendations for measuring and comparing noninstructional staffing and spending.	Gross	1,500,000
		GF/GP	1,500,000
16. Task Force: Special Education Personnel.	The budget includes \$1.5 million for supporting a task force to develop a comprehensive multi-year plan to attract, prepare, and retain qualified personnel for children with disabilities.	Gross	1,500,000
		Restricted	1,500,000
		GF/GP	0
17. Project SEARCH.	The budget includes \$1.5 million for a program to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.	Gross	1,500,000
		Restricted	1,500,000
		GF/GP	0
18. Early Childhood Collaborative - Genesee County.	The budget includes just under \$1.4 million for an early childhood collaborative in Genesee County for enrollment software and staff.	Gross	1,384,900
		GF/GP	1,384,900

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

- | | | |
|--|-------------------|------------------|
| <p>19. Innovative Community Libraries. The budget includes \$1.0 million for districts that have established innovative community libraries.</p> | <p>Gross</p> | <p>1,000,000</p> |
| | <p>Restricted</p> | <p>1,000,000</p> |
| | <p>GF/GP</p> | <p>0</p> |
| <p>20. Mi Alma - Exito Educativo. The budget includes \$450,000 for Mi Alma and the Exito Educativo program that brings Latino parents and their high school children together to learn about the requirements of high school graduation.</p> | <p>Gross</p> | <p>450,000</p> |
| | <p>GF/GP</p> | <p>450,000</p> |

B. PROGRAM INCREASES

- | | | |
|--|-------------------|--------------------|
| <p>1. Foundation Allowance. The budget includes funding to close the gap between the minimum and the target foundation allowance for FY 2021-22. The cost to bring all districts up to \$8,700 per pupil is \$606.0 million. Another \$40.0 million is included to calculate the State share of a hold harmless district's foundation allowance in the same manner as a non-hold harmless district. Finally, \$3.0 million is included to ensure 'out-of-formula' districts also receive a \$171 per-pupil increase in foundation allowance funding for FY 2021-22.</p> | <p>Gross</p> | <p>649,000,000</p> |
| | <p>Restricted</p> | <p>649,000,000</p> |
| | <p>GF/GP</p> | <p>0</p> |
| <p>2. Michigan Public School Employees' Retirement System. The budget includes \$249.2 million for the increase in cost of the rate cap, \$31.5 million for retirement costs under Section 147e costs, and savings of \$13.0 million for the portion of MPSERS costs related to dedicated gains and the assumed rate of return.</p> | <p>Gross</p> | <p>267,660,000</p> |
| | <p>Restricted</p> | <p>267,170,000</p> |
| | <p>GF/GP</p> | <p>490,000</p> |
| <p>3. Great Start Readiness Program. The budget includes an increase of \$168.5 million to increase the number of children served by GSRP and to increase the per-child payment to \$8,700 for a full day (the same as the foundation allowance for K-12 students). As Federal funding is spent, State funds will need to increase to maintain the program over time.</p> | <p>Gross</p> | <p>168,520,000</p> |
| | <p>Federal</p> | <p>121,000,000</p> |
| | <p>Restricted</p> | <p>47,520,000</p> |
| | <p>GF/GP</p> | <p>0</p> |
| <p>4. Special Education. The budget includes an increase of \$43.9 million for technical costs and \$30.0 million to provide an additional 1.0% reimbursement of special education programming costs.</p> | <p>Gross</p> | <p>74,400,000</p> |
| | <p>Restricted</p> | <p>74,400,000</p> |
| | <p>GF/GP</p> | <p>0</p> |
| <p>5. ISD Special Education Millage Equalization. The budget includes an increase of \$34.2 million for ISD special education millage equalization payments (on top of the standard funding of \$40.0 million annually).</p> | <p>Gross</p> | <p>34,200,000</p> |
| | <p>Restricted</p> | <p>34,200,000</p> |
| | <p>GF/GP</p> | <p>0</p> |

	FY 2021-22 Change From FY 2020-21 Year-to-Date	
6. Bilingual Education. The budget increases bilingual education funding by \$12.2 million to a total of \$25.2 million.	Gross	12,200,000
	Restricted	12,200,000
	GF/GP	0
7. Early On. The budget increases Early On funding by \$7.0 million to a total of \$14.2 million.	Gross	7,000,000
	Restricted	7,000,000
	GF/GP	0
8. Imagine Learning. The budget increases funding for Imagine Learning by \$4.5 million, bringing the total to \$6.0 million.	Gross	4,500,000
	GF/GP	4,500,000
9. Graduation Alliance - Attendance Recovery. The budget increases funding for attendance recovery programming from \$2.0 million to \$6.0 million.	Gross	4,000,000
	GF/GP	4,000,000
10. ISD Operations. The budget increases ISD operational funding by 4%, to a total of \$71.9 million.	Gross	2,765,600
	Restricted	2,765,600
	GF/GP	0
11. Promise Zone Payments. The budget increases required Promise Zone reimbursements from \$11.3 million to \$13.8 million.	Gross	2,500,000
	Restricted	2,500,000
	GF/GP	0
12. At Risk. The budget increases At Risk by \$2.5 million to pay for a five-percentage-point increase in At Risk funding for districts with combined State and local revenue in excess of the target foundation allowance.	Gross	2,500,000
	Restricted	2,500,000
	GF/GP	0
13. 10 Cents a Meal. The budget increases funding for the 10 Cents a Meal program from \$4.0 million to \$4.5 million.	Gross	2,500,000
	Restricted	2,200,000
	GF/GP	300,000
14. Math Essentials. The budget includes \$2.0 million for math essentials programming to be delivered along with literacy essentials training.	Gross	2,000,000
	Restricted	2,000,000
	GF/GP	0
15. Center for Educational Performance and Information (CEPI). The budget includes a \$2.0 million increase for CEPI, bringing the total to \$18.8 million.	Gross	2,000,000
	GF/GP	2,000,000

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
16. Dental Screenings.	The budget includes \$1.5 million for dental screenings to be conducted along with existing screenings for vision and hearing.	Gross GF/GP	1,500,000 1,500,000
17. Isolated Districts.	The budget increases funding for isolated districts and provides funding for districts in excess of 250 square miles that otherwise do not receive funding under this section.	Gross Restricted GF/GP	1,420,000 1,420,000 0
18. Boys and Girls Club.	The budget increases funding for Boys and Girls Club by \$1.0 million.	Gross GF/GP	1,000,000 1,000,000
19. Algebra Nation.	The budget increases funding for Algebra Nation by \$1.0 million.	Gross GF/GP	1,000,000 1,000,000
20. Nonpublic Schools' Reimbursement - Health/Safety Mandates.	The budget increases funding for nonpublic schools' reimbursement for health and safety mandates. (Previous funding had been vetoed.)	Gross GF/GP	1,000,000 1,000,000
21. Cash Flow Borrowing Costs.	The budget includes an increase of \$800,000 for SAF cash flow borrowing costs, bringing the total to \$9.5 million.	Gross Restricted GF/GP	800,000 800,000 0
22. Michigan Education Corps.	The budget increases funding for early literacy tutoring provided by the Michigan Education Corps to \$3.5 million.	Gross GF/GP	727,000 727,000
23. Robotics.	The budget increases funding for robotics at public schools by \$323,200 and for robotics at nonpublic schools by \$300,000.	Gross Restricted GF/GP	623,200 323,200 300,000
24. Orton Gillingham Dyslexia Tool.	The budget doubles funding for the Orton Gillingham dyslexia tool.	Gross GF/GP	500,000 500,000
25. Chaldean Community Foundation.	The budget increases funding for early literacy programs offered by the Chaldean Community Foundation.	Gross GF/GP	250,000 250,000
26. Payments in Lieu of Taxes (PILT) Reimbursement.	The budget provides a slight increase in required PILT reimbursement.	Gross Restricted GF/GP	65,000 65,000 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

C. PROGRAM ELIMINATIONS

1. One-Time Federal Funds. The budget removes more than \$6.0 billion in one-time Federal funds (primarily Elementary and Secondary School Emergency Relief, or ESSER, funds).	Gross Federal GF/GP	(6,047,489,600) (6,047,489,600) 0
2. State-Funded Equalization Payment. The budget removes a one-time equalization payment calculated in tandem with ESSER funds.	Gross Restricted GF/GP	(136,000,000) (136,000,000) 0
3. One-Time Per-Pupil Payment. The budget removes a one-time payment that provided roughly \$66 per pupil.	Gross Restricted GF/GP	(95,000,000) (95,000,000) 0
4. Growing Districts Categorical. The budget removes a categorical that provided additional funding to growing districts that otherwise were harmed by the 'superblend' pupil membership calculations.	Gross Restricted GF/GP	(50,000,000) (50,000,000) 0
5. Innovative Summer School Programs. The budget removes a categorical that funded innovative summer school programming.	Gross Restricted GF/GP	(10,000,000) (10,000,000) 0
6. TRAILS (Training for School Mental Health Professionals). The budget removes funding for the TRAILS program that trained school mental health professionals in effective practices.	Gross Restricted GF/GP	(5,400,000) (5,400,000) 0
7. Teacher Retention Incentives. The budget removes funding that provided financial incentives for teachers to return after their first year of teaching.	Gross Restricted GF/GP	(5,000,000) (5,000,000) 0
8. Development of FY 2021-22 Benchmark Assessments (State Portion). The budget removes funding that was used to develop FY 2021-22 benchmark assessments.	Gross Restricted GF/GP	(4,197,900) (4,197,900) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

9. Virtual Education Supports. The budget removes funding that was used to provide support during remote learning.	Gross (2,000,000) Restricted (2,000,000) GF/GP 0
10. Michigan Kindergarten Entry Observation (MKEO) Tool. The budget removes funding for the MKEO, an assessment used to determine skill levels of kindergarteners.	Gross (1,500,000) Restricted (1,500,000) GF/GP 0
11. School Meal Debt Forgiveness. The budget removes funding for school meal debt forgiveness.	Gross (1,000,000) Restricted (1,000,000) GF/GP 0
12. Distance Learning Study. The budget removes funding for a one-time study of distance learning.	Gross (150,000) GF/GP (150,000)
13. Education Reform Commission Placeholder. The budget removes a placeholder for a commission on education reform. The commission was not established.	Gross (100) GF/GP (100)

D. PROGRAM REDUCTIONS

1. Foundation Allowance - Technical Cost Adjustments. The budget includes \$94.0 million in savings, primarily due to declining enrollment statewide.	Gross (94,000,000) Restricted (94,000,000) GF/GP 0
2. School Mental Health. The budget reduces school mental health grants by \$3.0 million, leaving a total remaining of \$52.6 million for grants to districts and ISDs.	Gross (3,000,000) Restricted (3,000,000) GF/GP 0

E. FUNDING SHIFTS

Includes a fund shift of \$11.1 million SAF in place of GF/GP.	Gross 0 Restricted 11,167,000 GF/GP (11,167,000)
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**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

F. PROGRAM TRANSFERS

Flint Educare is transferred from the Department of Education budget to School Aid.

