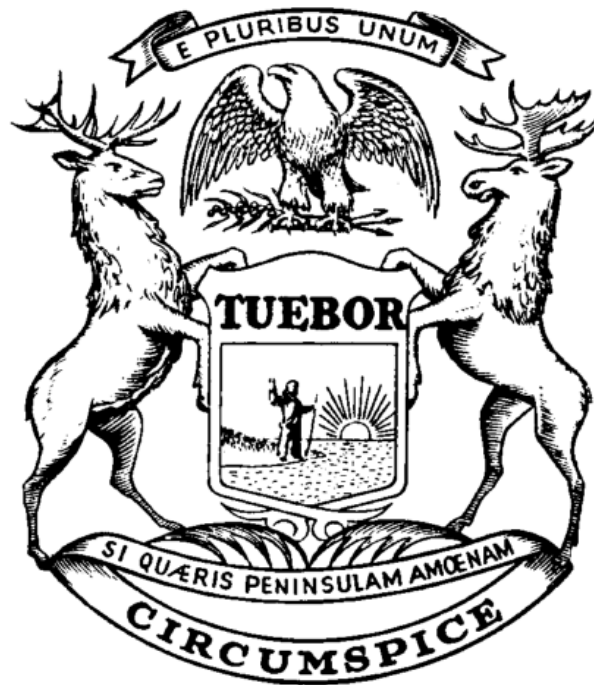


**STATE OF MICHIGAN  
FISCAL YEAR 2022-23**

# **Appropriations Summary and Analysis**



**Mary Ann Cleary, Director**

**SEPTEMBER 2022**

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HOUSE FISCAL AGENCY

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September 2022

TO: Members of the Michigan House of Representatives

FROM: Mary Ann Cleary, Director

This ***FY 2022-23 Appropriations Summary and Analysis*** summarizes the FY 2022-23 state budget. A *Glossary*, following the table of contents, explains terms used throughout this report to describe Michigan's budget. The *Budget Overview* provides information on resources used and major funding changes in the FY 2022-23 year-to-date budget; summary tables of appropriated funds and fund sources are also included. *Budget Detail* pages note enacted major budget and boilerplate changes for each budget area.

When analyzing the budget, it is important to note the following:

**Adjusted Gross** is the amount to use when measuring the total amount of funding included in the state budget (including spending from federal sources).

**State Spending from State Sources (State Restricted plus GF/GP)** is the amount to use when measuring the amount of state resources collected from taxpayers to finance state spending.

**General Fund/General Purpose (GF/GP)** is the amount to use when measuring unrestricted state resources available for legislative allocation to various state programs.

Information in the *Budget Detail* section was provided by HFA Analysts; report production was coordinated by Kathryn Bateson, Administrative Assistant. House Fiscal Agency staff and their areas of responsibility are listed on the inside back cover of this publication. Please feel free to contact them, or me, if you have questions or need further information.



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# GLOSSARY

## Frequently Used State Budget Terms

### STATE BUDGET TERMS

#### **Line Item**

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

#### **Boilerplate**

Specific language sections in an appropriation bill which 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 otherwise provided by law.

#### **Work Project**

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

### APPROPRIATION TERMS AND FUND SOURCES

#### **Appropriations**

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

**Gross:** Total of all applicable appropriations in an appropriation bill.

**Adjusted Gross:** Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

#### **Interdepartmental Grant (IDG) Revenue**

Funds received by one state department from another state department—usually for service(s) provided.

#### **Intradepartmental Transfer (IDT) Revenue**

Funds transferred from one appropriation unit to another within the same departmental budget.

#### **Federal Revenue**

Federal grant or match revenue; generally dedicated to specific programs or purposes.

#### **Local Revenue**

Revenue received from local units of government for state services.

#### **Private Revenue**

Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, or gifts and bequests.

#### **State Restricted Revenue**

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

#### **General Fund/General Purpose (GF/GP) Revenue**

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

### MAJOR STATE FUNDS

#### **General Fund**

The state's primary operating fund; receives state revenue not dedicated to another state fund.

#### **School Aid Fund (SAF)**

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

#### **Budget Stabilization Fund**

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.





# **FY 2022-23 Budget Detail**

## **OVERVIEW**

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**Budget Overview  
Consensus Revenue Estimates  
FY 2022-23 Balance Sheets  
Summary Tables**

**OVERVIEW**

**FY 2022-23  
BUDGET OVERVIEW**

**Mary Ann Cleary, Director, and Kevin Koorstra, Deputy Director**

The budget overview highlights the major components that have contributed to the fiscal year (FY) 2022-23 appropriations.

The year-to-date (YTD) state budget for FY 2022-23 incorporates the May 2022 Consensus Revenue Estimating Conference (CREC) revenue estimates. In addition to those estimates, the budget assumes the following major funding sources for the General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) budgets:

- Beginning balances of \$5,785.5 million GF/GP and \$4,701.5 million SAF.
- Continued use of tobacco settlement revenue of \$72.0 million from the new Community District Education Trust Fund.

(Millions of Dollars)

	FY 2021-22 Year-to-Date as of 2/9/22	FY 2022-23 Enacted	Difference: FY 2022-23 vs. FY 2021-22	
			Amount	%
<b>Adjusted Gross</b>	<b>\$70,915.0</b>	<b>\$75,755.2</b>	<b>\$4,840.3</b>	<b>6.8%</b>
<b>Federal</b>	<b>\$31,323.1</b>	<b>\$31,124.4</b>	<b>(\$198.7)</b>	<b>(0.6%)</b>
<b>Local/Private</b>	<b>\$503.2</b>	<b>\$538.9</b>	<b>\$35.7</b>	<b>7.1%</b>
<b>Restricted</b>	<b>\$26,176.0</b>	<b>\$28,836.1</b>	<b>\$2,660.2</b>	<b>10.2%</b>
<b>GF/GP</b>	<b>\$12,912.7</b>	<b>\$15,255.8</b>	<b>\$2,343.1</b>	<b>18.1%</b>

Of the \$44,092.0 million in state resources (restricted plus GF/GP) appropriated for FY 2022-23, \$23,686.4 million (53.7% of the total) is designated for payments to local units of government. Article IX, Section 30 of Michigan's Constitution requires that at least 48.97% of spending from state resources must be paid to local governments.

The FY 2022-23 budget includes over \$665.7 million in ongoing program increases and over \$3,292.2 million in one-time GF/GP appropriations.

Major FY 2022-23 GF/GP program increases both ongoing and one-time include:

- \$750.0 million grant funding to local unit municipal pension principal payments. (Treasury)
- \$223.1 million to increase non-state behavioral health facility capacity. (DHHS)
- \$150.0 million for a statewide judicial case management system. (Judiciary)
- \$100.0 million deposit into the state police retirement system. (Treasury)
- \$85.0 million for ITIF legacy IT system projects. (DTMB)
- \$75.0 million for community development financial institution grants. (LEO)
- \$75.0 million for blight elimination program. (LEO)
- \$70.0 million for maintenance of state facilities. (DTMB)
- \$50.0 million to assist with CMHSP integrations. (DHHS)
- \$50.0 million for economic development to food and agriculture industries. (MDARD)

Major FY 2022-23 School Aid and Higher Education funding changes include:

- \$1,152.9 million (SAF) for deposit into the MPSER system for UAAL contributions, accelerated reduction in the payroll growth assumption, and base adjustments. (K-12)
- \$610.0 million (SAF) to increase foundation allowances to \$9,150 per pupil. (K-12)
- \$302.6 million (SAF) increase for special education costs. (K-12)
- \$250 million (GF/GP) deposit into the postsecondary scholarship fund. (HE)
- \$223.0 million (SAF) increase to at-risk programs. (K-12)
- \$175.0 million (\$155.0 million SFRF and \$20.0 million SAF) for grow your own program. (K-12)
- \$158.0 million (\$142.5 million SAF and \$15.5 million GF/GP) for school safety grants. (K-12)
- \$150.0 million (SAF) for per pupil mental health grants. (K-12)
- \$55.0 million (GF/GP) operations increase for universities. (HE)
- \$53.0 million (federal SFRF) for nursing degree programs. (CC)
- \$12.6 million (SAF) operations increase to community colleges. (CC)

FY 2022-23 budget includes the following funding changes for local revenue sharing programs:

- Estimated increase of \$124.6 million for constitutional revenue sharing payments to cities, villages, and townships (CVTs) based on sales tax collections.
- \$16.0 million increase to CVTs, 5% ongoing and 1% one-time.
- \$14.3 million increase to counties, 5% ongoing and 1% one-time.

FY 2022-23 and FY 2021-22 federal Coronavirus State Fiscal Recovery funds allocations total \$1,601.0 million:

- \$883.0 million for workforce grants (FY 2022 LEO)
- \$575.0 million for construction of a new state lab and state operated psychiatric hospital complex. (FY 22 DHHS)
- \$155.0 million for teacher recruitment and retention. (FY 2023 K-12)
- \$83.0 million for continued support of the great start readiness program. (FY 2023 K-12)
- \$81.2 million for baccalaureate partnership. (FY 2023 CC)
- \$50.0 million for mental health supports in schools. (FY 2023 K-12)
- \$50.0 million for nonprofit relief grants. (FY 2023 LEO)
- \$30.0 million for miscellaneous law enforcement grants. (FY 2022 MSP)
- \$15.0 million continued support of Pure Michigan program. (FY 2023 LEO)

The FY 2022-23 enacted budget bills (HB 5783 and SB 845) contain FY 2021-22 supplemental appropriations. Major adjustments include:

- \$1,956.8 million federal (\$883.0 million Coronavirus Relief funds and \$1,073.8 million Coronavirus State Fiscal Recovery funds) appropriated in various departments.
- \$1,571.3 million Gross (\$772.5 million GF/GP reduction) increase as part of the estimated DHHS-related caseload adjustments from the May 2022 CREC.
- \$300.0 million (SAF) payment for MP SER UAAL contributions for seven universities in the system.
- \$180.0 million (GF/GP) deposit into the budget stabilization fund
- \$30.0 million (GF/GP) for EMS scholarships and grants in DHHS.
- \$30.0 million (GF/GP) to MSP for public safety academy assistance program.

A more detailed summary of major budget changes by individual budget area begins on page 22.

## **CONSENSUS REVENUE ESTIMATES**

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**Jim Stansell, Senior Economist**

This section describes the May 2022 Consensus Revenue Estimating Conference revenue projections, adjusted for changes enacted, for GF/GP and SAF revenue for FY 2021-22 and FY 2022-23.

For Michigan:

- Wage and salary employment is expected to increase 1.5% in CY 2022 and 0.6% in CY 2023.
- The unemployment rate is expected to remain constant at 4.5% in both CY 2022 and CY 2023.
- Personal income is expected to increase 5.3% in CY 2022 and 4.2% in CY 2023.

### **General Fund/General Purpose Revenue by Source**

#### ***Individual Income Tax***

- GF/GP individual income tax revenue is expected to increase 14.5% to \$8,830.7 million in FY 2021-22 before decreasing 0.2% to \$8,812.7 million in FY 2022-23. The decline in FY 2022-23 is primarily a timing issue due to the recently enacted flow-through entity tax.

#### ***Sales and Use Taxes***

- GF/GP sales and use tax revenue is estimated to grow at a 3.3% rate to \$2,820.1 million in FY 2021-22. In FY 2022-23, sales and use tax revenue is estimated to decrease by 1.4% to \$2,780.9 million. The decline in FY 2022-23 illustrates a moderate shift away from purchasing taxable goods in favor of untaxed services as the worst impacts of the pandemic begin to wane.

#### ***Net Business Taxes***

- Net business taxes are comprised of the Single Business Tax (SBT), the Michigan Business Tax (MBT), the corporate income tax (CIT), and insurance taxes, all of which accrue to the General Fund.
- Net business taxes are estimated to be \$1,613.3 million in FY 2021-22. In FY 2022-23, net business taxes are expected to decrease to \$1,452.5 million.

#### ***GF/GP Tax Revenue***

- GF/GP tax revenue in FY 2021-22 is expected to grow by 10.0% to \$13,755.6 million before declining 1.6% to \$13,540.4 million in FY 2022-23.

#### ***Net GF/GP Revenue***

- Total net GF/GP revenue includes tax revenue and non-tax revenue.
- Non-tax revenue includes revenue from the liquor purchase revolving fund, transfers of unclaimed property, federal aid, licenses and permits, and investment income and borrowing costs.
- Net GF/GP revenue is expected to grow to \$14,179.7 million in FY 2021-22 before dropping to \$13,973.5 million in FY 2022-23, a decrease of 1.5%.

**GF/GP REVENUE ESTIMATES**  
(Millions of Dollars)

	FY 2021-22	FY 2022-23	FY 2022-23 Over FY 2021-22	
			Change	
Individual Income Tax	\$8,830.7	\$8,812.7	(\$18.0)	(0.2%)
Sales and Use Taxes	2,820.1	2,780.9	(39.2)	(1.4%)
Net Business Taxes	1,613.3	1,452.5	(160.8)	(10.0%)
Other Taxes	491.5	494.3	2.8	0.6%
<b>GF/GP Tax Revenue</b>	<b>\$13,755.6</b>	<b>\$13,540.4</b>	<b>(\$215.2)</b>	<b>(1.6%)</b>
Non-Tax Revenue	424.1	433.1	9.0	2.1%
<b>Net GF/GP Revenue</b>	<b>\$14,179.7</b>	<b>\$13,973.5</b>	<b>(\$206.2)</b>	<b>(1.5%)</b>

**SCHOOL AID FUND REVENUE ESTIMATES**  
(Millions of Dollars)

Revenue	FY 2021-22	FY 2022-23	FY 2022-23 Over FY 2021-22	
			Change	
Sales and Use Taxes	\$8,374.6	\$8,323.8	(\$50.8)	(0.6%)
Individual Income Tax Earmark	3,982.5	3,737.7	(244.8)	(6.1%)
Lottery, Casinos, and iGaming	1,560.8	1,569.0	8.2	0.5%
Cigarette Tax	299.9	294.8	(5.1)	(1.7%)
State Education Tax	2,396.0	2,563.2	167.2	7.0%
Real Estate Transfer Tax	527.0	496.9	(30.1)	(5.7%)
Other Specific Taxes	199.8	209.9	10.1	5.1%
<b>Net SAF Revenue</b>	<b>\$17,340.6</b>	<b>\$17,195.3</b>	<b>(\$145.3)</b>	<b>(0.8%)</b>

**School Aid Fund Revenue by Source**

***Sales and Use Taxes***

- Combined sales and use tax revenue dedicated to the SAF is forecast to increase 8.3% to \$8,374.6 million in FY 2021-22 before declining 0.6% to \$8,323.8 million in FY 2022-23.

***Individual Income Tax Earmark***

- SAF dedicated income tax revenue is forecast to be \$3,982.5 million in FY 2021-22, and then decrease 6.1% to \$3,737.7 million in FY 2022-23.

***Lottery, Casinos, and iGaming***

- Revenue from the lottery, casinos, online gaming, and sports betting to the SAF is projected to be \$1,560.8 million in FY 2021-22 and \$1,569.0 million in FY 2022-23.

***Cigarette Tax***

- Approximately 41.3% of cigarette tax revenue is dedicated to the SAF.
- The demand for tobacco products is expected to decline over the duration of the forecast, leading to total SAF tobacco tax revenue of \$299.9 million in FY 2021-22 and \$294.8 million in FY 2022-23.

## **OVERVIEW**

### ***State Education Tax/Real Estate Transfer Tax***

- All of the 6-mill state education tax (SET) and the real estate transfer tax (RET) is dedicated to the SAF.
- SET revenue is expected to increase to \$2,396.0 million in FY 2021-22 and \$2,563.2 million in FY 2022-23.
- RET is forecast to increase to \$527.0 million in FY 2021-22 before dropping to \$496.9 million in FY 2022-23.

