

STATE BUDGET OVERVIEW



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<http://www.senate.michigan.gov/sfa/>

The Economy and State Revenue

The Great Recession

The 2008-09 recession was the most severe economic contraction in 70 years, both in duration and depth.

- Inflation-adjusted GDP fell 4.2% peak-to-trough, the largest decline since the Great Depression.
- U.S. payroll employment declined 6.3% (8.7 million jobs), the largest percentage decline since the end of World War II.
- During the recession retail sales fell 13.5% between November 2007 and March 2009, the largest decline on record back to 1967.
- Light vehicle sales started dropping earlier, and fell from a 17.6 million unit annual rate in January 2006 to a 9.0 million unit rate in February 2009 (a 48.7% decline), the largest decline on record back to 1976.
- Housing starts fell from a high rate of 2.3 million units in January 2006 to 478,000 units in April 2009, a 79.0% decline, the largest decline on record to 1959.

Figure 1

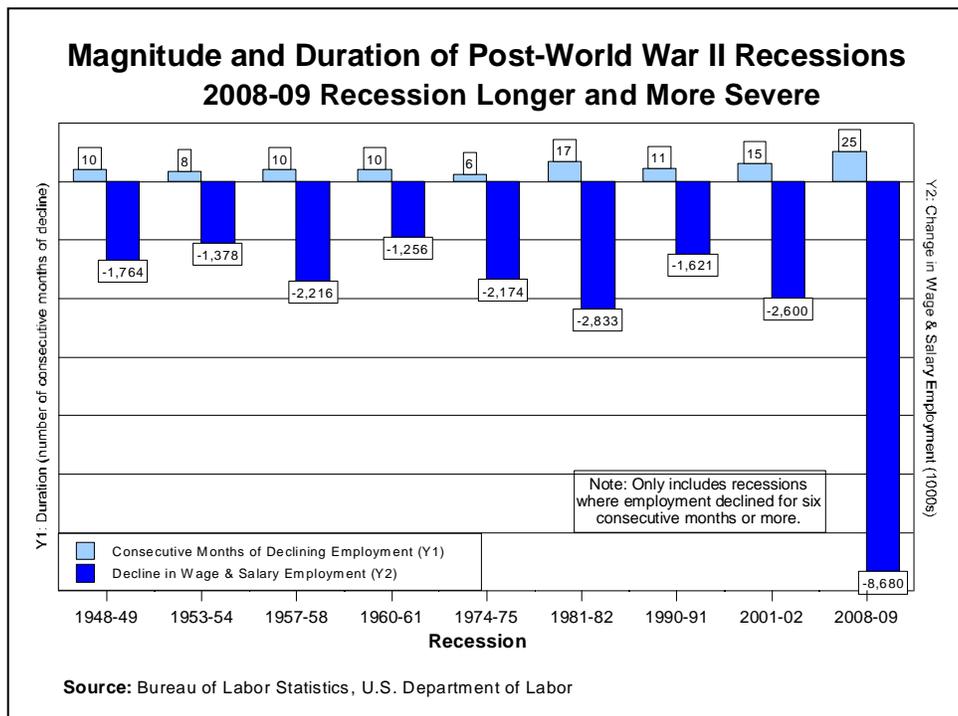


Figure 2

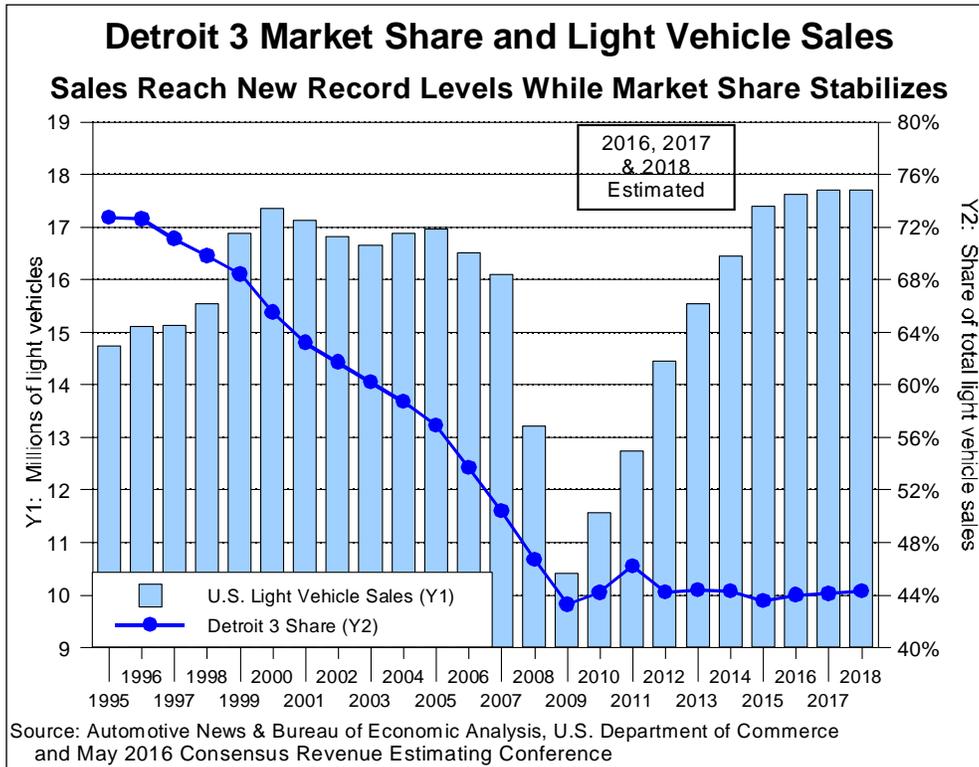
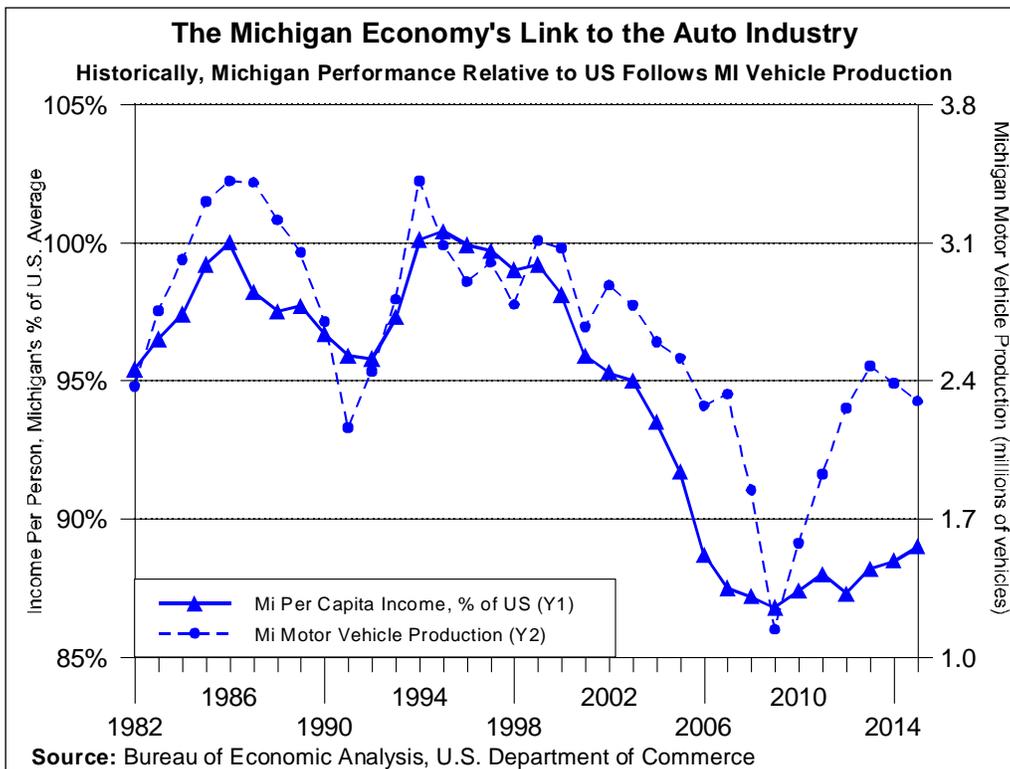


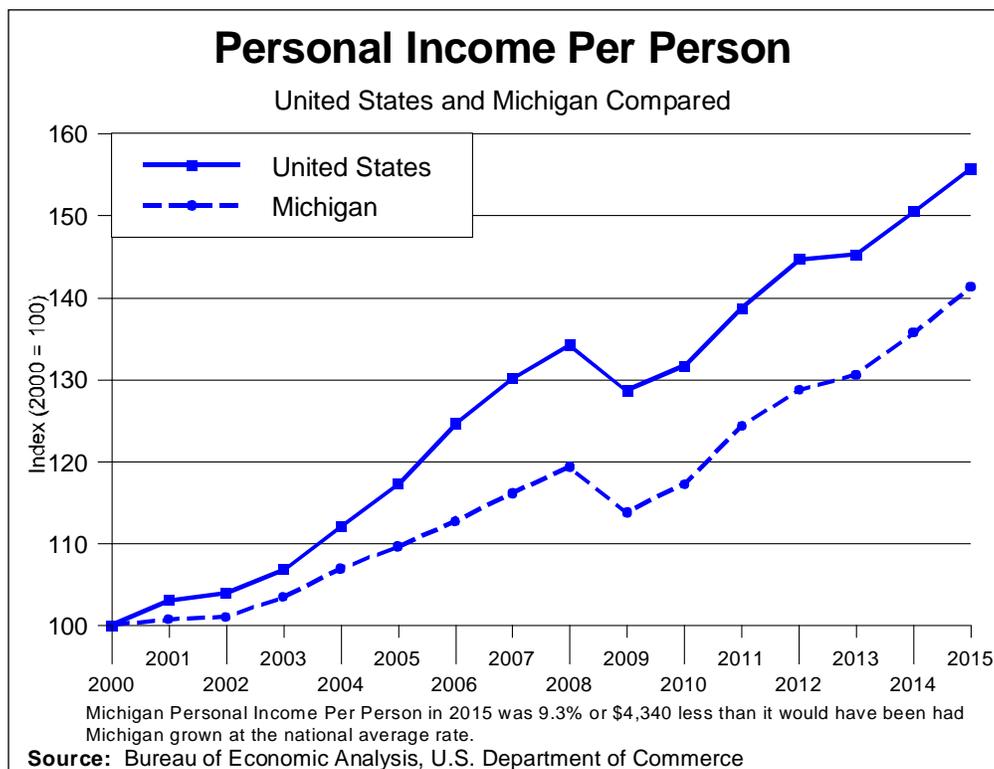
Figure 3



Michigan Personal Income

- Michigan personal income increased 16.3% between 2000 and 2010, compared to a 44.3% increase for the nation as a whole. Personal income grew by 32.1% in Illinois, 30.3% in Indiana, 29.0% in Ohio, and 39.9% in Wisconsin over the same time period. Michigan's personal income growth was the slowest among 50 states and the District of Columbia.
- During calendar year 2000, personal income in Michigan accounted for 3.46% of the United States total. During calendar year 2010, Michigan personal income accounted for only 2.79% of the United States total.
- During calendar year 2000, Michigan per capita personal income ranked 19th among the 50 states and the District of Columbia. During calendar year 2005, Michigan's ranking fell to 29th among the states and by calendar year 2010, Michigan's ranking fell to 38th among the states.

Figure 4



Michigan's Decade of Declining Employment

Although Michigan had not yet emerged from the 2001 recession, the 2008-09 recession still had a significant impact.

- Payroll employment bottomed out in March 2010, down 415,000 jobs from December 2007 and down 860,600 jobs from the April 2000 peak.
- Peak-to-trough, payroll employment declined 18.4%, with 48.2% of the job loss occurring after December 2007.
- Between April 2000 and June 2009, Michigan lost 455,900 or 51.0% of its manufacturing jobs. After peaking in May 2000, transportation equipment manufacturing employment had fallen 69.1% by June 2009, a loss of 236,700 jobs.