Gross	1,000,000
GF/GP	1,000,000

G. OTHER ISSUES – NONE

H. UNCLASSIFIED SALARIES – NONE

I. FEE INCREASES – NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(55,100)
Restricted	(8,700)
GF/GP	(46,400)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$425.1 million of FY 2021-22 one-time appropriations and eliminates \$95.0 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
School nurses, counselors.....	\$240,000,000	\$0
Year-round schools (HVAC, operational funding)	135,000,000	0
Inkster debt	25,500,000	0
School safety grants	10,000,000	2,500,000
YMCA Youth in Government	3,750,000	3,750,000
Special education learning library.....	3,000,000	3,000,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

COOR ISD CTE program	2,500,000	0
Launch Michigan study of streamlining data and spending....	1,500,000	1,500,000
Task force: special education personnel	1,500,000	0
Genesee County early childhood collaborative	1,384,900	1,384,900
Flint Educare.....	1,000,000	1,000,000
Subtotal.....	\$425,134,900	\$13,134,900

FY 2020-21 Elimination of One-Time Appropriations

Per-Pupil Payments	(\$95,000,000)	\$0
Subtotal.....	(\$95,000,000)	\$0

L. VETOES

Line Item or Boilerplate Language	Gross	GF/GP
Reading Scholarships	\$155,000,000	\$0
Huron Valley Transportation Costs.....	1,000,000	0
Subtotal.....	\$156,000,000	\$0

**DEPARTMENT OF STATE
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	1,586.0	1,586.0	1,306.0	1,584.0	1,586.0	0.0	0.0
GROSS	254,297,500	252,164,300	244,243,600	62,863,200	252,164,300	(2,133,200)	(0.8)
Less:							
Interdepartmental Grants Received	20,000,000	20,000,000	20,000,000	5,000,000	20,000,000	0	0.0
ADJUSTED GROSS	234,297,500	232,164,300	224,243,600	57,863,200	232,164,300	(2,133,200)	(0.9)
Less:							
Federal Funds	1,460,000	1,460,000	1,460,000	365,000	1,460,000	0	0.0
Local and Private	50,100	50,100	50,100	12,600	50,100	0	0.0
TOTAL STATE SPENDING	232,787,400	230,654,200	222,733,500	57,485,600	230,654,200	(2,133,200)	(0.9)
Less:							
Other State Restricted Funds	220,189,900	218,218,600	210,318,600	54,554,600	218,218,600	(1,971,300)	(0.9)
GENERAL FUND/GENERAL PURPOSE ...	12,597,500	12,435,600	12,414,900	2,931,000	12,435,600	(161,900)	(1.3)
PAYMENTS TO LOCALS	1,041,800	1,343,800	1,343,800	1,343,800	1,343,800	302,000	29.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

Motorcycle Safety Fund Increased Authorization. The budget increases the funding authority from the Fund because of increased revenue receipts resulting from the fee increase in 2017.

Gross	300,000
Restricted	300,000
GF/GP	0

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

Reinstatement Fee Revenue Adjustment. The budget reduces funding because of decreased revenue receipts resulting from the elimination of driver responsibility fees and recent criminal justice reforms.

Gross	(1,204,300)
Restricted	(1,204,300)
GF/GP	0

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$691,100 to \$711,800.

Gross	20,700
GF/GP	20,700

I. FEE INCREASES - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(1,249,600)
Restricted	(1,067,000)
GF/GP	(182,600)

K. ONE-TIME APPROPRIATIONS - NONE

L. VETOES - NONE

**DEPARTMENT OF STATE POLICE
PA 87 of 2021 – ARTICLE 12**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	3,596.0	3,651.0	3,648.0	3,601.0	3,692.0	96.0	2.7
GROSS	872,688,500	773,164,700	760,798,900	799,478,900	829,457,700	(43,230,800)	(5.0)
Less:							
Interdepartmental Grants Received	24,851,700	24,816,300	24,816,300	24,816,300	24,816,300	(35,400)	(0.1)
ADJUSTED GROSS	847,836,800	748,348,400	735,982,600	774,662,600	804,641,400	(43,195,400)	(5.1)
Less:							
Federal Funds	216,604,700	80,953,100	80,953,100	125,953,100	125,953,100	(90,651,600)	(41.9)
Local and Private	8,326,200	4,867,700	4,867,700	4,867,700	4,867,700	(3,458,500)	(41.5)
TOTAL STATE SPENDING	622,905,900	662,527,600	650,161,800	643,841,800	673,820,600	50,914,700	8.2
Less:							
Other State Restricted Funds	168,429,300	145,998,100	145,998,100	145,998,100	145,998,100	(22,431,200)	(13.3)
GENERAL FUND/GENERAL PURPOSE ...	454,476,600	516,529,500	504,163,700	497,843,700	527,822,500	73,345,900	16.1
PAYMENTS TO LOCALS	18,599,900	18,253,300	20,253,300	18,253,300	20,253,300	1,653,400	8.9

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

1. Professional Development Bureau. The budget includes 22.0 FTEs and \$4.5 million GF/GP for a professional development bureau, designed to support MSP personnel.	FTE Gross GF/GP	22.0 4,500,000 4,500,000
2. Body Cameras. The budget includes 17.0 FTEs and \$3.8 million GF/GP in ongoing costs for a body camera system for MSP personnel.	FTE Gross GF/GP	17.0 3,800,000 3,800,000
3. Michigan International Speedway (MIS) Traffic Control Support. The budget includes an appropriation of \$300,000 GF/GP to support MSP costs for providing traffic control services for MIS racing events.	Gross GF/GP	300,000 300,000

B. PROGRAM INCREASES

1. Lawsuit Settlement Payment. The budget includes a one-time appropriation of \$8.5 million GF/GP to pay for a lawsuit settlement made against the Department.	Gross GF/GP	8,500,000 8,500,000
2. FY 2020-21 Trooper Recruit School Annualization. The budget includes funding of \$4,914,100 GF/GP for the full-year FY 2021-22 costs of FY 2020-21 trooper recruit school graduates.	Gross GF/GP	4,914,100 4,914,100
3. FY 2021-22 Trooper Recruit School - One Time. The budget includes funding for a new trooper school designed to graduate 50 troopers. Funding for this school, in part, is appropriated via one-time school costs of \$4,885,500 GF/GP. The Department also will conduct additional trooper schools utilizing existing resources.	Gross GF/GP	4,885,500 4,885,500
4. FY 2021-22 Trooper Recruit School - Ongoing. The budget includes funding for a new trooper school designed to graduate 50 troopers. Funding for this school, in part, is appropriated via ongoing costs of \$2,793,300 GF/GP. The Department also will conduct additional trooper schools utilizing existing resources.	FTE Gross GF/GP	52.0 2,793,300 2,793,300
5. Breathalyzer Replacement. The budget includes one-time funding of \$2.5 million GF/GP for the replacement of aging breathalyzer equipment at police posts and jails in the State.	Gross GF/GP	2,500,000 2,500,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

6. Adjustment to Align Funding with Authorization. The budget includes non-GF/GP adjustments across several budget lines to align funding with FY 2021-22 authorization.	Gross IDG Federal Restricted GF/GP	2,102,200 (3,100) 2,306,300 (201,000) 0
7. De-Escalation Training. The budget includes \$500,000 GF/GP to Michigan Council on Law Enforcement Standards (MCOLES) for the purpose of providing de-escalation training for law enforcement personnel statewide.	Gross GF/GP	500,000 500,000
8. Contracts and Services. The budget includes \$400,000 GF/GP for State executive security.	Gross GF/GP	400,000 400,000
9. Michigan Commission on Law Enforcement Standards - Tracking System. The budget includes \$358,000 in restricted Medical Marihuana Regulatory authorization funding to support contractual cost increases for MCOLES Information and Tracking Network.	Gross Restricted GF/GP	358,000 358,000 0
10. Michigan Commission on Law Enforcement Standards - Staffing Enhancement. The budget includes 2.0 FTEs and \$306,500 in Medical Marihuana Regulatory authorization funding to assist with MCOLES's increased law enforcement training, licensing, and investigative duties.	FTE Gross Restricted GF/GP	2.0 306,500 306,500 0

C. PROGRAM ELIMINATIONS

1. Joint Task Force on Jail and Pretrial Incarceration - FY 2020-21 One-Time. The budget eliminated one-time funding of \$4.2 million GF/GP to train various law enforcement personnel relating to Task Force recommendation 7 ("provide behavioral health crisis response training for law enforcement, dispatch, and jail officers") and recommendation 17 ("invest in services and supports for crime victims").	Gross GF/GP	(4,200,000) (4,200,000)
2. FY 2020-21 Trooper Recruit School - One Time. The budget includes the elimination FY 2020-21 one-time costs of \$3,509,100 GF/GP for trooper schools.	Gross GF/GP	(3,509,100) (3,509,100)
3. COVID-19 Emergency Management Performance Grants. The budget includes the elimination FY 2020-21 one-time Federal COVID-19 grants of \$2,556,000 GF/GP.	Gross Federal GF/GP	(2,556,000) (2,556,000) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