### ***Other Specific Taxes***

- Other specific taxes include the liquor excise tax, the excise tax on recreational marihuana, industrial and commercial facilities taxes, the commercial forest tax, and other smaller specific taxes.

### ***Net SAF Revenue***

- Net SAF revenue represents revenue available for expenditure each year; it includes tax changes but does not include any GF/GP transfers, federal funds, or year-end balances.
- Net SAF revenue is expected to increase 8.0% to \$17,340.6 million in FY 2021-22 before decreasing 0.8% to \$17,195.3 million in FY 2022-23.

**Budget Stabilization Fund Year-End Balances**

The following table notes BSF deposits, withdrawals, and interest earnings from FY 1999-2000 to FY 2020-21, and HFA estimates of deposits, expected interest earnings, and year-end balances for FY 2021-22 and FY 2022-23. Deposits include appropriations as well as the provisions enacted in 2014 PA 186, which amended the Michigan Trust Fund Act to require annual \$17.5 million deposits of tobacco settlement revenue to the BSF from FY 2014-15 through FY 2034-35.

For FY 2020-21, \$535.0 million in GF/GP revenue was appropriated to the BSF in addition to the required \$17.5 million of tobacco settlement revenue, which brought the year-end balance to \$1,382.8 million. A deposit of \$180.0 million was appropriated for FY 2021-22 in addition to the tobacco settlement revenue.

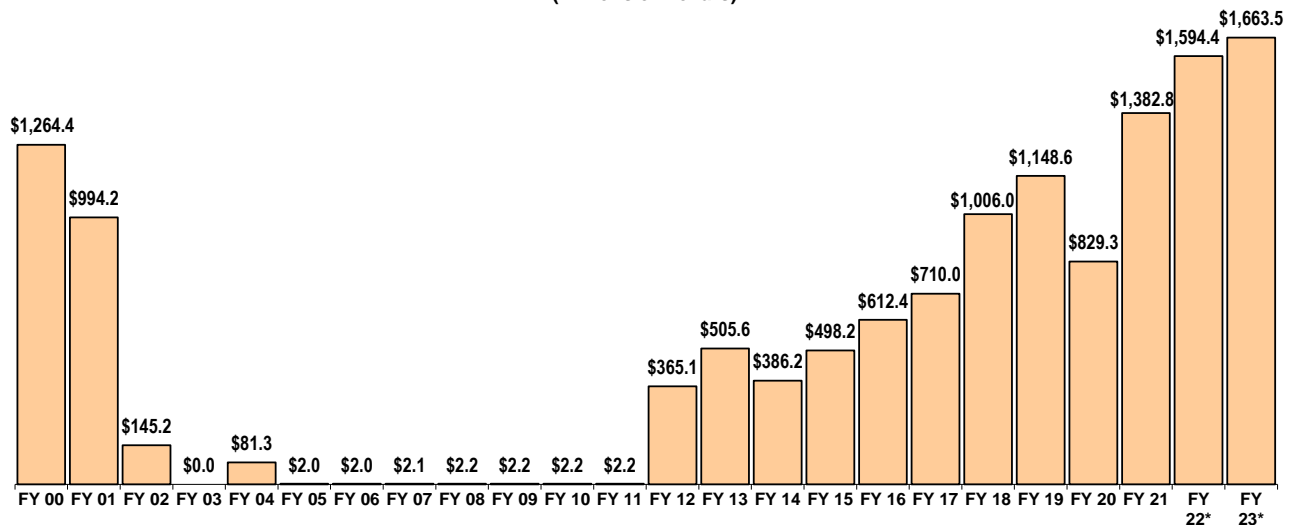
The only deposit for FY 2022-23 is the required \$17.5 million of tobacco settlement revenue, bringing the year-end fund balance to an estimated \$1,594.4 million for FY 2021-22 and \$1,663.5 million for FY 2022-23.

**BUDGET STABILIZATION FUND HISTORY**  
(Millions of Dollars)

<b>Fiscal Year</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Interest Earned</b>	<b>Balance</b>
1999-2000	\$100.0	\$132.0	\$73.9	\$1,264.4
2000-01	0.0	337.0	66.7	994.2
2001-02	0.0	869.8	20.8	145.2
2002-03	0.0	156.1	10.9	0.0
2003-04	81.3	0.0	0.0	81.3
2004-05	0.0	81.3	2.0	2.0
2005-06	0.0	0.0	0.0	2.0
2006-07	0.0	0.0	0.1	2.1
2007-08	0.0	0.0	0.1	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	0.0	0.2	365.1
2012-13	140.0	0.0	0.5	505.6
2013-14	75.0	194.8	0.4	386.2
2014-15	111.6	0.0	0.3	498.2
2015-16	112.5	0.0	1.7	612.4
2016-17	92.5	0.0	5.1	710.0
2017-18	282.5	0.0	13.5	1,006.0
2018-19	117.5	0.0	25.1	1,148.6
2019-20	17.5	350.0	13.2	829.3
2020-21	552.5	0.0	1.0	1,382.8
2021-22*	197.5	0.0	14.1	1,594.4
2022-23*	17.5	0.0	51.6	1,663.5

Note: Numbers may not add due to rounding.  
\*HFA estimates.

**BUDGET STABILIZATION FUND (BSF) BALANCE**  
(Millions of Dollars)



**OVERVIEW**

**Compliance with the State Revenue Limit**

HFA estimates of the state revenue limit provided for in Article IX, Section 26, of the *Constitution of the State of Michigan*, and estimates of total state revenue collections subject to the state revenue limit are shown in the following table. As provided for in the Constitution, the revenue limit is calculated as 9.49% of total state personal income in the previous full calendar year (CY) prior to the fiscal year in which the revenue is measured, as estimated by the Bureau of Economic Analysis, United States Department of Commerce.

**COMPLIANCE WITH THE STATE REVENUE LIMIT  
(Millions of Dollars)**

<u>Revenue Limit Calculations</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
Personal Income	CY 2020	CY 2021
Amount	\$530,809	\$558,330
X Limit Ratio	9.49%	9.49%
<b>State Revenue Limit</b>	<b>\$50,373.8</b>	<b>\$52,985.5</b>
<b>Total Revenue Subject to Revenue Limit</b>	<b>\$41,615.3</b>	<b>\$41,494.0</b>
<b>Amount (Under) Over State Revenue Limit</b>	<b>(\$8,758.5)</b>	<b>(\$11,491.5)</b>

**Implications of Exceeding the State Revenue Limit**

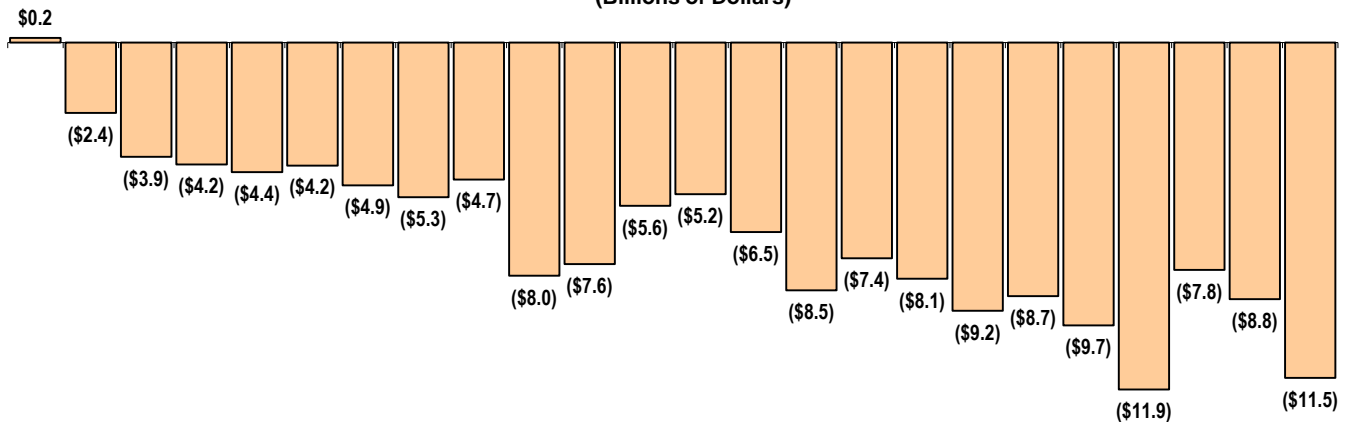
Article IX, Section 26, *Constitution of the State of Michigan*, provides that:

... For any fiscal year in the event that Total State Revenue exceed the limit established in this section by 1% or more, the excess revenues shall be refunded pro rata based on the liability reported on the Michigan income tax and single business tax (or its successor tax or taxes) annual returns filed following the close of such fiscal year. If the excess is less than 1%, this excess may be transferred to the State Budget Stabilization Fund . . .

Furthermore, the state is prohibited from spending any current year revenue in excess of the limit established in Section 26 by Article IX, Section 28.

For both FY 2021-22 and FY 2022-23, state revenue is estimated to be substantially below the revenue limit by roughly \$8.8 billion and \$11.5 billion, respectively.

**CONSTITUTIONAL REVENUE LIMIT  
(Billions of Dollars)**



FY 00 FY 01 FY 02 FY 03 FY 04 FY 05 FY 06 FY 07 FY 08 FY 09 FY 10 FY 11 FY 12 FY 13 FY 14 FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22\* FY 23\*  
\*FY 22 and FY 23 are consensus estimates



## FY 2022-23 BALANCE SHEETS

The balance sheets below summarize estimated General Fund/General Purpose, School Aid Fund, and Merit Award Trust Fund revenues, expenditures, and balance amounts for FY 2022-23 based on the year-to-date state budget.

### FY 2022-23 GENERAL FUND/GENERAL PURPOSE BALANCE SHEET (Millions of Dollars)

<b>Estimated Beginning Fund Balance</b>	<b>\$5,785.5</b>
<b>Revenues</b>	
May 2022 consensus revenue estimate	\$13,973.5
Lawsuit settlement proceeds/secondary road patrol offset	(17.6)
Passed legislation	(80.0)
Revenue sharing to local units of government	(520.4)
<b>Total Estimated Revenues</b>	<b>\$13,355.5</b>
<b>Expenditures</b>	
Enacted appropriations: ongoing	\$11,940.2
Enacted appropriations: one-time	3,229.8
General Fund to School Aid	112.0
Vetoed	(26.1)
Other	69.5
<b>Total Estimated Expenditures</b>	<b>\$15,325.4</b>
<b>Estimated Ending Fund Balance</b>	<b>\$3,815.6</b>

*Note: Numbers may not add due to rounding.*

**OVERVIEW**

**FY 2022-23 SCHOOL AID FUND BALANCE SHEET  
(Millions of Dollars)**

<b>Estimated Beginning Fund Balance</b>	<b>\$4,701.5</b>
<b>Revenues</b>	
May 2022 consensus revenue estimate	\$17,195.3
General Fund/General Purpose grant	112.0
MPSER Reserve Fund	140.4
Community District Education Trust Fund	72.0
Other	19.5
Federal aid	2,524.2
<b>Total Estimated Revenues</b>	<b>\$20,063.4</b>
<b>Expenditures</b>	
Enacted appropriations: ongoing	\$17,729.9
Enacted appropriations: one-time	1,874.8
MPSER deposit	425.0
Consolidation/Infrastructure deposit	475.0
Educator scholar fellowship deposit	285.0
Enacted appropriations: Community Colleges	448.6
Enacted appropriations: Higher Education	347.9
<b>Total Estimated Expenditures</b>	<b>\$21,586.2</b>
<b>Estimated Ending Fund Balance</b>	<b>\$3,178.8</b>

*Note: Numbers may not add due to rounding.*

**FY 2022-23 MERIT AWARD TRUST FUND BALANCE SHEET  
(Millions of Dollars)**

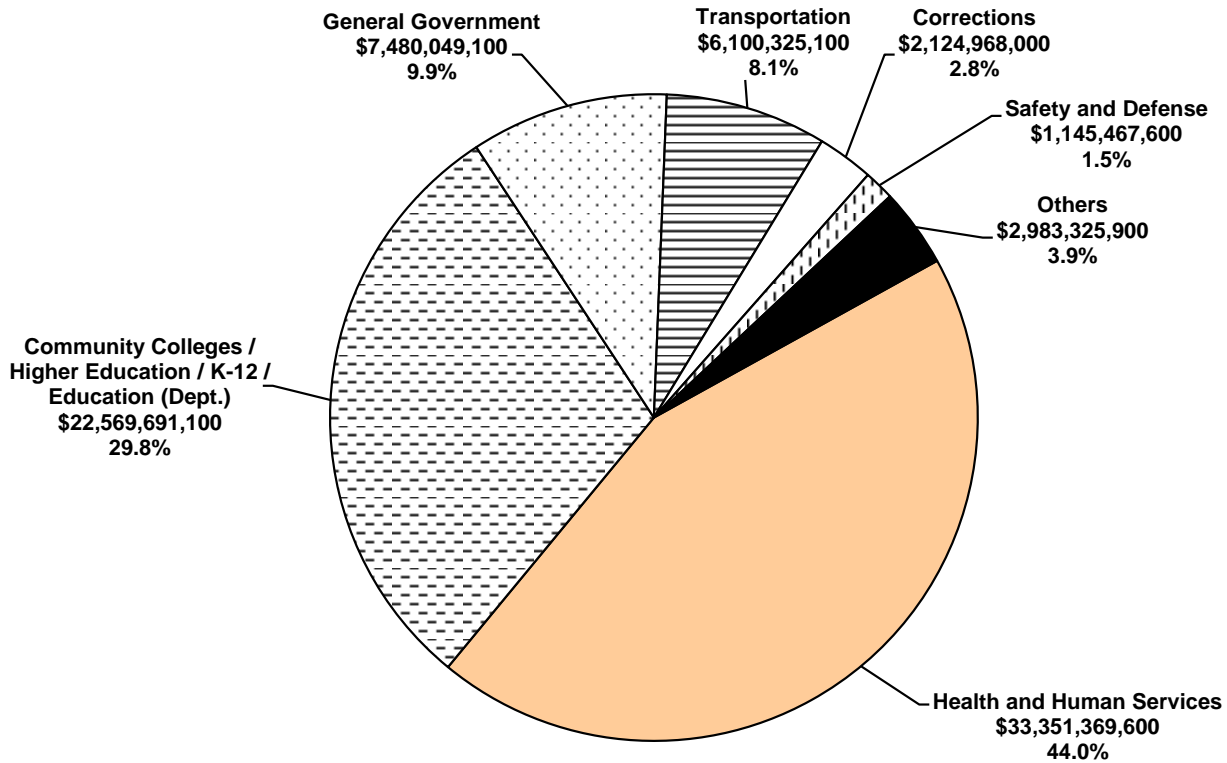
<b>Estimated Beginning Fund Balance</b>	<b>\$32.5</b>
<b>Revenues</b>	
Annual tobacco settlement payment due to Michigan	\$285.7
Debt service payments for prior securitization	(68.9)
Deposit to 21 <sup>st</sup> Century Jobs Fund	(75.0)
Repayment to Budget Stabilization Fund for Detroit settlement payment	(17.5)
Transfer to Community District Education Trust Fund	(72.0)
Interest	0.1
<b>Total Estimated Net Revenues</b>	<b>\$52.4</b>
<b>Expenditures</b>	
Attorney General: Administration	\$0.5
Community Health: Medicaid base funding	57.2
Community Health: Aging – Respite care	4.1
State Police: Tobacco settlement enforcement	0.9
Treasury: Tuition Incentive Program administration	1.2
<b>Total Estimated Expenditures</b>	<b>\$63.9</b>
<b>Estimated Ending Fund Balance</b>	<b>\$20.9</b>

