



# Budget Briefing: General Government

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# Briefing Topics

- Funding Sources
- Appropriations Areas

# General Government

The General Government appropriations act includes budgets for the following departments and agencies:

- Attorney General
- Civil Rights
- Executive Office
- Legislature/Legislative Auditor General
- State
- Technology, Management, and Budget (including Civil Service Commission and Information Technology)
- Treasury (including Bureau of State Lottery, Michigan Gaming Control Board, and State Building Authority)
- Labor and Economic Opportunity (including Michigan Strategic Fund/Michigan Economic Development Corporation, Michigan State Housing Development Authority, Unemployment Insurance Agency, State Land Bank Authority, Bureau of Employment Relations, Michigan Occupational Safety & Health Administration, Rehabilitation Services, Workforce Development, and Ethnic Commissions)

# Key Budget Terms

**Fiscal Year:** The state's fiscal year (FY) runs from October to September. FY 2020-21 is October 1, 2020 through September 30, 2021.

**Appropriation:** Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the legislature.

**Line Item:** Specific appropriation amount that establishes spending authorization for a particular program or function in a budget bill.

**Boilerplate:** Specific language sections in a budget bill that direct, limit, or restrict line item expenditures, express legislative intent, and/or require reports.

**Lapse:** Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a multi-year work project under a statutory process. Lapsed funds are available for expenditure in the subsequent fiscal year.

Note: Unless otherwise indicated, historical budget figures in this presentation have not been adjusted for inflation.