Figure 5

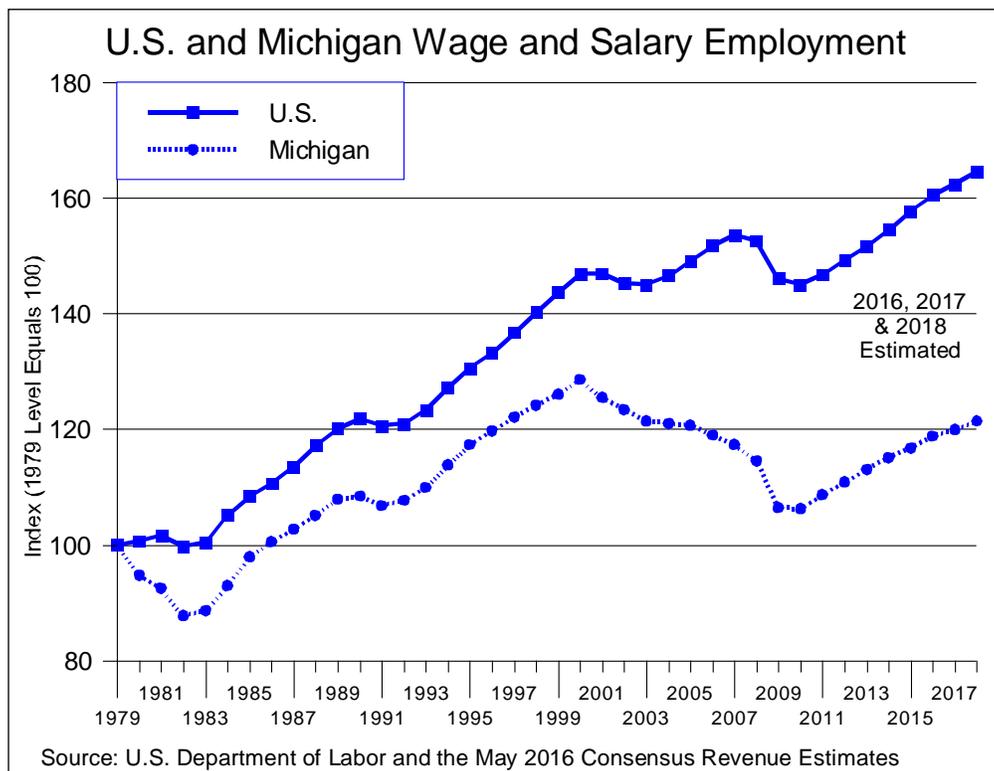


Figure 6

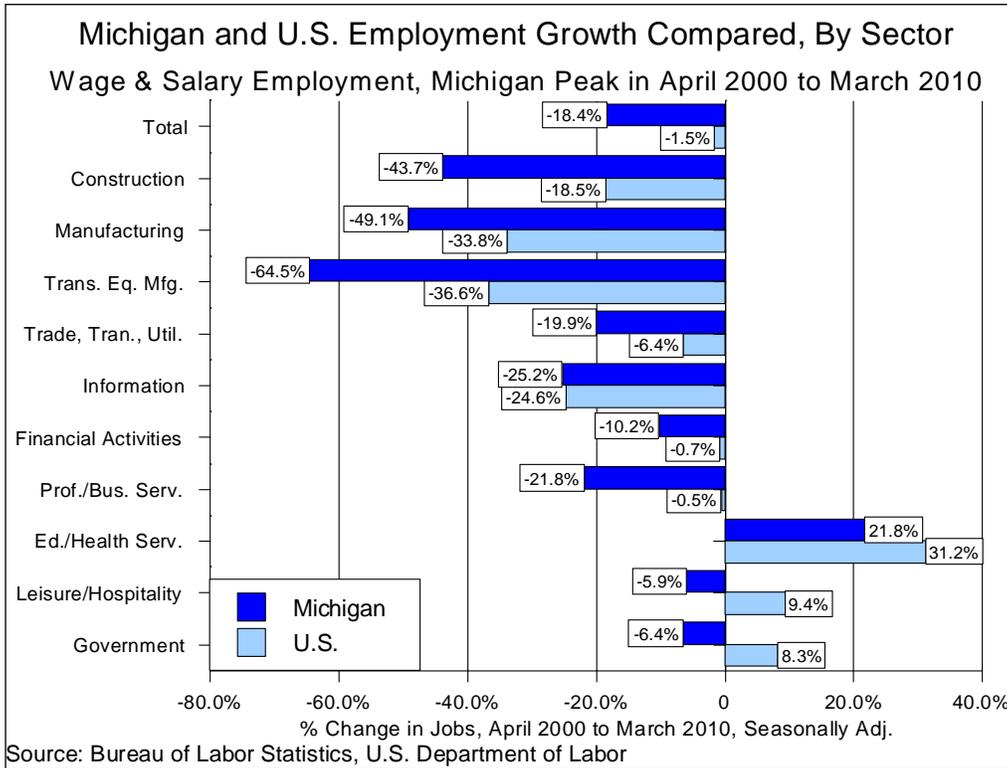


Figure 7

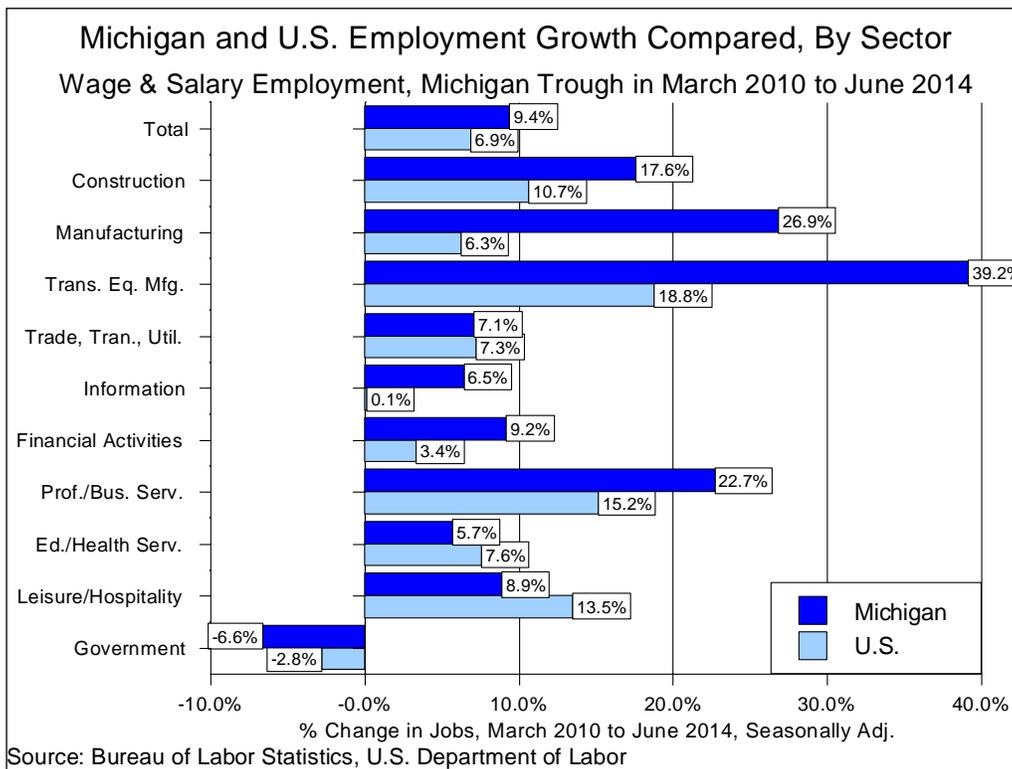


Figure 8

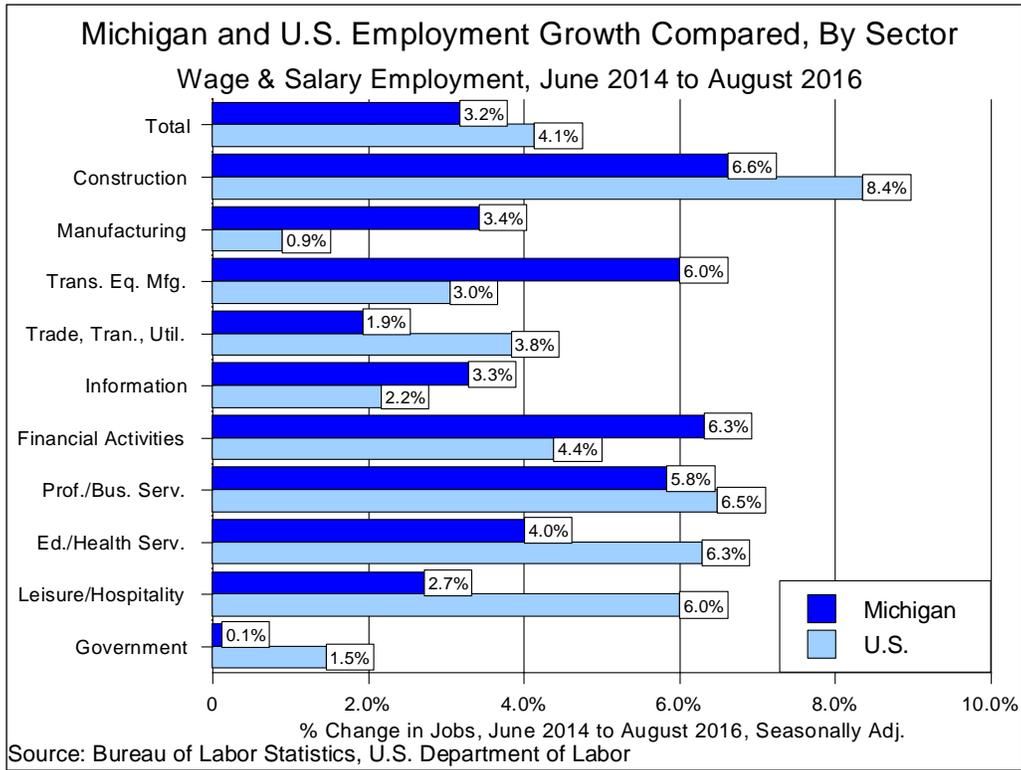
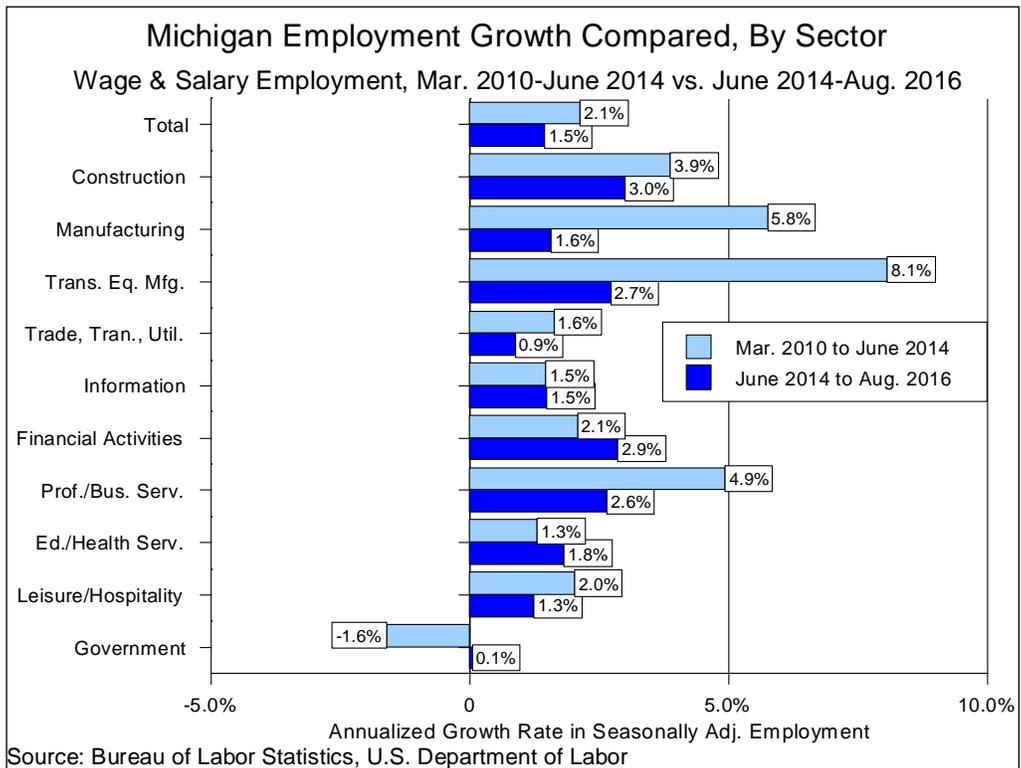


Figure 9



A Record-Weak Recovery for a Record-Setting Recession

- The current recovery is half as strong as prior recoveries. Among the six post-World War II recoveries lasting 25 quarters or more, the current recovery is the weakest, with inflation-adjusted GDP growing at an annual rate of 2.1%. Historically, the economy has grown at a 4.5% rate ([Figure 10](#)). Investment has been slightly stronger than in prior recoveries; however, consumption growth has been half as strong. Furthermore, while government spending has historically increased in recoveries, in the current recovery government spending has declined ([Figures 11](#) and [12](#)).

Figure 10

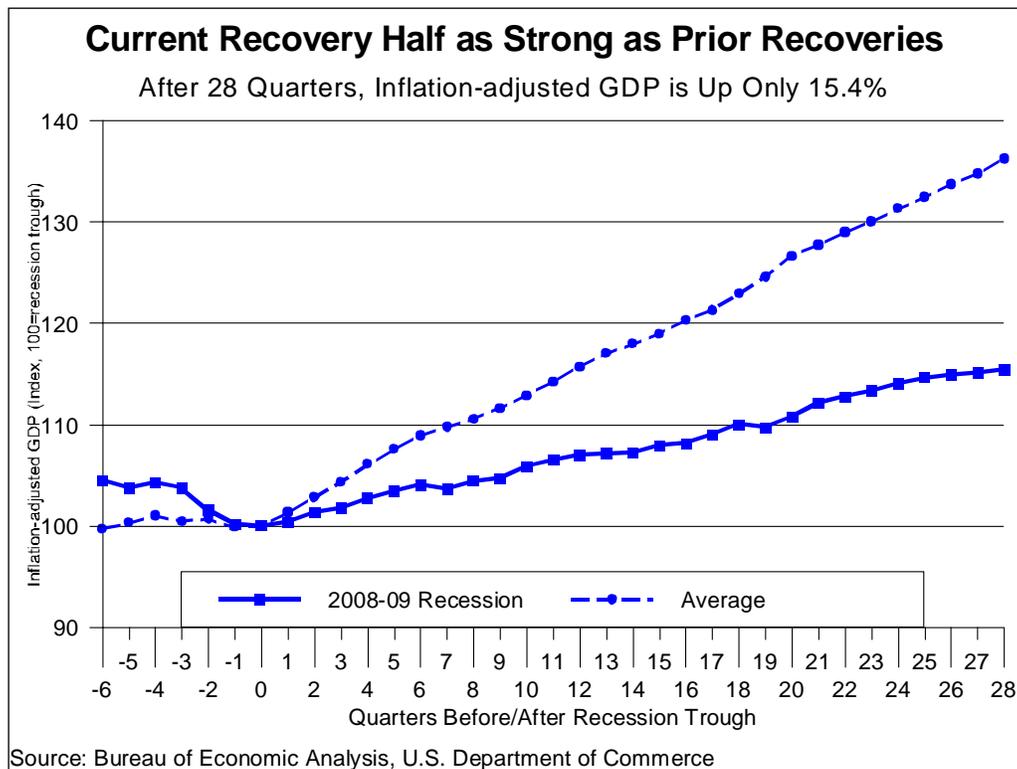


Figure 11

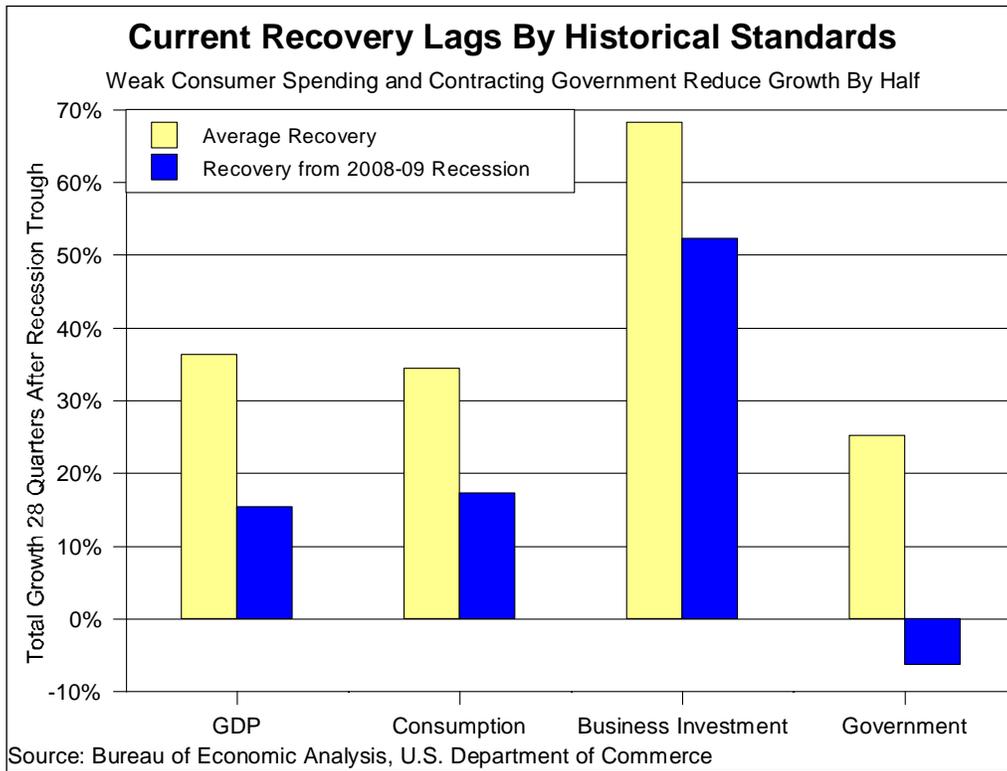
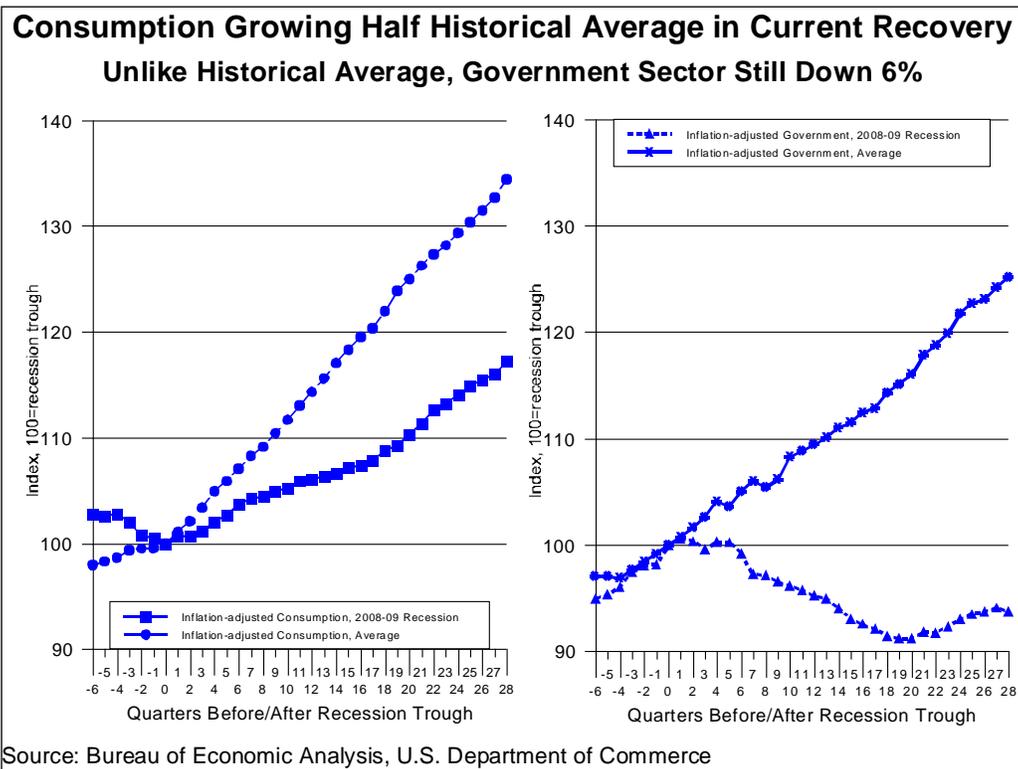


Figure 12



- Employment finally exceeded pre-recession levels in 2014. Between World War II and the 1980 recession, employment reached its pre-recession peak in an average of 18.8 months. After the 1981-82 recession, the recovery in employment took 28 months, compared to 32 months after the 1990-91 recession, and 98 months after the 2001 recession. It took 78 months for payroll employment to reach the pre-recession peak experienced in January 2008.
- Employment growth has barely exceeded population growth during much of the recovery. The economy needs roughly 150,000 additional jobs per month to keep up with population growth. Average payroll employment gains averaged 169,500 jobs per month between the February 2010 trough and February 2014, compared with about 177,000 per month during 2003-2006, and 251,400 per month over the 1993-1999 period. While payroll employment increased by an average of 246,000 jobs per month between March 2014 and December 2015, job growth has slowed to 182,000 per month over the first eight months of 2016 ([Figure 13](#)).
- People are leaving the labor force. While job growth has lowered the unemployment rate from the October 2009 peak of 10.0% to 4.9% in August 2016, a substantial portion of the decline in the unemployment rate was reflected in individuals leaving the labor force. The labor force has grown in six out of the last eight months, but declined in 31 of the 75 months between the October 2009 peak in the unemployment rate and December 2015. Labor force participation in August 2016 was 62.8%, slightly above the 62.4% rate in September 2015, which was the lowest level since October 1977. Compared with the 66.2% labor force participation rate at the employment peak in January 2008, 3.4% of the population has left the labor force and is no longer working or seeking work ([Figure 14](#)).
- Until the 2.1% increase in 2015, wage income was stagnant. After falling 1.1% in 2011, inflation-adjusted average hourly earnings were unchanged in 2012 and rose 0.5% in both 2013 and 2014. Average weekly hours have remained essentially unchanged for 67 months.
- Housing starts are growing rapidly but remain low by historical standards. While 2015 starts finished up 10.9% from 2014, 2015 was the 11th weakest year on record, after every year in the 2008-2013 period and the recession years of 1981, 1982, and 1991, and were still down 46.2% from the 2005 peak ([Figure 15](#)).

Figure 13

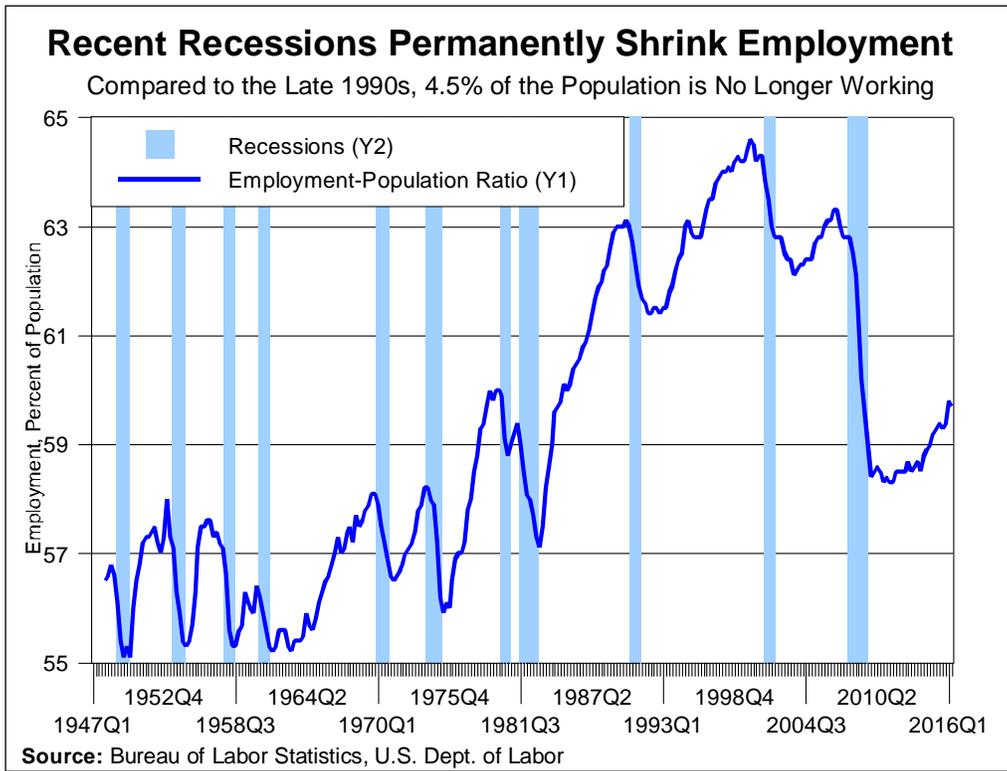


Figure 14

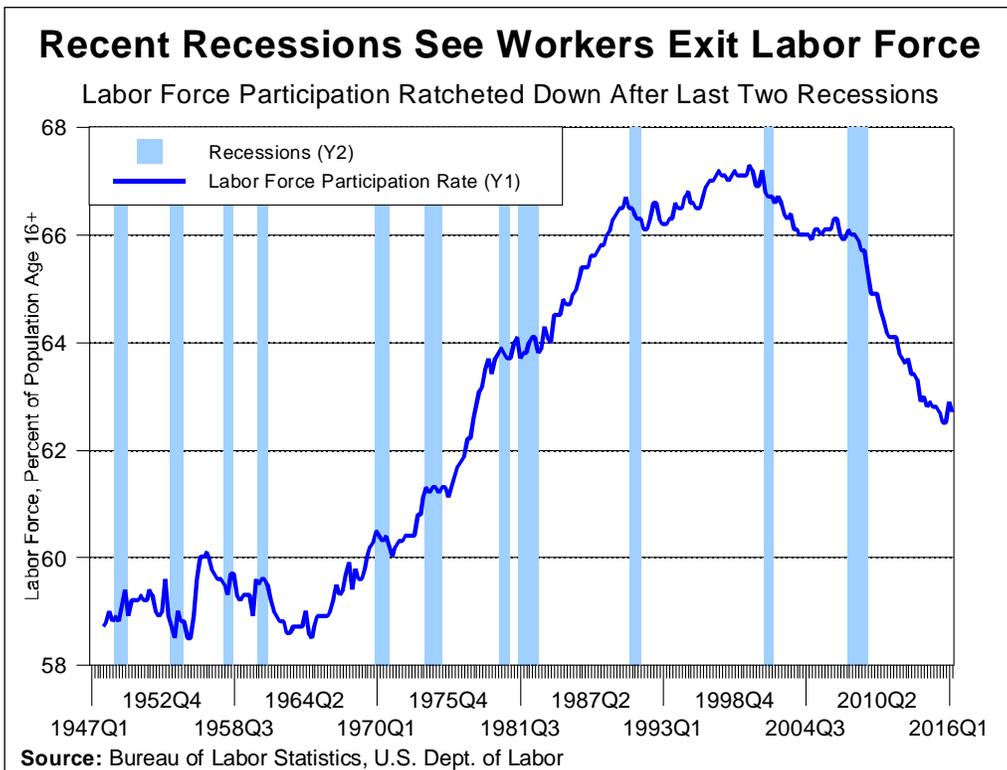
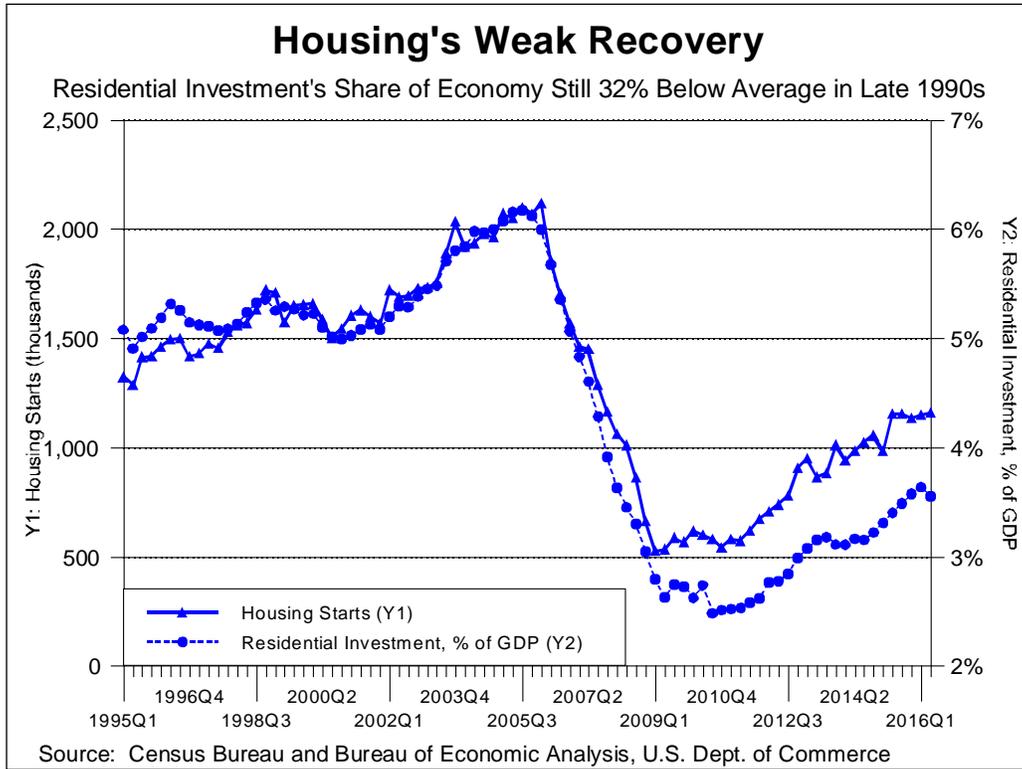