*Note: Numbers may not add due to rounding.*

**OVERVIEW**

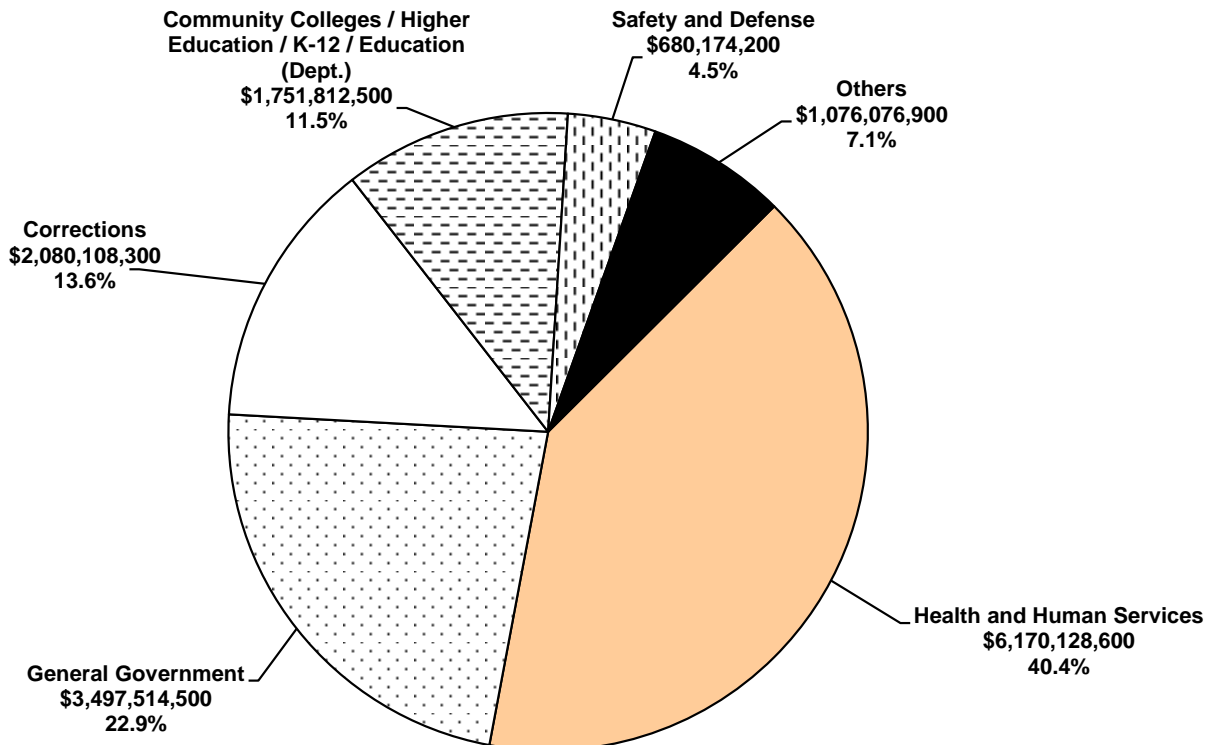
**FY 2022-23 Year-to-Date Adjusted Gross Appropriations**

**Total: \$75,755,196,400**

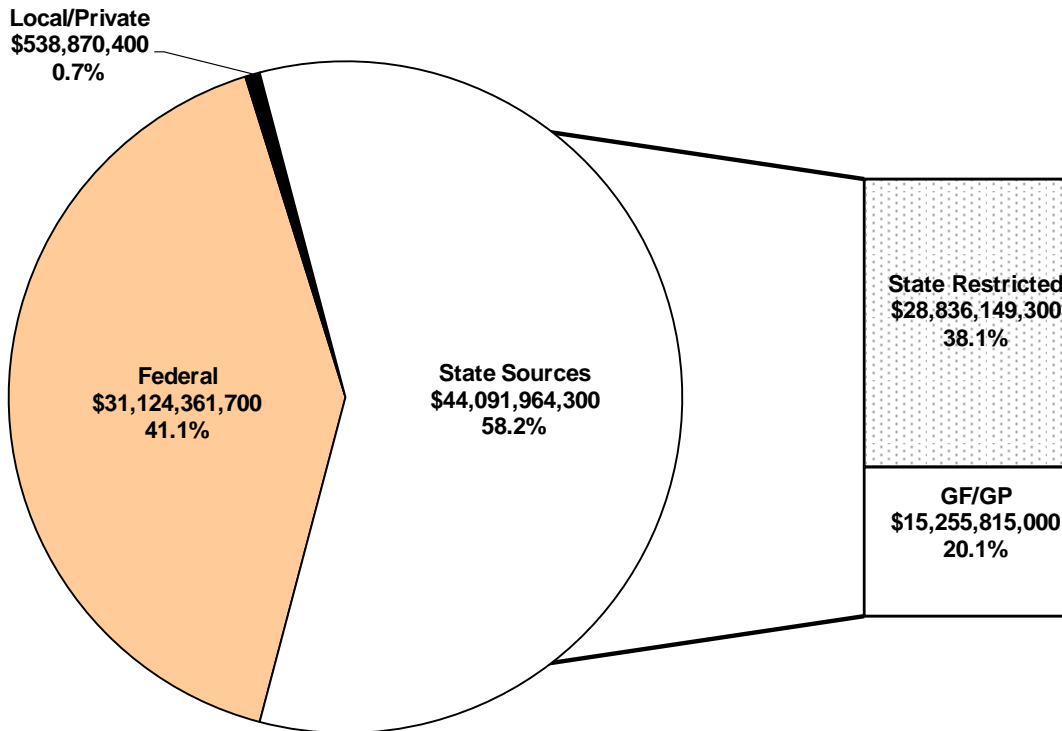


**FY 2022-23 Year-to-Date General Fund/General Purpose (GF/GP) Appropriations**

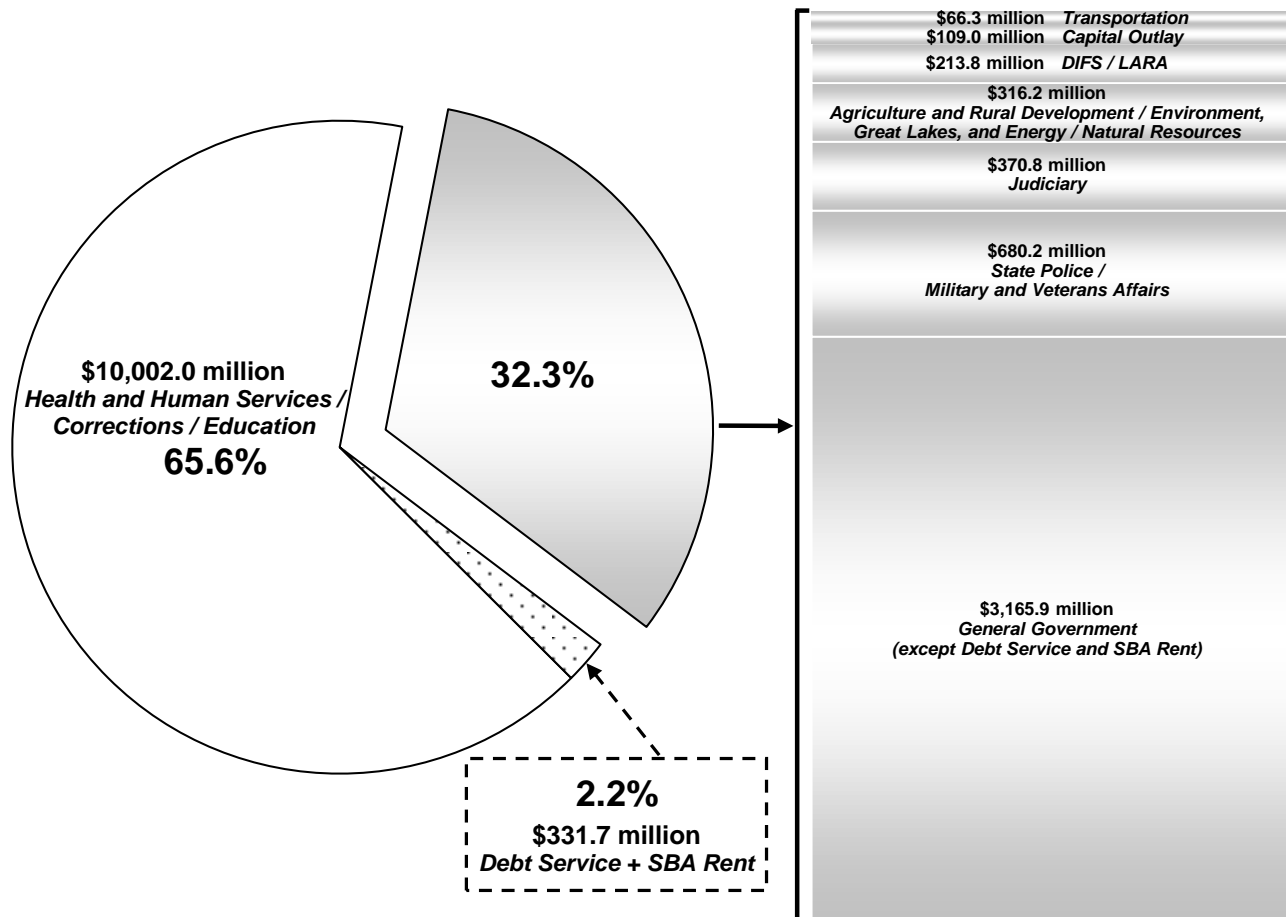
**Total: \$15,255,815,000**



**FY 2022-23 Year-to-Date Adjusted Gross Sources = \$75,755,196,400**



**FY 2022-23 Year-to-Date GF/GP Distribution = \$15,255,815,000**



## SUMMARY TABLES

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In the following tables, FY 2021-22 YTD (as of 2/9/2022) and FY 2022-23 appropriations as enacted.

**Table 1** (page 15) details the FY 2022-23 appropriations by Source of Funds. When interdepartmental grants and intradepartmental transfers are deducted (to avoid double counting), gross appropriations of \$76,974.1 million reduce to \$75,755.2 million in adjusted gross appropriations.

**Table 2** (page 16) and **Table 3** (page 17) compare FY 2021-22 YTD appropriations to FY 2022-23 enacted appropriations.

Adjusted Gross Appropriations increase from \$70,915.0 million in FY 2021-22 to \$75,755.2 million in FY 2022-23, an increase of \$4,840.2 million or 6.8%.

GF/GP Appropriations increase from \$12,912.7 million in FY 2021-22 to \$15,255.8 million in FY 2022-23, an increase of \$2,343.1 million or 18.1%.

**Table 4** (page 18) compares the number of authorized Full-Time Equated (FTE) Positions (classified and unclassified) from FY 2021-22 to FY 2022-23. An increase of 540.0 FTEs is shown in Table 4—from 54,540.5 in FY 2021-22 to 55,080.5 in FY 2022-23. Each FTE is equivalent to 2,088 hours of employee compensated time (including overtime, annual leave, and used sick leave) during the year.

**Table 5** (page 19) shows FY 2022-23 State Spending from State Sources Paid to Local Governments and compares enacted payments to local units of government to the amount of spending from state sources provided in each budget. Pursuant to Article IX, Section 30 of the *Constitution of the State of Michigan of 1963*, at least 48.97% of state spending from state resources must be paid to all units of local government. The enacted FY 2022-23 budget provides for \$23,686.4 million in state spending to local units of government, 53.7% of the estimated \$44,092.0 million in state spending from state resources—well above the constitutional requirement.

**TABLE 1**  
**FY 2022-23 ENACTED APPROPRIATIONS BY SOURCE OF FUNDS**

<u>Department/Budget Area</u>	<u>Gross</u>	<u>IDG/IDT</u>	<u>Adjusted Gross</u>	<u>Federal</u>	<u>Local</u>	<u>Private</u>	<u>State Restricted</u>	<u>GF/GP</u>
Agriculture and Rural Development	\$187,715,100	\$326,700	\$187,388,400	\$19,670,900	\$0	\$21,300	\$44,706,400	\$122,989,800
Attorney General	118,273,000	35,954,600	82,318,400	10,101,900	0	0	20,786,700	51,429,800
Capital Outlay	487,400,000	0	487,400,000	378,400,000	0	0	0	109,000,000
Civil Rights	21,601,600	0	21,601,600	2,890,900	0	18,700	58,500	18,633,500
Community Colleges	529,758,000	0	529,758,000	81,200,000	0	0	448,558,000	0
Corrections	2,124,968,000	0	2,124,968,000	5,148,400	9,879,500	0	29,831,800	2,080,108,300
Education	420,581,000	0	420,581,000	302,950,800	5,878,600	2,240,400	9,919,700	99,591,500
Environment, Great Lakes, and Energy	728,654,300	3,406,400	725,247,900	287,641,700	0	1,415,500	337,354,900	98,835,800
Executive Office	8,533,600	0	8,533,600	0	0	0	0	8,533,600
Health and Human Services	33,366,065,600	14,696,000	33,351,369,600	23,693,049,100	170,002,300	185,596,800	3,132,592,800	6,170,128,600
Higher Education	2,016,635,700	0	2,016,635,700	128,526,400	0	0	347,888,300	1,540,221,000
Insurance and Financial Services	74,335,500	736,500	73,599,000	1,017,100	0	0	72,581,900	0
Judiciary	483,505,700	1,902,300	481,603,400	6,340,300	7,782,600	1,524,200	95,181,400	370,774,900
Labor and Economic Opportunity (MSF)	2,900,346,000	0	2,900,346,000	1,219,595,000	10,700,000	12,430,700	245,920,400	1,411,699,900
Legislative Auditor General	28,605,900	6,654,800	21,951,100	0	0	0	2,329,300	19,621,800
Legislature	186,677,000	0	186,677,000	0	0	428,300	4,965,700	181,283,000
Licensing and Regulatory Affairs	539,834,400	47,026,900	492,807,500	29,659,200	0	0	249,325,900	213,822,400
Military and Veterans Affairs	347,366,000	101,800	347,264,200	200,364,300	0	640,000	18,794,900	127,465,000
Natural Resources	535,482,800	203,100	535,279,700	93,630,000	0	7,039,200	340,206,500	94,404,000
School Aid	19,602,716,400	0	19,602,716,400	2,524,243,500	0	0	16,966,472,900	112,000,000
State	255,196,700	20,000,000	235,196,700	1,460,000	0	50,100	221,007,300	12,679,300
State Police	823,705,800	25,502,400	798,203,400	81,804,300	4,904,500	35,000	158,750,400	552,709,200
Tech., Mgmt. and Budget: Operations	1,603,569,100	1,047,125,600	556,443,500	5,217,200	2,331,200	137,400	123,219,300	425,538,400
Tech., Mgmt. and Budget: SBA Rent	231,570,600	0	231,570,600	0	0	0	0	231,570,600
Transportation	6,104,448,900	4,123,800	6,100,325,100	2,026,480,000	85,773,500	16,800,000	3,905,021,600	66,250,000
Treasury: Operations	1,579,358,500	11,153,100	1,568,205,400	24,970,700	13,209,600	31,000	493,553,600	1,036,440,500
Treasury: Debt Service	100,084,100	0	100,084,100	0	0	0	0	100,084,100
Treasury: Revenue Sharing	1,567,121,100	0	1,567,121,100	0	0	0	1,567,121,100	0
<b>TOTAL APPROPRIATIONS</b>	<b>\$76,974,110,400</b>	<b>\$1,218,914,000</b>	<b>\$75,755,196,400</b>	<b>\$31,124,361,700</b>	<b>\$310,461,800</b>	<b>\$228,408,600</b>	<b>\$28,836,149,300</b>	<b>\$15,255,815,000</b>