D. PROGRAM REDUCTIONS

1. Adjustment to Reflect FY 2020-21 Boilerplate Receive and Expend Authority.	Gross Federal Private Restricted GF/GP	(30,234,000) (24,734,000) (1,700,000) (3,800,000) 0
2. Emergency and Disaster Response and Mitigation. The budget included \$45.0 million Federal for anticipated Federal support for emergency and disaster response and mitigation; FY 2020-21 included \$75,210,800 for this appropriation.	Gross Federal GF/GP	(30,210,900) 20,210,900 10,000,000
3. Clean Slate Project. The budget includes 3.0 FTEs and \$1,250,000 GF/GP to continue the implementation and support of a record expungement process per PAs 187-193 of 2020. Fiscal year 2020-21 appropriations for this project totaled \$19.0 million GF/GP.	FTE Gross Restricted GF/GP	3.0 (17,750,000) (19,000,000) (1,250,000)
4. Intelligence Operations. The budget includes a reduction of \$1,750,000 in private funds, which were for the purpose of supporting a private donation in support of Operation Vigilance.	Gross Private GF/GP	(1,750,000) (1,750,000) 0
5. Secondary Road Patrol Grant Program - GF/GP Funding support. The budget includes funding that reflects a reduction of \$700,000 in the GF/GP support for the Secondary Road Patrol Grant Program to counties. The FY 2021-22 budget includes \$2.0 million GF/GP ongoing and \$2.0 million GF/GP in one-time funding.	Gross GF/GP	(700,000) (700,000)
6. Departmentwide Appropriations. The budget reflects the reduction of restricted funding of \$550,000 because of one-time expenditures in FY 2020-21 due to sale of surplus vehicles.	Gross Restricted GF/GP	(550,000) (550,000) 0
7. Investigative Services. The budget reflects the reduction of restricted funding of \$202,100 due to one-time expenditures of higher-than-anticipated Automobile Theft Prevention Authority revenue in FY 2020-21 .	Gross IDGs GF/GP	(202,100) (202,100) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

E. FUNDING SHIFTS

1. Public Safety Appropriations Shift - From Coronavirus Relief Funds to GF/GP. The budget includes \$47,361,100 GF/GP to supplant one-time FY 2020-21 support of MSP's public safety payroll with Federal Coronavirus Relief Fund revenues.	Gross Federal GF/GP	0 (47,361,100) 47,361,100
2. Fund Shift - Cost Allocation. The budget includes adjustments to reflect corrected fund shift/cost allocations for FY 2021-22.	Gross IDGs Federal Restricted GF/GP	0 67,700 27,600 (95,300) 0

F. PROGRAM TRANSFERS

Michigan Public Safety Communications System Leases - to DTMB. The budget includes a transfer of public safety communications leasing funds to consolidate appropriations for the system within the DTMB.	Gross GF/GP	(157,500) (157,500)
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G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget reduces Gross funding for the unclassified salaries line item from \$623,900 to \$524,600.	Gross IDGs Restricted GF/GP	(99,300) 700 (108,900) 8,900
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I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective	Gross IDGs Federal Local Restricted GF/GP	12,828,500 101,400 1,876,500 (8,500) 659,500 10,199,600
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October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

K. ONE-TIME APPROPRIATIONS

The budget identifies \$65,985,500 of FY 2021-22 one-time appropriations, and eliminates \$109,576,000 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Emergency and Disaster Response and Mitigation	\$45,000,000	\$0
Lawsuit Settlement	8,500,000	8,500,000
Trooper Recruit School FY 201-22.....	4,885,500	4,885,500
Contracts and Services	3,100,000	3,100,000
Breathalyzer Replacement	2,500,000	2,500,000
Secondary Road Patrol Program	2,000,000	2,000,000
Subtotal	\$65,985,500	\$20,985,500
FY 2020-21 Elimination of One-Time Appropriations		
Emergency and Disaster Response and Mitigation	(\$65,210,900)	\$0
Clean Slate	(19,000,000)	0
Emergency and Disaster Response and Mitigation	(10,000,000)	(10,000,000)
Joint Task Force on Jail and Pretrial Incarceration	(4,200,000)	(4,200,000)
Trooper School FY 2020-21	(3,509,100)	(3,509,100)
Secondary Road Patrol Program	(2,700,000)	(2,700,000)
COVID-19 Emergency Management Performance Grants	(2,556,000)	0
Contracts and Services	(2,400,000)	(2,400,000)
Subtotal	(\$109,576,000)	(\$22,809,100)

L. VETOES - NONE

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	3,133.0	3,141.0	2,641.6	3,127.0	3,141.0	8.0	0.3
GROSS.....	1,699,600,700	1,699,769,800	1,635,792,800	589,721,000	1,701,869,800	2,269,100	0.1
Less:							
Interdepartmental Grants Received	1,024,720,900	1,057,210,900	1,057,196,200	264,302,800	1,057,210,900	32,490,000	3.2
ADJUSTED GROSS.....	674,879,800	642,558,900	578,596,600	325,418,200	644,658,900	(30,220,900)	(4.5)
Less:							
Federal Funds.....	8,389,300	5,129,800	5,129,800	1,282,500	5,129,800	(3,259,500)	(38.9)
Local and Private	2,472,300	2,463,400	2,463,400	615,900	2,463,400	(8,900)	(0.4)
TOTAL STATE SPENDING	664,018,200	634,965,700	571,003,400	323,519,800	637,065,700	(26,952,500)	(4.1)
Less:							
Other State Restricted Funds	123,046,400	121,020,600	121,018,600	30,255,000	121,020,600	(2,025,800)	(1.6)
GENERAL FUND/GENERAL PURPOSE ...	540,971,800	513,945,100	449,984,800	293,264,800	516,045,100	(24,926,700)	(4.6)
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

1. Advanced Persistent Cyber Threats. The budget includes a one-time appropriation of \$20.0 million GF/GP for cybersecurity improvements, including investments in new tools and increased monitoring.	Gross GF/GP	20,000,000 20,000,000
2. Energy Efficiency Revolving Fund. The budget includes a one-time appropriation of \$5.0 million GF/GP to capitalize an Energy Efficiency Revolving Fund to fund renewable energy and energy efficiency projects at State facilities.	Gross GF/GP	5,000,000 5,000,000
3. Longitudinal Data System. The budget includes a one-time appropriation of \$2.8 million GF/GP to support staff for building and operating a longitudinal data system.	Gross GF/GP	2,750,000 2,750,000
4. Michigan-Indiana Border Study. The budget includes \$500,000 GF/GP as a one-time appropriation for DTMB to conduct a study of the administration and remonumentation of the Michigan-Indiana border.	Gross GF/GP	500,000 500,000

B. PROGRAM INCREASES

1. IT IDG Baseline Adjustment. The budget includes a \$33.1 million Gross adjustment in IDG funding for information technology services to other departments and agencies. The adjustment reflects changes to projects and services within those entities.	Gross IDG GF/GP	33,138,500 33,138,500 0
2. Information Technology Investment Fund (ITIF). The budget includes \$17.5 million GF/GP for the ITIF. Of this amount, \$15.0 million is one-time and \$2.5 million was added as ongoing funding.	Gross GF/GP	17,500,000 17,500,000
3. Legal Services Funding. The budget includes a one-time appropriation of \$12.3 million GF/GP for potential litigation costs that may involve statewide issues rather than issues focused on a particular department or agency.	Gross GF/GP	12,300,000 12,300,000
4. State Budget Office. The budget includes a \$2.5 million GF/GP increase to the Budget and Financial Management line item to support State Budget Office operations.	Gross GF/GP	2,500,000 2,500,000
5. SIGMA Data Storage and Agency Services. The budget includes \$1.7 million GF/GP for ongoing operational needs largely pertaining to data storage. The funding is intended to be included as part of SIGMA's base funding in future budgets.	Gross GF/GP	1,650,000 1,650,000

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
6. Facilities Security.	The budget includes a \$1.5 million GF/GP increase to the Building Operation Services line for increased security at DTMB-owned and managed facilities.	Gross GF/GP	1,500,000 1,500,000
7. Veterans Homes Accounting Services.	The budget includes \$1.0 million in IDG funding to support the alignment of accounting services provided to veterans homes. The budget also includes 8.0 related FTEs.	Gross IDG GF/GP	1,051,900 1,051,900 0
8. Business Incentive Study.	The budget includes a one-time appropriation of \$1.0 million GF/GP for the implementation of the Economic Development Incentive Evaluation Act, PA 540 of 2018.	Gross GF/GP	1,000,000 1,000,000
9. Statewide Personal Protective Equipment (PPE) Procurement.	The budget includes \$1.0 million GF/GP for the DTMB to issue a request for proposal for the contracting of the purchase of PPE to establish a statewide reserve in case of emergencies.	Gross GF/GP	1,000,000 1,000,000
10. Deferred Compensation.	The budget includes \$400,000 in restricted Deferred Compensation funds for the administration of DC plans by the Office of Retirement Services.	Gross Restricted GF/GP	400,000 400,000 0
11. Vendor Data Tracking.	The budget includes \$300,000 GF/GP as a one-time appropriation for the maintenance of a comprehensive supplier risk and information subscription used for the Pre-Contract Risk Assessment program authorized by PA 107 of 2017.	Gross GF/GP	300,000 300,000
12. Actuarial Study of State Innovation Waiver.	The budget includes a one-time appropriation of \$250,000 GF/GP for the completion of an actuarial study to pursue a State innovation waiver under the Patient Protection and Affordable Care Act.	Gross GF/GP	250,000 250,000
13. Office of Children's Ombudsman.	The budget includes a \$200,000 GF/GP increase to the Office of Children's Ombudsman line to fill a vacant position and increase support for the IT Complaint System to improve the child welfare system. The budget also removes \$100,000 GF/GP in supplemental funding to this line item, resulting in a net increase of 100,000 Gross and GF/GP.	Gross GF/GP	100,000 100,000
14. Survivor Benefits for Public Safety Officers.	The budget includes a \$43,000 increase to survivor benefits for public safety officers. This increase is in the Retirement Services line.	Gross GF/GP	43,000 43,000

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

C. PROGRAM ELIMINATIONS

Special Maintenance Projects at State Psychiatric Hospitals. The FY 2020-21 budget included a \$15.0 million one-time appropriation for special maintenance projects at State psychiatric hospitals. The FY 2021-22 budget removes the previous appropriation and does not include any funding for this purpose.