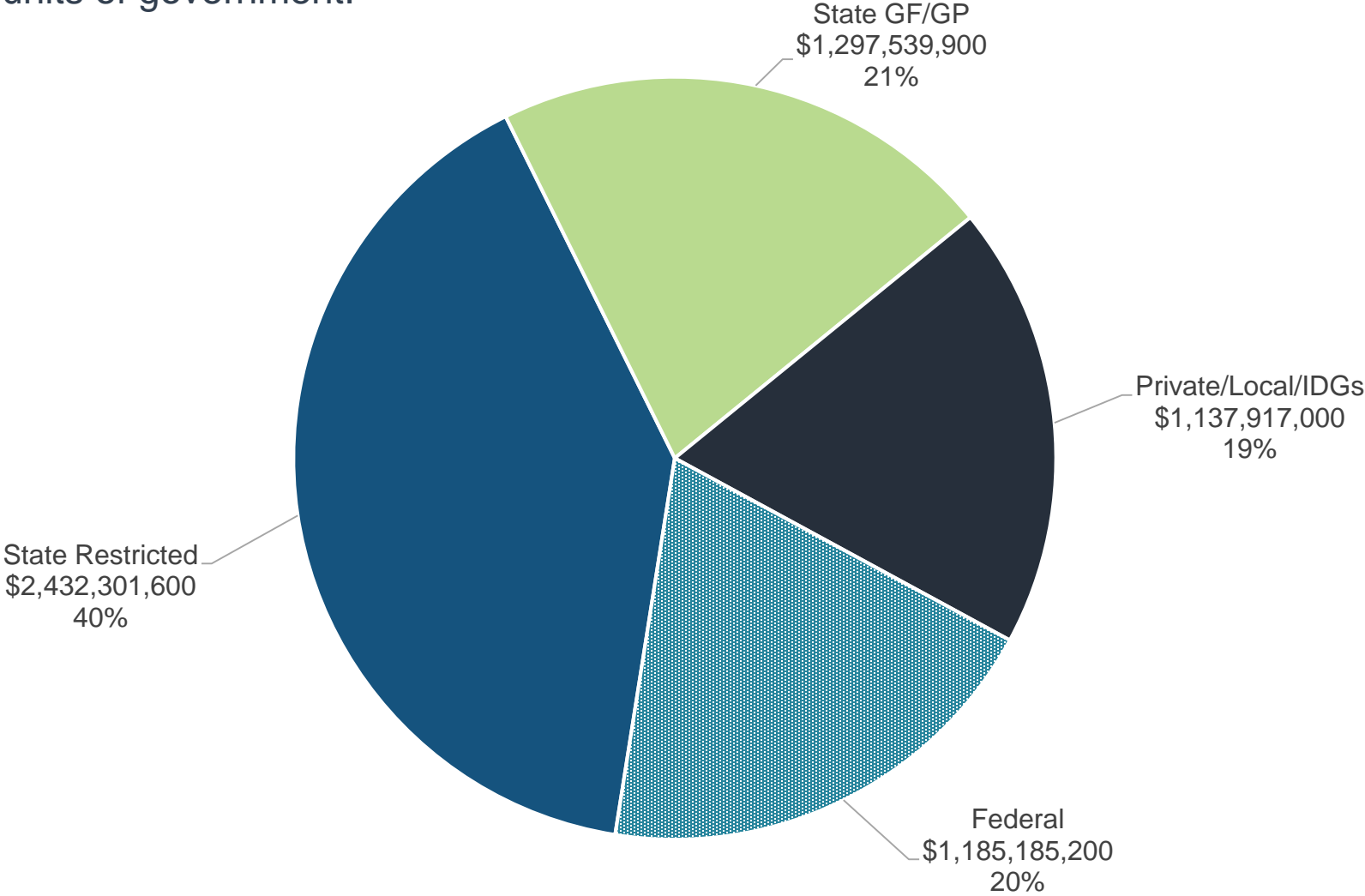
# Funding Sources

# FY 2020-21 General Government Budget

Fund Source	Funding	Description
Gross Appropriations	\$6,052,943,700	Total spending authority from all revenue sources
Interdepartmental Grants (IDG) Revenue	1,099,669,700	Funds received by one state department from another state department, usually for services provided
Adjusted Gross Appropriations	\$4,953,274,000	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	1,185,185,200	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	26,297,200	Revenue received from local units of government for state services
Private Revenue	11,950,100	Revenue from individuals and private entities, including payments for services, grants, and other contributions
State Restricted Revenue	2,432,301,600	State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue
State General Fund/General Purpose (GF/GP) Revenue	\$1,297,539,900	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the legislature