**OVERVIEW**

**TABLE 2**  
**ADJUSTED GROSS APPROPRIATIONS**  
**FY 2022-23 Enacted Appropriations Compared with FY 2021-22 YTD**

<b><u>Department/Budget Area</u></b>	<b><u>FY 2021-22 YTD as of 2/9/22</u></b>	<b><u>FY 2022-23 Enacted</u></b>	<b><u>FY 2022-23 vs. FY 2021-22 Difference</u></b>	
Agriculture and Rural Development	\$155,365,300	\$187,388,400	\$32,023,100	20.6%
Attorney General	73,315,200	82,318,400	9,003,200	12.3%
Capital Outlay	0	487,400,000	487,400,000	--
Civil Rights	17,535,200	21,601,600	4,066,400	23.2%
Community Colleges	431,417,000	529,758,000	98,341,000	22.8%
Corrections	2,065,873,000	2,124,968,000	59,095,000	2.9%
Education	1,928,027,900	420,581,000	(1,507,446,900)	(78.2%)
Environment, Great Lakes, and Energy	686,225,800	725,247,900	39,022,100	5.7%
Executive Office	7,318,600	8,533,600	1,215,000	16.6%
Health and Human Services	31,962,609,900	33,351,369,600	1,388,759,700	4.3%
Higher Education	1,807,751,200	2,016,635,700	208,884,500	11.6%
Insurance and Financial Services	72,263,000	73,599,000	1,336,000	1.8%
Judiciary	318,810,800	481,603,400	162,792,600	51.1%
Labor and Economic Opportunity (MSF)	3,250,153,600	2,900,346,000	(349,807,600)	(10.8%)
Legislative Auditor General	20,769,400	21,951,100	1,181,700	5.7%
Legislature	186,648,200	186,677,000	28,800	0.0%
Licensing and Regulatory Affairs	472,156,600	492,807,500	20,650,900	4.4%
Military and Veterans Affairs	220,750,800	347,264,200	126,513,400	57.3%
Natural Resources	464,138,300	535,279,700	71,141,400	15.3%
School Aid	16,978,110,700	19,602,716,400	2,624,605,700	15.5%
State	232,164,300	235,196,700	3,032,400	1.3%
State Police	836,329,800	798,203,400	(38,126,400)	(4.6%)
Tech., Mgmt. and Budget: Operations	419,888,300	556,443,500	136,555,200	32.5%
Tech., Mgmt. and Budget: SBA Rent	231,570,600	231,570,600	0	0.0%
Transportation	5,425,810,700	6,100,325,100	674,514,400	12.4%
Treasury: Operations	1,138,162,400	1,568,205,400	430,043,000	37.8%
Treasury: Debt Service	99,064,000	100,084,100	1,020,100	1.0%
Treasury: Revenue Sharing	1,412,735,300	1,567,121,100	154,385,800	10.9%
<b>TOTAL APPROPRIATIONS</b>	<b>\$70,914,965,900</b>	<b>\$75,755,196,400</b>	<b>\$4,840,230,500</b>	<b>6.8%</b>



**TABLE 3**  
**GENERAL FUND/GENERAL PURPOSE APPROPRIATIONS**  
**FY 2022-23 Enacted Appropriations Compared with FY 2021-22**

<u>Department/Budget Area</u>	<u>FY 2021-22 YTD as of 2/9/22</u>	<u>FY 2022-23 Enacted</u>	<u>FY 2022-23 vs. FY 2021-22 Difference</u>	
Agriculture and Rural Development	\$97,366,900	\$122,989,800	\$25,622,900	26.3%
Attorney General	43,056,000	51,429,800	8,373,800	19.4%
Capital Outlay	0	109,000,000	109,000,000	--
Civil Rights	14,607,300	18,633,500	4,026,200	27.6%
Community Colleges	0	0	0	--
Corrections	2,005,369,400	2,080,108,300	74,738,900	3.7%
Education	102,508,100	99,591,500	(2,916,600)	(2.8%)
Environment, Great Lakes, and Energy	153,375,400	98,835,800	(54,539,600)	(35.6%)
Executive Office	7,318,600	8,533,600	1,215,000	16.6%
Health and Human Services	5,448,429,200	6,170,128,600	721,699,400	13.2%
Higher Education	1,317,821,500	1,540,221,000	222,399,500	16.9%
Insurance and Financial Services	0	0	0	--
Judiciary	209,280,900	370,774,900	161,494,000	77.2%
Labor and Economic Opportunity (MSF)	1,517,995,600	1,411,699,900	(106,295,700)	(7.0%)
Legislative Auditor General	18,598,900	19,621,800	1,022,900	5.5%
Legislature	181,535,400	181,283,000	(252,400)	(0.1%)
Licensing and Regulatory Affairs	184,195,900	213,822,400	29,626,500	16.1%
Military and Veterans Affairs	78,758,800	127,465,000	48,706,200	61.8%
Natural Resources	48,612,500	94,404,000	45,791,500	94.2%
School Aid	85,400,000	112,000,000	26,600,000	31.1%
State	12,435,600	12,679,300	243,700	2.0%
State Police	527,822,500	552,709,200	24,886,700	4.7%
Tech., Mgmt. and Budget: Operations	286,174,500	425,538,400	139,363,900	48.7%
Tech., Mgmt. and Budget: SBA Rent	231,570,600	231,570,600	0	0.0%
Transportation	0	66,250,000	66,250,000	--
Treasury: Operations	241,014,200	1,036,440,500	795,426,300	330.0%
Treasury: Debt Service	99,064,000	100,084,100	1,020,100	1.0%
Treasury: Revenue Sharing	433,000	0	(433,000)	(100.0%)
<b>TOTAL APPROPRIATIONS</b>	<b>\$12,912,744,800</b>	<b>\$15,255,815,000</b>	<b>\$2,343,070,200</b>	<b>18.1%</b>

**OVERVIEW**

**TABLE 4  
AUTHORIZED FULL-TIME EQUATED (FTE) POSITIONS\*  
FY 2022-23 Enacted Compared with FY 2021-22**

<b><u>Department/Budget Area</u></b>	<b><u>FY 2021-22 YTD as of 2/9/22</u></b>	<b><u>FY 2022-23 Enacted</u></b>	<b><u>FY 2022-23 vs. FY 2021-22 Difference</u></b>	
Agriculture and Rural Development	527.0	537.0	10.0	1.9%
Attorney General	547.4	549.5	2.1	0.4%
Capital Outlay	0.0	0.0	0.0	--
Civil Rights	115.0	115.0	0.0	0.0%
Community Colleges	0.0	0.0	0.0	--
Corrections	13,500.4	13,514.4	14.0	0.1%
Education	622.5	627.5	5.0	0.8%
Environment, Great Lakes, and Energy	1,467.0	1,516.0	49.0	3.3%
Executive Office	89.2	96.2	7.0	7.8%
Health and Human Services	15,587.5	15,690.5	103.0	0.7%
Higher Education	0.0	0.0	0.0	--
Insurance and Financial Services	378.5	390.5	12.0	3.2%
Judiciary	524.0	537.0	13.0	2.5%
Labor and Economic Opportunity (MSF)	2,588.9	2,593.9	5.0	0.2%
Legislative Auditor General	0.0	0.0	0.0	--
Legislature	0.0	0.0	0.0	--
Licensing and Regulatory Affairs	1,857.9	1,879.9	22.0	1.2%
Military and Veterans Affairs	1,063.5	1,063.5	0.0	0.0%
Natural Resources	2,360.9	2,418.8	57.9	2.5%
School Aid	0.0	0.0	0.0	--
State	1,592.0	1,592.0	0.0	0.0%
State Police	3,695.0	3,757.0	62.0	1.7%
Tech., Mgmt. and Budget: Operations	3,147.0	3,167.0	20.0	0.6%
Tech., Mgmt. and Budget: SBA Rent	0.0	0.0	0.0	--
Transportation	2,942.3	3,056.3	114.0	3.9%
Treasury: Operations	1,934.5	1,978.5	44.0	2.3%
Treasury: Debt Service	0.0	0.0	0.0	--
Treasury: Revenue Sharing	0.0	0.0	0.0	--
<b>TOTAL FTE POSITIONS</b>	<b>54,540.5</b>	<b>55,080.5</b>	<b>540.0</b>	<b>1.0%</b>

\* Includes classified, unclassified, and nonlegislative exempt positions. Represents authorized/estimated positions, not necessarily actual positions funded.

**TABLE 5**  
**STATE SPENDING FROM STATE SOURCES PAID TO LOCAL GOVERNMENTS**  
**FY 2022-23 Enacted Appropriations**

<u>Department/Budget Area</u>	<u>Spending From State Sources</u>	<u>State Spending to Local Government Units</u>	<u>% of State Spending From State Sources as Payment to Locals</u>
Agriculture and Rural Development	\$167,696,200	\$13,600,000	8.1%
Attorney General	72,216,500	0	0.0%
Capital Outlay	109,000,000	0	0.0%
Civil Rights	18,692,000	0	0.0%
Community Colleges	448,558,000	448,558,000	100.0%
Corrections	2,109,940,100	125,615,400	6.0%
Education	109,511,200	18,717,700	17.1%
Environment, Great Lakes, and Energy	436,190,700	35,716,000	8.2%
Executive Office	8,533,600	0	0.0%
Health and Human Services	9,302,721,400	1,885,152,400	20.3%
Higher Education	1,888,109,300	0	0.0%
Insurance and Financial Services	72,581,900	0	0.0%
Judiciary	465,956,300	150,357,800	32.3%
Labor and Economic Opportunity (MSF)	1,657,620,300	67,274,900	4.1%
Legislative Auditor General	21,951,100	0	0.0%
Legislature	186,248,700	0	0.0%
Licensing and Regulatory Affairs	463,148,300	169,417,400	36.6%
Military and Veterans Affairs	146,259,900	4,176,000	2.9%
Natural Resources	434,610,500	10,971,400	2.5%
School Aid	17,078,472,900	15,764,187,600	92.3%
State	233,686,600	1,417,200	0.6%
State Police	711,459,600	21,329,700	3.0%
Tech., Mgmt. and Budget: Operations	548,757,700	0	0.0%
Tech., Mgmt. and Budget: SBA Rent	231,570,600	0	0.0%
Transportation	3,971,271,600	2,387,503,600	60.1%
Treasury: Operations	1,529,994,100	1,015,267,900	66.4%
Treasury: Debt Service	100,084,100	0	0.0%
Treasury: Revenue Sharing	1,567,121,100	1,567,121,100	100.0%
<b>TOTALS</b>	<b>\$44,091,964,300</b>	<b>\$23,686,384,100</b>	<b>53.7%</b>



# **FY 2022-23**

## **Budget Detail**

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**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 1)**

**Analyst: William E. Hamilton**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$320,000	\$326,700	\$6,700	2.1
<b>Federal</b>	13,599,800	19,670,900	6,071,100	44.6
<b>Local</b>	0	0	0	--
<b>Private</b>	71,300	21,300	(50,000)	(70.1)
<b>Restricted</b>	44,327,300	44,706,400	379,100	0.9
<b>GF/GP</b>	97,366,900	122,989,800	25,622,900	26.3
<b>Gross</b>	<b>\$155,685,300</b>	<b>\$187,715,100</b>	<b>\$32,029,800</b>	<b>20.6</b>
<b>FTEs</b>	527.0	537.0	10.0	1.9

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Michigan Department of Agriculture and Rural Development (MDARD) key programs and priorities include ensuring food safety and security, protecting animal health and welfare, managing invasive exotic species, regulating pesticide use, certifying agricultural commodities, ensuring environmental stewardship, consumer protection, and promoting the state's agricultural economy.

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>1. Emergency Management – Preparedness, Readiness, Response</b>	FTE	4.0	4.0
Includes a \$1.6 million GF/GP increase, and an increase in staffing authorization from 4.0 to 8.0 FTE positions, for the Emergency Management program. The increase is intended to build capacity to prepare for and respond to emergency events affecting the food supply chain – from animal disease readiness to contamination of food and feed.	<b>Gross</b>	<b>\$1,320,700</b>	<b>\$1,600,000</b>
	Federal	447,400	0
	GF/GP	\$873,300	\$1,600,000
<b>2. Animal Industry – Animal Disease Prevention and Response</b>	FTE	62.0	0.0
Includes \$200,000 GF/GP increase intended to offset costs of testing required of privately owned cervids for Bovine TB and CWD. Also recognizes \$500,000 for an anticipated federal USDA CWD research grant.	<b>Gross</b>	<b>\$9,623,100</b>	<b>\$700,000</b>
	Federal	582,500	500,000
	Restricted	221,800	0
	GF/GP	\$8,818,800	\$200,000
<b>3. Bovine TB Quarantine – Producer Reimbursement</b>	<b>Gross</b>	<b>\$400,000</b>	<b>(\$400,000)</b>
Does not retain FY 2021-22 \$400,000 GF/GP one-time funding of financial assistance to livestock producers for costs of maintaining livestock under quarantine.	GF/GP	\$400,000	(\$400,000)
<b>4. Pesticide Safety/Worker Protection</b>	FTE	85.0	6.0
Includes \$1.2 million GF/GP increase in Pesticide and Plant Pest Management (PPPM) program, and related 6.0 FTE increase in staffing authorization, for targeted pesticide safety program. Related boilerplate in Section 502.	<b>Gross</b>	<b>\$14,172,100</b>	<b>\$1,170,000</b>
	Federal	1,281,100	0
	Private	21,300	0
	Restricted	7,633,100	0
	GF/GP	\$5,236,600	\$1,170,000

**AGRICULTURE AND RURAL DEVELOPMENT**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>5. Local Conservation Districts</b>	<b>Gross</b>	<b>\$3,000,000</b>	<b>\$0</b>
Retains support for local conservation districts at \$3.0 million (\$2.0 million ongoing, \$1.0 million as one-time.) Related boilerplate in Section 609.	GF/GP	\$3,000,000	\$0
<b>6. Climate Action/Reforestation in Northern Michigan</b>	FTE	9.0	0.0
Recognizes \$5.4 million federal USDA grant funding in the ongoing Qualified Forest Program line item. The grant would support a reforestation project – the planting of 5 million native hardwood trees and conifers – on private and state-owned land in the Northern Lower Peninsula.	<b>Gross</b>	<b>\$2,651,700</b>	<b>\$5,400,000</b>
	Federal	0	5,400,000
	Restricted	1,080,100	0
	GF/GP	\$1,571,600	\$0
<b>7. Fair Food Network/Double Up Food Bucks</b>	<b>Gross</b>	<b>\$2,000,000</b>	<b>(\$1,100,000)</b>
Includes \$900,000 GF/GP for program that increases purchasing power of Michigan residents who receive Supplemental Nutritional Assistance Program (SNAP) benefits. The funding represents a \$1.1 million reduction from FY 2021-22, which had included \$1.1 million shown as one-time. Related boilerplate in Section 703.	GF/GP	\$2,000,000	(\$1,100,000)
<b>8. Food and Agriculture Investment Grant Program</b>	<b>Gross</b>	<b>\$2,470,600</b>	<b>\$0</b>
Retains funding level of \$2.5 million GF/GP for program that provides grants for agri-business development projects.	GF/GP	\$2,470,600	\$0
<b>9. Office of Rural Development</b>	FTE	1.0	0.0
Includes \$500,000 GF/GP increase in baseline funding; related boilerplate Sec. 702a.	<b>Gross</b>	<b>\$175,000</b>	<b>\$500,000</b>
	Restricted	0	0
	GF/GP	\$175,000	\$500,000
<b>10. County Fairs/Shows/Expositions Grant Program</b>	<b>Gross</b>	<b>\$2,450,000</b>	<b>(\$1,950,000)</b>
FY 2021-22 budget had included almost \$2.0 million in one-time funding which is not included in FY 2022-23 budget. The budget retains baseline funding of \$500,000 GF/GP for fair capital grant program.	GF/GP	\$2,450,000	(\$1,950,000)
<b>11. Animal Welfare and Veterinary Care</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Includes \$2.0 million GF/GP (one-time) to support Michigan licensed animal shelters and specifically to fund veterinarians and other animal care workers at those shelters. Related boilerplate Section 902.	GF/GP	\$0	\$2,000,000
<b>12. Economic Development for Food and Agriculture Industries</b>	<b>Gross</b>	<b>\$0</b>	<b>\$50,000,000</b>
Includes \$50.0 million GF/GP (one-time) for a new program targeted at supply chain, infrastructure, and workforce issues of Michigan agriculture as affected by the COVID-19 pandemic. Related boilerplate Sec. 901 includes an earmark of \$12.0 million for the Eastern Market (Detroit).	GF/GP	\$0	\$50,000,000
<b>13. Office of Rural Development – (Grants)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,000,000</b>
Includes \$3.0 million GF/GP (one-time) for a new program, administered by the Office of Rural Development, to provide grants to rural communities, related to economic development, workforce development, affordable housing, infrastructure, education, and highspeed internet access. Related boilerplate Sec. 900.	GF/GP	\$0	\$3,000,000
<b>14. Buy Michigan Campaign</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP (one-time) for a campaign to support Michigan-grown agricultural products.	GF/GP	\$0	\$1,000,000