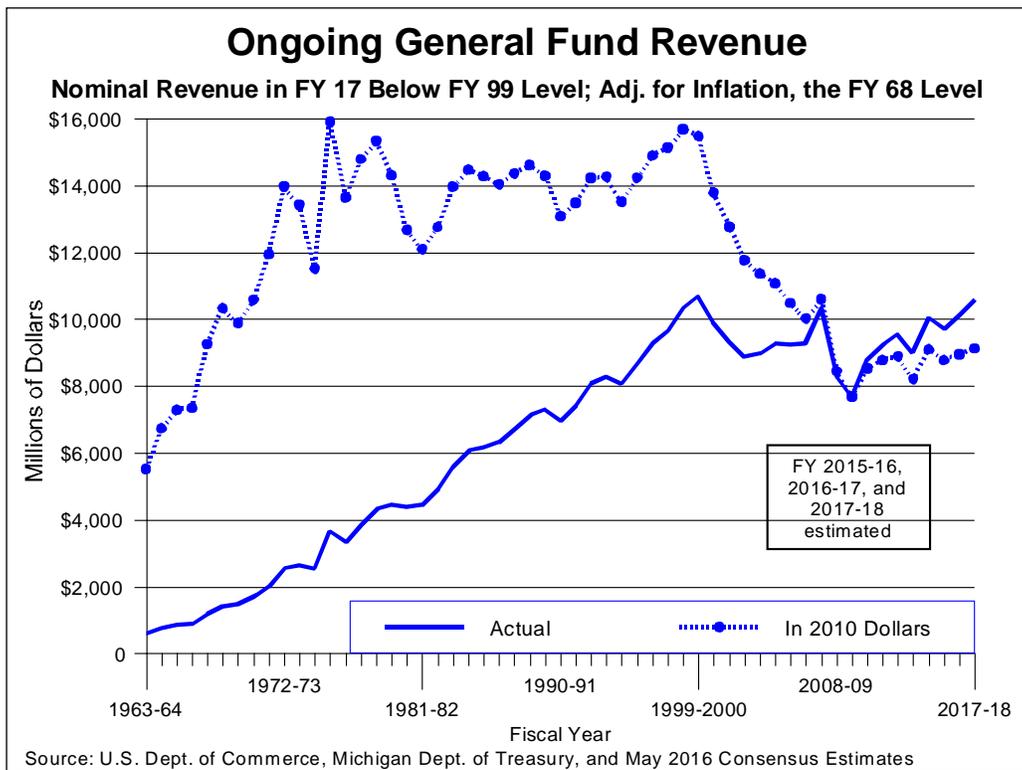
Figure 15



State Revenue Background

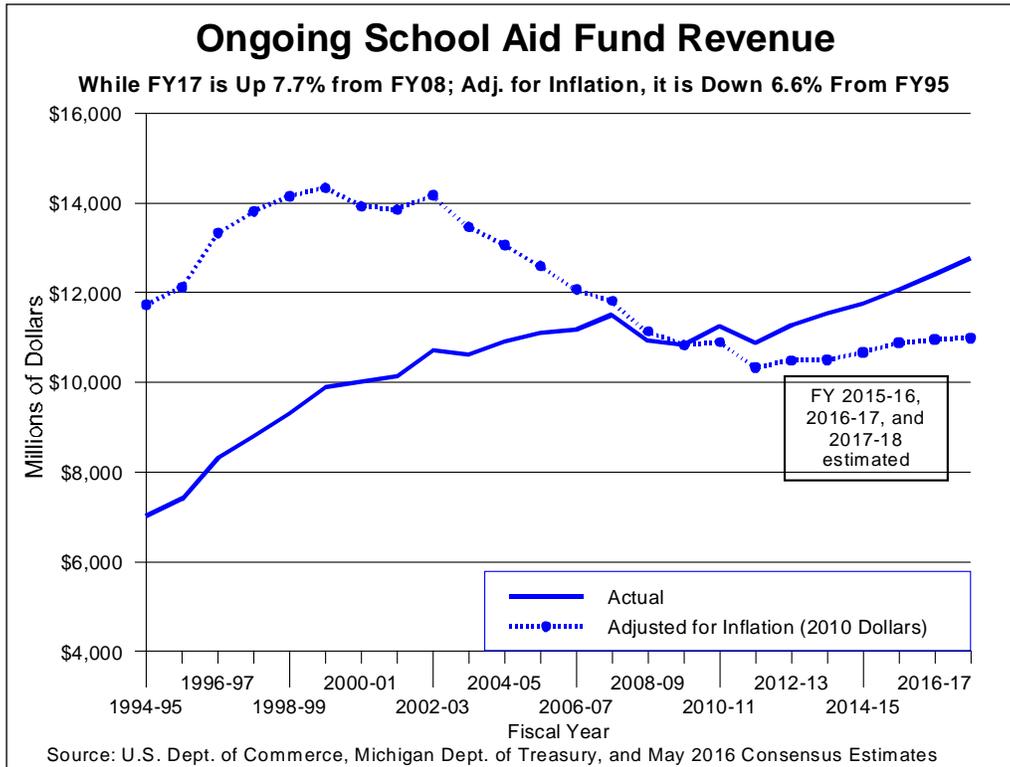
- The majority of State taxes and fees are deposited in the State's General Fund, School Aid Fund, or various transportation funds. Ongoing General Fund revenue fell as the economy declined. Between FY 2007-08 and FY 2009-10, ongoing General Fund revenue fell 25.7% (\$2.7 billion) and ongoing School Aid (SAF) revenue fell 6.0% (\$696.0 million).
- Ongoing General Fund revenue increased 11.3% in FY 2014-15 and is estimated to decrease 2.0% in FY 2015-16 before rising 4.2% in FY 2016-17. Ongoing SAF revenue increased 2.0% in FY 2014-15 and is expected to rise 2.7% in FY 2015-16 and 2.8% in FY 2016-17.
- On an inflation-adjusted basis, ongoing General Fund revenue in FY 2016-17 is estimated to be 3.3% (\$306.7 million, in 2010 dollars) lower than the level in FY 1967-68, when the State adopted the then new personal and corporate income taxes, as shown in Figure 16.

Figure 16



- On an inflation-adjusted basis, ongoing SAF revenue in FY 2016-17 is estimated to be 6.6% (\$776.4 million, in 2010 dollars) lower than the level in FY 1994-95, when Proposal A took effect, as shown in Figure 17.

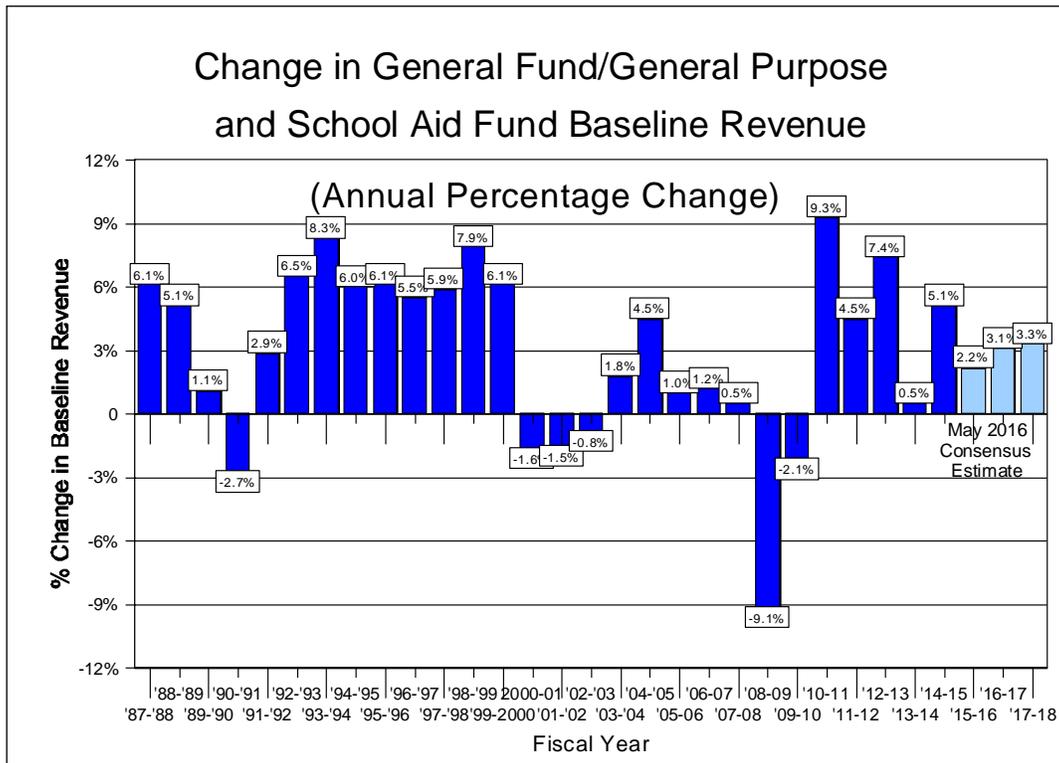
Figure 17



Forecast for State Revenue

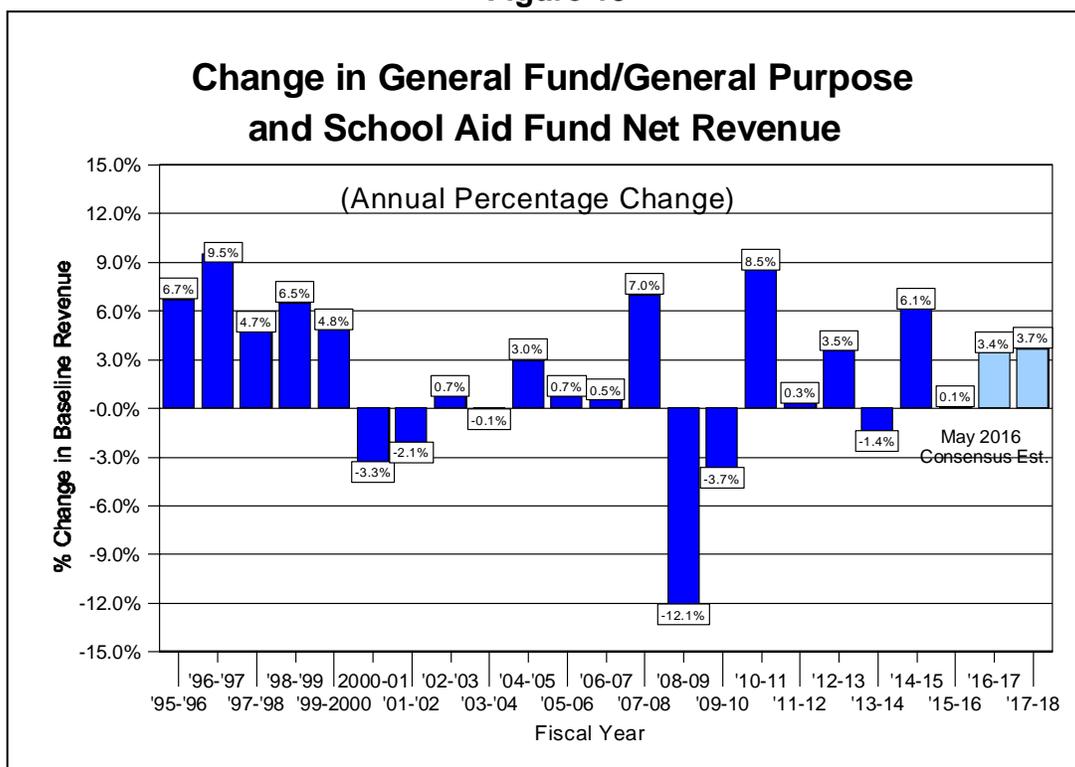
- Pursuant to State statute, there are Consensus Revenue Estimating Conferences held in January and May of each year in which the State Treasurer, and the Directors of the House and Senate Fiscal Agencies, meet to agree on the amount of State revenue available for the State budget.
- The FY 2016-17 budget was based on the May 2016 Consensus Revenue estimates. The Governor's budget recommendation for FY 2017-18 will be based on estimates from the January 2017 Conference. The Governor and the Legislature will use the revenue estimates from the May 2017 Conference to finalize the FY 2017-18 budget.
- The percentage changes in baseline General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue forecasted for FY 2015-16 through FY 2017-18 are compared with the actual growth rates during the preceding 29 years in Figure 18.

Figure 18



- The revised estimates for FY 2015-16, after accounting for tax changes, predict GF/GP revenue will decrease by 3.0% while SAF revenue will increase by 2.7%. GF/GP revenue in FY 2016-17 is estimated to increase 4.2% while SAF revenue will grow 2.8%.
- The percentage changes in net (after tax changes) General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue forecasted for FY 2015-16 through FY 2017-18 are compared with the actual growth rates during the preceding 20 years in Figure 19.

Figure 19



- Figures 20 and 21 display the estimated FY 2016-17 revenue sources for the State General Fund and School Aid Fund, respectively.

Figure 20

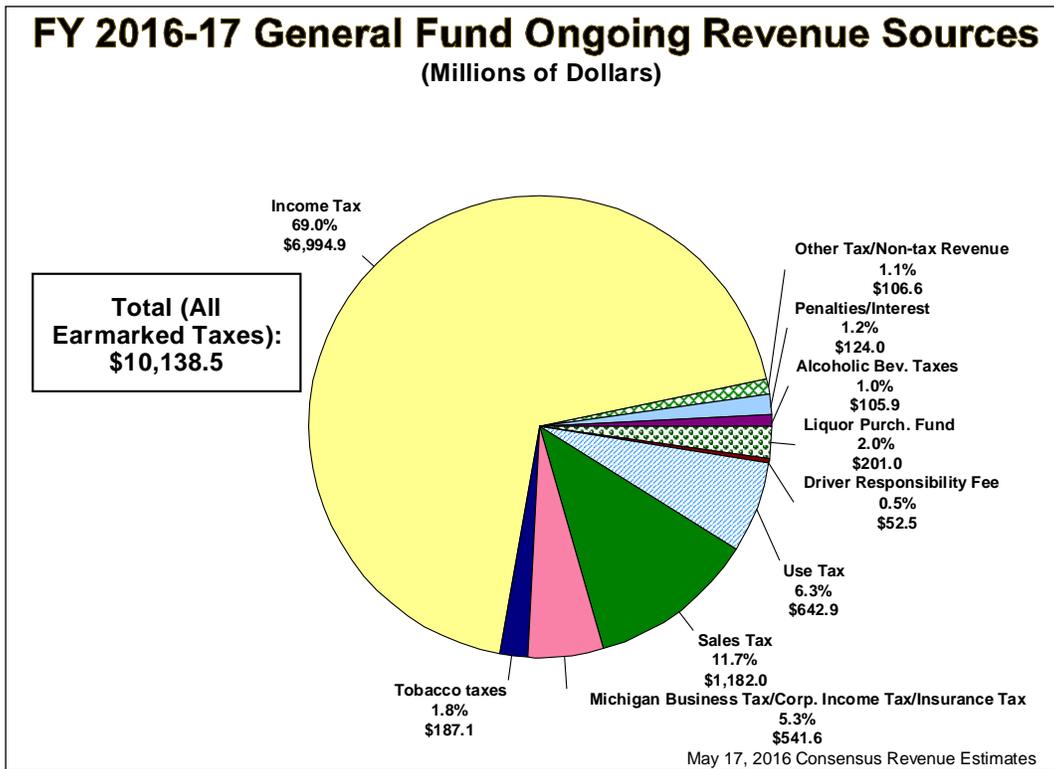
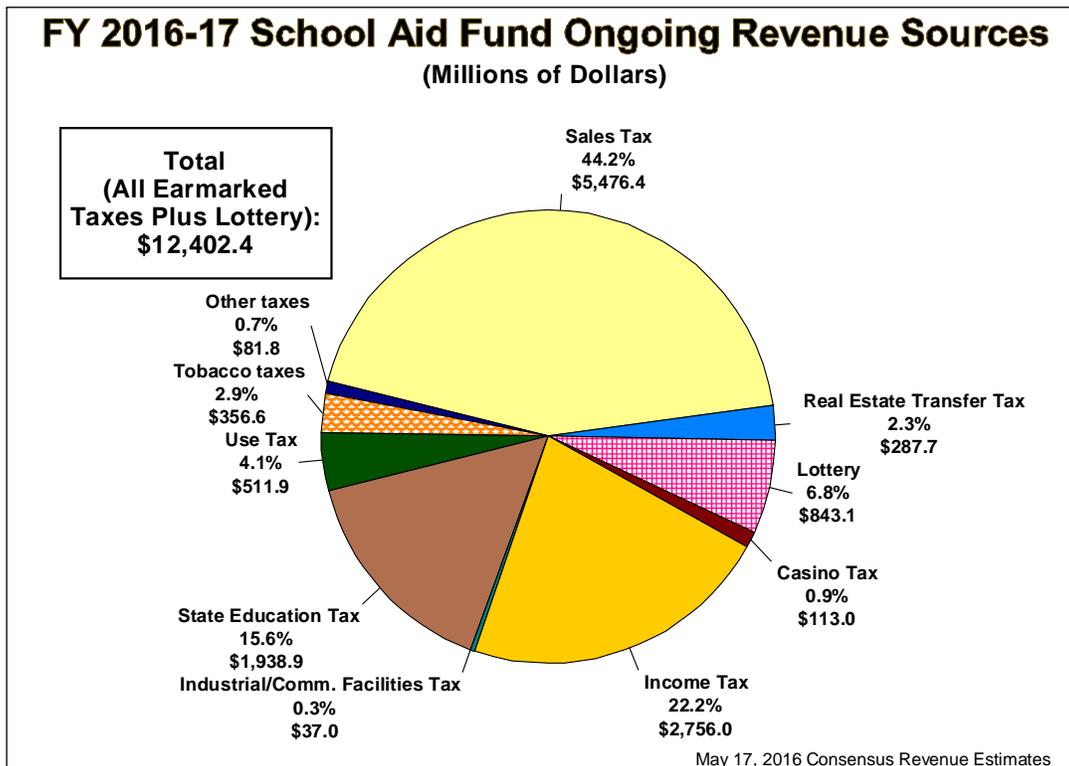


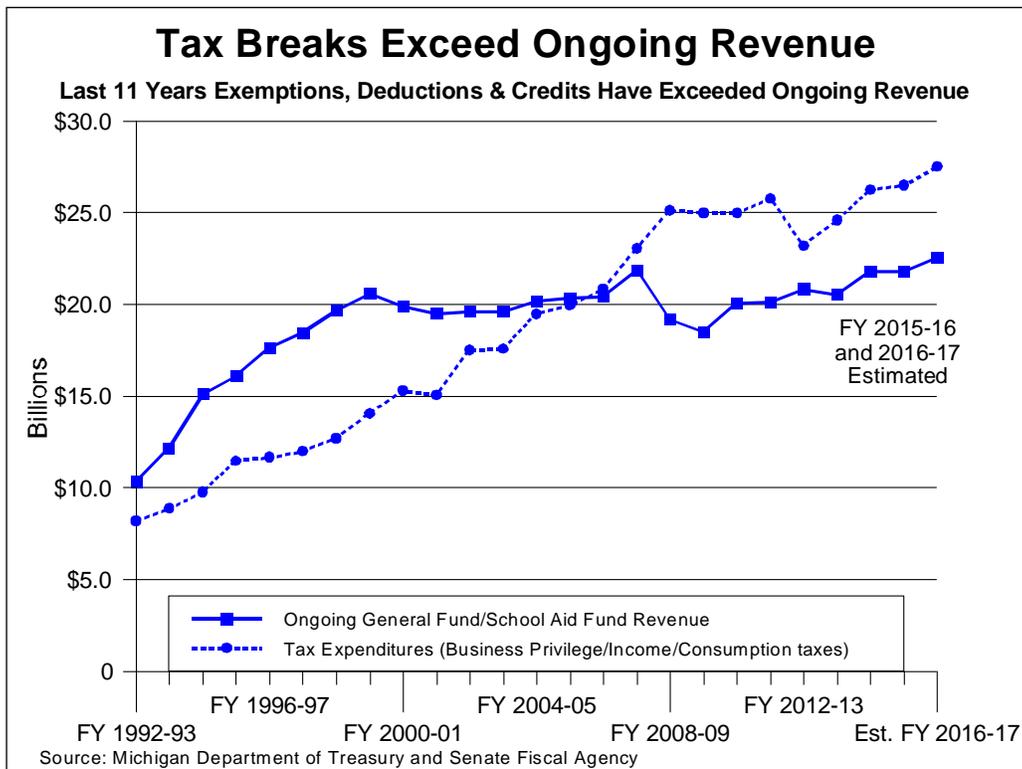
Figure 21



State Tax Expenditures

- Based on estimates of the Michigan Department of Treasury, the level of State tax expenditures under the State's business privilege, income, and consumption taxes increased from \$14.1 billion in FY 1999-2000 to \$25.7 billion in FY 2011-12. The estimate for FY 2014-15 is \$26.2 billion.
- During FY 1999-2000 tax expenditures equaled 68.2% of ongoing GF/GP and SAF revenue. During FY 2011-12 tax expenditures equaled 127.9% of total ongoing GF/GP and SAF revenue. Tax expenditures are estimated to equal 121.5% of ongoing GF/GP and SAF revenue in FY 2015-16.