Gross (15,000,000)
GF/GP (15,000,000)

D. PROGRAM REDUCTIONS

1. Removal of Venture Michigan II line item. The budget removes a line item for the Venture Michigan Fund II voucher purchases, eliminating funding for this purpose in the FY 2021-22 budget; \$37.2 million GF/GP was initially appropriated in FY 2020-21, with an additional \$21.0 million GF/GP added in the supplemental bill Public Act 30 of 2021.

Gross (58,200,000)
GF/GP (58,200,000)

2. Removal of Additional FY 2020-21 One-Time Appropriations. The budget removes a total of \$19.7 million in one-time and supplemental appropriations: Statewide Broadband Initiative (\$14.3 million GF/GP), a user fees alignment adjustment (\$3.6 million GF/GP), Coronavirus Response Activities (\$3.3 million Federal), and the Office of Retirement Services Customer Relationship Management System (\$2.1 million Restricted).

Gross (23,200,700)
Federal (3,250,000)
Restricted (2,100,000)
GF/GP (17,850,700)

3. Michigan State Police Retirement System Supplemental Payments. The budget decreases appropriations for MSP retirement system supplemental payments by \$27,000 GF/GP from Year-to-Date.

Gross (27,000)
GF/GP (27,000)

E. FUNDING SHIFTS

1. State Building Authority (SBA) Rent Adjustments. The budget makes net-to-zero adjustments to align SBA Rent appropriations with expenditures.

Gross 0
GF/GP 0

2. Statewide Cost Allocation Plan Adjustments (SWCAP). The budget includes net-to-zero adjustments related to the SWCAP. These adjustments are made annually.

Gross 0
IDG 10,600
Restricted 202,000
GF/GP (212,600)

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

F. PROGRAM TRANSFERS

Transfer of Radio Leases from MSP. The budget includes the transfer of radio leases from the Department of State Police to the Michigan Public Safety Communications System line item in MSP. An appropriation of \$157,500 GF/GP was associated with this transfer.

Gross	157,500
GF/GP	157,500

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$946,600 to \$975,000.

Gross	28,400
IDG	14,700
Restricted	2,000
GF/GP	11,700

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(2,472,500)
IDG	(1,725,700)
Federal	(9,500)
Local	(9,000)
Private	100
Restricted	(529,800)
GF/GP	(198,600)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$58.1 million of FY 2021-22 one-time appropriations and eliminates \$34.7 million of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Advanced persistent cyber threats	\$20,000,000	\$20,000,000
Information technology investment fund	15,000,000	15,000,000
Legal services funding	12,300,000	12,300,000
Energy efficiency revolving fund	5,000,000	5,000,000
Longitudinal data study	2,750,000	2,750,000
Business incentive fund	1,000,000	1,000,000
Statewide PPE stockpile procurement	1,000,000	1,000,000
Michigan-Indiana border study	500,000	500,000
Vendor data tracking	300,000	300,000
State innovation waiver actuarial study	250,000	250,000
Subtotal	\$58,100,000	\$58,100,000
FY 2020-21 Elimination of One-Time Appropriations		
Enterprisewide special maintenance fund	(\$15,000,000)	(\$15,000,000)
Broadband initiative	(14,305,000)	(14,305,000)
Coronavirus response activities	(3,250,000)	(3,250,000)
Retirement services customer relationship management	(2,100,000)	0
Subtotal	(\$34,655,000)	(\$29,305,000)

L. VETOES - NONE

**DEPARTMENT OF TRANSPORTATION
PA 87 of 2021 – ARTICLE 13**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	2,818.3	2,936.3	2,693.7	2,932.3	2,936.3	118.0	4.2
GROSS	5,498,353,700	5,236,519,200	5,231,001,000	5,236,519,200	5,236,619,200	(261,734,500)	(4.8)
Less:							
Interdepartmental Grants Received	4,063,100	4,044,800	4,044,800	4,044,800	4,044,800	(18,300)	(0.5)
ADJUSTED GROSS	5,494,290,600	5,232,474,400	5,226,956,200	5,232,474,400	5,232,574,400	(261,716,200)	(4.8)
Less:							
Federal Funds	1,815,079,200	1,448,519,000	1,448,519,000	1,448,519,000	1,448,519,000	(366,560,200)	(20.2)
Local and Private	81,682,000	81,682,000	81,682,000	81,682,000	81,682,000	0	0.0
TOTAL STATE SPENDING	3,597,529,400	3,702,273,400	3,696,755,200	3,702,273,400	3,702,373,400	104,844,000	2.9
Less:							
Other State Restricted Funds	3,597,529,400	3,702,273,400	3,696,755,200	3,702,273,400	3,702,373,400	104,844,000	2.9
GENERAL FUND/GENERAL PURPOSE ...	0	0	0	0	0	0	0.0
PAYMENTS TO LOCALS	2,125,342,100	2,196,114,200	2,196,214,200	2,187,646,000	2,196,214,200	70,872,100	3.3

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

1. Debt Service Increase. Additional spending is authorized for a rising annual payment schedule.	Gross Federal Restricted GF/GP	38,547,300 (4,598,800) 43,146,100 0
2. County Road and Bridge Construction. Additional spending is authorized for local road and bridge construction based on revenue projections of gas tax and registration fees.	Gross Restricted GF/GP	33,925,900 33,925,900 0
3. City and Village Road and Bridge Construction. Additional spending is authorized for local road and bridge construction based on revenue projections of gas tax and registration fees.	Gross Restricted GF/GP	18,915,200 18,915,200 0
4. Transportation Economic Development Programs. The full amount of statutory spending is authorized after a reduction from the previous fiscal year.	Gross Restricted GF/GP	12,807,400 12,807,400 0
5. Rail Operations and Infrastructure. Additional spending is authorized based on available revenue.	Gross Restricted GF/GP	5,618,200 5,618,200 0
6. Highway Maintenance Materials Costs. Additional spending is authorized to address inflation for several types of maintenance materials, including gravel, sand, steel, concrete, lighting, pesticides, signage materials, etc.	Gross Restricted GF/GP	4,108,800 4,108,800 0
7. Highway Maintenance Direct Force Increase. Additional spending and 76 FTEs are authorized to transition seasonal employees to full-time.	Gross Restricted GF/GP	3,500,000 3,500,000 0

		FY 2021-22 Change From FY 2020-21 Year-to-Date	
8. Local Bus Operating.	The spending authority is restored to pre-pandemic levels.	Gross	3,000,000
		Restricted	3,000,000
		GF/GP	0
9. Highway Maintenance Monroe County.	Additional spending and 42 FTEs are authorized for the Department to establish highway maintenance operations in Monroe County after the County did not renew its maintenance contract with MDOT several years ago.	Gross	2,900,000
		Restricted	2,900,000
		GF/GP	0
10. Service Initiatives.	Additional spending is authorized based on available revenue.	Gross	2,829,300
		Restricted	2,829,300
		GF/GP	0
11. State Trunkline Road and Bridge Construction.	Available Federal funds offset reduced trunkline funds that are redirected to debt service.	Gross	1,881,200
		Federal	29,237,200
		Restricted	(27,356,000)
		GF/GP	0
12. Detroit Metro/Wayne County Airport.	Additional spending is authorized based on available revenue.	Gross	897,000
		Restricted	897,000
		GF/GP	0
13. Local Bridge Program.	Additional spending is authorized based on available revenue.	Gross	812,500
		Restricted	812,500
		GF/GP	0
14. Intercity Services.	Additional spending is authorized based on available revenue.	Gross	800,000
		Restricted	800,000
		GF/GP	0
15. Airport Safety, Protection, and Improvement Program.	Additional spending is authorized based on available Aeronautics Fund revenue.	Gross	500,000
		Restricted	500,000
		GF/GP	0
16. Aviation Services.	Additional spending is authorized based on available Aeronautics Fund revenue.	Gross	413,600
		Restricted	413,600
		GF/GP	0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

17. Movable Bridge. Additional spending is authorized in accordance with statutory increase requirements.	Gross Restricted GF/GP	108,900 108,900 0
18. Detroit/Wayne County Port Authority. Spending authority is restored after several years of reduced appropriation amounts.	Gross Restricted GF/GP	100,000 100,000 0
19. Marine Passenger Services. Additional spending is authorized based on available revenue.	Gross Restricted GF/GP	84,000 84,000 0
20. Van Pooling. Spending authority is restored after a reduction in the previous fiscal year.	Gross Restricted GF/GP	45,000 45,000 0
C. PROGRAM ELIMINATIONS - NONE		
D. PROGRAM REDUCTIONS		
Interdepartmental Grant Adjustments. Grant amounts to other departments are reduced.	Gross Restricted GF/GP	(391,100) (391,100) 0
E. FUNDING SHIFTS - NONE		
F. PROGRAM TRANSFERS - NONE		
G. OTHER ISSUES		
Reversal of FY 2020-21 Supplemental Funding. The budget does not include supplemental funding added for the previous fiscal year, including Federal funding for airports, intercity buses, enhanced mobility of seniors and individuals with disabilities, and for State and local highways and bridges.	Gross Federal GF/GP	(390,883,100) (390,883,100) 0

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$828,600 to \$853,400.