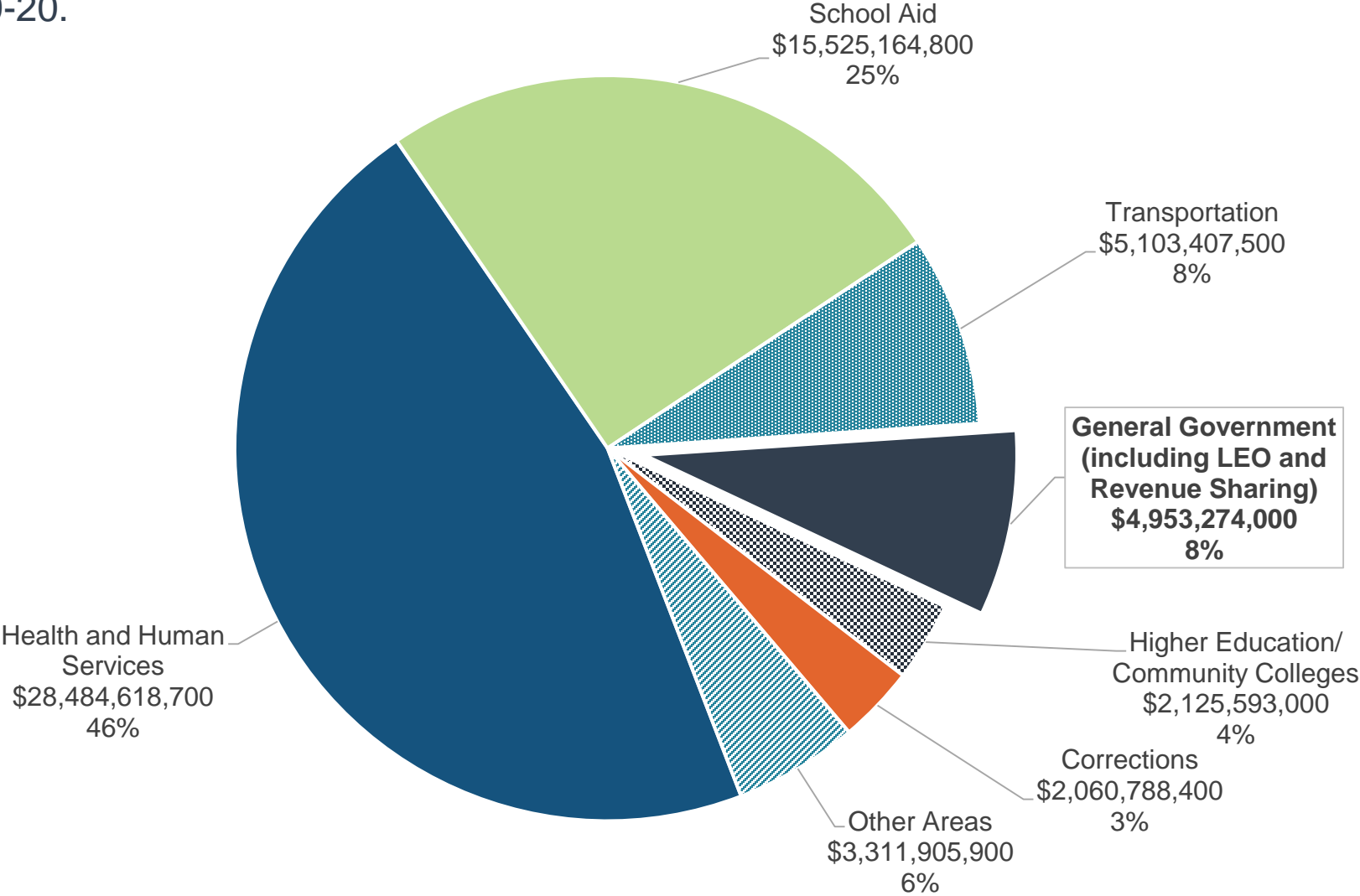
# FY 2020-21 Fund Sources

Approximately **40%** of the **\$6.1 billion** General Government budget is funded by restricted revenue, mainly sales tax revenue supporting revenue sharing payments to local units of government.