**AGRICULTURE AND RURAL DEVELOPMENT**

	<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
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**Major Budget Changes from FY 2021-22 YTD Appropriations**

<b>15. Back Out FY 2021-22 One-Time GF/GP</b>	<b>Gross</b>	<b>\$31,605,000</b>	<b>(\$31,605,000)</b>
The FY 2021-22 budget included \$36.1 million GF/GP in "one-time only" appropriations. The \$36.1 million included the following items, totaling \$31.6 million: Agricultural Nutrient Best Management Voluntary Practices, \$25.0 million; Agriculture Equine Industry Development Fund deposit, \$3.2 million; Farm Innovation Grant program, \$3.2 million; Farm Stress, \$225,000. These items were not carried into FY 2022-23.	GF/GP	\$31,605,000	(\$31,605,000)

Some FY 2021-22 one-time items, totaling \$4.5 million, are addressed in Major Budget Changes Item #s 3, 5, 7, and 10, above.

<b>16. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,714,800</b>
Reflects increased costs of \$1.7 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	6,700
	Federal	NA	121,100
	Restricted	NA	379,100
	GF/GP	NA	\$1,207,900

**Major Boilerplate Changes from FY 2021-22**

The Governor's signing letter stated that several sections of 2022 PA 166 were unenforceable in that they violated various sections of the Michigan Constitution:

- Article 3, Section 2: Separation of powers of government
- Article 4, Section 22 and Article 4, Section 33: An attempt to authorize legislation other than by bill
- Article 4, Section 24: No law shall embrace more than one object, which shall be expressed in its title
- Article 4, Section 25: Amendment by reference
- Article 4, Section 53: Duties of the Auditor General
- Article 5, Section 28: Duties of the State Transportation Commission
- Article 11, Section 5: Authority of the Civil Service Commission to regulate conditions of employment

**Sections 215, 217, and 218 in the MDARD budget were specifically cited as unenforceable, as described below.**

**Sec. 215. Communication with the Legislature – RETAINED (UNENFORCEABLE)**

Retains section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers*

**Sec. 217. Use of Work Projects – RETAINED (UNENFORCEABLE)**

Retains section that requires that work project balances be exhausted before expenditure from part 1 appropriations. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.*

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Retains section that provides for the legislature to intertransfer funds within departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget. *The Governor's signing letter indicated that this section was unenforceable in that impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers, as well as two sections under Article 4 the Michigan Constitution: Section 22 which requires that all legislation be by bill, and Section 33 which prescribes how bills are enacted into law.*

**Sec. 224. Limitation on Remote Work – NEW**

Includes new intent language: "that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work", and that executive branch agencies post in-person, remote, or hybrid work policy on their websites.



**Major Boilerplate Changes from FY 2021-22**

**Sec. 241. Incident Notification – NEW**

Requires the department to notify legislators when incident management team is activated.

**Sec. 301. Miscellaneous Fees, Use of Fee Revenue, Fee Reports – REVISED**

This section authorizes the department to establish a fee schedule and collect fees for various work activities and services and that authorizes the department to receive and expend fee revenue. Revises to include new subsection 5 that asks the department to work with testing vendors to ensure adequate testing capacity and reasonable cost structures.

**Sec. 455. Cervid Facility Testing Costs – NEW**

Earmarks \$200,000 to reimburse privately owned cervid facilities for the costs of CWD testing.

**Sec. 502. Pesticide Safety/Worker Protection – NEW**

Designates \$1.2 million PPPM funding increase for staffing and operational support for education and compliance assistance efforts to ensure uniform application of pesticide regulations.

**Sec. 707. Industry Support Fund Lapse – NEW**

Provides for unexpended Industry Support Funds to lapse to the Industry Support Fund.

**Sec. 900. Office of Rural Development (Grant Program) – NEW**

Defines \$3.0 million one-time line item for the Office of Rural Development; authorizes 3.0 FTEs (limited term) to administer program; establishes as work project.

**Sec. 901. Economic Development for Food and Agriculture (Grant Program) – NEW**

Defines the \$50.0 million one-time line item; authorizes 8.0 FTEs (limited term) to administer program; establishes as work project; earmarks \$12.0 million for Eastern Market (Detroit).

**Sec. 902. Animal Welfare and Veterinary Care – NEW**

Defines the \$2.0 million one-time line item; establishes as work project.

CAPITAL OUTLAY

**CAPITAL OUTLAY**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 14)**

Analyst: Perry Zielak

<u>Budget Area</u>	<u>Gross</u>	<u>GF/GP</u>
Capital Outlay – Construction Authorizations	\$487,400,000	\$109,000,000
<b>TOTAL</b>	<b>\$487,400,000</b>	<b>\$109,000,000</b>

Overview

Public Act 166 of 2022 (House Bill 5783, Article 14) contains \$487.4 million Gross (\$109.0 million GF/GP) for four construction authorizations. Traditionally, universities finance 25% of a project's costs and the state finances 75%. State agency projects are covered 100% from state resources. In recent years, the state share has been capped at \$30.0 million for university and community college capital outlay projects.

The total cost of the four construction authorizations (two universities and two state agencies) contained within the bill is \$487.4 million, with a federal share of \$378.4, state share of \$109.0 million and an institution share of \$7.0 million. Unlike traditional capital outlay projects that are financed through the State Building Authority and require annual debt service payments, the cost of these projects is covered through one-time state and federal appropriations.

In addition, House Bill 5783, Article 15 contains \$260.0 million Gross for one planning and one construction authorization. Similar to the projects located in Article 14, the cost of these projects is covered through one-time federal appropriations and will not require annual debt service payments.

Major Budget Changes from FY 2021-22 YTD Appropriations

**FY 2022-23  
Enacted  
Change**

**CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS**

**1. Michigan State University – Renovation and Addition of Greenhouses and Dairy Facilities**

**Gross \$53,000,000**  
**GF/GP \$53,000,000**

Total project cost is \$53.0 million. University share is \$0; state share is \$53.0 million GF/GP. The project would renovate and expand both the greenhouse complex and dairy facilities on campus.

**2. Saginaw Valley State University – Brown Hall Renovation**

**Gross \$21,800,000**  
**GF/GP \$21,800,000**

Total project cost is \$28.8 million. University share is \$7.0 million; state share is \$21.8 million GF/GP. The project would renovate 64,000 sq. ft. of Brown Hall, constructed in 1986.

**3. Michigan Veterans Affairs Agency – New Marquette Veterans Home**

**Gross \$97,600,000**  
**Federal 63,400,000**  
**GF/GP \$34,200,000**

The Michigan Veterans Affairs Agency – New Marquette Veterans Home has a total project cost of \$97.6 million. Federal share is \$63.4 million; state share is \$34.2 million GF/GP. The project would construct a new home for veterans located in Marquette.

**4. DTMB – New State Psychiatric Hospital Complex**

**Gross \$315,000,000**  
**Federal 315,000,000**  
**GF/GP \$0**

The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million. Federal share (coronavirus state fiscal recovery funds) is \$325.0 million; state share is \$0. The complex would be located in Southeast Michigan to replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$10.0 million associated with planning for this project is included in an FY 2021-22 supplemental – see FY 2021-22 Supplemental Appropriation Item #1 below.)

**CAPITAL OUTLAY**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**CAPITAL OUTLAY – PLANNING AUTHORIZATIONS**

**1. DTMB – New State Psychiatric Hospital Complex**

The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million, a total federal share (Coronavirus State Fiscal Recovery Funds) of \$325.0 million, and a total state share of \$0. The complex would be located in Southeast Michigan and would replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$315.0 million of project total is appropriated in FY 2022-23 – see FY 2022-23 Supplemental Appropriations Item #4 above.)

<b>Gross</b>	<b>\$10,000,000</b>
Federal	10,000,000
GF/GP	\$0

**CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS**

**2. DTMB – New Comprehensive State Public Health and Environmental Science Laboratory**

The DTMB – New Comprehensive State Public Health and Environmental Science Laboratory has a total project cost of \$260.0 million, a federal share (Coronavirus State Fiscal Recovery Funds) of \$260.0 million, and a total state share of \$0. The project would build a new state public health and environmental science laboratory. (Note: \$10.0 million of project total was appropriated in 2022 PA 9.)

<b>Gross</b>	<b>\$250,000,000</b>
Federal	250,000,000
GF/GP	\$0

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**CAPITAL OUTLAY**

**Sec. 301. New State Psychiatric Hospital Complex**

Requires DTMB to use funding for program and planning of a new complex of inpatient psychiatric facilities, a standalone facility for children and adolescents, and another standalone facility for adults; requires program and schematic documents; requires progress report every six months.

**COMMUNITY COLLEGES  
Summary of FY 2022-23 Enacted with Vetoes  
Public Act 144 of 2022 (Senate Bill 845, Article 2)**

**Analyst: Perry Zielak**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	0	81,200,000	81,200,000	--
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	431,417,000	448,558,000	17,141,000	4.0
<b>GF/GP</b>	0	0	0	--
<b>Gross</b>	<b>\$431,417,000</b>	<b>\$529,758,000</b>	<b>\$98,341,000</b>	<b>22.8</b>

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Community Colleges budget, contained in Article 2 of the compiled School Aid Act, provides funding for operational support of the 28 public community colleges located throughout the state and some retirement costs for employees who participate in the state public school employee retirement system. Community colleges offer a wide variety of educational programs, including traditional two-year transfer programs, associate degrees, career and technical education, developmental and remedial education, continuing education, and baccalaureate programs in a limited number of areas. The colleges are supported primarily through a combination of state aid, local property tax revenue, and tuition and fees.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Community College Operations Increase**

Includes a net increase of \$12.6 million SAF for community college operations, a 3.8% increase. This includes:

- \$16.2 million SAF, or 5.0%, increase to operations grants for community colleges, which would be distributed through the performance funding formula.
- Removal of \$3.2 million SAF of FY 2021-22 one-time operations funding.
- \$306,500 SAF decrease based on FY 2020-21 North American Indian Tuition Waiver program costs reported by institutions.

Attainment of the performance funding increase would be conditioned on restraining in-district tuition and fee increases to the greater of 5.0% or \$226. Projected funding increases for individual community colleges would range from 2.6% to 5.8%. Total funding for operations would be \$341.2 million SAF.

	<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>Gross</b>	<b>\$328,583,400</b>	<b>\$12,641,000</b>
Restricted	328,583,400	12,641,000
GF/GP	\$0	\$0

**COMMUNITY COLLEGES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>2. Michigan Public School Employee Retirement System (MPERS) State Share of Unfunded Actuarial Accrued Liability (UAAL) Stabilization Payment</b>		<b>Gross \$87,200,000</b>	<b>\$5,400,000</b>
Increases funding by \$5.4 million SAF for the state's share of community colleges' MPERS UAAL, a 6.2% increase, due to changes in payroll growth assumptions. The state's share is the difference between the calculated UAAL contribution to the system and the employer contribution cap of 20.96% of payroll set by the Public School Employees Retirement Act (MCL 38.1341). Total funding for the state share of MPERS would be \$92.6 million SAF.		Restricted 87,200,000	5,400,000
		GF/GP \$0	\$0
<b>3. MPERS Normal Cost Offset</b>		<b>Gross \$11,700,000</b>	<b>(\$900,000)</b>
Decreases funding by \$900,000 SAF for the community colleges' MPERS normal cost offset, a 7.7% decrease, due to maintaining the current assumed rate of return at 6.8%. Total funding for the MPERS normal cost offset would be \$10.8 million SAF.		Restricted 11,700,000	(900,000)
		GF/GP \$0	\$0
<b>4. Michigan Reconnect Program Short-Term Training Grants</b>		<b>Gross \$0</b>	<b>\$6,000,000</b>
Adds \$6.0 million federal Coronavirus State Fiscal Recovery Fund for the Michigan Reconnect program short-term training grants. Individuals at least 21 years old with a high school or equivalent diploma would be eligible for a skills scholarship to a qualified occupational or private training program. Total funding the Michigan Reconnect program short-term training grants would be \$6.0 million Gross.		Federal 0	6,000,000
		GF/GP \$0	\$0
<b>5. Michigan Associate Degree in Nursing (ADN) to Bachelor of Science in Nursing (BSN) Completion Grant Program</b>		<b>Gross \$0</b>	<b>\$56,000,000</b>
Adds \$56.0 million federal Coronavirus State Fiscal Recovery Fund for the Michigan ADN to BSN Completion Grant program. The program would allow nurses with an ADN or similar degree to pursue a BSN degree on a community college campus in partnership with a public or independent 4-year college or university BSN-granting program. Total funding for the Michigan ADN to BSN Completion Grant program would be \$56.0 million Gross.		Federal 0	56,000,000
		GF/GP \$0	\$0
<b>6. Community College Academic Catch-up Program</b>		<b>Gross \$0</b>	<b>\$10,000,000</b>
Adds \$10.0 million federal Coronavirus State Fiscal Recovery Fund for the creation of the Community College Academic Catch-up program, which would be administered by the Michigan Community College Association. Community colleges would apply for grant funding to support various summer educational programs for students suffering from potential learning loss related to the COVID-19 pandemic. Total funding for the Community College Academic Catch-up program would be \$10.0 million Gross.		Federal 0	10,000,000
		GF/GP \$0	\$0
<b>7. Michigan Center for Adult College Success</b>		<b>Gross \$0</b>	<b>\$9,200,000</b>
Adds \$9.2 million federal Coronavirus State Fiscal Recovery Fund for the creation of the Michigan Center for Adult College Success, which would be administered by the nonprofit organization Talent 2025. The Center would work on ensuring adult enrollment and completion of college degree and certificate programs. Total funding for the Michigan Center for Adult College Success would be \$9.2 million Gross.		Federal 0	9,200,000
		GF/GP \$0	\$0
<b>8. Pregnant and Parenting Student Services - VETOED</b>		<b>Gross \$0</b>	<b>\$0</b>
Adds \$500,000 SAF for pregnant and parenting student services. Community colleges that establish and operate a pregnant and parenting student services office according to the guidelines found in Sec. 226f.		Restricted 0	0
		GF/GP \$0	\$0

## **COMMUNITY COLLEGES**

### **Major Boilerplate Changes from FY 2021-22**

#### **Sec. 208. Self-Liquidating Projects Restriction and Capital Outlay Requirements – DELETED**

Deletes language that prohibits community colleges from using state funds for construction or maintenance of a self-liquidating project and deletes requirement that colleges comply with Joint Capital Outlay Subcommittee (JCOS) use and finance policy for any capital outlay projects and subjects community colleges that fail to comply with JCOS requirements to a penalty of 1% of the operations funding for each violation.