Figure 22



- The growth in tax expenditures has primarily focused on consumption taxes and individual income taxes. The most recently enacted major tax expenditures include several sales and use tax exemptions enacted for a variety of economic development purposes and the personal property tax exemptions.

- Table 1 provides details on major changes in tax expenditures from FY 1999-2000 to FY 2015-16.

Table 1

| DETAIL ON MAJOR CHANGES IN TAX EXPENDITURES | | | | | |
|--|-------------------|-------------------|----------------------|-------------------|----------------------|
| (Millions of Dollars) | | | | | |
| | FY | FY | \$ Change | FY | \$ Change |
| | 1999-2000 | 2011-12 | FY 1999-2000 | 2015-16 | FY 2011-12 to |
| | | | to FY 2011-12 | | FY 2015-16 |
| Consumption Taxes | | | | | |
| Food | \$860.0 | \$1,220.2 | \$360.2 | \$1,289.3 | \$691.1 |
| Industrial Processing | 660.0 | 920.0 | 260.0 | 1,351.0 | 431.0 |
| Prescription Drugs | 242.0 | 536.3 | 294.3 | 623.5 | 87.2 |
| Services | 4,392.0 | 10,357.2 | 5,965.2 | 11,747.0 | 1,389.8 |
| Individual Income Taxes | | | | | |
| Adjustments to Income | 1,600.0 | 3,351.7 | 1,751.7 | 3,226.3 | (125.4) |
| Homestead Prop. Tax Credit | 471.0 | 831.1 | 360.1 | 534.8 | (296.3) |
| Personal Exemption | 987.0 | 1,173.7 | 186.7 | 1,355.7 | 182.0 |
| Earned Income Tax Credit | 0.0 | 360.0 | 360.0 | 117.5 | (242.5) |
| All Other Tax Expenditures | 4,859.4 | 7,044.2 | 2,184.8 | 6,288.5 | (755.7) |
| Total Tax Expenditures | \$14,071.4 | \$25,794.4 | \$11,723.0 | \$26,533.5 | 739.1 |

Source: Michigan Department of Treasury

- Changes in the tax structure enacted in May 2011 reduced the level of tax expenditures by \$2.8 billion in FY 2012-13 and \$2.5 billion in FY 2013-14 compared to the FY 2011-12 level. These new tax expenditure estimates do not include the cost of exempting pass-through entities such as sole proprietorships, partnerships, S-corporations, and limited liability corporations (LLCs) from the new corporation income tax. However, tax expenditures are still expected to exceed ongoing revenue.

Figure 23

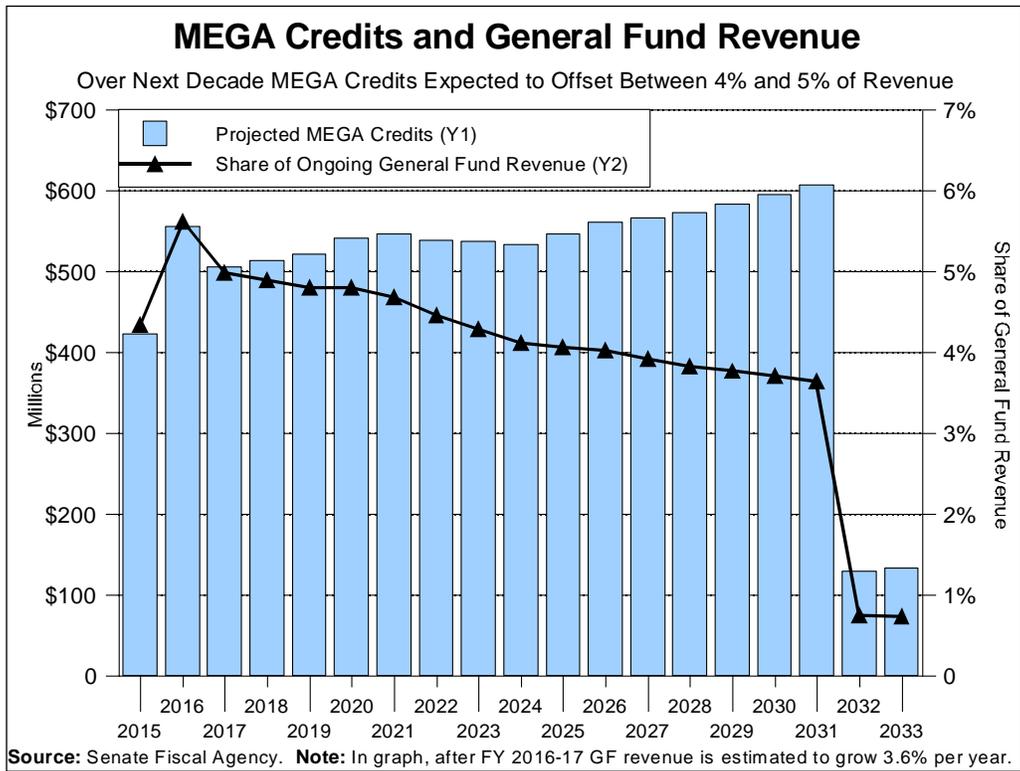
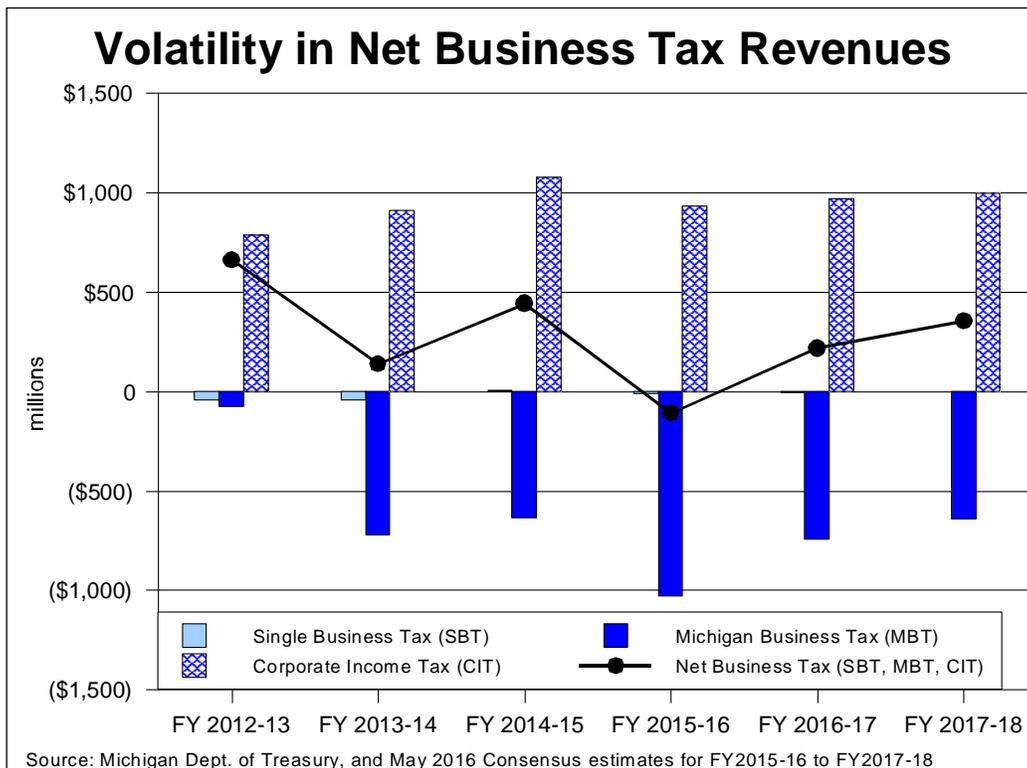


Figure 24



Tax Code Restructuring

- Public Acts 38, 39, and 40 of 2011 restructured Michigan's business and personal income taxes.
- The existing Michigan Business Tax (MBT) was repealed and replaced with a new 6.0% Corporate Income Tax (CIT).
- Changes to the Michigan personal income tax include: freezing the personal income tax rate at 4.35% until January 1, 2013 (later modified to October 1, 2012, by PA 223 of 2012), modifying pension deductions and the homestead property tax credit, reducing the earned income tax credit (EITC), and eliminating most of the other credits, deductions, and exemptions. The current income tax rate is 4.25%.
- Table 2 outlines estimates of the fiscal impact for the State GF/GP and the School Aid Fund of the tax restructuring. The first year of the full impact of the changes was FY 2012-13 when GF/GP revenue increased an estimated \$354.8 million and School Aid Fund revenue decreased by an estimated \$672.2 million.

Table 2

**ENACTED TAX RESTRUCTURING LEGISLATION
(Dollars in Millions)**

| Tax Provision | FY 2012-13 | | | FY 2013-14 | | | FY 2014-15 | | |
|--|-------------|-----------|-------------|-------------|-----------|-------------|-------------|-----------|-------------|
| | GF/GP | SAF | Total | GF/GP | SAF | Total | GF/GP | SAF | Total |
| <u>Prior Law:</u> | | | | | | | | | |
| Michigan Business Tax | \$1,322.5 | \$777.3 | \$2,099.8 | \$1,385.2 | \$792.1 | \$2,177.3 | \$1,424.8 | \$808.7 | \$2,233.5 |
| <u>Business Tax Changes:</u> | | | | | | | | | |
| Repeal MBT (12/31/11) | (\$1,375.1) | (\$777.3) | (\$2,152.4) | (\$1,366.3) | (\$792.1) | (\$2,158.4) | (\$1,409.7) | (\$808.7) | (\$2,218.4) |
| Corporate Income Tax (1/1/12) | 876.1 | 0.0 | 876.1 | 911.4 | 0.0 | 911.4 | 945.5 | 0.0 | 945.5 |
| Financial Institutions Tax | 43.9 | 0.0 | 43.9 | 45.6 | 0.0 | 45.6 | 47.5 | 0.0 | 47.5 |
| Certified Credits/Options Tax | (437.4) | 0.0 | (437.4) | (568.9) | 0.0 | (568.9) | (562.3) | 0.0 | (562.3) |
| Total Changes to Business Taxes | (892.5) | (777.3) | (1,669.8) | (978.2) | (792.1) | (1,770.3) | (979.0) | (808.7) | (1,787.7) |
| Net Business Tax Rev. After Credits | \$430.0 | (\$0.0) | \$430.0 | \$407.0 | \$0.0 | \$407.0 | \$445.8 | \$0.0 | \$445.8 |
| <u>Individual Income Tax Changes¹⁾:</u> | | | | | | | | | |
| Delay/Eliminate Tax Rate Changes | \$225.0 | \$0.0 | \$225.0 | \$415.4 | \$0.0 | \$415.4 | \$617.9 | \$0.0 | \$617.9 |
| Repeal Senior/Unemp. Ins. Exempt. | 34.3 | 6.7 | 41.0 | 32.2 | 10.0 | 42.2 | 37.2 | 6.3 | 43.5 |
| Repeal Child Deduction | 52.9 | 4.2 | 57.1 | 48.0 | 10.8 | 58.8 | 49.5 | 11.1 | 60.6 |
| Pension Tax Changes | 259.5 | 76.7 | 336.2 | 263.7 | 83.3 | 347.0 | 272.3 | 85.0 | 357.3 |
| Repeal Nonrefundable Credits | 103.5 | 0.0 | 103.5 | 107.0 | 0.0 | 107.0 | 110.3 | 0.0 | 110.3 |
| Homestead Credit Changes | 257.0 | 0.0 | 257.0 | 265.0 | 0.0 | 265.0 | 273.0 | 0.0 | 273.0 |
| Modify Earned Income Tax Credit | 261.6 | 0.0 | 261.6 | 269.4 | 0.0 | 269.4 | 277.5 | 0.0 | 277.5 |
| Eliminate Subtract./Exemp./Other | 53.5 | 17.5 | 71.1 | 54.2 | 18.1 | 72.3 | 55.1 | 18.5 | 73.6 |
| Total Changes to Indiv. Income Tax | \$1,247.3 | \$105.1 | \$1,352.5 | \$1,454.9 | \$122.2 | \$1,577.1 | \$1,692.8 | \$120.9 | \$1,813.7 |
| Net Impact of Proposed Reforms | \$354.8 | (\$672.2) | (\$317.3) | \$476.7 | (\$669.9) | (\$193.2) | \$713.8 | (\$687.8) | \$26.0 |
| <u>Addendum: Impact by Taxpayer Type</u> | | | | | | | | | |
| Businesses | | | (\$1,669.8) | | | (\$1,770.3) | | | (\$1,787.7) |
| Individuals | | | \$1,352.5 | | | \$1,577.1 | | | \$1,813.7 |

¹⁾ Does not include changes from PAs 223 and 224 of 2012, which subsequently amended portions of the restructuring legislation concerning the rate changes and changes in the personal exemption.

Source: May 15, 2013 Consensus Revenue estimates. These are the last detailed estimates for the impact of the reform package because beginning with the January 10, 2014 Consensus Revenue estimates the impacts were included in baseline revenue and no longer estimated separately from other components of the affected taxes.

Constitutional Revenue Limit

- Section 26 of Article IX of the State Constitution limits total State revenue to a maximum of 9.49% of Michigan personal income.
- Based on the revised revenue estimates, revenue subject to the Constitutional revenue limit was \$8.5 billion below the limit for FY 2013-14 and \$7.8 billion below the limit in FY 2014-15. It is estimated to be \$9.3 billion below the limit in FY 2015-16, \$9.9 billion below the limit in FY 2016-17, and \$10.0 billion below the limit in FY 2017-18.