# General Government Share of Total State Budget

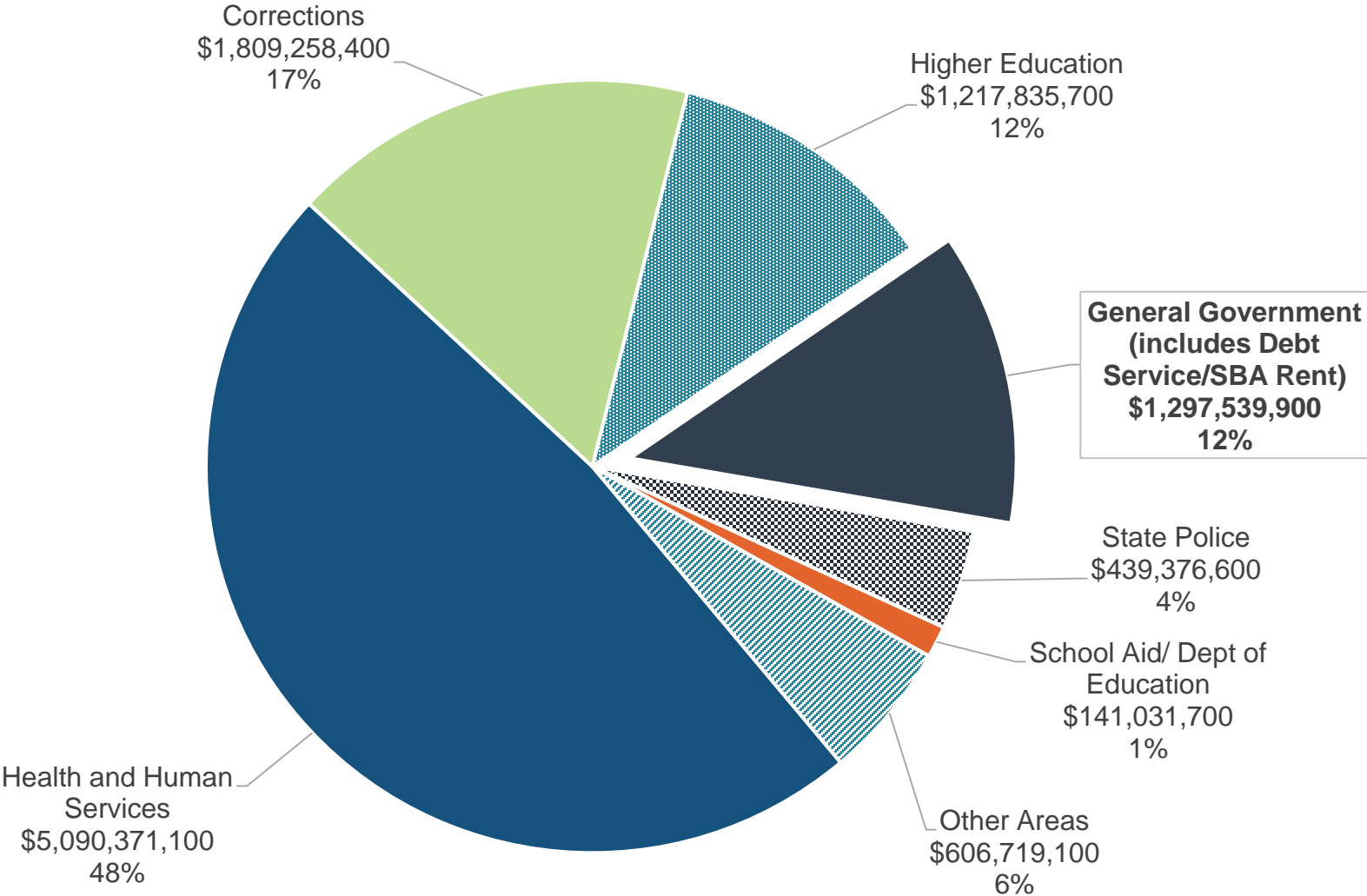
The General Government budget, including Revenue Sharing and Labor and Economic Opportunity (LEO), represents **8%** of the **\$61.6 billion** state budget (adjusted gross) for FY 2019-20.