#### **Sec. 210g. Bachelor of Science in Nursing Articulation Agreements Reporting – DELETED**

Deletes language that requires community colleges seeking articulation agreements with universities on a bachelor of science in nursing to report on the summary of efforts on establishing articulation agreements with public or independent universities.

#### **Sec. 210h. Community College COVID-19 Vaccination Exemption Requirement – REVISED**

Details exemptions and reporting requirements that community colleges must provide to students if a campus mandatory vaccine policy is implemented. Revises language to include employees to exemptions and reporting requirements and adds details around exemptions, accommodations and reporting requirements.

#### **Sec. 216. Michigan Reconnect Program Short-Term Training Grants – NEW**

Adds language detailing that Michigan Reconnect program funds for short-term training grants must be expended according to statutory requirements while funding the short-term training grants to include all individuals at least 21 years old; requires the Department of Labor and Economic Opportunity to report on funds expended on a quarterly basis; and designates unexpended funds as a work project.

#### **Sec. 216a. Community College Academic Catch-Up Program Detail – NEW**

Adds language detailing the requirements the Michigan Community College Association must follow when awarding academic catch-up program grants to individual community colleges through a committee review process, and the requirements community colleges must follow when creating an academic catch-up program in order to receive grant funding.

#### **Sec. 216b. Michigan ADN to BSN Completion Grant Program Detail – NEW**

Adds language detailing the requirements community colleges must follow when creating ADN to BSN partnerships with public and private four-year college and university BSN-granting programs, along with details on what program grant funding can be used for; requires annual assessment by the Michigan Community College Association, the Michigan Association of State Universities, Michigan Independent Colleges and Universities and participating community colleges and four-year colleges and universities; and designates unexpended funds as a work project.

#### **Sec. 226b. COVID-19 Federal Funding Reporting Requirement – REVISED**

Requires community colleges to report all federal funding received related to the COVID-19 pandemic and requires report to be posted on a public website. Revises to include the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act of 2021.

#### **Sec. 226e. Post-Secondary Degree, Certification or Credential Obtainment Goal – NEW**

Adds language that sets a goal of 60% of Michigan residents achieving a post-secondary credential, certification or degree by 2030.

#### **Sec. 226f. Pregnant and Parenting Student Services Office Requirements – NEW (VETOED)**

Adds language detailing the requirements of a pregnant and parenting student services office that community colleges may establish. If a community college establishes an office, a report must be submitted by December 1, 2022 detailing expenditures, a performance evaluation and the number of students served. *Governor vetoed section because it was considered tied to Sec. 201(10), the line funding the pregnant and parenting student services program that was also vetoed.*

#### **Sec. 226g. Campus Advocacy Policy – REVISED**

Requires community colleges adopt advocacy policies for distribution and demonstrations around first amendment activities and political speech. Revises policy adoption date from January 1, 2022 to January 1, 2023.

#### **Sec. 227. College Level Equivalent Credit Examination Requirements – NEW**

Adds language that requires community colleges to develop and implement policies for awarding academic credit for college level equivalent credit examinations, allow students to earn college credit through exams once enrolled, post the policies and opportunities for credit examinations and submit a report if the college requires exam scores higher than those recommended by the American Council on Education to earn credit through examinations.

**Major Boilerplate Changes from FY 2021-22**

***Sec. 227a. Accelerated Degree Completion Pathways Requirement – NEW***

Adds language that requires community colleges to provide all students with information on accelerated degree completion pathways within the first semester of enrollment, post the information on a public website and create accelerated degree completion pathways if they do not exist.

***Sec. 229. Veterans and Active Soldiers Notice on Applications and Tuition and Fee Rates – REVISED***

States each community college is expected to include in its application for admission a specific question as to whether the applicant is a current or former member of the armed forces. Urges colleges to work with various organizations to review the issue of in-district tuition for veterans. States that each community college is expected to provide reasonable programming and scheduling accommodations for military duties or training obligations. Adds language that requires community colleges to provide college-level equivalent credit examination opportunities for veterans, active military members, National Guard or military reserves, and when aware that an applicant for admission is a veteran or member of the military, to notify applicant of potential availability of academic credit for college-level military training.

***Sec. 230. Performance Formula Detail and Local Strategic Value Categories – REVISED***

States the formula by which the amount available for performance funding (which is the amount of the annual increase in funding for community college operations) is allocated: 30% proportionate to prior-year base appropriations, 30% based on contact-hour-equated students weighted for health and technology/industrial fields, 10% based on performance completion improvement, 10% based on performance completion number, 10% based on performance completion rate, 5% based on administrative costs, 5% based on meeting certain requirements reflective of providing strategic value to the local community. Lists requirements for the local strategic value categories. States that community colleges must participate and submit semi-annual updates to the Michigan Transfer Network to receive performance funding payments. Adds language that provides tuition restraint requirements in order to receive performance funding for FY 2022-23; community colleges must limit in-district tuition and fee increases to 5.0% or \$226, whichever is greater. Defines the term "fee" to include the cost of any charges paid by more than half of all resident students. Defines the term "tuition and fee rate" to be the average cost charged to the majority of students for the 2 semesters with the highest amount of full-time equated students during an academic year. Specifies community colleges that violate the tuition restraint cap shall not receive a capital outlay project authorization in FY 2022-23 and FY 2023-24 and will have their appropriation adjusted. Adds language requiring a workgroup consisting of members from the House, Senate, Executive, Michigan Community College Association, community colleges, and support staff to evaluate the performance formula and equitable community college funding measures and produce recommendations by December 15, 2022.

**COMMUNITY COLLEGES**

**FY 2022-23 Community College Operations Appropriations  
Enacted Summary**

% of Formula:	FY 2021-22				30%	10%	10%	10%	30%	5%	5%	100%	FY 2021	Indian	Total Indian	FY 2022-23	%
	Total	Tuition	FY 2021-22	FY 2021-22		Performance-	Performance-	Performance-	Contact	Administrative	Local	Total	Indian	Tuition	Tuition	Appropriation	Change
	Appropriation	Waiver	One-Time	Base	Sustainability	Improvement	Completion	Completion	Hours		Strategic	Formula	Waiver Cost	Waiver	Waiver		
		Payment	Payment	Appropriation			Number	Rate			Value	Distribution		Adjustments	Payment		
Alpena	\$5,830,600	\$23,900	\$53,400	\$5,753,300	\$86,306	\$33,844	\$19,850	\$41,774	\$45,741	\$31,583	\$14,384	\$273,500	\$13,700	(10,200)	\$13,700	\$6,040,500	3.6%
Bay de Noc	5,772,400	111,600	58,000	5,602,800	84,049	27,020	19,431	41,939	54,869	32,863	14,008	274,200	109,700	(1,900)	109,700	5,986,700	3.7%
Delta	15,364,000	60,100	143,400	15,160,500	227,426	60,647	73,006	78,535	214,186	36,042	37,904	727,700	40,200	(19,900)	40,200	15,928,400	3.7%
Glen Oaks	2,684,500	0	33,300	2,651,200	39,771	24,191	9,453	29,945	36,460	4,465	6,629	150,900	0	0	0	2,802,100	4.4%
Gogebic	4,968,100	52,000	42,400	4,873,700	73,111	38,059	11,271	41,693	32,519	20,761	12,185	229,600	42,500	(9,500)	42,500	5,145,800	3.6%
Grand Rapids	19,193,200	198,600	221,500	18,773,100	281,619	78,881	106,940	93,361	352,331	32,987	46,936	993,100	184,400	(14,200)	184,400	19,950,600	3.9%
Henry Ford	22,753,900	15,000	205,800	22,533,100	338,023	108,645	130,163	90,140	409,156	34,545	56,337	1,167,000	31,300	16,300	31,300	23,731,400	4.3%
Jackson	12,912,300	46,200	109,900	12,756,200	191,358	52,368	41,221	51,029	140,543	30,495	31,893	538,900	42,600	(3,600)	42,600	13,337,700	3.3%
Kalamazoo Valley	13,320,400	86,100	134,400	13,099,900	196,514	70,102	60,425	71,099	209,497	35,782	32,752	676,200	56,600	(29,500)	56,600	13,832,700	3.8%
Kellogg	10,419,200	51,300	100,800	10,267,100	154,019	46,551	46,987	60,061	117,975	36,017	25,670	487,300	27,000	(24,300)	27,000	10,781,400	3.5%
Kirtland	3,404,000	6,500	39,100	3,358,400	50,380	53,484	15,919	13,435	49,765	28,128	8,397	219,500	23,100	16,600	23,100	3,601,000	5.8%
Lake Michigan	5,768,200	13,100	52,400	5,702,700	85,547	25,419	23,153	22,813	83,351	21,193	14,258	275,700	12,400	(700)	12,400	5,990,800	3.9%
Lansing	33,255,300	122,700	280,600	32,852,000	492,819	136,702	135,405	150,169	349,510	30,111	82,137	1,376,900	110,300	(12,400)	110,300	34,339,200	3.3%
Macomb	34,629,700	23,300	330,300	34,276,100	514,182	148,752	133,448	155,709	564,717	33,287	85,697	1,635,800	38,500	15,200	38,500	35,950,400	3.8%
Mid-Michigan	5,396,300	153,900	58,000	5,184,400	77,772	28,039	20,305	20,739	90,621	23,285	12,962	273,700	97,600	(56,300)	97,600	5,555,700	3.0%
Monroe County	4,798,100	700	51,200	4,746,200	71,199	27,463	22,838	18,986	74,181	30,848	11,866	257,400	1,400	700	1,400	5,005,000	4.3%
Montcalm	3,612,600	4,800	37,200	3,570,600	53,563	14,284	20,672	14,284	47,520	29,047	8,927	188,300	8,500	3,700	8,500	3,767,400	4.3%
Mott	16,623,500	41,000	142,500	16,440,000	246,620	65,765	62,522	65,765	146,708	29,826	41,103	658,300	28,800	(12,200)	28,800	17,127,100	3.0%
Muskegon	9,431,700	57,500	85,100	9,289,100	139,348	51,673	34,511	55,544	107,175	32,824	23,225	444,300	42,000	(15,500)	42,000	9,775,400	3.6%
North Central	3,612,700	181,200	42,200	3,389,300	50,844	21,496	18,487	31,496	66,323	29,500	8,474	226,600	163,900	(17,300)	163,900	3,779,800	4.6%
Northwestern	9,906,900	251,200	88,600	9,567,100	143,518	47,892	31,540	57,719	107,955	27,118	23,920	439,700	155,500	(95,700)	155,500	10,162,300	2.6%
Oakland	22,485,200	33,500	240,000	22,211,700	333,202	117,818	135,737	108,287	475,370	31,865	55,534	1,257,800	35,800	2,300	35,800	23,505,300	4.5%
Schoolcraft	13,386,700	38,800	151,700	13,196,200	197,959	59,029	81,236	70,373	268,588	33,148	32,993	743,300	21,200	(17,600)	21,200	13,960,700	4.3%
Southwestern	7,081,900	34,100	68,400	6,979,400	104,699	90,531	19,815	27,920	66,431	26,588	17,450	353,400	27,100	(7,000)	27,100	7,359,900	3.9%
St. Clair County	7,478,700	15,100	78,400	7,385,200	110,787	30,597	47,040	49,643	118,605	26,272	18,464	401,400	18,600	3,500	18,600	7,805,200	4.4%
Washtenaw	14,080,600	35,300	189,400	13,855,900	207,855	67,584	206,350	75,221	368,423	35,370	34,643	995,400	23,700	(11,600)	23,700	14,875,000	5.6%
Wayne County	17,782,100	15,000	173,700	17,593,400	263,922	70,379	80,310	70,379	225,789	27,979	43,987	782,700	8,600	(6,400)	8,600	18,384,700	3.4%
West Shore	2,630,600	20,200	24,800	2,585,600	38,787	21,184	10,362	10,343	30,888	17,269	6,465	135,400	21,200	1,000	21,200	2,742,200	4.2%
	<b>\$328,583,400</b>	<b>\$1,692,700</b>	<b>\$3,236,500</b>	<b>\$323,654,200</b>	<b>\$4,855,200</b>	<b>\$1,618,400</b>	<b>\$1,618,400</b>	<b>\$1,618,400</b>	<b>\$4,855,200</b>	<b>\$809,200</b>	<b>\$809,200</b>	<b>\$16,184,000</b>	<b>\$1,386,200</b>	<b>(\$306,500)</b>	<b>\$1,386,200</b>	<b>\$341,224,400</b>	<b>3.8%</b>

Requirement to receive performance funding for FY 2022-23:

1. Restrain FY 2022-23 in-district tuition/fee rate increase to 5.0% or \$226 (whichever is greater)

Data Notes	Source	Years
Component		
Performance improvement	CEPI	FYs 2018-2020
Performance completion number	Federal IPEDS	FYs 2018-2020
Performance completion rate	CEPI	FYs 2018-2020
Contact hours	State MCCDI	FY 2021
Administrative	State MCCDI	FYs 2020-2021



**DEPARTMENT OF CORRECTIONS**  
**Summary of FY 2022-23 Enacted with Vetoes**  
**Public Act 166 of 2022 (House Bill 5783, Article 2)**

Analyst: Robin R. Risko

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	5,364,100	5,148,400	(215,700)	(4.0)
<b>Local</b>	9,646,100	9,879,500	233,400	2.4
<b>Private</b>	0	0	0	--
<b>Restricted</b>	45,493,400	29,831,800	(15,661,600)	(34.4)
<b>GF/GP</b>	2,005,369,400	2,080,108,300	74,738,900	3.7
<b>Gross</b>	<b>\$2,065,873,000</b>	<b>\$2,124,968,000</b>	<b>\$59,095,000</b>	<b>2.9</b>
<b>FTEs</b>	13,500.4	13,514.4	14.0	0.1

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Department of Corrections (MDOC) is responsible for operation and maintenance of the state's 27 correctional facilities that house felony offenders sentenced to prison. This includes provision of physical and mental health care, education, food service, transportation, and reintegration programming. The department is also responsible for supervision of all parolees and probationers under the department's jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of July 1, 2022, the department was responsible for 73,724 offenders: 32,140 prisoners; 31,469 probationers; and 10,115 parolees. From 1 year ago, the total number of offenders decreased by 2,752, or by 3.6%. The number of prisoners decreased by 405, or 1.2%. The number of probationers decreased by 607, or 1.9%. The number of parolees decreased by 1,740, or 14.7%.

**Major Budget Changes from FY 2021-22 YTD Appropriations****1. Electronic Prisoner/Staff Communications**

Includes \$15.0 million in one-time GF/GP to convert the current paper "kite" system to an electronic "kite" system. Currently, over 1 million paper "kites" are sent by prisoners to staff each year. Funding will be used to expand secure Wi-Fi networks at correctional facilities and to provide prisoners with tablets to use to file requests, perform tasks, and receive communications.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	NA	<b>\$15,000,000</b>
GF/GP	NA	\$15,000,000

**2. John Does v Department of Corrections Settlement**

Includes \$15.0 million in one-time GF/GP to make the last payment of the *John Does v Department of Corrections* settlement agreement. The payment will be made on October 15, 2022. The case settled for \$80.0 million total, inclusive of attorney fees and costs, and it was agreed that the settlement would be paid out in 4 installments.