Gross	24,800
Restricted	24,800
GF/GP	0

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(2,279,400)
IDG	(18,300)
Federal	(315,500)
Restricted	(1,945,600)
GF/GP	0

K. ONE-TIME APPROPRIATIONS - NONE

L. VETOES - NONE

DEPARTMENT OF TREASURY - DEBT SERVICE
PA 87 of 2021 – ARTICLE 5

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	113,735,000	99,064,000	99,064,000	99,064,000	99,064,000	(14,671,000)	(12.9)
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	113,735,000	99,064,000	99,064,000	99,064,000	99,064,000	(14,671,000)	(12.9)
Less:							
Federal Funds	0	0	0	0	0	0	0.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	113,735,000	99,064,000	99,064,000	99,064,000	99,064,000	(14,671,000)	(12.9)
Less:							
Other State Restricted Funds	0	0	0	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE ...	113,735,000	99,064,000	99,064,000	99,064,000	99,064,000	(14,671,000)	(12.9)
PAYMENTS TO LOCALS	0	0	0	0	0	0	0.0

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS - NONE

B. PROGRAM INCREASES

Great Lakes Water Quality Bond. The budget increases debt service payments for this bond by \$24,383,000 Gross and GF/GP because of projected new bond issuances for FY 2021-22. This increases total debt service payments to \$71,983,000.

Gross	24,383,000
GF/GP	24,383,000

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

1. Clean Michigan Initiative. The budget decreases debt service payments for this bond by \$25,743,000 Gross and GF/GP because of changes to existing debt service payments. This decreases total debt service payments to \$23,771,000.

Gross	(25,743,000)
GF/GP	(25,743,000)

2. Quality of Life Bond. The budget decreases debt service payments for this bond by \$13,311,000 Gross and GF/GP because of changes to existing debt service payments. This decreases total debt service payments to \$3,310,000.

Gross	(13,311,000)
GF/GP	(13,311,000)

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES - NONE

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS - NONE

K. ONE-TIME APPROPRIATIONS - NONE

L. VETOES - NONE

**DEPARTMENT OF TREASURY - OPERATIONS
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	1,924.5	1,924.5	1,924.5	1,924.5	1,924.5	0.0	0.0
GROSS	1,110,129,500	625,135,900	661,503,100	314,648,000	667,235,900	(442,893,600)	(39.9)
Less:							
Interdepartmental Grants Received	13,112,800	13,073,500	13,073,500	3,268,400	13,073,500	(39,300)	(0.3)
ADJUSTED GROSS	1,097,016,700	612,062,400	648,429,600	311,379,600	654,162,400	(442,854,300)	(40.4)
Less:							
Federal Funds	349,567,800	27,361,400	27,359,400	6,840,400	27,361,400	(322,206,400)	(92.2)
Local and Private	13,088,400	13,063,000	13,063,000	3,289,100	13,063,000	(25,400)	(0.2)
TOTAL STATE SPENDING	734,360,500	571,638,000	608,007,200	301,250,100	613,738,000	(120,622,500)	(16.4)
Less:							
Other State Restricted Funds	447,428,300	447,723,800	447,713,000	235,232,000	447,723,800	295,500	0.1
GENERAL FUND/GENERAL PURPOSE ...	286,932,200	123,914,200	160,294,200	66,018,100	166,014,200	(120,918,000)	(42.1)
PAYMENTS TO LOCALS	247,351,800	238,834,700	306,634,700	234,134,800	256,634,700	9,282,900	3.8

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

- | | | |
|---|----------------|--------------------------|
| 1. Transportation Administration Support Fund. The budget includes an \$18.0 million deposit into the Transportation Administration Support Fund, which is created in boilerplate (Sec. 949) and is used to support operations in the Department of State. | Gross
GF/GP | 18,000,000
18,000,000 |
| 2. NextGen Infrastructure. The budget includes \$16.0 million Gross and GF/GP to support NextGen 9-1-1 infrastructure upgrades across the State. | Gross
GF/GP | 16,000,000
16,000,000 |
| 3. Local First Responder Training and Recruitment Grants. The budget includes \$5.0 million Gross and GF/GP to support local efforts to recruit and improve training for first responders. | Gross
GF/GP | 5,000,000
5,000,000 |
| 4. Flow-Through Entity Tax Implementation. The budget includes \$4.6 million Gross and GF/GP to support implementation of a flow-through entity tax in House Bill 5376. | Gross
GF/GP | 4,600,000
4,600,000 |

B. PROGRAM INCREASES

- | | | |
|---|------------------------------|-----------------------------|
| 1. Wrongful Imprisonment Compensation Fund. The budget includes a \$7.0 million Gross and GF/GP increase in the deposit to the Wrongful Imprisonment Compensation Fund. The total FY 2021-22 deposit into the Wrongful Imprisonment Compensation Fund is \$10.0 million Gross and GF/GP. | Gross
GF/GP | 7,000,000
7,000,000 |
| 2. Recreational Marihuana Grants. The budget includes an increase of \$6.6 million Gross and Marihuana Regulation Funds for grants to local units of government to align with revenue projections. Total FY 2021-22 Recreation Marihuana Grants are estimated to be \$30.0 million. | Gross
Restricted
GF/GP | 6,600,000
6,600,000
0 |
| 3. Information Technology. The budget includes a \$4.6 million Gross and GF/GP increase for ongoing IT costs. Of the total, \$2.6 million is to support increased costs associated with increases in mainframe and maintenance costs and \$2.0 million is to support the replacement of Treasury's legacy collection system. | Gross
GF/GP | 4,600,000
4,600,000 |
| 4. Michigan Infrastructure Council. The budget includes an increase of \$3.0 million to the Michigan Infrastructure Council. Total FY 2021-22 appropriations to the Council are \$3,845,900 Gross, \$249,100 in IDGs, and \$3,596,800 GF/GP. | Gross
GF/GP | 3,000,000
3,000,000 |

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

<p>5. Payments in Lieu of Taxes. The budget increases Payments in Lieu of Taxes by \$2,183,200 Gross: \$2,100 Private, \$406,600 Restricted, and \$1,774,500 GF/GP to align with increased costs and new purchases of land. Total FY 2021-22 Payments In Lieu of Taxes are \$30,175,400 Gross: \$31,000 Private, \$6,212,800 Restricted, and \$23,931,600 GF/GP.</p>	<p>Gross 2,183,200 Private 2,100 Restricted 406,600 GF/GP 1,774,500</p>
<p>6. Dual Enrollment. The budget increases payments to private schools for Dual Enrollment students by \$667,400 Gross and GF/GP based on the May 2021 CREC. The total FY 2021-22 payments from Dual Enrollment are \$3.0 million Gross and GF/GP.</p>	<p>Gross 667,400 GF/GP 667,400</p>
<p>7. Senior Citizen Cooperative Housing. The budget includes an increase of \$500,000 in Senior Citizen Cooperative Housing to account for two new qualifying facilities in the City of Detroit and Farmington. The total FY 2021-22 payments to locals from Senior Citizen Cooperative Housing are \$11,271,400 Gross and GF/GP.</p>	<p>Gross 500,000 GF/GP 500,000</p>
<p>8. Home Heating Assistance. The budget includes a technical adjustment increase of \$2,000 Gross and Federal funds in the Home Heating Assistance line item to reverse an economic adjustment that should not occur in the line item.</p>	<p>Gross 2,000 Federal 2,000 GF/GP 0</p>

C. PROGRAM ELIMINATIONS

<p>1. FY 2020-21 One-Time Appropriations Removal. The budget removes \$108,825,000 Gross (\$4,025,000 Restricted and \$104,800,000 GF/GP) in FY 2020-21 one-time appropriations, which are identified in section K.</p>	<p>Gross (108,825,000) Restricted (4,025,000) GF/GP (104,800,000)</p>
<p>2. FY 2020-21 Supplemental Removal. The budget removes \$399,146,000 Gross (\$322,146,000 Federal and \$77.0 million GF/GP) in FY 2020-21 supplemental appropriations. Of the total, \$47.5 million Gross and GF/GP is from PA 257 of 2020, \$22.0 million Gross and GF/GP is from PA 2 of 2021, \$322,146,000 Gross and Federal is from PA 30 of 2021, \$7.0 million Gross and GF/GP is from PA 67 of 2021, and \$500,000 Gross and GF/GP is from PA 87 of 2021.</p>	<p>Gross (399,146,000) Federal (322,146,000) GF/GP (77,000,000)</p>
<p>3. Compulsive Gaming Prevention Fund. The budget transfers the distributions to the Compulsive Gaming Prevention Fund to boilerplate, resulting in a \$2.0 million Gross decrease in Part 1 appropriation. The distribution will continue in accordance with statute and boilerplate.</p>	<p>Gross (2,000,000) Restricted (2,000,000) GF/GP 0</p>

D. PROGRAM REDUCTIONS - NONE

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

E. FUNDING SHIFTS - NONE

F. PROGRAM TRANSFERS - NONE

G. OTHER ISSUES - NONE

H. UNCLASSIFIED SALARIES

The budget increases Gross funding for the unclassified salaries line item from \$1,093,700 to \$1,126,500.

Gross	32,800
Federal	2,000
Restricted	10,800
GF/GP	20,000

I. FEE INCREASES - NONE

J. ECONOMIC ADJUSTMENTS

The economic adjustment amount includes standard economic factors applied to salaries and wages, retirement, OERCs, insurance, rent, motor transport, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. Classified employees will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. Nonexclusively represented employees also will receive a 2.0% base wage increase effective October 1, 2021, and another 1.0% base wage increase effective April 1, 2022. There will be no lump-sum adjustments for either classified employees or NEREs in FY 2021-22.