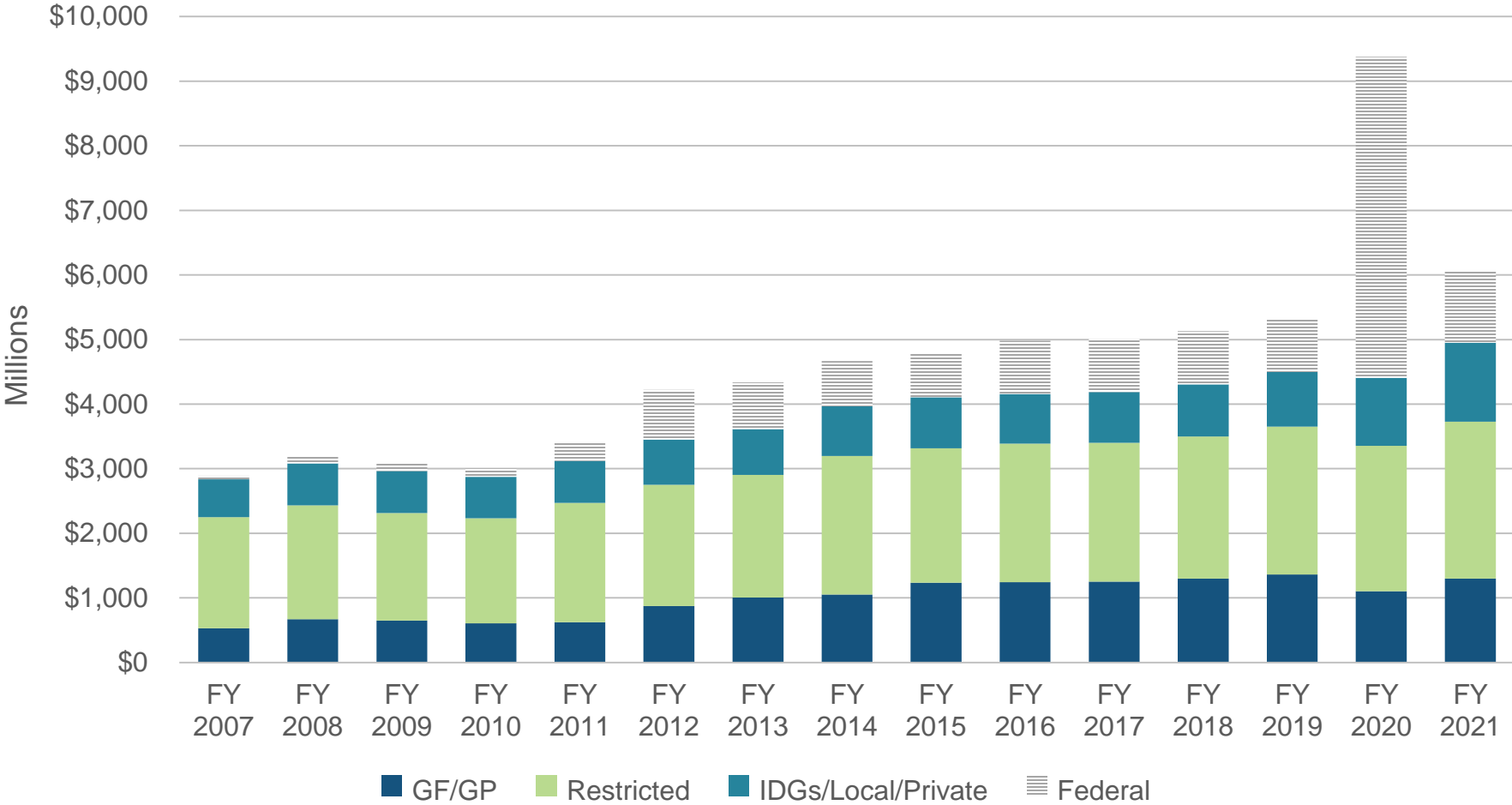
# General Government Share of Total GF/GP Budget

The General Government budget, including Debt Service/SBA Rent, represents approximately **12%** of the state's **\$10.6 billion** GF/GP budget for FY 2020-21.



# General Government Funding History

Funding for General Government has grown by **109.4%** since FY 2006-07, driven mainly by the inclusion of Michigan State House Development Authority (FY 2011), Workforce Development (FY 2012), Unemployment Insurance Agency (FY 2016), Executive Order 2019-13 which created the Department of Labor and Economic Opportunity (LEO) in FY 2020, and one-time pandemic-related relief appropriations (FY 2020 & FY 2021).