<b>Gross</b>	NA	<b>\$15,000,000</b>
GF/GP	NA	\$15,000,000

**CORRECTIONS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>3. <i>Appropriate GF/GP to Replace Revenue Received from Prisoner Telephone Charges</i></b>	<b>Gross</b>	<b>\$14,778,900</b>	<b>\$0</b>
	Restricted	14,778,900	(14,778,900)
	GF/GP	\$0	\$14,778,900
Includes \$14.8 million GF/GP to replace revenue that currently is derived from fees paid by prisoners for use of telephone services. Prisoners are charged a base per minute call rate. A portion of the revenue collected pays the contract vendor and a portion of the revenue is deposited into the Program and Special Equipment Fund (roughly \$11.0 million annually). Funding is used, primarily, to support prisoner education and offender success programs administered by the department.			
<b>4. <i>Body Scanners for Drug Detection</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$4,500,000</b>
	GF/GP	NA	\$4,500,000
Includes \$4.5 million in one-time GF/GP for purchasing body scanners that will be used for drug detection at all correctional facilities.			
<b>5. <i>Temporary Nursing Staff Contract Rate Increases</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$3,721,100</b>
	GF/GP	NA	\$3,721,100
Includes \$3.7 million GF/GP to cover annual contract rate increases for temporary nursing staff. Contract rates for RN's have increased between 66% and 95% and contract rates for LPN's have increased between 67% and 92%.			
<b>6. <i>Vocational Village Expansion</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$2,500,000</b>
	GF/GP	NA	\$2,500,000
Includes \$2.5 million in one-time GF/GP for expansion of the Vocational Village program.			
<b>7. <i>Improvements to Staff Areas in Correctional Facilities</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$2,500,000</b>
	GF/GP	NA	\$2,500,000
Includes \$2.5 million in one-time GF/GP for making improvements to common staff areas in correctional facilities, including employee restrooms, breakrooms, and exercise rooms, and for upgrading or replacing flooring, furniture, fixtures, and equipment.			
<b>8. <i>Information Management System Maintenance and Support</i></b>	FTE	NA	10.0
	<b>Gross</b>	<b>NA</b>	<b>\$1,195,500</b>
	GF/GP	NA	\$1,195,500
Includes \$1.2 million GF/GP and authorization for an additional 10.0 FTE positions to support development, implementation, and ongoing maintenance of the new Corrections Offender Management System (COMS) and to support HR legacy system replacement for non-offender human resource systems.			
<b>9. <i>Page Alert for Deaf and Hard of Hearing Prisoners</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
	GF/GP	NA	\$1,000,000
includes \$1.0 million in one-time GF/GP for implementation of a page alert system at a number of correctional facilities for deaf and hard of hearing prisoners.			
<b>10. <i>COVID-19 Suspended Intake Payments</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
	GF/GP	NA	\$1,000,000
Includes \$1.0 million in one-time GF/GP for reimbursing county jails for housing felons who otherwise would be sent to correctional facilities if intake was not closed due to COVID-19 control plans.			
<b>11. <i>Goodwill Flip the Script</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$750,000</b>
	GF/GP	NA	\$750,000
Includes \$750,000 in one-time GF/GP for Goodwill Flip the Script. Funding will be used by Goodwill Industries of Greater Detroit to provide education, job training, and mentoring to troubled 16-39 year-olds who have entered the criminal justice system for a first or second time. The program is focused on keeping them out of prison.			
<b>12. <i>Updated Officer Uniforms</i></b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
	GF/GP	NA	\$500,000
Includes \$500,000 in one-time GF/GP for updating uniform shirts for corrections officers from button down style to polo style.			

**CORRECTIONS****Major Budget Changes from FY 2021-22 YTD Appropriations**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>13. Prosperity Region 8 Pilot Program</b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
Includes \$500,000 in one-time GF/GP for the Prosperity Region 8 Pilot Program. The program aims to provide post-release care management services for parolees in Prosperity Region 8, which includes development of prerelease mental health discharge plans.	GF/GP	NA	\$500,000
<b>14. Chance for Life</b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
Includes \$500,000 in one-time GF/GP funding for the Chance for Life program, an evidence-based mentoring program for prisoners that emphasizes job training, life skills, and family reintegration.	GF/GP	NA	\$500,000
<b>15. Cost Increase for Statewide Security Services</b>	<b>Gross</b>	<b>NA</b>	<b>\$244,400</b>
Includes \$244,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased statewide. The department is responsible for covering increased costs for security staff in parole and probation offices around the state and at the Grandview Plaza headquarters building in downtown Lansing.	GF/GP	NA	\$244,400
<b>16. City of Jackson Water and Sewer Rate Increases</b>	<b>Gross</b>	<b>NA</b>	<b>\$212,000</b>
Includes \$212,000 GF/GP to cover costs of a 12% increase in water rates and a 4% increase in sewer rates effective July 2021. The City of Jackson indicates that much of the cost is attributable to lead service line replacements along with deficiencies found by DEGLE in wastewater treatment plant practices.	GF/GP	NA	\$212,000
<b>17. Gender Reassignment Legal Defense – VETOED</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Governor vetoed \$100,000 in one-time GF/GP that was included for costs of legal defense related to the prohibition on using state funding for gender reassignment surgeries or therapies.	GF/GP	NA	\$0
<b>18. Savings from Reduced Populations</b>	<b>Gross</b>	<b>NA</b>	<b>(\$3,750,000)</b>
Reflects a one-time savings of \$3.8 million GF/GP expected to result from the reduction in correctional system populations.	GF/GP	NA	(\$3,750,000)
<b>19. Eliminate Public Works</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$1,000,000)</b>
Eliminates authorization to receive \$1.0 million in state restricted Public Works User Fees. Funding authorization has been included in the budget, though user fees have not been collected in many years.	Restricted	1,000,000	(1,000,000)
	GF/GP	\$0	\$0
<b>20. Eliminate Federal RSAT Fund Source</b>	<b>Gross</b>	<b>\$250,200</b>	<b>(\$250,200)</b>
Eliminates authorization to receive \$250,200 in federal Residential Substance Abuse Treatment funding. Authorization has been included in the budget, though federal funding has not been awarded in many years.	Federal	250,200	(250,200)
	GF/GP	\$0	\$0
<b>21. Local Corrections Officer Training Fund</b>	<b>Gross</b>	<b>\$100,000</b>	<b>(\$100,000)</b>
Eliminates the \$100,000 appropriation of Local Corrections Officer Training Fund revenue due to implementation of GASB 84 accounting standards and requirements concerning fiduciary fund activity and reporting by state and local governments. The revenue is received from county jails and used to support the Sheriffs' Coordinating and Training Council. Boilerplate authorizes the appropriation and allows the department to continue its' responsibilities under the Local Corrections Officer Training Act, 2003 PA 125.	Restricted	100,000	(100,000)
	GF/GP	\$0	\$0
<b>22. Offender Risk Evaluation Unit</b>	FTE	NA	4.0
Includes authorization for 4.0 FTE positions for creating an Offender Risk Evaluation Unit. Funding to support the unit, \$472,900 GF/GP, will be transferred from the Offender Success Services line item.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	GF/GP	NA	\$0

**CORRECTIONS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>23. Technical Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Makes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to more accurately reflect employee counts and to align funding authorization with department operations and activities.	GF/GP	NA	\$0
<b>24. Eliminate Current Year One-Time Funding</b>	<b>Gross</b>	<b>\$27,050,000</b>	<b>(\$27,050,000)</b>
Reduces the budget by \$27.1 million GF/GP to reflect elimination of one-time funding included in the FY 2021-22 budget. Eliminated funding includes: \$1.5 million for the Chance for Life program, \$250,000 for Goodwill Flip the Script, \$25.0 million for the third payment of the <i>John Does v Department of Corrections</i> settlement agreement, and \$300,000 for the Prosperity Region 8 Pilot program.	GF/GP	\$27,050,000	(\$27,050,000)
<b>25. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$42,122,200</b>
Reflects increased costs of \$42.1 million Gross (\$41.6 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), overtime, longevity, insurance, actuarially required retirement contributions, worker's compensation, building occupancy charges, food, fuel, and utilities, and other economic adjustments.	Federal	NA	34,500
	Local	NA	233,400
	Restricted	NA	217,300
	GF/GP	NA	\$41,637,000

**Major Boilerplate Changes from FY 2021-22**

**GENERAL SECTIONS**

**Sec. 205. Standard List of Report Recipients – NEW**

Requires all reports required in boilerplate to be submitted to the Senate and House Appropriations Subcommittees on Corrections, the Senate and House Fiscal Agencies, the Legislative Corrections Ombudsman, and the State Budget Office, unless otherwise noted

**Sec. 207. Prohibition of Taking Disciplinary Action Against State Employees and Prisoners – RETAINED (UNENFORCEABLE)**

Prohibits MDOC from taking disciplinary action against classified civil service employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and MDOC is exercising its authority. (Governor's signing letter states this section is unenforceable.)

**Sec. 218. In-Person Work Requirement – NEW**

Expresses legislative intent that MDOC maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires MDOC to post its in-person, remote, or hybrid work policy on its website.

**Sec. 219. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Authorizes the legislature, by a concurrent resolution adopted by a majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. (Governor's signing letter states this section is unenforceable.)

**Sec. 219. Prison Telephone Contract and Program and Special Equipment Fund – DELETED**

Requires prisoner telephone service contract to contain a condition that prisoner telephone fees be the same as those applying outside of institutions, except for surcharges needed to meet program and special equipment costs; requires not less than 75% of revenue from fees charged to prisoners to be used for prisoner programming, special equipment, and security projects; authorizes carry forward of unexpended revenue; requires report on revenues and expenditures. (New language on prison telephone services is included in Sec. 308.)

**Sec. 225. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Prohibits appropriations that have unexpended work project authorization associated with them, to the extent possible, from being expended until all existing work project authorization for the same purpose is exhausted. (Governor's signing letter states this section is unenforceable.)

**Major Boilerplate Changes from FY 2021-22**

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

**Sec. 304. Staff Suggestions – RETAINED (UNENFORCEABLE)**

Requires MDOC to maintain a staff savings initiative program for employees to submit suggestions for efficiencies for the department; requires MDOC to consider suggestions in a timely manner; requires report on process improvements made based on suggestions received; requires MDOC to give noncompensatory recognition to employees whose suggestions are implemented. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 306. Sheriffs' Coordinating and Training Office – REVISED**

Lists allowable uses of funding appropriated for Sheriffs' Coordinating and Training Office (e.g., defray costs of continuing education, certification, recertification, decertification, training of local corrections officers, personnel and administrative costs, local corrections officers advisory board). Revised to require MDOC to provide fiduciary oversight of funds received under the Local Corrections Officer Training Act.

**Sec. 308. Prisoner Phone Service Contract – NEW**

Requires MDOC to ensure the prisoner phone system provider establishes a new per minute phone charge; requires phone rates to reflect the complete elimination of the phone contract as a revenue source for the Program and Special Equipment Fund; requires MDOC to negotiate the lowest per minute rate while meeting operational needs; requires MDOC to provide notice of any change in the per minute cost of phone calls within 15 days of the change.

**Sec. 314. New Employee Schools – REVISED**

Requires MDOC to report on new employee schools, including number of schools that took place and location of each, number of recruits that started, number of recruits that graduated, number of recruits that continued employment with the department, and MDOC strategies to achieve a 5% or lower target corrections officer vacancy rate. Revised to do the following: require MDOC to work to hire and train new corrections officers to address attrition and to decrease overtime costs; require MDOC to report reasons for not meeting the 5% or lower target corrections officer vacancy rate; and require MDOC to explain challenges it faces when trying to meet the target vacancy rate.

**Sec. 318. Professional Development and Training for Staff – REVISED**

Requires MDOC to report on programs that offer professional development and training opportunities for all levels of custody supervisors and first line managers, including an overview of existing programs, and a review of similar programs available in other organizations and in other states. Revised to require report on changes made to existing professional development programs and training opportunities.

**Sec. 324. New Custody Staff Training – RETAINED (UNENFORCEABLE)**

Requires MDOC to target new custody staff training at hiring a minimum of 800 corrections officers to address higher than normal attrition and to decrease overtime costs. *(Governor's signing letter states this section is unenforceable.)*

**OFFENDER SUCCESS ADMINISTRATION**

**Sec. 401. Offender Success Expenditures and Allocations – REVISED**

Requires MDOC to report on actual prior-year and planned current-year offender success expenditures and allocations; authorizes MDOC to collect cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete academic- and job skills-related programs. Revised to appropriate and authorize expenditure of funds received.

**Sec. 405. Residential Services Per Diem Reimbursement – REVISED**

Limits residential services per diem reimbursement rate to \$55.50; lists allowable uses of program funding for reimbursing counties for transportation, treatment costs, and housing drunk drivers during period of assessment for treatment and case planning; provides for reimbursement for housing at a rate of \$43.50 per day per offender for up to a maximum of five days. Revised to reflect increase in residential services per diem reimbursement rate to not more than \$65.00.

**Sec. 406. Wastewater Operator Certification Program – DELETED**

Requires MDOC to conduct a study, in consultation with DEGLE, to determine feasibility of including prisoners nearing earliest release dates in the Wastewater Operator Certification program administered by DEGLE; requires report on feasibility of training and certifying prisoners to become water, drinking water, wastewater, and stormwater operators; if determined to not be feasible, requires report on reasons for infeasibility.

## **CORRECTIONS**

### **Major Boilerplate Changes from FY 2021-22**

#### **Sec. 407. Public Safety Initiative – REVISED**

Requires Genesee County law enforcement agency to report on expenditures made from appropriation; requires report to include purpose for which expenditures were made, amounts of expenditures by purpose, specific services provided, and number of individuals served; authorizes Senate and House Subcommittees on Corrections to request Genesee County law enforcement agency to appear before subcommittees to discuss report. Revised to prohibit allocation of funding to Genesee County law enforcement agency until all reports are submitted and includes MDOC as one of report recipients.

#### **Sec. 408. State Identification/Birth Certificates/Military Documents for Returning Prisoners – REVISED**

Requires MDOC to collaborate with other state entities to develop processes to assist prisoners with obtaining state identification, birth certificates, and military documents if applicable. Revised to require MDOC to establish and maintain policies and procedures that allow prisoners to obtain documents prior to parole or discharge.

#### **Sec. 411. Medication-Assisted Treatment Offender Success Pilot Programs – REVISED**

Requires MDOC to establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid- and alcohol-addicted offenders who voluntarily participate in the programs; requires MDOC to collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease treatment; authorizes manufacturer to provide MDOC with samples of medication at no cost to department; requires MDOC to provide participating offenders with one injection prior to release from custody and to connect offenders with aftercare plan; requires program participants to attend substance abuse treatment programming and subjects them to routine drug and alcohol testing; requires MDOC to report follow-up information on offenders receiving injections, including number receiving injections and testing positive for drugs or alcohol, number receiving injections and remaining in community for duration of at least 3 months, and number receiving injections that were subsequently returned to prison. Revised to require a multifaceted approach to treatment, including various forms of treatment, counseling, and post release referral; requires MDOC to consider the use of long-acting injectable formulations, when clinically appropriate, of FDA-approved medication-assisted treatment for alcohol and opioid use disorder when developing an offender's release plan.

#### **Sec. 417. Report on New Initiatives to Control Prison Population Growth – DELETED**

Requires MDOC to report on any new initiatives aimed at controlling prison population growth and for each new initiative program objectives and outcome measures, number of offenders completing program, number of offenders successfully remaining in community 3 years following completion, expenditures, impact on jail utilization, impact on prison admissions, and other information relevant to evaluation of programs.

## **FIELD OPERATIONS ADMINISTRATION**

#### **Sec. 501. Curfew Monitoring Program Costs – DELETED**

Requires MDOC to administer curfew monitoring program intended to reduce prison admissions and improve jail utilization; requires MDOC to provide counties with curfew monitoring equipment and administrative oversight for a fee; prohibits access to program for counties with outstanding charges over 60 days.