Gross	(1,108,000)
IDG	(39,300)
Federal	(64,400)
Local	(27,500)
Restricted	(696,900)
GF/GP	(279,900)

K. ONE-TIME APPROPRIATIONS

The budget identifies \$43.6 million of FY 2021-22 one-time appropriations, shifts \$0 of appropriations from one-time to ongoing, and eliminates \$108,825,000 of FY 2020-21 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Transportation Administration Support Fund.....	\$18,000,000	\$18,000,000
NextGen Infrastructure	16,000,000	16,000,000
Local First Responder Training and Recruitment Grants	5,000,000	5,000,000
Flow-Through Entity Tax Implementation	4,600,000	4,600,000
Subtotal.....	\$43,600,000	\$43,600,000
FY 2020-21 Elimination of One-Time Appropriations		
Gaming Case Handling and Information Processing.....	(\$4,025,000)	\$0
Historic Preservation Tax Credit	(5,000,000)	(5,000,000)
Disaster Relief.....	(24,000,000)	(24,000,000)
Blight Elimination Grants	(800,000)	(800,000)
School District Debt Relief	(2,000,000)	(2,000,000)
Teacher COVID-19 Grant	(53,000,000)	(53,000,000)
School Support Staff COVID-19 Grant	(20,000,000)	(20,000,000)
Subtotal.....	(\$108,825,000)	(\$104,800,000)

L. VETOES - NONE

**DEPARTMENT OF TREASURY - REVENUE SHARING
PA 87 of 2021 – ARTICLE 5**

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/ FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE	FY 2021-22 GOV.'S REC.	FY 2021-22 SENATE	FY 2021-22 HOUSE	FY 2021-22 INITIAL APPROPS.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
						AMOUNT	PERCENT
FTE Positions	0.0	0.0	0.0	0.0	0.0	N/A	N/A
GROSS	1,430,784,600	1,367,563,900	1,367,996,900	1,360,809,200	1,412,735,300	(18,049,300)	(1.3)
Less:							
Interdepartmental Grants Received	0	0	0	0	0	0	0.0
ADJUSTED GROSS	1,430,784,600	1,367,563,900	1,367,996,900	1,360,809,200	1,412,735,300	(18,049,300)	(1.3)
Less:							
Federal Funds	0	0	0	0	0	0	0.0
Local and Private	0	0	0	0	0	0	0.0
TOTAL STATE SPENDING	1,430,784,600	1,367,563,900	1,367,996,900	1,360,809,200	1,412,735,300	(18,049,300)	(1.3)
Less:							
Other State Restricted Funds	1,430,784,600	1,367,563,900	1,367,996,900	1,360,809,200	1,412,302,300	(18,482,300)	(1.3)
GENERAL FUND/GENERAL PURPOSE ...	0	0	0	0	433,000	433,000	--
PAYMENTS TO LOCALS	1,430,784,600	1,367,563,900	1,367,996,900	1,360,809,200	1,412,735,300	(18,049,300)	(1.3)

Includes Ongoing and One-time Appropriations as of September 30, 2021

**FY 2021-22 Change From
FY 2020-21 Year-to-Date**

A. NEW PROGRAMS

Coronavirus Relief Local Government Grants (CRLGG) Reimbursement. The budget includes \$433,000 to reimburse 107 local units who returned some portion of the CRLGG funds received in 2019-20. (The CRLGG program provided Federal Coronavirus Relief Fund grants to eligible cities, villages, townships, and counties to be used for costs related to the COVID-19 public health emergency.)

Gross	433,000
Restricted	0
GF/GP	433,000

B. PROGRAM INCREASES

1. City, Village, and Township (CVT) Revenue Sharing. The budget increases nonconstitutional (statutory) revenue sharing for cities, villages, and townships to \$266,245,100. All local units that received CVT revenue sharing in FY 2020-21 will receive a 2.0% increase in FY 2021-22.

Gross	5,220,500
Restricted	5,220,500
GF/GP	0

2. Revenue Sharing Payments to Counties. A county that has completed withdrawals from its revenue sharing reserve fund is eligible for State-paid revenue sharing through two line items: County Revenue Sharing and the County Incentive Program. The budget provides a total of \$231,516,700 for revenue sharing payments to counties consisting of \$188,097,900 for County Revenue Sharing and \$43,418,800 for the County Incentive Program, which requires compliance with accountability and transparency conditions. The appropriations cover the \$447,800 in additional costs (\$358,300 in County Revenue Sharing and \$89,500 in the County Incentive Program) for Leelanau County, which will receive its first full year of State-paid revenue sharing in FY 2021-22. All eligible counties will receive 106.6435% of the amount determined by statute, a 2.0% increase over FY 2020-21.

Gross	4,987,300
Restricted	4,987,300
GF/GP	0

C. PROGRAM ELIMINATIONS - NONE

D. PROGRAM REDUCTIONS

Constitutional Revenue Sharing. The State Constitution requires the payment of 15.0% of sales tax revenue collected at a 4.0% rate to CVTs on a per capita basis. The budget includes \$912,040,500 for estimated constitutional revenue sharing payments in FY 2021-22 based on the May 2021 consensus revenue estimates. This is a 3.0% decrease from the revised estimate for FY 2020-21. Actual payments will be made based on actual revenue collections.

Gross	(28,690,100)
Restricted	(28,690,100)
GF/GP	0

E. FUNDING SHIFTS - NONE

- F. PROGRAM TRANSFERS - NONE
- G. OTHER ISSUES - NONE
- H. UNCLASSIFIED SALARIES - NONE
- I. FEE INCREASES - NONE
- J. ECONOMIC ADJUSTMENTS - NONE
- K. ONE-TIME APPROPRIATIONS

The budget identifies \$433,000 of FY 2021-22 one-time appropriations:

	Gross	GF/GP
FY 2021-22 One-Time Appropriations		
Coronavirus Relief Local Government Grants Reimbursement.....	\$433,000	\$433,000
Subtotal.....	\$433,000	\$433,000

- L. VETOES - NONE

APPENDIX

Appendix A

FY 2021-22 APPROPRIATIONS BILL INDEX			
DEPARTMENT/BUDGET AREA	BILL NUMBER	PUBLIC ACT NUMBER	LINE-ITEM VETOES
Agriculture and Rural Development.....	Senate Bill 82	P.A. 87 of 2021	No
Attorney General.....	Senate Bill 82	P.A. 87 of 2021	No
Civil Rights.....	Senate Bill 82	P.A. 87 of 2021	No
Community Colleges.....	House Bill 4400	P.A. 86 of 2021	Yes
Corrections	Senate Bill 82	P.A. 87 of 2021	No
Education.....	Senate Bill 82	P.A. 87 of 2021	No
Environment, Great Lakes, and Energy	Senate Bill 82	P.A. 87 of 2021	No
Executive	Senate Bill 82	P.A. 87 of 2021	No
Health and Human Services.....	Senate Bill 82	P.A. 87 of 2021	Yes
Higher Education	House Bill 4400	P.A. 86 of 2021	Yes
Insurance and Financial Services.....	Senate Bill 82	P.A. 87 of 2021	No
Judiciary.....	Senate Bill 82	P.A. 87 of 2021	No
Labor and Economic Opportunity	Senate Bill 82	P.A. 87 of 2021	No
Legislative Auditor General	Senate Bill 82	P.A. 87 of 2021	No
Legislature	Senate Bill 82	P.A. 87 of 2021	No
Licensing and Regulatory Affairs	Senate Bill 82	P.A. 87 of 2021	No
Military and Veterans Affairs.....	Senate Bill 82	P.A. 87 of 2021	No
Natural Resources	Senate Bill 82	P.A. 87 of 2021	No
School Aid.....	House Bill 4411	P.A. 48 of 2021	Yes
State	Senate Bill 82	P.A. 87 of 2021	No
State Police.....	Senate Bill 82	P.A. 87 of 2021	No
Technology, Management, and Budget.....	Senate Bill 82	P.A. 87 of 2021	No
Transportation.....	Senate Bill 82	P.A. 87 of 2021	No
Treasury (Debt Service)	Senate Bill 82	P.A. 87 of 2021	No
Treasury (Operations).....	Senate Bill 82	P.A. 87 of 2021	No
Treasury (Revenue Sharing)	Senate Bill 82	P.A. 87 of 2021	No

Appendix B
Boilerplate Sections Cited by the Governor as Unenforceable

Department	Public Act	Unenforceable Language	Reason(s) Cited
Various		A department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house of representatives or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.	Separation of powers
Various		Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.	Separation of powers
Various		If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.	Separation of powers; legislation only by bill; presentment requirement
Attorney General	2021 PA 87	Sec. 314(3). (3) As a condition of receiving funds appropriated in part 1, the attorney general must not retain the services of an outside counsel associated with the declaration of emergency due to drinking water contamination at an hourly rate of more than \$250.00 unless all reporting requirements under subsection (2) are satisfied.	Separation of powers
Corrections	2021 PA 87	Sec. 304. The department shall maintain a staff savings initiative program in conjunction with the EPIC program for employees to submit suggestions for efficiencies for the department. The department shall consider each suggestion in a timely manner. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on process improvements that were implemented based on suggestions that were recommended for implementation from the staff savings initiative and EPIC programs. An employee whose suggestion is implemented by the department shall receive noncompensatory recognition for their efforts.	Separation of powers
		Sec. 316. From the funds appropriated in part 1 for new custody staff training, the department shall target training at hiring a minimum of 800 corrections officers to address higher than normal attrition of correction officers and to decrease overtime costs.	Separation of powers
		Sec. 942. The department shall ensure that any contract, funded from appropriations in part 1, with a public or private party to operate a facility to house state prisoners includes a provision to allow access by both the office of the legislative auditor general and the office of the legislative corrections ombudsman to the facility and to appropriate records and documents related to the operation of the facility. These access rights for both offices shall be the same for the contracted facility as for a general state-operated correctional facility.	Separation of powers; OAG scope of authority to the extent exceeds constitutional duties
Environment, Great Lakes, & Energy	2021 PA 87	Sec. 225. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.	Amendment by reference