# Appropriation Areas

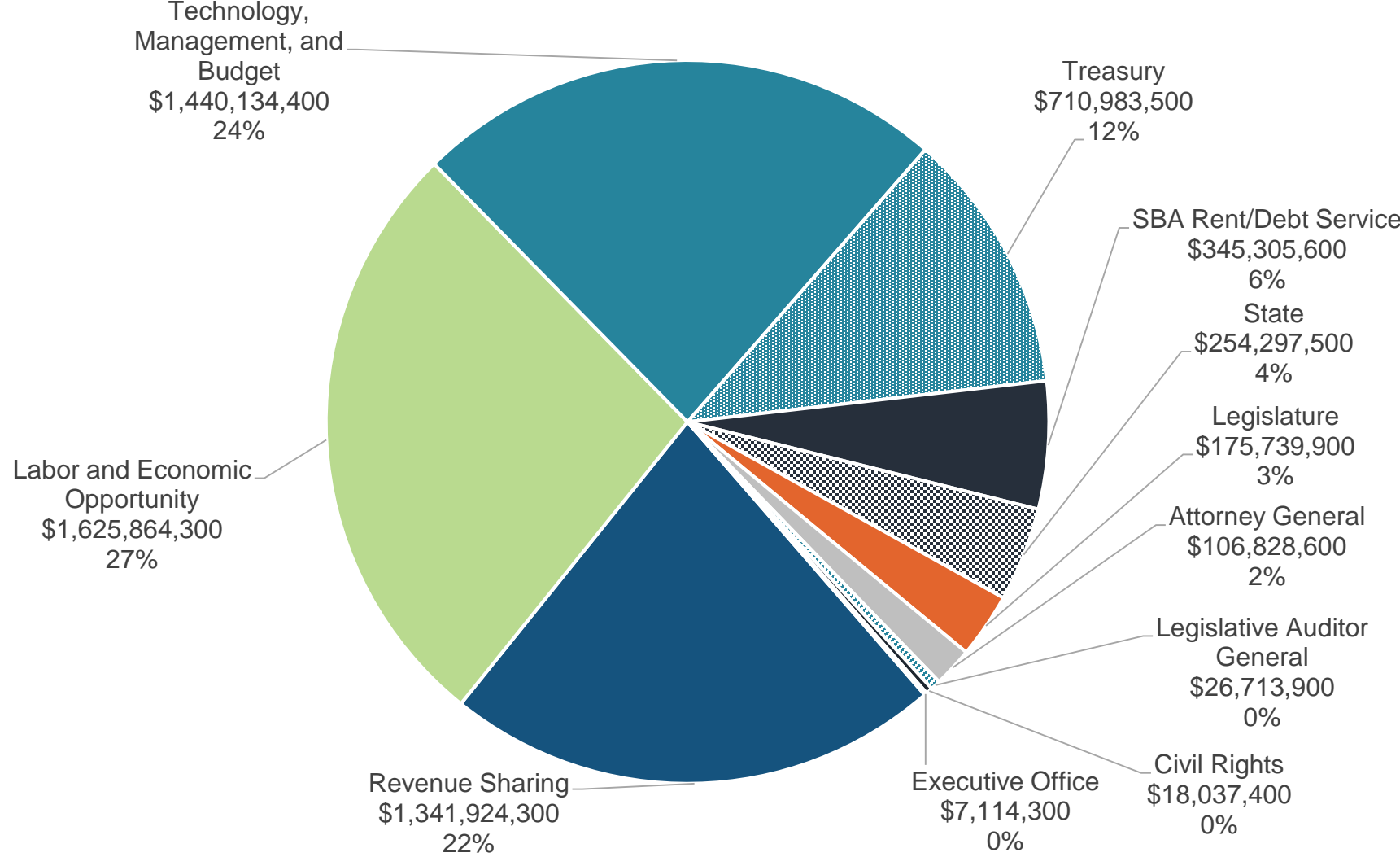
# General Government Appropriation Areas

The following individual budgets comprise the General Government budget act and are described in more detail in the budget-specific PowerPoints:

- Attorney General
- Civil Rights
- Executive Office
- Legislature
- Legislative Auditor General
- State
- Technology, Management, and Budget
- Treasury
- Revenue Sharing
- Labor and Economic Opportunity