Figure 25

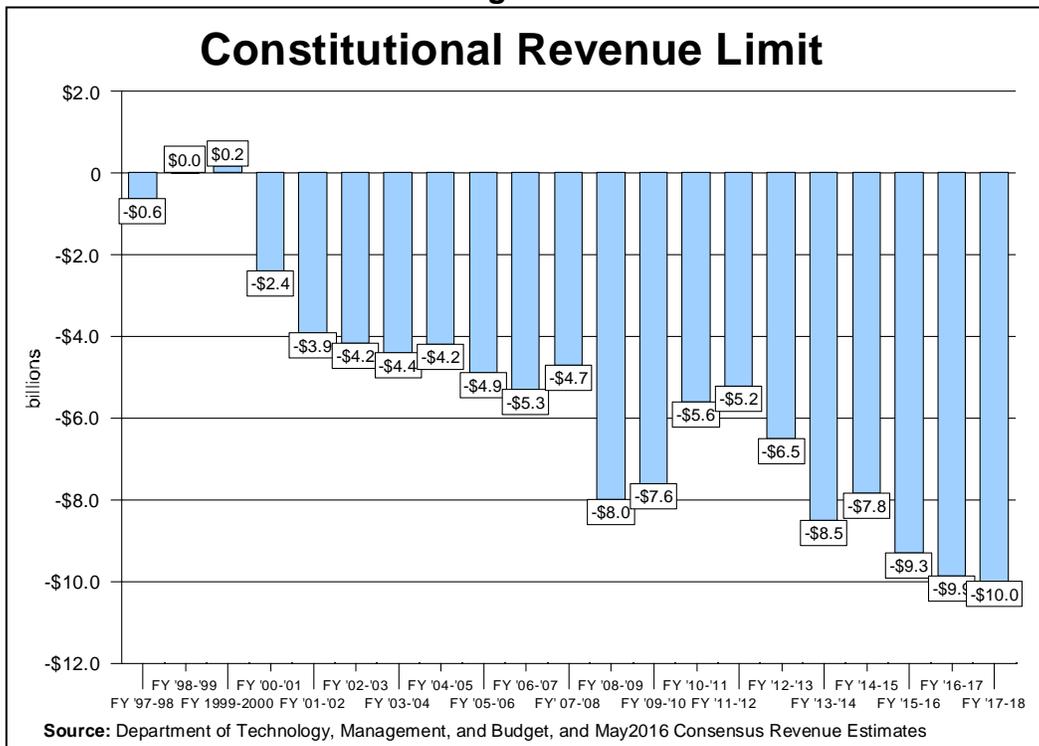


Figure 26

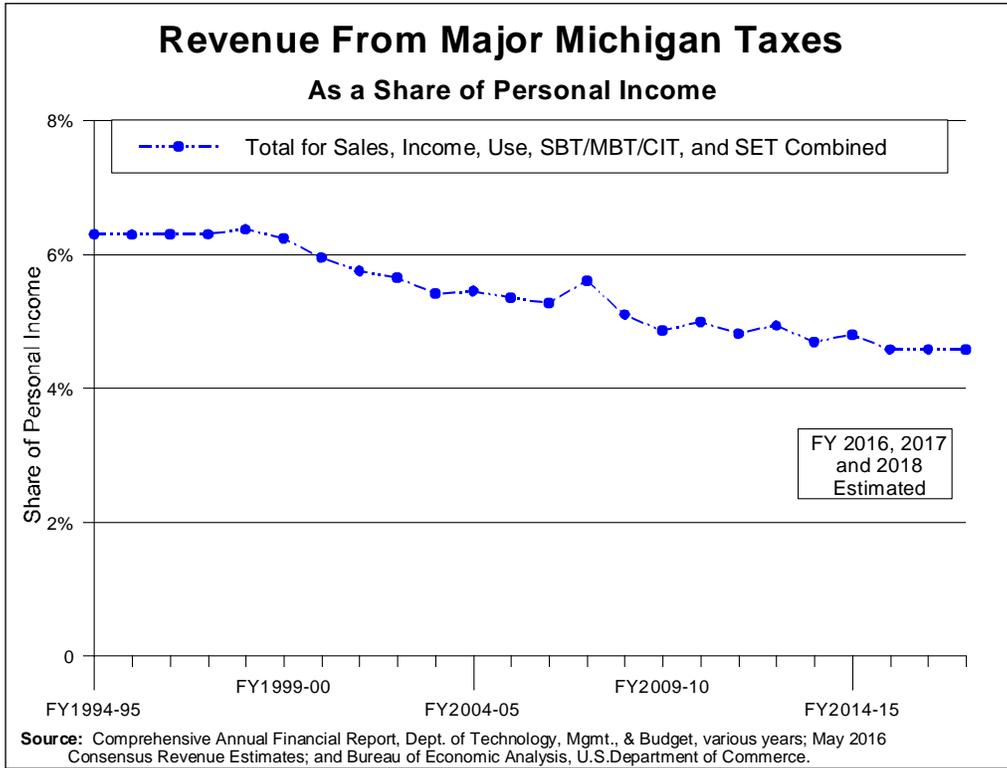


Figure 27

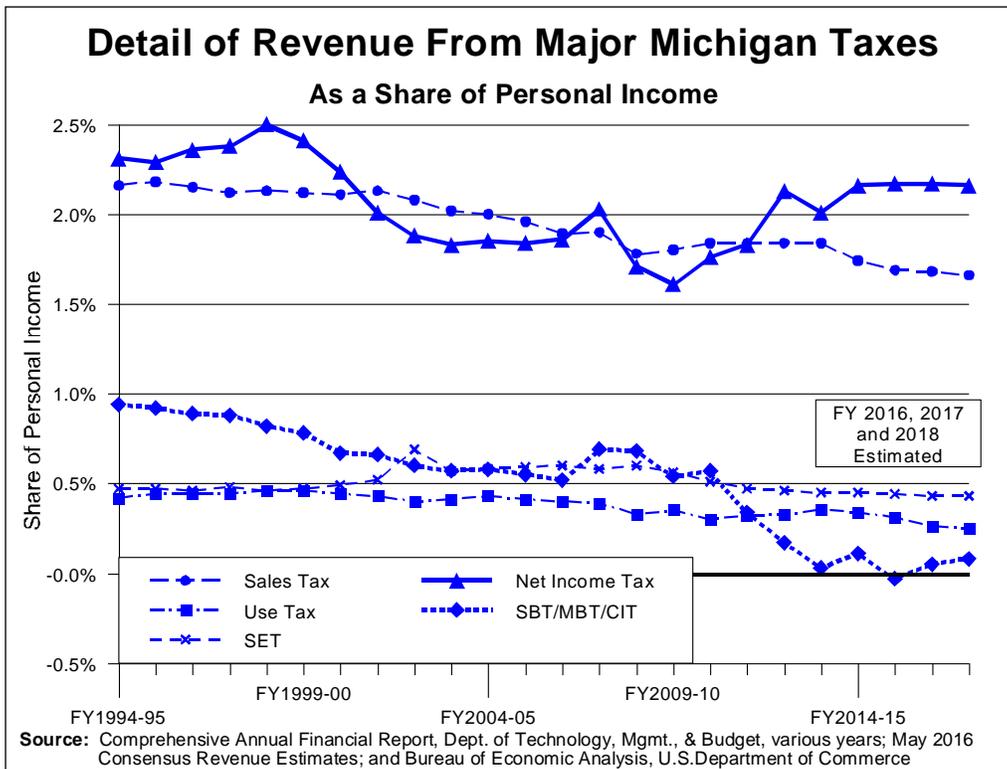


Table 3

**MICHIGAN'S MAJOR TAXES: REVENUE ESTIMATES, TAX RATES, AND YIELDS FOR FY 2015-16 AND FY 2016-17
(Dollars in Millions)**

| Tax | Revenue Estimates ¹⁾ | | Current Tax Rate | Examples of Rev. Impact Due to Change in Rate ⁷⁾ | | | History of Tax Rate Changes |
|--|---------------------------------|------------------------|-----------------------------|---|--------------------------------|--------------------------------|---|
| | FY 2015-16 Net Revenue | FY 2016-17 Net Revenue | | Rate Change | FY '16 Rev. Change Eff. 1/1/16 | FY '17 Rev. Change Eff. 1/1/16 | |
| Individual Income Tax: | | | | | | | |
| Gross Collections | \$11,175.2 | \$11,574.8 | 4.25% | | | | 1967: 2.6%; 1971: 3.9%; 1975: 4.6%; 1982 (4/1): 5.6%; 1982 (10/1): 4.6%; 1983: 6.35%; 1984 (9/1): 5.35%; 1986: 4.6%; 1994 (5/1): 4.4%; 2000: 4.2%; 2002: 4.1%; 2003: 4.0%; 2004 (7/1): 3.9%; 2007 (10/1): 4.35%; 2012 (10/1): 4.25% |
| Refunds | (1,744.0) | (1,823.1) | | | | | |
| Net Income Tax | \$9,401.2 | \$9,751.7 | | 0.1% | \$160.8 | \$244.0 | |
| Sales Tax²⁾ | \$7,310.0 | \$7,529.7 | 6.0% | 1% of: ²⁾ first 4% of 6% last 2% of 6% | \$934.4 \$872.5 | \$1,283.3 \$1,198.3 | 1933: 3.0% 1960: 4.0% 1994: 6.0% 5/1 |
| Use Tax | \$1,343.6 | \$1,154.8 | 6.0% | 1.0% | \$180.0 | \$256.0 | 1937: 3.0% 1960: 4.0% 1994: 6.0% 5/1 |
| Corporate Income Tax | \$932.0 | \$966.5 | 6.0% | 1.0% | \$116.5 | \$161.1 | Rate has not changed. |
| Tobacco Tax | \$957.1 | \$948.4 | | | | | 1947: 3 cents/pk 1959: 4 cents/pk 1961: 5 cents/pk 1962: 7 cents/pk 1970: 11 cents/pk 1982: 21 cents/pk 1987: 25 cents/pk 1993: 75 cents/pk 2002: \$1.25/pk 8/1 2004: \$2/pk 7/1 |
| Cigarettes | \$875.6 | \$864.1 | \$2.00/pack | \$0.10/pack | \$32.5 | \$42.8 | |
| Other Tobacco Products | \$81.5 | \$84.3 | 32% whole-sale price | 2.0% | \$3.8 | \$5.2 | |
| Liquor Tax³⁾ | \$51.5 | \$52.9 | 4.0% | 1.0% | \$9.6 | \$13.2 | 1959: Liquor excise tax established - 4.0% 1962: Liquor specific tax established - 4.0% 1972: Liquor specific tax established - 1.85%, repealed 10/1/12 1985: Liquor specific tax established - 4.0% |
| Beer Tax⁴⁾ | \$41.6 | \$42.4 | \$6.30/barrel ⁴⁾ | \$1/barrel ⁴⁾ | \$4.9 | \$6.7 | 1933: \$1.25/barrel 1959: \$2.50/barrel 1962: \$6.61/barrel 1966: \$6.30/barrel |
| Wine Tax⁵⁾ | \$10.4 | \$10.6 | ⁵⁾ | \$0.01/liter | \$0.6 | \$0.8 | 1937: \$0.50/gallon 1981: w/ 16% alcohol 13.5 cents/liter 1981: w/ >16% alcohol 20 cents/liter 1989: mixed-spirit drinks 48 cents/liter |
| Casino Gaming Tax | \$112.0 | \$113.0 | 8.1% | 1.0% | \$10.0 | \$14.0 | 1999: 8.1% of adj. gross receipts 2004: 12.1% of adj. gross receipts 9/1 FY07: 8.1%-12.1% FY09: 8.1% 2/09 |
| Real Estate Transfer Tax⁶⁾ | \$276.0 | \$287.7 | 0.75% ⁶⁾ | 0.25% | \$68.3 | \$94.9 | Rate has not changed. |
| State Education Property Tax | \$1,894.1 | \$1,938.9 | 6 mills | 1 mill | \$315.7 | \$323.2 | 1994: 6 mills 2003: 5 mills (one-year reduction only) 2004: 6 mills |
| Gasoline Tax | \$856.0 | \$1,085.9 | \$0.19/gl. | \$0.01/gal. | \$33.8 | \$44.4 | 1983: 13 cents/gal. 2017: 26.3 cents/gal. 1984: 15 cents/gal. 1997: 19 cents/gal. |

1) Consensus Revenue Estimates, May 17, 2016. 2) The first 4 percentage points of the 6% sales tax rate are assessed on the entire sales tax base (including residential utilities), whereas the last two percentage points of the 6% sales tax rate are not assessed on residential utilities. 3) There are three taxes on liquor, each with a rate of 4.0% and they are earmarked to the General Fund, School Aid Fund, and the Convention Facility Fund. One tax, assessed at 1.85% on sales for off-site consumption and earmarked to the Liquor Purchase Revolving Fund, was repealed effective October 1, 2012. 4) The beer tax of \$6.30/barrel is equivalent to 1.9 cents per 12-ounce can of beer. Increasing the rate by \$1/barrel would increase the tax/can to 2.2 cents. 5) Tax on wine is as follows: Wine containing 16% or less of alcohol: 13.5 cents/liter; and wine containing more than 16% alcohol: 20 cents/liter. 6) The real estate transfer tax is assessed when real property changes ownership and it is assessed on the transaction price. 7) Senate Fiscal Agency estimate.

Budget Stabilization Fund

- The Countercyclical Budget and Economic Stabilization Fund (BSF) was established by Public Act 76 of 1977.
- The BSF is a cash reserve to which the State, in years of economic growth, adds revenue, and from which, in years of economic recession, the State withdraws revenue.
- Table 4 presents the recent history of the BSF in terms of actual transfers into and out of the Fund, interest earnings, and year-end balances.

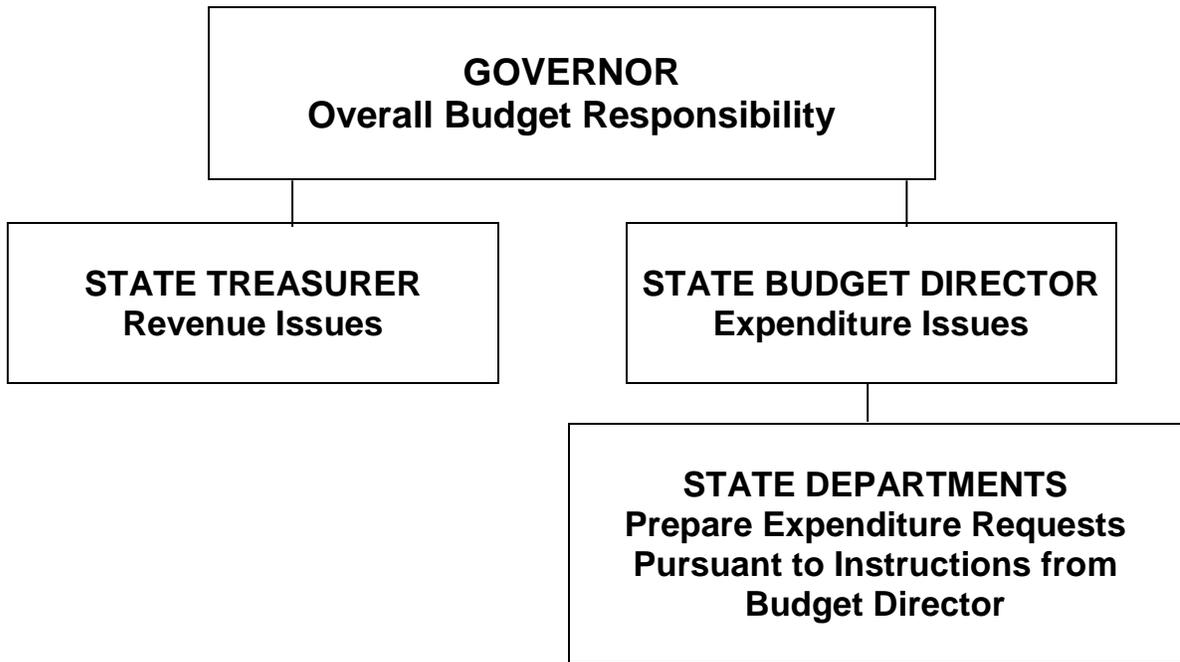
Table 4

| BUDGET AND ECONOMIC STABILIZATION FUND TRANSFERS, EARNINGS, AND FUND BALANCE FY 1998-99 TO FY 2017-18 ESTIMATE (Millions of Dollars) | | | | |
|---|---------------|------------------------|----------------|---------------------|
| Fiscal Year^{a)} | Pay-In | Interest Earned | Pay-Out | Fund Balance |
| 1998-99 | \$244.4 | \$51.2 | \$73.7 | \$1,222.5 |
| 1999-00 | 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 | 145.2 |
| 2002-03 | 9.1 | 1.8 | 156.1 | 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 ^{b)} | 75.0 | 0.4 | 194.8 | 386.2 |
| 2014-15 ^{c)} | 111.5 | 0.4 | 0.0 | 498.1 |
| Enacted Deposits and Estimated Interest Earnings: | | | | |
| 2015-16 ^{d)} | 112.5 | 0.7 | 0.0 | 611.3 |
| 2016-17 | 17.5 | 1.8 | 0.0 | 630.6 |
| 2017-18 | 17.5 | 4.7 | 0.0 | 652.8 |
| ^{a)} For FY 1998-99 to FY 2014-15 the table shows the actual appropriated pay-in and pay-out to the BSF and the interest earned as reported in the State of Michigan Comprehensive Annual Financial Report. FY 2015-16 to FY 2017-18 include enacted legislation and estimated interest earnings. ^{b)} Pay-in was appropriated in PA 59 of 2013. Pay-out is the transfer of \$194.8 million in FY 2013-14 per PA 188 of 2014 from the BSF to the Settlement Administration Fund related to the Detroit bankruptcy. ^{c)} PA 252 of 2014 appropriated \$94.0 million to the BSF and PA 186 of 2014, which amended the Trust Fund Act, authorizes the annual deposit of \$17.5 million of tobacco settlement revenue to the BSF from FY 2014-15 to FY 2034-35. ^{d)} PA 84 of 2015 appropriated \$95.0 million to the BSF, in addition to the \$17.5 million deposited under the Trust Fund Act. | | | | |

The Budget Process

Key Actors in Budget Decision Making Process

Executive Branch



Legislative Branch

| HOUSE OF REPRESENTATIVES | SENATE |
|-------------------------------------|-------------------------------------|
| Speaker of the House | Majority Leader |
| Chair of Appropriations Committee | Chair of Appropriations Committee |
| Members of Appropriations Committee | Members of Appropriations Committee |
| Appropriation Subcommittees | Appropriation Subcommittees |
| Full Membership of House | Full Membership of Senate |
| House Fiscal Agency | Senate Fiscal Agency |

Key Actors in Budget Decision Making Process

State Departments and Outside Interest Groups

- Education Institutions
- Units of Local Government
- Nonprofit Associations
- Multi-client Lobbyists
- Single Issue Lobbyists
- General Public

Preparation of Executive Budget

State Treasurer (Incoming \$\$\$)

- Revenue Estimates
- Tax Policy
- Cash Management
- Debt Management

Budget Director (Outgoing \$\$\$)

- Issues Budget Directions
- Reviews and Analyzes Agency Requests
- Filters Requests from Outside Groups
- Prepares Final Budget Documents
- Oversees Legislative Budget Process for Governor
- Management of Current Year Budget

Presentation of Executive Budget to the Legislature

- Prescribed by Statute
- Executive Press Releases
- Joint Meeting of the House and Senate Appropriations Committee
 - Budget Director Presentation
- Documentation
 - Summaries
 - Executive Budget Bills
 - Line Item Detail

Legislative Budget Responsibilities

- Consideration of Executive Budget
- Adoption of Annual Appropriation Bills
- Review of Governor's Line Item Vetoes
- Monitoring and Oversight of Current Year Budget

Budget Time Frame

| JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE |
|--|---|--|-------|-----|---|
| LEGISLATIVE ACTION | | | | | |
| <p>Governor's State of the State is delivered and budget recommendation is prepared for submission to the Legislature.</p> | <p>Governor's budget is delivered, legislative action begins.</p> | <p>Subcommittees make decisions, Appropriations Committee meets, floor votes take place.</p> | | | <p>Budget targets are negotiated between the Executive and Legislature. Conference Committees meet.</p> |
| SENATE FISCAL AGENCY ACTION | | | | | |
| <p>First Consensus Revenue Estimating Conference (CREC) is scheduled. SFA prepares applicable documents, schedules future hearings, and provides background briefings.</p> | <p>SFA presents analysis of Governor's budget. Subcommittee hearings begin.</p> | <p>Decision documents are prepared, SFA works with Subcommittee chairs and members to develop proposals, substitute bills are prepared and analyzed, amendments are drafted. SFA revenue forecast is released. Second CREC is held in May.</p> | | | <p>SFA provides staff support to Conference negotiations, and prepares and analyzes Conference Reports.</p> |

| JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER |
|--|--------|-----------|---|----------|----------|
| LEGISLATIVE ACTION | | | | | |
| <p>Governor signs appropriation bills and issues vetoes. Veto overrides are considered. Current-year budget adjustments are considered. Fiscal year ends September 30.</p> | | | <p>New fiscal year begins October 1. Appropriations Committee considers year-end transfers. Budget implementation legislation is considered.</p> | | |
| SENATE FISCAL AGENCY ACTION | | | | | |
| <p>Analysis of initial legislation is completed. Initial Appropriations Report is distributed. Year-end budgetary adjustments and lapse estimates are completed.</p> | | | <p>SFA Year-End Appropriations Report is generated. SFA Economic and Revenue Forecast is released. Mid-year budget adjustments (transfers, supplementals, Executive Orders) are analyzed as needed.</p> | | |

Mandated Budget Requirements and Restrictions State Budget Process Constitutional Requirements

- Budget Submission Date (Sec. 18 of Article V)
- Balanced Budget Requirement (Sec. 31 of Article IV and Sec. 18 of Article V)
- Revenue Limit (Sec. 26 of Article IX)
- Expenditure Limit (Sec. 28 of Article IX)
- State and Local Spending Split (Sec. 30 of Article IX)
- Appropriation Reductions (Sec. 20 of Article V)
- Line Item Veto (Sec. 19 of Article V)
- Limits on State General Obligation Debt (Sec. 15 of Article IX)

Mandated Budget Requirements and Restrictions State Budget Process Statutory Requirements

Public Act 431 of 1984 provides the basic statutory framework for the State budget process. Some of the major provisions include:

- Role of State Budget Director
- Fiscal Year Period
- Budget Submission Date
- Consensus Revenue Estimating Conference
- Countercyclical Budget and Economic Stabilization Fund
- Operating Funds
- Implementation of Constitutional Requirements

Mandated Budget Requirements and Restrictions Boilerplate Requirements

Intent language contained in appropriation bills is referred to as boilerplate. Boilerplate language is used to accomplish the following objectives:

- Imposes Conditions on Appropriations
- Reporting Requirements
- Imposes Specific Spending Criteria

Specific Michigan Budget Practices

Several features of Michigan's budget process that result from historical practices impact on final budget decisions. These include:

- Strong Executive Branch Influence
- Strong Legislative Appropriations Committees
- Numerous Appropriations Bills/Omnibus Bills
- Incremental Changes in Budget
- Strong Threat of Line Item Veto

State Budget Terms

Gross Appropriations: Total level of State appropriations from all fund sources

Adjusted Gross Appropriations: Total Gross Appropriations excluding interdepartmental grants and transfers

State Restricted Revenue Appropriations: State taxes or fees that are designated for a specific purpose in the budget by either constitutional or statutory requirements

General Fund/General Purpose (GF/GP) Appropriations: Unrestricted portion of State budget fund sources

State Spending from State Resources Appropriations: Total level of State appropriations excluding Federal, local, and private funding sources; includes only State Restricted and General Fund/General Purpose appropriations

FTE: Full-time equated employee

Boilerplate: Intent language in appropriation bills

Table 5

| ADJUSTED GROSS, STATE SPENDING FROM STATE RESOURCES, AND GF/GP INITIAL APPROPRIATIONS for FY 2016-17 (Billions of Dollars) | | | |
|---|---------------------------|---------------------------|---------------|
| Department/Budget Area | Adjusted Gross | State Spending | GF/GP |
| Health and Human Services | \$24.8 | \$6.7 | \$4.4 |
| K-12 Education | 14.2 | 12.3 | 0.2 |
| Transportation | 4.1 | 2.7 | 0.01 |
| Corrections | 2.0 | 2.0 | 2.0 |
| Higher Ed/Community Colleges | 2.0 | 1.9 | 1.4 |
| Subtotal | \$47.1 | \$25.6 | \$8.0 |
| All Other | 7.0 | 5.4 | 2.0 |
| Total | \$54.0 | \$31.0 | \$10.0 |

**The State Budget
FY 2016-17**

Table 6

| SUMMARY OF FY 2016-17 APPROPRIATION CHANGES | | |
|---|-------------------------|-------------------------|
| | Gross | GF/GP |
| FY 2015-16 Year-To-Date Appropriation¹⁾ | \$54,320,118,200 | \$10,149,633,800 |
| <u>Changes for FY 2016-17:</u> | | |
| New Programs | \$110,597,200 | \$28,669,000 |
| Program Increases..... | 1,743,696,650 | 567,681,100 |
| Program Eliminations/Reductions | (1,057,652,050) | (400,792,100) |
| Major Fund Shifts Affecting GF/GP | 0 | (253,269,100) |
| Other Technical Program Adjustments..... | (347,472,200) | (189,869,500) |
| Economic Increases..... | 143,003,700 | 73,019,400 |
| Unclassified Salaries Adjustments | <u>466,500</u> | <u>251,000</u> |
| Total Changes..... | \$592,639,800 | (\$174,310,200) |
| FY 2016-17 INITIAL APPROPRIATION | \$54,912,758,000 | \$9,975,323,600 |

¹⁾ Appropriation as of July 1, 2016.