Department	Public Act	Unenforceable Language	Reason(s) Cited
		(2) As used in this section: (a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207. (b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.	
		Sec. 237. From the funds appropriated in part 1, the department shall be responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the department employees named as a party in any state or federal lawsuits or investigations related to the city of Flint municipal water system.	Amendment by reference
General Government	2021 PA 87	Sec. 229. (1) If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies. (2) If the office of the auditor general does not receive the required report regarding initiatives related to savings and efficiencies within the 6-month time frame, the office of the auditor general may charge noncompliant executive branch departments and agencies for the cost of performing a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented.	Separation of powers; amendment by reference
		Sec. 624. If the auditor general conducts a subsequent audit pursuant to section 229 of this part, the auditor general may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of any audit conducted pursuant to section 229 of this part. Any revenues and fees collected pursuant to this section are appropriated for expenditure for all expenses associated with an audit conducted pursuant to section 229 of this part.	Amendment by reference
		Sec. 625. The auditor general shall not be denied access to examine confidential information of any branch, department, office, board, commission, agency, authority, or institution of the state. The auditor general shall be subject to the same duty of confidentiality imposed by law on the entity providing the confidential information.	Amendment by reference
		Sec. 836. The department shall use a third-party vendor to compile business requirements to be incorporated into the RFP for the rebid of the unemployment insurance benefits system.	Separation of powers; Title/Object
		Sec. 863. (1) If the director proposes to rent space or a facility for which the annual base cost of the proposed rent is more than \$500,000.00, approval of the joint capital outlay subcommittee is required before board approval. (2) In emergency situations, written notification to the committee within 5 days after executing the agreement is required. (3) The renewal of an existing rental agreement requires the approval of the joint capital outlay subcommittee if the renewal results in changes to the rent that would cause it to meet the requirements described in subsection (1).	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 1009.</p> <p>(1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies: (a) The land is located in an economically distressed area. (b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.</p> <p>(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.</p> <p>(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.</p> <p>(4) If land or options on land are purchased under subsection (1), the fund shall provide a report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.</p>	Amendment by reference
Health and Human Services	2021 PA 87	<p>Sec. 218.</p> <p>(1) As required under part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, the list of basic health services to be funded in the current fiscal year from the appropriations in part 1 shall include the following: (a) Immunizations. (b) Communicable disease control. (c) Sexually transmitted disease control. (d) Tuberculosis control. (e) Prevention of gonorrhea eye infection in newborns. (f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430. (g) Health and human services annex of the Michigan emergency management plan. (h) Prenatal care.</p> <p>(2) By January 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the revisions to the list of basic health services, listed in subsection (1), and program statements that have been prepared and published as required under section 2311 of the public health code, 1978 PA 368, MCL 333.2311.</p>	Amendment by reference
		<p>Sec. 225.</p> <p>(1) For providers and entities receiving funds from the appropriations in part 1, sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.</p> <p>(2) For services to be provided from the appropriations in part 1, both of the following apply:</p> <p>(a) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers.</p> <p>(b) Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.</p>	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 229. (1) From the \$370,000.00 of TANF revenue appropriated in part 1 for training and program support, the department shall extend the interagency agreement with the office of employment and training within the department of labor and economic opportunity for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. \$10,000.00 of TANF revenue is appropriated in part 1 for the department to report the following specific outcome and performance measures to the senate and house appropriations subcommittees on the department budget, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by January 1 of the current fiscal year for the previous fiscal year: (a) An itemized spending report on TANF funding, including all of the following: (i) Direct services to recipients. (ii) Administrative expenditures. (b) The number of family independence program (FIP) recipients served through the TANF funding, including all of the following: (i) The number and percentage who obtained employment through Michigan Works! (ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming. (iii) Average TANF spending per recipient. (iv) The number and percentage of recipients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why. (c) The following data itemized by Michigan Works! agency: (i) The number of referrals to Michigan Works! job readiness programs. (ii) The number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs. (iii) The number of participants who obtained employment, and the cost per participant case.</p>	Separation of powers
		<p>Sec. 250. The director or a local health officer shall not issue or enforce any orders or other directives that require an individual in this state who is under the age of 18 to wear a face mask or face covering.</p>	Amendment by reference
		<p>Sec. 514. The department shall submit a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following: (a) Statistical information including, but not limited to, all of the following: (i) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V. (ii) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine. (iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638. (iv) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights. (v) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V. (vi) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and</p>	Separation of powers (to the extent that it requires the Department to comply with recommendations in an Office of Auditor General report)

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>including termination of parental rights. (b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period. The report shall also include a summary of the actions undertaken and applicable expenditures to achieve compliance with the office of the auditor general audit number 431-1285-16. (c) Statistical information regarding families that were classified in category III, including, but not limited to, all of the following: (i) The total number of cases classified in category III. (ii) The number of cases in category III referred to voluntary community services and closed with no additional monitoring. (iii) The number of cases in category III referred to voluntary community services and monitored for up to 90 days. (iv) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect. (v) The number of cases in category III that the department reclassified from category III to category II. (vi) The number of cases in category III that the department reclassified from category III to category I. (vii) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal. (d) Statistical information regarding category III open/close policy including the number of cases that were open/closed, the number of cases that were opened for monitoring, and the 12-month recidivism rate for both. (e) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.</p>	
		<p>Sec. 517. From the funds appropriated in part 1, no title IV-E funds are appropriated under any title IV-E appeals policy that differs from the appeals policy in place as of the fiscal year ending September 30, 2017.</p>	Separation of powers
		<p>Sec. 518. Supervisors must make an initial read of a caseworker's report on a child abuse or child neglect investigation and note any corrections required, or approve the report, within 5 business days after the report is submitted by the caseworker. The caseworker must resubmit a report that needs corrections within 3 business days after the report is returned by the supervisor.</p>	Amendment by reference; Title/Object issue; Separation of powers
		<p>Sec. 595. (1) Due to the exigent circumstances found in the department's children's protective services (CPS) program by the office of the auditor general (OAG) audit number 431-1285-16, from the funds appropriated in part 1, the department shall expend the funding for children's protective services - caseload staff in order to dedicate resources to CPS investigations. The department shall hire staff from the funds appropriated in part 1 for children's protective services - caseload staff for the department to come into compliance and sustain measured corrective action as determined by the OAG for OAG audit number 431-1285-16. (2) From the funds appropriated in part 1 for foster care services - caseload staff, the department shall not expend any funds on hiring foster care workers or licensing workers and shall not assume any direct supervisory responsibility of foster care cases unless 1 of the following conditions is met: (a) An initial review of the case indicated that the case is not eligible for title IV-E reimbursement. (b) The department is already providing direct foster care service to 1 or more siblings of the child ordered into a placement, and a department direct service provision can provide placement to the entire sibling group. (c) The court has ordered placement for only some of the children in the family, requiring the department to monitor the children remaining at home. (3) From the funds appropriated in part 1 for foster care payments, all new foster care cases coming into care shall be placed with a private child placing agency supervision unless any of the conditions in subsection (1) are met or until the statewide ratio of foster care cases is</p>	Separation of powers; amendment by reference

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>55% for private child placing agency supervision to 45% department case management supervision respectively.</p> <p>(4) This section does not require an individual county to meet the case ratio described in subsection (3).</p> <p>(5) This section does not modify or amend caseload ratios required under the settlement.</p>	
		<p>Sec. 1183.</p> <p>The department shall not require a medical first response service to submit data for purposes of the Michigan emergency medical services information system if the medical first response service is located in a county with a population of less than 85,000 according to the 2010 federal decennial census and is composed of only medical first responders who provide services without expecting or receiving money, goods, or services in return for providing those services. A medical first response service described in this subsection shall ensure that a medical first responder provides, in writing, at least all of the following information to an emergency medical technician, emergency medical technician specialist, or paramedic, arriving at the scene after the medical first responder: (a) The time of the initial medical first responder's arrival at the scene. (b) The patient's condition at the time of the initial medical first responder's arrival at the scene. (c) Information gathered from a patient assessment, including, but not limited to, the patient's vital signs and level of consciousness.</p>	Amendment by reference
		<p>Sec. 1222(4).</p> <p>(4) If a local health officer has an emergency order under section 2453 of the public health code, 1978 PA 368, MCL 333.2453, in effect as of October 1, 2021, the funds appropriated in part 1 for essential local public health services are unappropriated. This subsection does not apply if a county board of commissioners passes a nonbinding resolution by a record roll call vote to support any emergency orders the local health officer has in effect on October 1 of the current fiscal year.</p>	Separation of powers; amendment by reference
		<p>Sec. 1305.</p> <p>(1) From the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program, the department shall not contract with or award grants to an entity that engages in 1 or more of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091, if the entity is located in a county or health district where family planning or pregnancy prevention services are provided by the county, the health district, or a qualified entity that does not engage in any of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091.</p> <p>(2) The department shall give priority to counties or health districts where no contracts or grants currently exist for family planning or pregnancy prevention services before contracting with or awarding grants to an entity that engages in 1 or more of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091, if that entity is located in a county where family planning and pregnancy prevention services are provided by the county, the health district, or another qualified entity that does not engage in the activities described in section 1(2) of 2002 PA 360, MCL 333.1091.</p>	Amendment by reference
		<p>Sec. 1347.</p> <p>The department shall not use state restricted funds or state general funds appropriated in part 1, or allow grantees or subcontractors to use those funds, for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo or embryos are destroyed or discarded.</p>	Amendment by reference; embryo research ban conflicts with Art. I, sec. 27 of Michigan Constitution