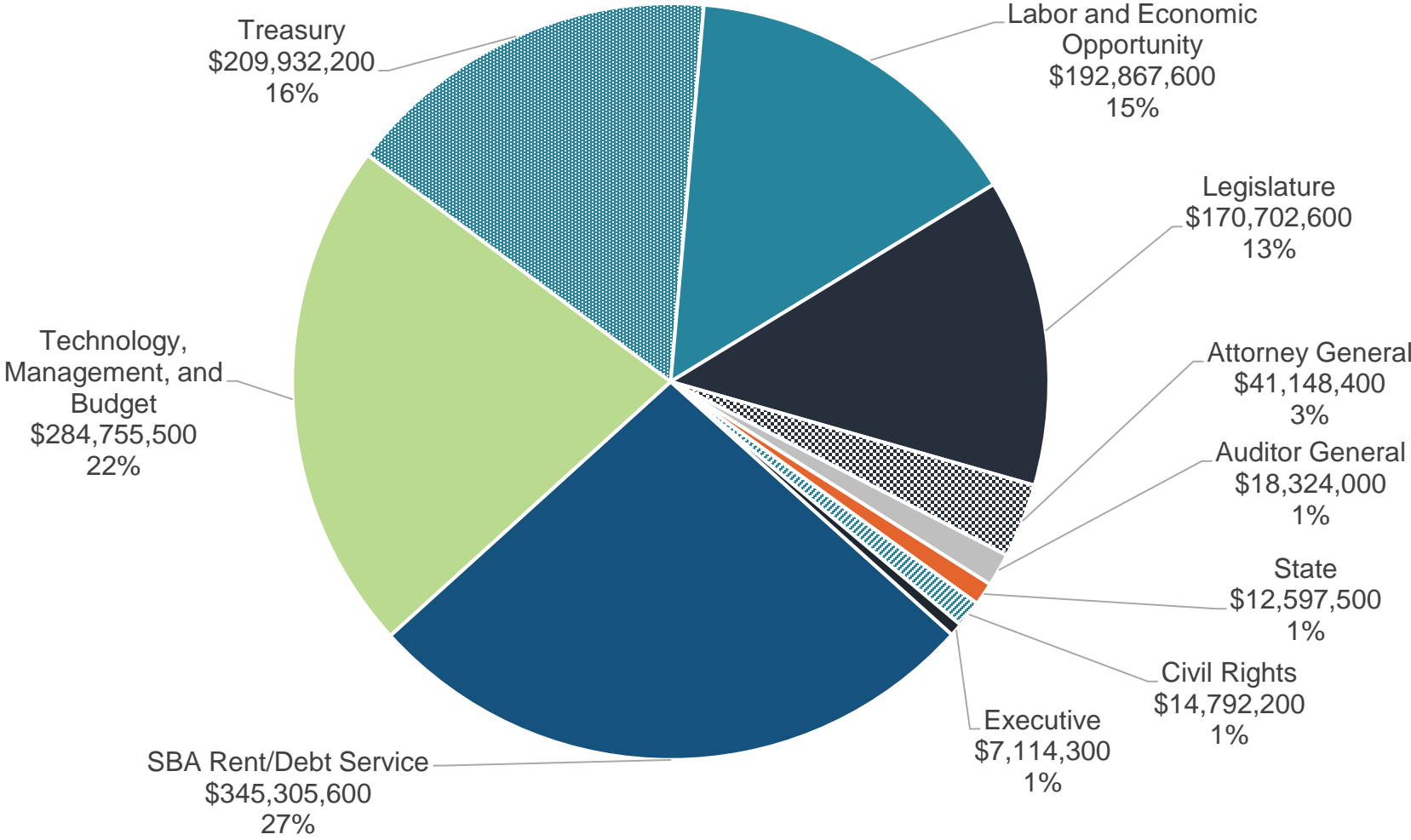
# FY 2020-21 Gross Appropriations

Over **90%** of the **\$6.1 billion** General Government budget supports Revenue Sharing; Labor and Economic Opportunity; Technology, Management, and Budget; Treasury; and SBA Rent/Debt Service.



# FY 2020-21 GF/GP Appropriations

Approximately **27%** of GF/GP funds (totaling **\$1.3 billion**) support SBA Rent (debt service on capital outlay state share) and Debt Service on State General Obligation Bonds. DTMB has grown as a share due to increased appropriations for statewide IT upgrades. Treasury includes over \$100.0 million of one-time pandemic expenditures.



# For more information about the General Government budget:

## HFA Resources

<http://www.house.mi.gov/hfa/GeneralGovernment.asp>

## Contact Information

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