Figure 28

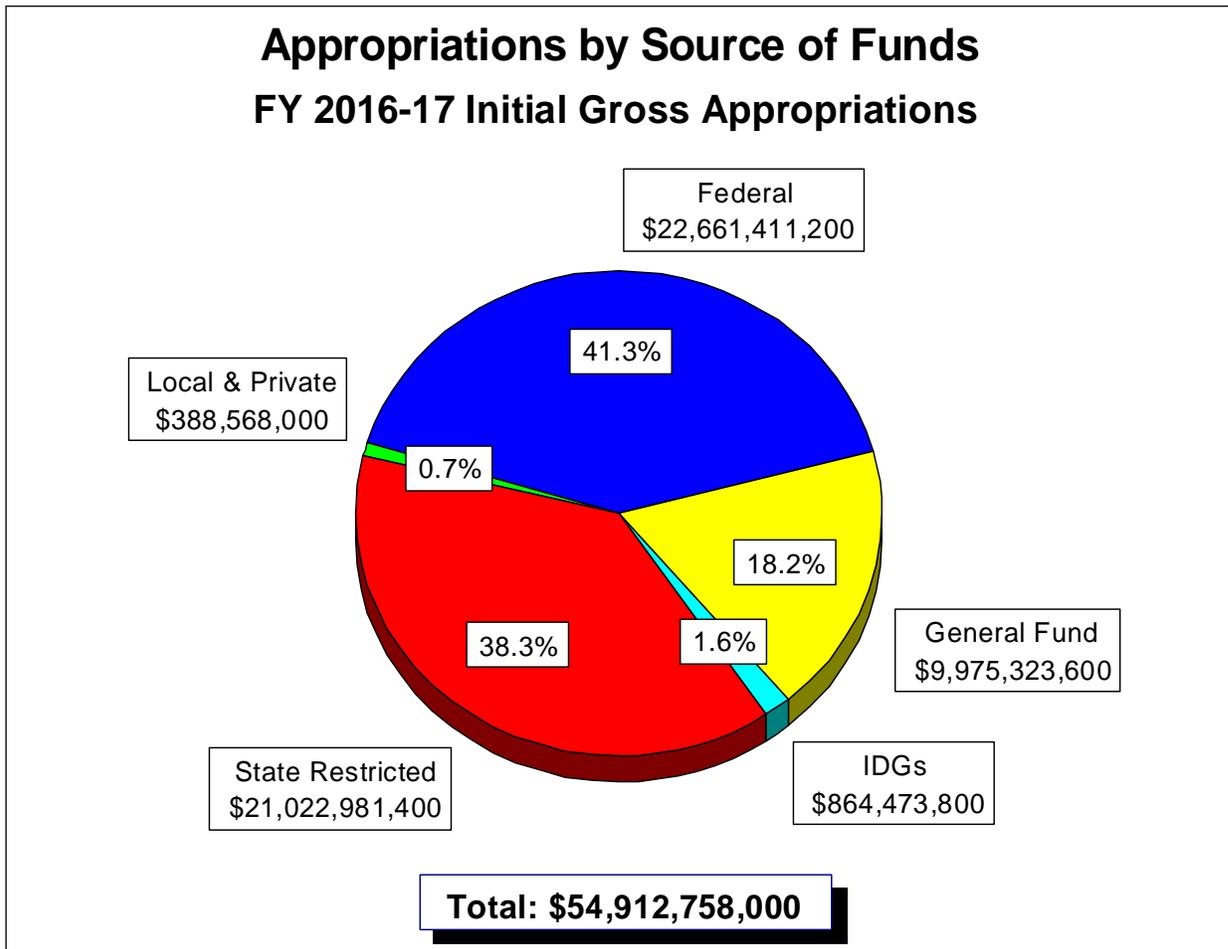


Figure 29

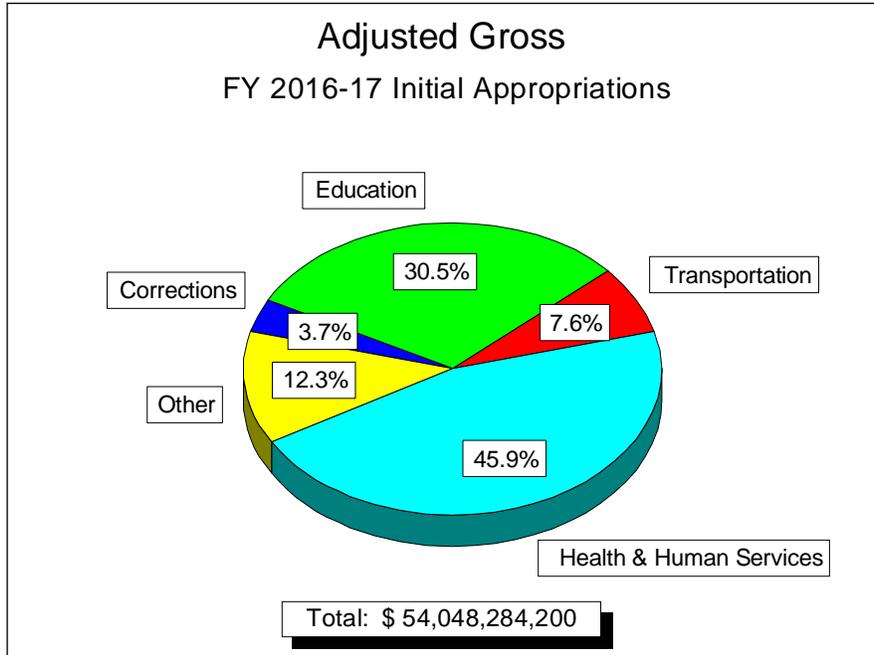


Table 7

**INITIAL ADJUSTED GROSS APPROPRIATIONS
FY 2016-17**

| Department/Budget Area | |
|--|-------------------------|
| Health and Human Services | \$24,828,323,100 |
| School Aid..... | 14,161,842,100 |
| Transportation..... | 4,110,490,200 |
| Corrections..... | 2,002,729,000 |
| Higher Education | 1,582,640,400 |
| Treasury-Revenue Sharing | 1,228,982,700 |
| Talent and Economic Development | 1,145,994,300 |
| State Police..... | 622,895,700 |
| Technology, Management, and Budget | 607,137,600 |
| Treasury-Operations..... | 507,860,900 |
| Environmental Quality | 504,323,700 |
| Natural Resources..... | 396,878,200 |
| Community Colleges..... | 395,925,600 |
| Licensing and Regulatory Affairs..... | 371,138,600 |
| Education | 331,975,200 |
| Judiciary..... | 296,684,000 |
| State..... | 228,015,600 |
| Military and Veterans Affairs..... | 173,998,400 |
| Legislature | 141,903,600 |
| Treasury-Debt Service..... | 137,037,000 |
| Agriculture and Rural Development | 93,778,100 |
| Attorney General..... | 72,496,100 |
| Insurance and Financial Services | 65,549,600 |
| Legislative Auditor General | 18,093,300 |
| Civil Rights | 15,954,900 |
| Executive | 5,636,300 |
| TOTAL APPROPRIATIONS | \$54,048,284,200 |

Figure 30

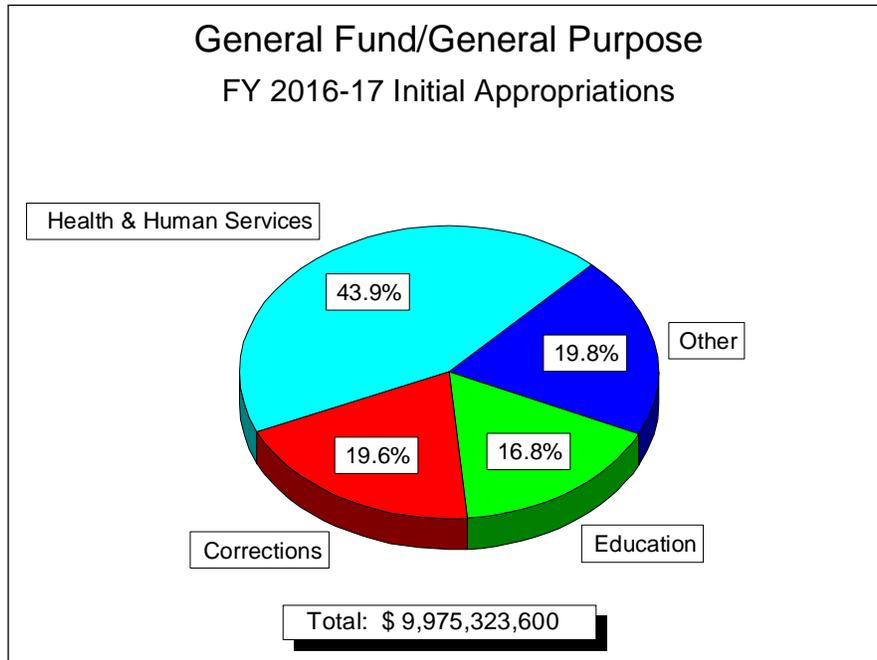


Table 8

**INITIAL GF/GP APPROPRIATIONS
FY 2016-17**

| Department/Budget Area | |
|--|------------------------|
| Health and Human Services | \$4,374,548,300 |
| Corrections | 1,951,957,900 |
| Higher Education | 1,243,904,500 |
| Technology, Management, and Budget | 485,518,600 |
| State Police | 402,662,800 |
| School Aid | 218,900,000 |
| Judiciary | 189,157,400 |
| Talent and Economic Development | 179,388,900 |
| Legislature | 137,227,800 |
| Treasury-Debt Service | 137,037,000 |
| Community Colleges | 135,510,800 |
| Treasury-Operations | 98,408,800 |
| Education | 76,181,200 |
| Military and Veterans Affairs | 55,243,600 |
| Agriculture and Rural Development | 49,926,900 |
| Environmental Quality | 47,736,400 |
| Licensing and Regulatory Affairs | 43,721,100 |
| Attorney General | 42,840,500 |
| Natural Resources | 39,910,000 |
| State | 22,109,600 |
| Legislative Auditor General | 16,123,900 |
| Civil Rights | 13,021,300 |
| Transportation | 8,500,000 |
| Executive | 5,636,300 |
| Insurance and Financial Services | 150,000 |
| Treasury-Revenue Sharing | 0 |
| TOTAL GF/GP APPROPRIATIONS..... | \$9,975,323,600 |

Table 9

**FULL-TIME EQUATED POSITIONS
FY 2015-16 VERSUS FY 2016-17**

| Department/Budget Area | FY 2015-16 | FY 2016-17 | Position Change | Percent Change |
|--|------------------------|-------------------|-----------------|----------------|
| | Year-to-Date Positions | Initial Positions | | |
| Agriculture & Rural Development | 454.0 | 473.0 | 19.0 | 4.2% |
| Attorney General | 518.5 | 527.0 | 8.5 | 1.6 |
| Civil Rights | 129.0 | 129.0 | 0.0 | 0.0 |
| Corrections | 14,174.3 | 13,803.9 | (370.4) | (2.6) |
| Education | 588.5 | 597.5 | 9.0 | 1.5 |
| Environmental Quality | 1,224.0 | 1,232.0 | 8.0 | 0.7 |
| Executive | 74.2 | 74.2 | 0.0 | 0.0 |
| Health & Human Services | 15,437.0 | 15,570.5 | 133.5 | 0.9 |
| Higher Education | 0.0 | 0.0 | 0.0 | 0.0 |
| Insurance & Financial Services | 337.0 | 336.5 | (0.5) | (0.1) |
| Judiciary | 495.0 | 510.0 | 15.0 | 3.0 |
| Licensing & Regulatory Affairs | 2,164.3 | 2,170.3 | 6.0 | 0.3 |
| Military & Veterans Affairs | 888.5 | 898.5 | 10.0 | 1.1 |
| Natural Resources | 2,229.8 | 2,236.8 | 7.0 | 0.3 |
| State | 1,587.0 | 1,587.0 | 0.0 | 0.0 |
| State Police | 3,131.0 | 3,226.0 | 95.0 | 3.0 |
| Talent & Economic Development | 1,613.0 | 1,609.0 | (4.0) | (0.2) |
| Technology, Management, & Budget | 2,844.0 | 2,877.0 | 33.0 | 1.2 |
| Transportation | 2,912.3 | 2,912.3 | 0.0 | 0.0 |
| Treasury (Operations) | 1,901.5 | 1,906.5 | 5.0 | 0.3 |
| TOTAL POSITIONS..... | 52,702.9 | 52,677.0 | (25.9) | (0.04%) |

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

Figure 31

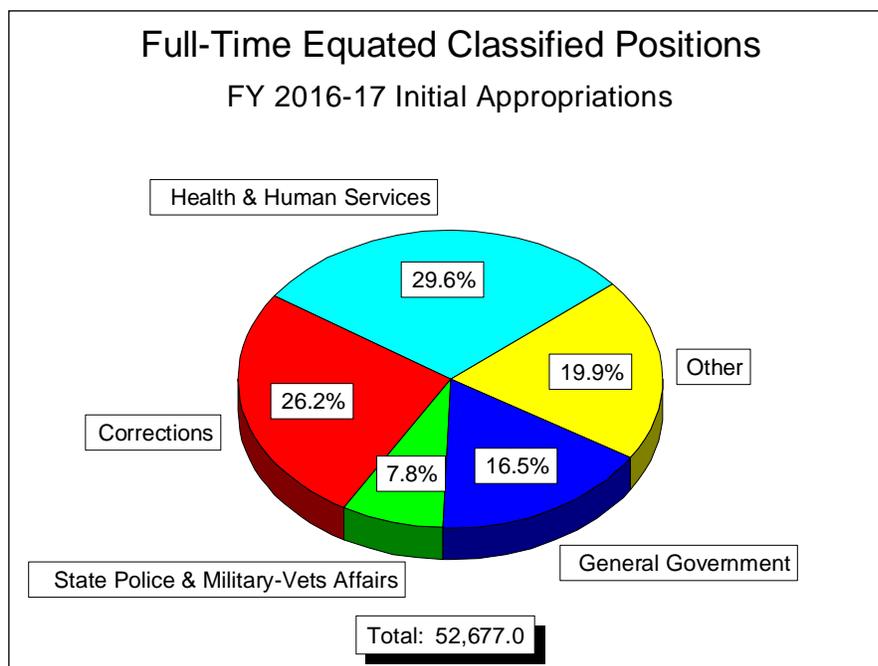


Figure 32

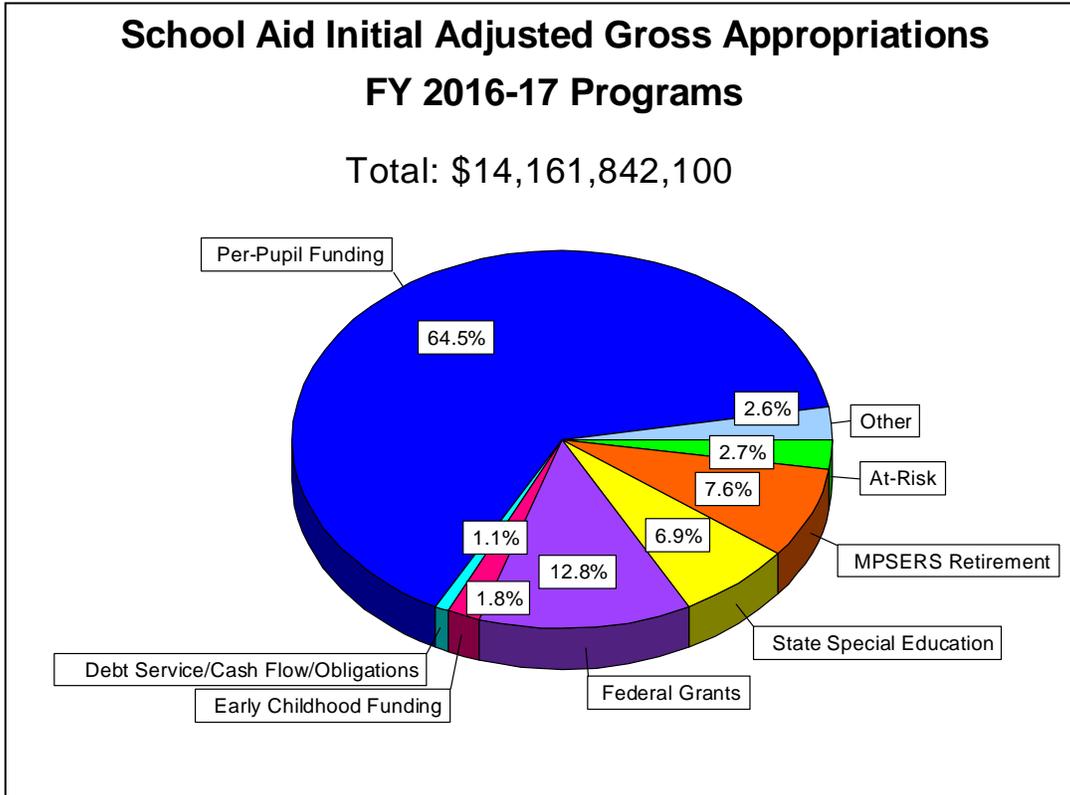


Figure 33

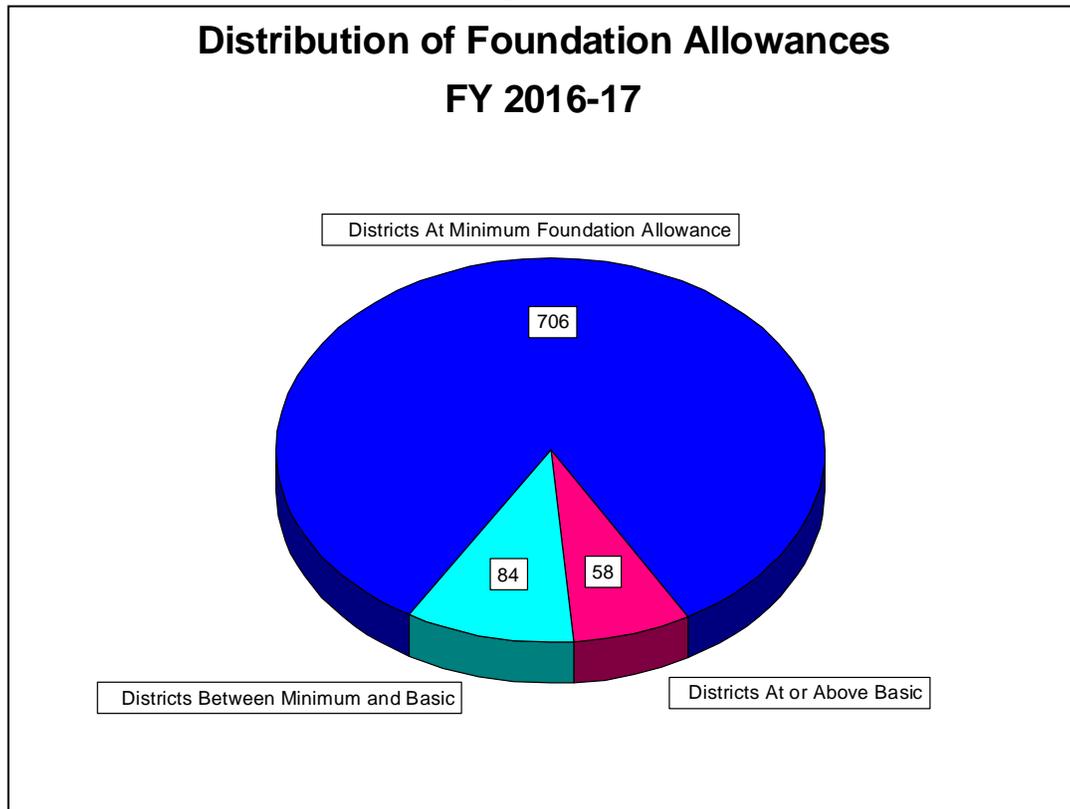
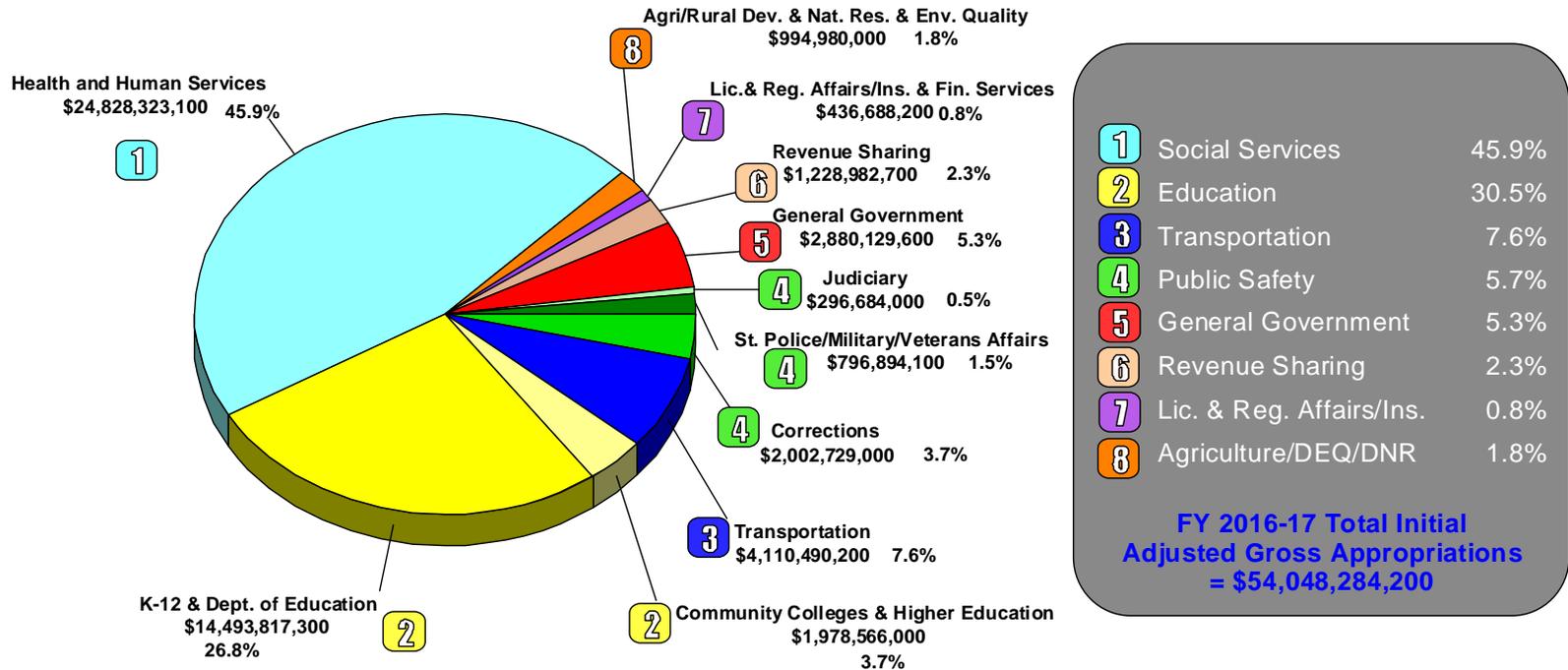