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 1508. The department shall not use funds appropriated in part 1 to contract with any private company that has reached a settlement with this state resolving investigations into the company's role providing consulting services to manufacturers of opioids in connection with designing the marketing plans and programs that helped cause and contributed to the opioid crisis in this state.</p>	Separation of powers
Higher Education	2021 PA 86	<p>Sec. 275d. A public university receiving an appropriation in section 236 shall not take disciplinary action against an employee for communicating with a member of the legislature or a legislator's staff.</p>	University general supervisory authority
		<p>Sec. 275i. (1) If a public university that receives an appropriation in section 236 establishes a mandatory COVID-19 vaccine policy, it shall provide exemptions to that policy to the following students: (a) Any student for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the student's health or is not appropriate. (b) Any student who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization. (2) It must be presumed that a student who requests an exemption under subsection (1) is entitled to that exemption. The public university shall grant that student's request unless it determines by clear and convincing evidence that the student is not entitled to that exemption. (3) A public university shall not deny a student's request for an exemption until it has exhausted every reasonable accommodation. (4) If a public university denies a student's request for an exemption, the public university shall issue a report fully explaining its reasons for the denial. That report must describe all reasonable accommodations the public university offered the student and the student's response. (5) Every public university shall submit a written report regarding its actions taken under this section no later than March 15 of each year to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director. This annual report must include the following information, which may be obtained from any reliable source that complies with applicable laws regarding student privacy: (a) The number of students who have requested an exemption from the public university's COVID-19 vaccine policy. (b) The number of students who have been granted an exemption.</p>	University general supervisory authority
		<p>Sec. 282(2). (2) Funds received for the purpose of administering programs under sections 275j, 278, 279, and 281 shall not be used for direct financial aid or indirect financial aid. However, a university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection: (a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies. (b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.</p>	University general supervisory authority
Labor & Economic Opportunity	2021 PA 87	<p>Sec. 983. From the funds appropriated in part 1, Michigan department of labor and economic opportunity, Michigan strategic fund, and Michigan state housing development authority shall not use funds for broadband construction, expansion, repairs, or upgrades or to issue or refinance bonds for broadband construction, expansion, repairs, or upgrades.</p>	Amendment by reference

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 1056. As a condition of receiving funds appropriated in part 1, the Michigan occupational safety and health administration shall not identify specific employers by name in communications distributed to the press with respect to violations issued under emergency rules promulgated by the Michigan occupational safety and health administration pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. Nothing in this section shall prohibit the department or agency from complying with a disclosure as required under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.</p>	Amendment by reference
Licensing and Regulatory Affairs	2021 PA 87	<p>Sec. 510. The department shall not enforce any directive requiring the masking of children less than 5 years of age and shall not take any licensing or administrative action against any licensee for failure to enforce or require the masking of children less than 5 years of age.</p>	Amendment by reference
		<p>Sec. 803. A grant distributed by the Michigan indigent defense commission must not be used by an indigent defense system to support any construction expenses for a new structure. This section does not prohibit expenditures for renovations to existing structures, if such a renovation is part of an indigent defense system's approved compliance plan.</p>	Amendment by reference
Military and Veterans Affairs	2021 PA 87	<p>Sec. 224. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.</p>	Separation of powers (to the extent that it bars the department from taking an action otherwise permitted by law)
		<p>Sec. 409. (1) The department shall enter into an interagency agreement in cooperation with the department of health and human services in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance reporting requirements described in this section. The interagency agreement shall require the department to provide all of the following items by January 1 for the current fiscal year to the subcommittees, the senate and house fiscal agencies, and the policy offices: (a) The number of veterans identified by the department of health and human services through eligibility determinations. (b) The number of veterans referred to the department. (c) The number of referrals made by the department of health and human services that were contacted by the department. (d) The number of referrals made to the department that were eligible for veterans health care benefits or other benefits. (e) The specific actions and efforts undertaken by the department of health and human services and the department to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits. (2) By October 1 of the current fiscal year, the department of health and human services shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military. (3) This section does not prohibit the department from entering into interagency agreements with any other public department or agency in this state in order to obtain the information detailed in subsection (1).</p>	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 453. The department shall ensure that the quality of care for members of the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for veterans shall meet or exceed the quality of care for the full spectrum of health care services to meet or exceed the Centers for Medicare and Medicaid Services certification standards. The department shall provide a report biannually to the subcommittees that contains evidence that the quality of care for the full spectrum of health care services has met or exceeded Centers for Medicare and Medicaid Services certification standards.</p>	Separation of powers
Natural Resources	2021 PA 87	<p>Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department shall not impede the certification process for water control structures on Michigan waterways. The department shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following: (a) The department of environment, Great Lakes, and energy as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341. (b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.</p>	Separation of powers; amendment by reference
State	2021 PA 87	<p>Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space. (2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1). (3) As used in this section, "local unit of government" means a city, village, township, or county.</p>	Separation of powers
		<p>Sec. 718. With funds appropriated in part 1 for branch operations, the department of state shall provide adequate in-person services as defined in section 1a of the Michigan vehicle code, 1949 PA 300, MCL 257.1a.</p>	Amendment by reference
State Police	2021 PA 87	<p>Sec. 225. The department shall notify the subcommittees, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies not less than 90 days before recommending to close or consolidate any state police post. The notification shall include a local and state impact study of the proposed post closure or consolidation.</p>	Separation of powers (to the extent that it bars the department from taking an action otherwise permitted by law)
		<p>Sec. 226. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The</p>	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.	
		Sec. 233. A law enforcement officer or a motor carrier officer funded under part 1 shall not be required to issue a predetermined or specified number of citations for violations of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or of local ordinances substantially corresponding to provisions of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, including parking or standing violations. A law enforcement officer's or motor carrier officer's performance evaluation system shall not require a predetermined or specified number of citations to be issued.	Separation of powers
		Sec. 234. The department shall report to the subcommittees and the senate and house fiscal agencies on tentative plans for the required payment of any court judgment against the department, as soon as those plans are developed. The report must include, but is not limited to, all of the following information: (a) A listing of all known court judgments that would result in a financial obligation for the department. (b) The amount of time in which each of those financial obligations must be met. (c) The proposed budget line items from which a payment for a court judgment of \$100,000.00 or more would be made. (d) The estimated impact of the loss of revenue on the programs funded by any line items from which payments would be made	Separation of powers and title/object
		Sec. 601(2). (2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.	Separation of powers
		Sec. 602(2)-(5). (2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013. (3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%. (4) The department shall provide training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, legal issues, opioid-related investigations, and other emerging law enforcement issues. (5) The department shall maintain the staffing and resources necessary to investigate the average annual number of opioid-related investigations conducted by multijurisdictional task forces and hometown security teams during the preceding 5 fiscal years. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.	Separation of powers
		Sec. 603(3). (3) The marijuana and tobacco investigation section shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>Sec. 604(2).</p> <p>(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the average annual number of requests for fire investigation services that occurred during the preceding 5 fiscal years and shall be available for call out statewide 100% of the time.</p>	Separation of powers
		<p>Sec. 701(3) & (4).</p> <p>(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to complete the average annual number of cases completed by the computer crimes unit during the preceding 5 fiscal years. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to complete the average annual casework that the Michigan cyber command center completed during the preceding 5 fiscal years.</p> <p>(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.</p>	Separation of powers
		<p>Sec. 702(2)-(8).</p> <p>(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the average annual number of requests for specialty services which occurred during the preceding 5 fiscal years.</p> <p>(3) The canine unit shall be available for call out statewide 100% of the time.</p> <p>(4) The bomb squad unit shall be available for call out statewide 100% of the time.</p> <p>(5) The emergency support teams shall be available for call out statewide 100% of the time.</p> <p>(6) The marine services team shall be available for call out statewide 100% of the time.</p> <p>(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.</p> <p>(8) The department shall maintain the staff and resources necessary to provide security services at the State Capitol Complex facilities, the State Secondary Complex, and other state-owned or leased properties, as provided under section 6c of 1935 PA 59, MCL 28.6c. The department shall also maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Capitol parking lot, Townsend Parking Ramp, Roosevelt Parking Ramp, and other areas as directed. The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.</p>	Separation of powers
		<p>Sec. 704(8) & (9).</p> <p>(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the senate and house fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.</p> <p>(9) Upon the declaration of a state of emergency or disaster by the governor under section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and senate and house fiscal agencies, the</p>	Separation of powers

Department	Public Act	Unenforceable Language	Reason(s) Cited
		director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.	
Technology, Management, & Budget	2021 PA 87	Sec. 816. An RFP issued for the purpose of privatization shall include a list of factors to be used in evaluating and determining price.	Separation of powers
Transportation	2021 PA 87	Sec. 302. (1) Total authorized annual state trunkline fund debt service limits identified in section 18b of 1951 PA 51, MCL 247.668b, from constitutionally restricted revenue sources identified in section 9 of article IX of the state constitution of 1963 are as follows: (a) At 25% of the constitutionally restricted revenue sources set aside for the state trunkline fund, the debt service limit for the fiscal year ending September 30, 2022 for the state trunkline fund is \$242,180,850.00. (b) At 50% of the constitutionally restricted revenue sources set aside for the state trunkline fund, the debt service limit for the fiscal year ending September 30, 2022 for the state trunkline fund is \$484,361,700.00. (2) The department shall report no later than February 1, 2022 on the state trunkline fund debt service limit. The report must include an accounting of the previous fiscal year's trunkline fund debt service limit, the total amount of debt service paid for that fiscal year, and the remaining portion of the debt service cap that was not applied. The report must include a projection for the fiscal year ending September 30, 2022 that also includes the fiscal year debt service limit, the total amount of debt service planned for the fiscal year ending September 30, 2022, and the remaining portion of the debt service cap that could be applied. The report must include all planned bonding for the fiscal year ending September 30, 2022.	Amendment by reference
		Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.	Separation of powers
		Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.	Separation of powers
		Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.	Amendment by reference
		Sec. 601. (1) The department shall maintain documentation to support initial acceptance of warranted projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly. (2) The department shall review its warranty administration processes, procedures, and associated manuals to ensure that all of the following occur: (a) Initial notifications of needed corrective action are sent prior to warranty expiration. (b) Consistent and timely second notifications of needed corrective action are sent if contractors do not respond within	Title/Object

Department	Public Act	Unenforceable Language	Reason(s) Cited
		<p>30 days of an initial notification. (c) The department has an effective process to establish time frames for corrective action completion. (d) Daily inspector reports on all warranty segments are completed consistently.</p> <p>(3) The department shall report on the review described in subsection (2) and changes resulting from the review. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies no later than March 31, 2022.</p>	
		<p>Sec. 660(2).</p> <p>(2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader.</p>	Title/Object
Treasury	2021 PA 87	<p>Sec. 947.</p> <p>Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.</p>	Separation of powers



RECENT SENATE FISCAL AGENCY PUBLICATIONS

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

RECURRING SENATE FISCAL AGENCY REPORTS

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