Figure 34

Where State of Michigan Tax Dollars Are Spent Fiscal Year 2016-17 Initial Adjusted Gross Appropriations



Senate Fiscal Agency - July 1, 2016

Table 10

| FY 2015-16 AND FY 2016-17 GENERAL FUND/GENERAL PURPOSE REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES (Millions of Dollars) | | |
|---|-------------------|-------------------|
| | FY 2015-16 | FY 2016-17 |
| Beginning Balance..... | \$694.7 | \$135.3 |
| Ongoing Revenue: | | |
| May 2016 Consensus Revenue Estimate | \$9,734.1 | \$10,138.5 |
| Revenue Sharing Payments | (462.7) | (465.3) |
| Shift of Short-Term Borrowing Costs to School Aid Fund..... | 1.0 | 3.0 |
| Medicaid Managed Care Use Tax..... | 421.0 | 105.8 |
| Farmland Preservation Legislation..... | 0.0 | (1.4) |
| Insurance Tax Credit Amendments..... | <u>0.0</u> | <u>80.0</u> |
| Subtotal Ongoing Revenue..... | \$9,693.4 | \$9,860.6 |
| Non-Ongoing Revenue: | | |
| One-Time Appropriation for Revenue Sharing | (\$5.8) | (\$5.8) |
| Redirection of Restricted Revenue..... | (1.3) | 16.8 |
| Venture Michigan Fund Tax Vouchers | 0.0 | (30.5) |
| Total Estimated GF/GP Revenue | \$10,381.0 | \$9,976.4 |
| Expenditures: | | |
| Initial Ongoing Appropriations..... | \$9,517.8 | \$9,669.0 |
| <u>One-Time and Other Appropriations:</u> | | |
| Initial One-Time Appropriations..... | \$98.3 | \$306.3 |
| Initial One-Time Appropriation for Transportation..... | 258.0 | 0.0 |
| One-Time Appropriation to Budget Stabilization Fund | 95.0 | 0.0 |
| Enacted Supplementals..... | 280.5 | 0.0 |
| Estimated Year-End Lapses | <u>(3.9)</u> | <u>0.0</u> |
| Subtotal One-Time and Other Appropriations | \$727.9 | \$306.3 |
| Total Estimated GF/GP Expenditures..... | \$10,245.7 | \$9,975.3 |
| PROJECTED YEAR-END GF/GP BALANCE | \$135.3 | \$1.0 |

Table 11
FY 2015-16 AND FY 2016-17 SCHOOL AID FUND
REVENUE, EXPENDITURES, AND YEAR-END BALANCE ESTIMATES
(Millions of Dollars)

| | FY 2015-16 | FY 2016-17 |
|--|-------------------|-------------------|
| Beginning Balance..... | \$190.2 | \$104.2 |
| Ongoing Revenue: | | |
| May 2016 Consensus Revenue Estimate | \$12,067.4 | \$12,402.4 |
| General Fund/General Purpose Grant | 55.1 | 218.9 |
| Federal Ongoing Aid..... | 1,775.8 | 1,818.6 |
| Community District Education Trust Fund..... | 0.0 | 72.0 |
| Managed Care Use Tax..... | <u>210.5</u> | <u>52.9</u> |
| Subtotal Ongoing Revenue..... | \$14,108.8 | \$14,564.8 |
| Non-Ongoing Revenue: | | |
| Distressed/Dissolved Districts Work Project Lapses | \$3.5 | \$0.0 |
| Venture Michigan Fund Tax Vouchers | <u>0.0</u> | <u>(9.5)</u> |
| Subtotal Ongoing Revenue..... | \$3.5 | (\$9.5) |
| Total Estimated School Aid Fund Revenue | \$14,302.5 | \$14,659.5 |
| Expenditures: | | |
| Initial Ongoing Appropriations | \$13,846.6 | \$13,985.8 |
| Enacted Supplementals | (169.2) | 0.0 |
| Partially Fund Community Colleges with School Aid Fund | 256.7 | 260.4 |
| Partially Fund Higher Education with School Aid Fund | <u>205.2</u> | <u>237.1</u> |
| Subtotal Ongoing Appropriations | \$14,139.3 | \$14,483.3 |
| One-Time and Other Appropriations: | | |
| Initial One-Time K-12 Appropriations | \$49.8 | \$176.0 |
| Enacted Supplemental-Flint Early On Services..... | <u>9.2</u> | <u>0.0</u> |
| Subtotal One-Time and Other Appropriations | \$59.0 | \$176.0 |
| Total Estimated School Aid Fund Expenditures..... | \$14,198.3 | \$14,659.3 |
| PROJECTED YEAR-END SCHOOL AID FUND BALANCE | \$104.2 | \$0.2 |

Table 12

| TOTAL ACCUMULATED PENSION UNFUNDED LIABILITIES | | | | | | | | | | | | |
|---|---------------------------------------|---------------------|------------------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|
| Fiscal Year | MPSERS¹⁾: BASIC/MIP | | MPSERS¹⁾: HYBRID | | STATE EMPLOYEES | | STATE POLICE | | JUDGES | | LEGISLATIVE | |
| | Unfunded Liability | Funded Ratio | Unfunded Liability | Funded Ratio | Unfunded Liability | Funded Ratio | Unfunded Liability | Funded Ratio | Unfunded Liability | Funded Ratio | Unfunded Liability | Funded Ratio |
| 1999-2000 | \$246,000,000 | 99.3% | --- | --- | (\$863,000,000) | 109.1% | (\$72,400,000) | 107.0% | (\$70,600,000) | 134.6% | (\$31,782,000) | 125.0% |
| 2000-01 | 1,375,000,000 | 96.5 | --- | --- | (755,000,000) | 107.6 | (75,000,000) | 107.0 | (66,300,000) | 129.5 | (29,778,000) | 121.0 |
| 2001-02 | 3,575,000,000 | 91.5 | --- | --- | 137,000,000 | 98.7 | (5,600,000) | 100.5 | (62,500,000) | 127.3 | (23,300,000) | 116.0 |
| 2002-03 | 6,043,000,000 | 86.5 | --- | --- | 1,320,000,000 | 88.8 | 47,300,000 | 96.0 | (57,100,000) | 124.3 | (17,519,000) | 112.0 |
| 2003-04 | 7,533,000,000 | 83.7 | --- | --- | 1,855,000,000 | 84.5 | 138,100,000 | 89.0 | (50,500,000) | 121.3 | (9,967,000) | 107.0 |
| 2004-05 | 9,995,000,000 | 79.3 | --- | --- | 2,503,000,000 | 79.8 | 210,000,000 | 83.8 | (35,000,000) | 114.4 | (2,806,000) | 102.0 |
| 2005-06 | 6,141,000,000 | 87.5 | --- | --- | 1,909,000,000 | 85.1 | 181,700,000 | 86.9 | (39,100,000) | 116.0 | (940,000) | 101.0 |
| 2006-07 | 5,771,000,000 | 88.7 | --- | --- | 1,818,000,000 | 86.2 | 192,700,000 | 86.7 | (53,900,000) | 121.8 | (4,437,000) | 103.0 |
| 2007-08 | 8,931,000,000 | 83.6 | --- | --- | 2,363,000,000 | 82.8 | 230,600,000 | 84.6 | (56,700,000) | 123.0 | (590,000) | 100.0 |
| 2008-09 | 11,982,000,000 | 78.9 | --- | --- | 3,127,000,000 | 78.0 | 295,900,000 | 80.7 | (50,70,000) | 120.7 | 5,631,000 | 97.0 |
| 2009-10 | 17,633,400,000 | 71.1 | --- | --- | 4,078,100,000 | 72.6 | 392,300,000 | 75.4 | (32,700,000) | 113.0 | 21,184,000 | 88.2 |
| 2010-11 | 22,389,000,000 | 64.7 | --- | --- | 5,385,000,000 | 65.5 | 489,800,000 | 69.9 | (15,100,000) | 106.0 | 31,907,000 | 82.0 |
| 2011-12 | 24,266,000,000 | 61.3 | \$6,225,000 | 82.1% | 6,207,100,000 | 60.3 | 601,900,000 | 64.0 | 3,800,000 | 98.5 | 43,550,000 | 76.0 |
| 2012-13 | 25,796,200,000 | 59.6 | (941,000) | 101.4 | 6,210,100,000 | 60.3 | 654,900,000 | 62.0 | 12,256,000 | 95.1 | 45,978,000 | 74.6 |
| 2013-14 | 26,478,976,000 | 59.9 | (11,786,000) | 110.4 | 6,211,035,000 | 61.6 | 666,583,000 | 63.0 | 10,884,000 | 95.8 | 56,995,000 | 70.4 |
| 2014-15 | 26,721,248,000 | 60.5 | (23,000) | 100.0 | 5,820,912,000 | 64.2 | 654,205,000 | 64.7 | 7,914,000 | 96.9 | N/A | --- |

Notes: FY 2014-15 Total Accrued Unfunded Liability for pensions (excluding Legislative) equals \$33,204,256,000. Negative numbers in the unfunded liability column represent surplus assets in a retirement system. New hires in the State Employees', Judicial, and Legislative retirement systems no longer are eligible for a defined benefit pension, and instead are part of a defined contribution (401k) retirement plan. New hires in MPSERS have a choice between a hybrid (DB and DC) plan or a straight DC plan. New hires in State Police are in a hybrid (DB and DC) plan. The hybrid plans are called "Pension Plus".

¹⁾ Michigan Public School Employees Retirement System (MPSERS)- Basic and Member Investment Plan (MIP): pension plan closed to new hires since July 1, 2010; and Hybrid: pension plan open to new hires since July 1, 2010.

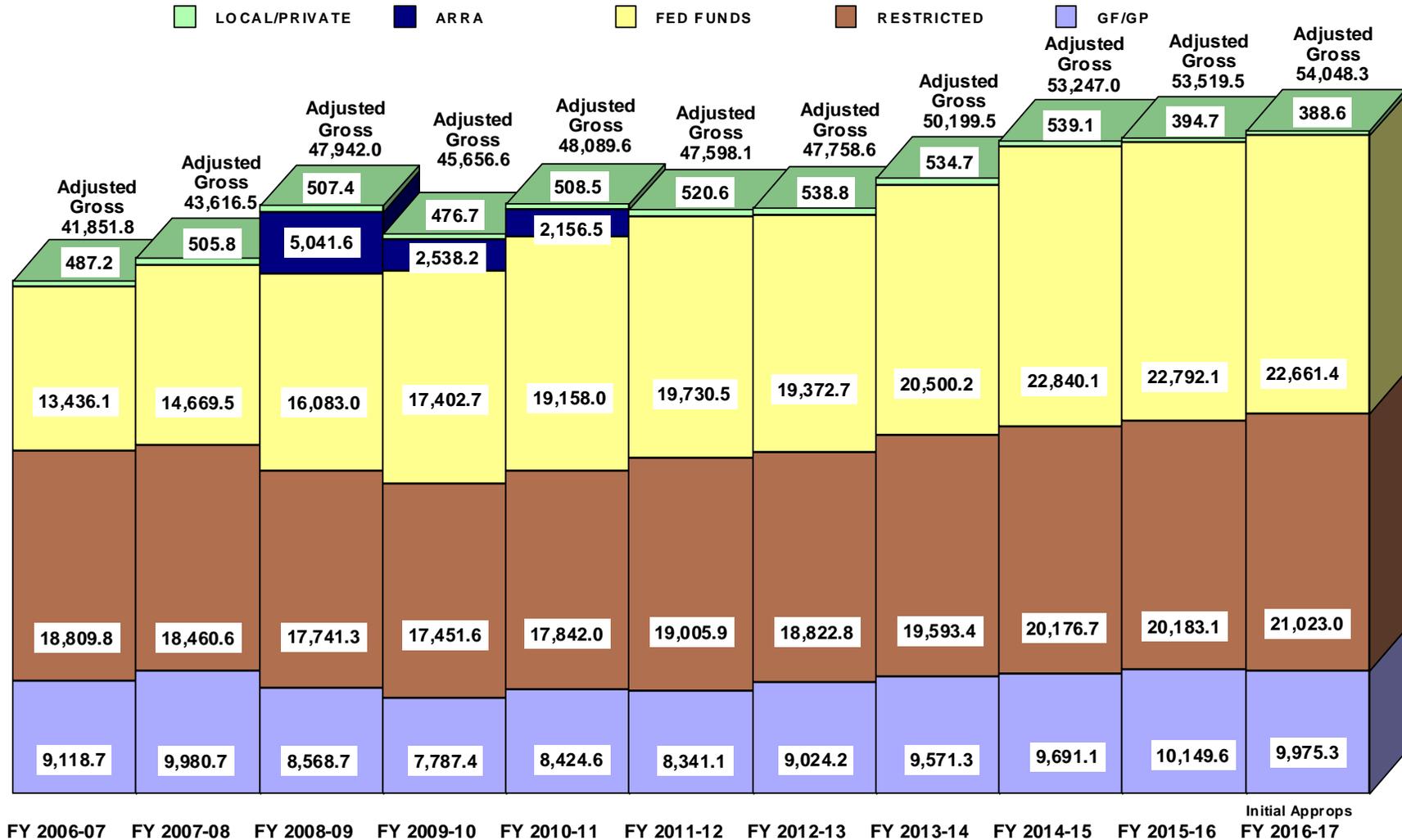
| TOTAL ACCUMULATED HEALTH UNFUNDED LIABILITIES | | | | | | | | | | |
|--|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|
| Fiscal Year | MPSERS | | STATE EMPLOYEES | | STATE POLICE | | JUDGES | | LEGISLATIVE | |
| | Unfunded Liability | Funded Ratio |
| 2005-06 | \$24,757,000,000 | 2.5% | \$13,499,000,000 | 0.0% | \$944,400,000 | 0.0% | \$6,400,000 | 0.0% | | |
| 2006-07 | 24,957,000,000 | 3.0 | 12,966,000,000 | 0.0 | 918,100,000 | 0.0 | 6,600,000 | 0.0 | | |
| 2007-08 | 25,979,000,000 | 3.1 | 13,542,000,000 | 0.0 | 963,000,000 | 0.0 | 6,700,000 | 0.0 | \$118,309,000 | 11.0% |
| 2008-09 | 27,582,000,000 | 2.5 | 12,618,000,000 | 0.0 | 882,300,000 | 0.0 | 6,600,000 | 0.0 | 122,282,000 | 11.0 |
| 2009-10 | 27,627,200,000 | 3.5 | 14,666,400,000 | 0.0 | 1,055,900,000 | 0.0 | 7,400,000 | 0.0 | 139,373,000 | 10.2 |
| 2010-11 | 25,890,000,000 | 4.3 | 14,251,000,000 | 0.0 | 994,700,000 | 0.0 | 7,900,000 | 0.0 | 125,000,000 | 10.8 |
| 2011-12 | 21,780,200,000 | 5.8 | 8,412,600,000 | 3.9 | 1,002,000,000 | 3.3 | 8,510,000 | 0.0 | 124,336,700 | 14.3 |
| 2012-13 | 12,493,400,000 | 14.0 | 7,535,700,000 | 8.1 | 550,726,000 | 8.7 | 7,656,000 | 0.0 | 130,860,200 | 14.8 |
| 2013-14 | 11,179,666,000 | 21.1 | 7,690,968,000 | 12.1 | 559,689,000 | 12.2 | 8,665,000 | 0.0 | 134,943,600 | 14.9 |
| 2014-15 | 9,301,854,000 | 27.5 | 7,696,604,000 | 14.5 | 580,817,000 | 14.0 | 9,126,000 | 0.0 | N/A | --- |

Notes: FY 2014-15 Total Accrued Unfunded Liability for retiree health care (excluding Legislative) equals \$17,588,401,000. The State Employees Retirement System began prefunding retiree health care in FY 2011-12 and MPSERS and State Police began prefunding in FY 2012-13. However, new hires (since January 1, 2012 for State employees, June 10, 2012 for State Police, September 4, 2012 for MPSERS, and January 1, 2013 for Legislative) are no longer eligible for retiree health care premium coverage. Instead, these groups, except for legislators, receive matching 401k contributions that could be used to pay for costs related to retiree health care, which accumulate in a personal healthcare fund. Legislators not vested by January 1, 2013, have neither retiree health premium coverage nor a personal healthcare fund.

Recent State Appropriation History

Figure 35

State Of Michigan Appropriations by Fund Source Year-To-Date (Millions of Dollars)



Notes: Adjusted Gross = Total appropriations for all departments. State Resources = State restricted + GF/GP appropriations. Does not include GF/GP BSF appropriations of \$362.7 million, \$140 million, \$75 million, \$94 million, and \$95 million for FYs 2011-12, 2012-13, 2013-14, 2014-15, and 2015-16 respectively, or \$230 million GF/GP in FY 2013-14 for Roads and Risks Reserve Fund. Senate Fiscal Agency - October 1, 2016

Table 13

| ADJUSTED GROSS APPROPRIATION HISTORY (Millions of Dollars) | | | |
|--|-----------------------|----------------------|-----------------------|
| Fiscal Year | Appropriations | Dollar Change | Percent Change |
| 2000-01 | \$36,953.3 | \$1,535.6 | 4.3% |
| 2001-02 | 38,751.3 | 1,798.0 | 4.9 |
| 2002-03 | 39,553.1 | 801.8 | 2.1 |
| 2003-04 | 39,115.3 | (437.8) | (1.1) |
| 2004-05 | 39,908.5 | 793.2 | 2.0 |
| 2005-06 | 41,322.7 | 1,414.2 | 3.5 |
| 2006-07 | 41,851.8 | 529.1 | 1.3 |
| 2007-08 | 43,616.5 | 1,764.7 | 4.2 |
| 2008-09 | 47,942.0 | 4,325.5 | 9.9 |
| 2009-10 | 45,656.6 | (2,285.3) | (4.8) |
| 2010-11 | 48,089.6 | 2,433.0 | 5.3 |
| 2011-12 | 47,598.1 | (491.6) | (1.0) |
| 2012-13 | 47,758.6 | 160.6 | 0.3 |
| 2013-14 | 50,199.5 | 2,440.9 | 5.1 |
| 2014-15 | 53,247.0 | 3,047.5 | 6.1 |
| 2015-16 | 53,519.5 | 272.5 | 0.5 |
| 2016-17 (Initial) | 54,048.3 | 528.8 | 1.0 |
| Change FY 2006-07 to FY 2016-17 | | \$12,196.5 | 29.1% |
| Detroit CPI 10-Year Percent Change | | | 12.6% |
| Note: Does not include Budget Stabilization Fund appropriations of \$362.7 million, \$140.0 million, \$75.0 million, \$94.0 million, and \$95.0 million for FYs 2011-12, 2012-13, 2013-14, 2014-15, and 2015-16, respectively; includes \$147.1 million FY 2013-14 appropriation and \$82.9 million FY 2014-15 appropriation from the Roads and Risks Reserve Fund. | | | |

Table 14

| STATE SPENDING FROM STATE RESOURCES APPROPRIATION HISTORY (Millions of Dollars) | | | |
|---|-----------------------|----------------------|-----------------------|
| Fiscal Year | Appropriations | Dollar Change | Percent Change |
| 2000-01 | \$25,761.6 | \$1,182.6 | 4.8% |
| 2001-02 | 26,086.8 | 325.2 | 1.3 |
| 2002-03 | 26,020.5 | (66.3) | (0.3) |
| 2003-04 | 25,802.5 | (218.0) | (0.8) |
| 2004-05 | 26,285.3 | 482.8 | 1.9 |
| 2005-06 | 27,704.0 | 1,418.7 | 5.4 |
| 2006-07 | 27,928.6 | 224.6 | 0.8 |
| 2007-08 | 28,441.3 | 512.7 | 1.8 |
| 2008-09 | 26,309.9 | (2,131.4) | (7.5) |
| 2009-10 | 25,239.0 | (1,070.8) | (4.1) |
| 2010-11 | 26,266.7 | 1,027.7 | 4.1 |
| 2011-12 | 27,346.9 | 1,080.3 | 4.1 |
| 2012-13 | 27,847.1 | 500.2 | 1.8 |
| 2013-14 | 29,164.7 | 1,317.6 | 4.7 |
| 2014-15 | 29,867.7 | 703.0 | 2.4 |
| 2015-16 | 30,332.7 | 465.0 | 1.6 |
| 2016-17 (Initial) | 30,998.3 | 665.6 | 2.2 |
| Change FY 2006-07 to FY 2016-17 | | \$3,069.7 | 11.0% |
| Detroit CPI 10-Year Percent Change | | | 12.6% |
| Note: Does not include Budget Stabilization Fund appropriations of \$362.7 million, \$140.0 million, \$75.0 million, \$94.0 million, and \$95.0 million for FYs 2011-12, 2012-13, 2013-14, 2014-15, and FY 2015-16, respectively; includes \$147.1 million FY 2013-14 appropriation and \$82.9 million FY 2014-15 appropriation from the Roads and Risks Reserve Fund. | | | |

Table 15

| GENERAL FUND/GENERAL PURPOSE APPROPRIATION HISTORY | | | |
|---|-----------------------|----------------------|-----------------------|
| (Millions of Dollars) | | | |
| Fiscal Year | Appropriations | Dollar Change | Percent Change |
| 2000-01 | \$9,744.4 | \$136.7 | 1.4% |
| 2001-02 | 9,189.3 | (555.1) | (5.7) |
| 2002-03 | 8,830.9 | (358.4) | (3.9) |
| 2003-04 | 8,770.1 | (60.8) | (0.7) |
| 2004-05 | 8,702.8 | (67.3) | (0.8) |
| 2005-06 | 9,106.3 | 403.5 | 4.6 |
| 2006-07 | 9,118.7 | 12.4 | 0.1 |
| 2007-08 | 9,980.7 | 862.0 | 9.5 |
| 2008-09 | 8,568.7 | (1,412.0) | (14.1) |
| 2009-10 | 7,787.4 | (781.2) | (9.1) |
| 2010-11 | 8,424.6 | 637.2 | 8.2 |
| 2011-12 | 8,341.1 | (83.6) | (1.0) |
| 2012-13 | 9,024.2 | 683.2 | 8.2 |
| 2013-14 | 9,571.3 | 547.1 | 6.1 |
| 2014-15 | 9,691.1 | 119.8 | 1.3 |
| 2015-16 | 10,149.6 | 458.6 | 4.7 |
| 2016-17 (Initial) | 9,975.3 | (174.3) | (1.7) |
| Change FY 2006-07 to FY 2016-17 | | \$856.6 | 9.4% |
| Detroit CPI 10-Year Percent Change | | | 12.6% |
| Note: Does not include Budget Stabilization Fund appropriations of \$362.7 million, \$140.0 million, \$75.0 million, \$94.0 million, and \$95.0 million for FYs 2011-12, 2012-13, 2013-14, 2014-15, and 2015-16, respectively; does not include \$230.0 million FY 2013-14 appropriation for the Roads and Risks Reserve Fund. | | | |

Table 16

| FEDERAL FUNDS APPROPRIATED IN MICHIGAN BUDGET | | | |
|--|----------------------|--------------------------------------|---|
| (Millions of Dollars) | | | |
| Fiscal Year | Federal Funds | Adjusted Gross Appropriations | Federal as Percent of Total Adjusted Gross |
| 2000-01 | \$10,019.2 | \$36,953.3 | 27.11% |
| 2001-02 | 11,242.9 | 38,751.3 | 29.01 |
| 2002-03 | 12,226.7 | 39,553.1 | 30.91 |
| 2003-04 | 12,361.6 | 39,115.3 | 31.60 |
| 2004-05 | 12,855.5 | 39,908.5 | 32.21 |
| 2005-06 | 13,179.9 | 41,322.7 | 31.89 |
| 2006-07 | 13,436.1 | 41,851.8 | 32.10 |
| 2007-08 | 14,669.5 | 43,616.5 | 33.63 |
| 2008-09 | 21,124.7 | 47,941.9 | 44.06 |
| 2009-10 | 19,940.9 | 45,656.6 | 43.68 |
| 2010-11 | 21,314.5 | 48,089.6 | 44.32 |
| 2011-12 | 19,730.5 | 47,598.1 | 41.45 |
| 2012-13 | 19,372.7 | 47,758.6 | 40.56 |
| 2013-14 | 20,500.2 | 50,199.5 | 40.84 |
| 2014-15 | 22,840.1 | 53,247.0 | 42.89 |
| 2015-16 | 22,792.1 | 53,519.5 | 42.59 |
| 2016-17 (Initial) | 22,661.4 | 54,048.3 | 41.93 |
| Change FY 2006-07 to FY 2016-17 | | | |
| | 68.7% | 29.1% | |

Table 17

| APPROPRIATED FULL-TIME EQUATED CLASSIFIED POSITIONS (FTEs) IN MICHIGAN STATE BUDGET | | | |
|--|-------------|---------------|-----------------------|
| Fiscal Year | FTEs | Change | Percent Change |
| 2000-01 | 64,602.5 | 971.6 | 1.5% |
| 2001-02 | 64,190.1 | (412.4) | (0.6) |
| 2002-03 | 62,760.2 | (1,429.9) | (2.2) |
| 2003-04 | 57,811.1 | (4,949.1) | (7.9) |
| 2004-05 | 57,028.3 | (782.8) | (1.4) |
| 2005-06 | 56,436.4 | (591.9) | (1.0) |
| 2006-07 | 56,760.3 | 323.9 | 0.6 |
| 2007-08 | 57,041.7 | 281.4 | 0.5 |
| 2008-09 | 56,491.1 | (550.6) | (1.0) |
| 2009-10 | 55,597.2 | (893.9) | (1.6) |
| 2010-11 | 56,089.3 | 492.1 | 0.9 |
| 2011-12 | 54,795.5 | (1,293.8) | (2.3) |
| 2012-13 | 53,583.5 | (1,212.0) | (2.2) |
| 2013-14 | 52,797.5 | (786.0) | (1.5) |
| 2014-15 | 52,853.5 | 56.0 | 0.1 |
| 2015-16 | 52,702.9 | (150.6) | (0.3) |
| 2016-17 (Initial) | 52,677.0 | (25.9) | (0.05) |
| Change FY 2006-07 to FY 2016-17 | | (4,083.3) | (7.2%) |
| Detroit CPI 10-Year Percent Change | | | 12.6% |

Note: Includes exempt positions in Judiciary.

Table 18

| SCHOOL AID K-12 APPROPRIATION HISTORY (Millions of Dollars) | | | |
|--|--------------------------|----------------------|-----------------------|
| Fiscal Year | State-Funded K-12 | | |
| | Appropriations | Dollar Change | Percent Change |
| 2000-01 | \$10,732.3 | \$656.5 | 6.5% |
| 2001-02 | 11,220.6 | 488.3 | 4.5 |
| 2002-03 | 11,334.6 | 114.0 | 1.0 |
| 2003-04 | 11,059.3 | (275.3) | (2.4) |
| 2004-05 | 11,113.5 | 54.2 | 0.5 |
| 2005-06 | 11,308.0 | 194.5 | 1.8 |
| 2006-07 | 11,597.0 | 288.9 | 2.6 |
| 2007-08 | 11,421.8 | (175.2) | (1.5) |
| 2008-09 | 11,097.8 | (324.0) | (2.8) |
| 2009-10 | 10,675.1 | (422.7) | (3.8) |
| 2010-11 | 10,803.4 | 128.3 | 1.2 |
| 2011-12 | 11,088.9 | 285.5 | 2.6 |
| 2012-13 | 11,211.0 | 122.1 | 1.1 |
| 2013-14 | 11,506.1 | 295.1 | 2.6 |
| 2014-15 | 11,865.8 | 359.7 | 3.1 |
| 2015-16 | 11,960.5 | 94.7 | 0.8 |
| 2016-17 (Initial) | 12,343.2 | 382.7 | 3.2 |
| Change FY 2006-07 to FY 2016-17 | | \$746.2 | 6.4% |
| Detroit CPI 10-Year Percent Change | | | 12.6% |

Table 19

| PUPIL MEMBERSHIP HISTORY FY 1994-95 to FY 2017-18 | | | | |
|--|--------------------|------------------------|------------------------|--------------|
| Blend Calculation | Fiscal Year | Local Districts | Charter Schools | Total |
| 50/50 | 1994-95 | 1,593,306 | 0 | 1,593,306 |
| 50/50 | 1995-96 | 1,610,130 | 4,790 | 1,614,920 |
| 50/50 | 1996-97 | 1,634,074 | 11,520 | 1,645,594 |
| 60/40 | 1997-98 | 1,651,011 | 19,202 | 1,670,213 |
| 60/40 | 1998-99 | 1,656,186 | 31,109 | 1,687,295 |
| 75/25 | 1999-2000 | 1,651,300 | 45,290 | 1,696,590 |
| 80/20 | 2000-01 | 1,649,085 | 55,072 | 1,704,157 |
| 80/20 | 2001-02 | 1,647,459 | 62,113 | 1,709,572 |
| 80/20 | 2002-03 | 1,647,531 | 67,336 | 1,714,867 |
| 80/20 | 2003-04 | 1,640,929 | 73,473 | 1,714,402 |
| 75/25 | 2004-05 | 1,626,289 | 81,491 | 1,707,780 |
| 75/25 | 2005-06 | 1,607,880 | 89,654 | 1,697,534 |
| 75/25 | 2006-07 | 1,584,435 | 96,627 | 1,681,062 |
| 75/25 | 2007-08 | 1,553,568 | 98,987 | 1,652,555 |
| 75/25 | 2008-09 | 1,517,714 | 102,030 | 1,619,744 |
| 75/25 | 2009-10 | 1,487,297 | 108,425 | 1,595,722 |
| 75/25 | 2010-11 | 1,457,160 | 112,276 | 1,569,436 |
| 90/10 | 2011-12 | 1,432,200 | 119,900 | 1,552,100 |
| 90/10 | 2012-13 | 1,405,599 | 130,390 | 1,535,989 |
| 90/10 CY | 2013-14 | 1,374,800 | 147,828 | 1,522,628 |
| 90/10 CY | 2014-15 | 1,356,640 | 151,368 | 1,508,008 |
| 90/10 | 2015-16 | 1,344,369 | 151,611 | 1,495,980 |
| 90/10 | 2016-17 Est. | 1,331,000 | 153,500 | 1,484,500 |
| 90/10 | 2017-18 Est. | 1,319,000 | 155,500 | 1,474,500 |

Table 20

| STATE SPENDING PER PUPIL | | | |
|---------------------------------|--|--------------------------|-------------------------------------|
| Fiscal Year | State-Funded Appropriations (Millions of Dollars) | Pupils (Millions) | Appropriations Per Pupil |
| 2000-01 | \$10,732.3 | 1.7042 | \$6,297 |
| 2001-02 | 11,220.6 | 1.7096 | 6,563 |
| 2002-03 | 11,334.6 | 1.7149 | 6,609 |
| 2003-04 | 11,059.3 | 1.7144 | 6,450 |
| 2004-05 | 11,113.5 | 1.7078 | 6,507 |
| 2005-06 | 11,308.1 | 1.6975 | 6,661 |
| 2006-07 | 11,597.0 | 1.6811 | 6,898 |
| 2007-08 | 11,421.8 | 1.6526 | 6,911 |
| 2008-09 | 11,097.8 | 1.6197 | 6,851 |
| 2009-10 | 10,675.1 | 1.5957 | 6,690 |
| 2010-11 | 10,803.4 | 1.5694 | 6,884 |
| 2011-12 | 11,088.9 | 1.5521 | 7,144 |
| 2012-13 | 11,211.0 | 1.5360 | 7,299 |
| 2013-14 | 11,506.1 | 1.5226 | 7,557 |
| 2014-15 | 11,865.8 | 1.5080 | 7,869 |
| 2015-16 | 11,960.5 | 1.4960 | 7,995 |
| 2016-17 (Initial) | 12,343.2 | 1.4845 | 8,315 |

Table 21

| K-12 SCHOOLS MINIMUM FOUNDATION ALLOWANCE | | | | |
|--|--------------------------|-------------------------|-----------------------|--|
| Fiscal Year | Enacted Per Pupil | After Reductions | Percent Change | |
| 2000-01 | \$6,000 | \$6,000 | N/A | |
| 2001-02 | 6,500 | 6,500 | 8.3% | |
| 2002-03 | 6,700 | 6,626 | 1.9 | |
| 2003-04 | 6,700 | 6,626 | 0.0 | |
| 2004-05 | 6,700 | 6,700 | 1.1 | |
| 2005-06 | 6,875 | 6,875 | 2.6 | |
| 2006-07 | 7,108 | 7,085 | 3.4 | |
| 2007-08 | 7,204 | 7,204 | 1.4 | |
| 2008-09 | 7,316 | 7,316 | 1.6 | |
| 2009-10 | 7,316 | 7,151 | (2.3) | |
| 2010-11 | 7,316 | 7,146 | 0.0 | |
| 2011-12 | 6,846 | 6,846 | (4.2) | |
| 2012-13 | 6,966 | 6,966 | 1.8 | |
| 2013-14 | 7,076 | 7,076 | 1.6 | |
| 2014-15 | 7,251 | 7,251 | 2.5 | |
| 2015-16 | 7,391 | 7,391 | 1.9 | |
| 2016-17 | 7,511 | 7,511 | 1.6 | |
| 10-Year Change | \$403 | \$426 | | |
| 10-Year % Change | 5.7% | 6.0% | | |
| 10-Year Detroit CPI % Change | | 12.6% | | |

Table 22

| STATE SPENDING FROM STATE RESOURCES APPROPRIATIONS TOTAL COMPARED IN SELECTED BUDGET AREAS (Millions of Dollars) | | | | |
|--|--|-----------------------------------|------------------------------|---------------------------|
| Budget Area | FY 2006-07 | FY 2016-17 | Dollar Difference | Percent Change |
| | Year-to-Date Appropriations | Initial Appropriations | | |
| Health and Human Services | \$6,253.3 | \$6,668.7 | \$415.4 | 6.6% |
| Corrections | 1,939.7 | 1,988.5 | 48.9 | 2.5 |
| K-12 School Aid | 11,597.0 | 12,343.2 | 746.2 | 6.4 |
| Community Colleges | 247.8 | 395.9 | 148.1 | 59.7 |
| Higher Education | 1,607.8 | 1,481.1 | (126.6) | (7.9) |
| Revenue Sharing-Constitutional | 666.0 | 757.9 | 91.9 | 13.8 |
| Revenue Sharing-Nonconstitutional | 405.1 | 471.1 | 66.0 | 16.3 |
| All Other Programs | 5,212.0 | 6,891.8 | 1,679.9 | 32.2 |
| Total State Spending | \$27,928.6 | \$30,998.3 | \$3,069.7 | 11.0% |
| Addendum: | | | | |
| Medicaid Caseload | 1,540,400 | 2,350,000 | 809,600 | 52.6% |
| Prison Population | 51,490 | 43,655 | (7,835) | (15.2) |
| K-12 Pupil Count | 1,681,062 | 1,484,500 | (196,562) | (11.7) |
| University Students | 253,576 | 261,989 | 8,413 | 3.3 |
| Community College Students | 139,219 | 133,895 | (5,324) | (3.8) |
| Michigan Personal Income (millions) | \$346,367.0 | \$449,394.0 | \$103,027.0 | 29.7% |
| Detroit Consumer Price Index | 199.0 | 224.1 | 25.1 | 12.6% |
| NOTES: Revenue Sharing: Constitutional number is the May 2016 Consensus Revenue Estimating Conference (CREC) estimate. Medicaid Caseload: Number for FY 2016-17 includes the estimated 600,000 individuals who are eligible under the expansion of Medicaid. Prison Population: These are "average population" numbers and do not represent the exact count on any particular date, but demonstrate how many beds are associated with the appropriation; the numbers are taken from the annual appropriation bills. K-12 Pupils: FY 2016-17 pupil count is the May 2016 CREC estimate. Community College and University Students: Numbers in FY 2016-17 column reflect the most recent data available, which are FY 2014-15 fiscal-year-equated-students as reported in the Activities Classification Structure (ACS) and the Higher Education Institutional Data Inventory (HEIDI). Michigan Personal Income and Detroit CPI: Numbers are fiscal year averages; FY 2016-17 numbers are May 2016 CREC estimates. | | | | |

Table 23

| STATE APPROPRIATIONS FROM ALL SOURCES: HOW MUCH IS DISCRETIONARY? (Actual Dollars) | |
|--|-------------------------|
| FY 2016-17 Initial Adjusted Gross Appropriation | \$54,048,284,200 |
| <u>Constitutional/Statutory Earmarking Requirements:</u> | |
| School Aid Fund (50% Constitutional) | (\$12,644,749,400) |
| Transportation (87% Constitutional)..... | (2,736,727,700) |
| Regulatory Restricted Revenue (Statutory) | (1,659,796,900) |
| Constitutional Revenue Sharing..... | (757,875,200) |
| Federal Funding Requirement | (22,661,411,200) |
| Local and Private Revenue | (388,568,000) |
| Debt Service Payments (GF/GP) | (395,507,600) |
| Caseload/Inmate Driven..... | (7,957,228,300) |
| Estimated Balance for Discretionary Spending..... | \$4,846,419,900 |
| <u>Estimated Balance for Discretionary Spending Includes:</u> | |
| GF/GP Funding for Community Colleges and Higher Education..... | \$1,379,415,300 |
| Nonconstitutional State Revenue Sharing Funding | 471,107,500 |
| State Restricted and GF/GP Funding for State Police..... | 411,526,600 |
| Medicaid Programs-includes GME and MIChoice waiver..... | 400,000,000 |
| Non-Medicaid Programs-includes CMH, Local Public Health, Aging | 300,000,000 |
| GF/GP Funding for K-12 School Aid-includes Foundation Allowance..... | 195,984,300 |
| GF/GP Funding for Judiciary..... | 189,157,400 |
| State Restricted and GF/GP Funding for Department of State..... | 99,794,300 |
| GF/GP for Transportation..... | 8,500,000 |
| State Restricted Revenue for Various State Departments | 358,369,800 |
| GF/GP Funding for: Agriculture, Attorney General, Civil Rights, Education, Environmental Quality, Executive, Insurance & Financial Services, Legislature, Licensing & Regulatory Affairs, Military & Veterans Affairs, Natural Resources, Technology, Management, & Budget, Treasury Operations and Talent & Economic Development..... | 1,032,564,700 |
| Estimated Discretionary Spending | \$4,846,419,900 |