## **HEALTH CARE**

#### **Sec. 601. Health Care Timeliness and Expenditures – REVISED**

Requires MDOC to report on expenditures, allocations, status of payments, and projected expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment; requires report on pharmaceutical prescribing practices, including detailed accounting of expenditures on antipsychotic medications and any changes made to prescription drug formularies. Revised quarterly reporting to annual reporting and requires annual report to include status of department's efforts to develop measurable data and outcomes for physical and mental health care within the prisoner population.

#### **Sec. 604. Hepatitis C – REVISED**

Requires funding for Hepatitis C to be used for purchase of specialty medication for treatment of Hepatitis C; requires report on amount spent on specialty medication, number of prisoners treated, amount of any rebates received, and outstanding rebates expected to be received; requires report to include number of offenders requiring retreatment broken down by number that have been retreated while incarcerated and number that have been treated, released, and retreated upon reincarceration. Revised quarterly reporting to annual reporting and requires report to include Hepatitis C status of all incoming prisoners and the number of prisoners who are reinfected while incarcerated requiring repeated treatment.

**Major Boilerplate Changes from FY 2021-22**

**ONE-TIME APPROPRIATIONS**

***Sec. 801. Chance for Life Program – REVISED***

Requires funding to be allocated to an organization that provides prison-based rehabilitation programming including educational, life skills, and behavioral modification programs; states objective of programming is to offer a progressive transformational program to individuals while in prison, in an effort to prepare them for successful transition back to community; states purpose of organization is to increase community safety by reducing recidivism through providing evidence-based mentoring, employment soft skills training, job placement assistance, critical thinking skills, mediation, and conflict resolution training. Revised to require there to be a performance-based contract that allows for payment based on the number of prisoners and parolees served according to program rules and outcomes agreed upon by MDOC and the provider.

***Sec. 802. Reimburse Counties for Housing Offenders – NEW***

Requires MDOC to reimburse counties for housing in jails felons who otherwise would have been transported to state correctional facilities if not for COVID-19 control plans; prohibits reimbursement to counties that lack appropriate COVID safeguards or that are experiencing a COVID breakout in their county jail operations; prohibits reimbursement to counties for the County Jail Reimbursement Program for days reimbursed under this section; requires MDOC to reimburse counties at a rate of \$80.00 per offender per day; requires counties to submit proper documentation.

***Sec. 803. Improvements to Staff Areas in Correctional Facilities – NEW***

Requires appropriation to be used to make upgrades to staff common areas, including staff break rooms, staff restrooms, and staff exercise rooms; authorizes upgrades to include replacement of flooring, furniture, equipment, and fixtures.

***Sec. 805. Gender Reassignment – NEW (VETOED)***

Requires MDOC to use the \$100,000 appropriation for legal defense related to the prohibition on using state funds for gender reassignment surgeries or therapies while individuals are under the jurisdiction of the department. *(Governor vetoed \$100,000 appropriation; so language is vetoed too.)*

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

***1. Coronavirus Relief Funds for Payroll***

Includes \$883.0 million of federal Coronavirus State Fiscal Recovery Funds and reduces GF/GP by a like amount. Funding will be allocated to support payroll costs for frontline workers throughout the department, but primarily at correctional facilities.

	<b>Gross</b>	<b>\$0</b>
Federal	883,000,000	
GF/GP	(\$883,000,000)	

**DEPARTMENT OF EDUCATION  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 3)**

**Analyst: Michael Benson**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	1,807,625,600	302,950,800	(1,504,674,800)	(83.2)
<b>Local</b>	5,870,300	5,878,600	8,300	0.1
<b>Private</b>	2,238,500	2,240,400	1,900	0.1
<b>Restricted</b>	9,785,400	9,919,700	134,300	1.4
<b>GF/GP</b>	102,508,100	99,591,500	(2,916,600)	(2.8)
<b>Gross</b>	<b>\$1,928,027,900</b>	<b>\$420,581,000</b>	<b>(\$1,507,446,900)</b>	<b>(78.2)</b>
<b>FTEs</b>	622.5	627.5	5.0	0.8

Notes:

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations and libraries, providing technical assistance to school districts and libraries, and providing early education and child day care support for low-income and other qualifying families.

Major Budget Changes from FY 2021-22 YTD Appropriations

**1. One-Time Childcare Funding Removal**

Reflects the one-time nature of \$1.5 billion federal in child care funding included in the FY 2021-22 budget.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>\$1,495,863,500</b>	<b>(\$1,495,863,500)</b>
Federal	1,495,863,500	(1,495,863,500)
GF/GP	\$0	\$0

**2. Removal – Teacher Talent Pipeline**

Removes \$10.0 million federal COVID-19 Governor's Emergency Education Relief (GEER) II funds for a grant to an education-related nonprofit organization that supports a teacher talent pipeline through teacher recruitment, training, development and retention. This item was funded as one-time in FY 2021-22.

<b>Gross</b>	<b>\$10,000,000</b>	<b>(\$10,000,000)</b>
Federal	10,000,000	(10,000,000)
GF/GP	\$0	\$0

**3. Removal – PRIME Schools**

Removes \$6.0 million GF/GP and authorization for 1.0 FTE position for the SME Education Foundation's Partnership Response in Manufacturing Education (PRIME) initiative. Of the \$6.0 million, at least \$5.8 million was allocated for PRIME and up to \$200,000 and 1.0 FTE for the Department of Education to administer the initiative. This item was funded as one-time in FY 2021-22.

FTE	1.0	(1.0)
<b>Gross</b>	<b>\$6,000,000</b>	<b>(\$6,000,000)</b>
GF/GP	\$6,000,000	(\$6,000,000)

**4. Before and After School Programs**

Shifts funding for before and after school programs to the School Aid budget for FY 2022-23.

FTE	0.0	0.0
<b>Gross</b>	<b>\$5,000,000</b>	<b>(\$5,000,000)</b>
GF/GP	\$5,000,000	(\$5,000,000)



**EDUCATION (DEPARTMENT)**

**Major Budget Changes from FY 2021-22 YTD Appropriations**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>5. Michigan School for the Deaf</b>	<b>Gross</b>	<b>\$13,627,000</b>	<b>\$3,000,000</b>
Provides \$3.0 million GF/GP to expand coordination, staff support, and training for the Michigan School for the Deaf.	Federal	7,550,600	0
	Local	5,870,300	0
	Restricted	206,100	0
	GF/GP	\$0	\$3,000,000
<b>6. ASL Literacy Resources</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Provides \$1.0 million GF/GP, to be expended as provided in HB 5777, for the development of literacy resources, tools, and assessments for the parents and teachers of children who are deaf or hard of hearing.	GF/GP	NA	\$1,000,000
<b>7. Educator Recruitment, Attraction and Administration</b>	FTE	48.0	4.0
Provides \$800,000 GF/GP and authorizes 4.0 FTE positions to fund staff to oversee the administration of educator recruitment and retention programs included in the School Aid budget.	<b>Gross</b>	<b>\$9,458,700</b>	<b>\$800,000</b>
	Federal	3,164,600	0
	Restricted	4,275,500	0
	GF/GP	\$2,018,600	\$800,000
<b>8. Michigan Core Curriculum</b>	<b>Gross</b>	<b>NA</b>	<b>\$750,000</b>
Provides \$750,000 for the department, in collaboration with the confederation of Michigan tribal education department, to design, implement, and evaluate professional learning and optional curriculum modules regarding Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan.	GF/GP	NA	\$750,000
<b>9. Early Childhood Development Administration</b>	FTE	65.0	5.0
Provides \$550,000 GF/GP and authorizes 5.0 FTE positions to support the expansion of the Great Start Readiness Program (GSRP), administration of great start collaboratives and the home visitation program under 32p of the School Aid Act, increased child care staff, and the administration of early childhood programming.	<b>Gross</b>	<b>\$13,468,700</b>	<b>\$550,000</b>
	Federal	11,308,600	0
	Private	250,000	0
	Restricted	64,600	0
	GF/GP	\$1,845,500	\$550,000
<b>10. State Aid to Libraries</b>	<b>Gross</b>	<b>\$15,067,700</b>	<b>\$500,000</b>
Provides \$500,000 GF/GP to State Aid to Libraries.	GF/GP	\$15,067,700	\$500,000
<b>11. Mental Health Administration</b>	FTE	74.6	1.0
Provides \$200,000 and authorizes 1.0 FTE position to hire MDE staff and support and assist schools receiving mental health funding.	<b>Gross</b>	<b>\$13,724,200</b>	<b>\$200,000</b>
	Federal	12,621,800	0
	Restricted	71,700	0
	GF/GP	\$1,030,700	\$200,000
<b>12. School Board Training Reimbursement</b>	<b>Gross</b>	<b>\$260,000</b>	<b>(\$110,000)</b>
Reduces by \$110,000 GF/GP for a total of \$150,000 GF/GP for school board member training reimbursement.	GF/GP	\$260,000	(\$110,000)
<b>13. One-Time Appropriation – Michigan's Poet Laureate</b>	<b>Gross</b>	<b>\$100,000</b>	<b>\$0</b>
Retains \$100,000 GF/GP to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.	GF/GP	\$100,000	\$0
<b>14. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,071,900</b>
Reflects increased costs of \$2.1 million Gross (\$619,200 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	1,308,200
	Local	NA	8,300
	Private	NA	1,900
	Restricted	NA	134,300
	GF/GP	NA	\$619,200

## **EDUCATION (DEPARTMENT)**

### **Major Boilerplate Changes from FY 2021-22**

#### **Sec. 205. Standard List of Report Recipients – NEW**

Requires that all reports be submitted to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agency, and the state budget office.

#### **Sec. 236. Rural Transportation Report – DELETED**

Deletes the requirement for MDE, in collaboration with SBO, to prepare a report on rural transportation funding, including a description of the unique and extenuating circumstances rural school districts face in providing all students within their district with equitable transportation services, the main factors driving transportation costs for rural school districts, the transportation costs of all districts, and a breakdown of the per-pupil transportation cost for all districts.

#### **Sec. 602. School Board Training – RETAINED**

Requires funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members. Moves from Sec. 1100 in the FY 2021-22 act to Sec. 602.

#### **Sec. 410. ASL Literacy Resources – NEW**

Requires funds from ASL Literacy Resources to be used to comply with all requirements in House Bill No. 5777.

#### **Sec. 702. Early Literacy Implementation – REVISED**

Revises language from "not to exceed" to "not less than" \$1.0 million for implementation costs associated with early childhood literacy funded under Sec. 35a of the School Aid budget.

#### **Sec. 703. Michigan Core Curriculum – NEW**

Requires the department, in collaboration with the confederation of Michigan tribal education department, to design, implement, and evaluate professional learning and optional curriculum modules regarding Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan.

#### **Sec. 1001. Before and After School Programs – DELETED**

Removes the requirement for MDE to develop a competitive grant program to distribute funding for before and after school programs to eligible entities; defines eligible entities; requires department to established amounts for each entity; requires funds to be used only for the provision of before and after school programming.

#### **Sec. 1002. CDC Provider Reimbursement Rate Increase – REVISED**

Increases the hourly reimbursement rate to 10%. Maintains requirement that the department ensures the final CDC provider reimbursement rates are published on the MDE and Great Start to Quality webpages.

#### **Sec. 1009. CDC Increase to Eligibility Entrance Threshold – REVISED**

Increases entrance income threshold for the CDC program from 185% to 200% of the federal poverty guidelines. Maintains the following conditions for the entrance income threshold: 1) if the average number of paid children in the CDC program is more than 40,000 for 3 consecutive months, then MDE is required to create a waiting list and begin the administrative process to decrease the income entrance eligibility threshold to not less than 160% of the federal poverty guidelines for the following month; and 2) if the average number of paid children in the CDC program is less than 32,000 by March 31, 2022, then MDE may increase the income entrance eligibility threshold up to 200% of the federal poverty guidelines.

#### **Sec. 1013. Child Care Enhancement Report – NEW**

Requires MDE to create a status report on the child care enhancements appropriated in FY 2021-22.

#### **Sec. 1020. CDC Provider Reimbursement Rate Increase – DELETED**

Removes a requirement that funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to increase the provider reimbursement rates for child care providers by 30% from the established provider rates.

#### **Sec. 1021. Child Care Provider Payment Based on Enrollment Rather than Attendance – DELETED**

Removes a requirement that funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to make payments to child care providers based on enrollment rather than based on attendance.

#### **Sec. 1022. Child Care Stabilization Grants – DELETED**

Removes a requirement that funding from ARP – Child Care Stabilization Fund and CRRSA – Child Care Stimulus to create the child care stabilization grant program to provide subgrants to eligible providers in the state.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 1023. Support for New and Expanding Child Care Providers – DELETED**

Removes a requirement that funding from ARP – Child Care Stabilization Fund and ARP - Child Care Stimulus to be used for technical or financial support to new or expanding child care providers.

**Sec. 1024. Temporary Bonus Payment for Child Care Providers – DELETED**

Removes a requirement that funding from ARP - Child Care Stimulus and CRRSA - Child Care Stimulus to provide temporary bonus reimbursement payments to child care providers in addition to the ongoing reimbursement rate increase.

**Sec. 1025. Copay Waivers – DELETED**

Removes a requirement that funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to pay on a family's behalf the child development and care program's required family contribution.

**Sec. 1026. Bonus Pay for Child Care Workers – DELETED**

Removes a requirement that funding from ARP - Child Care Stimulus and CRRSA – Child Care Stimulus to be used for child care worker bonus pay.

**Sec. 1027. Contracts for Infant and Toddler Slots – DELETED**

Removes a requirement that funding from ARP – Child Care Stimulus and CRRSA – Child Care Stimulus to be used by the department to contract with child care providers for infant and toddler slots to increase the supply of these services for Michigan families.

**Sec. 1028. Department Administrative Funding – DELETED**

Removes a requirement that funding from CRRSA – Child Care Stimulus and ARP – Child Care Stimulus to be used by the department for implementation costs.

**Sec. 1030. Work Project: ARP – Child Care Stabilization – DELETED**

Removes a designation for unexpended funding from ARP – Child Care Stabilization to be a work project.

**Sec. 1031. Work Project: CRRSA – Child Care Stimulus – DELETED**

Removes a designation for unexpended funding from CRRSA – Child Care Stimulus to be a work project.

**Sec. 1032. Work Project: ARP – Child Care Stimulus – DELETED**

Removes a designation for unexpended funding from ARP – Child Care Stimulus to be a work project.

**Sec. 1033. Work Project: Child Care Award – DELETED**

Removes a designation for unexpended funding from Child Care Award to be a work project.

**Sec. 1034. Work Project: ARP – Child Care Entitlement – DELETED**

Removes a designation for unexpended funding from ARP – Child Care Entitlement to be a work project.

**Sec. 1100. School Board Training – DELETED**

Removes a requirement for funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members.

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

	<b>Appropriation</b>
	<b><u>Change</u></b>
<b>1. Camp Tuhsmeheeta Elm Hall Renovation</b>	<b>Gross \$1,300,000</b>
Appropriates \$1.3 million of private funds for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired.	Private 1,300,000
	GF/GP \$0
<b>2. Wonderschool Pilot Program</b>	<b>Gross \$0</b>
Includes a net \$0 reappropriation in order to use \$3.0 million of federal funds for a pilot program that provides quality support to Michigan providers who seek to adopt business practices that best serve Michigan families.	Federal 0
	GF/GP \$0
<b>3. ARP – ESSER Administration - Administrative Assistance and Monitoring Oversight</b>	<b>Gross \$10,300,000</b>
Includes \$10.3 million of federal funds to provide administrative assistance and monitoring oversight of public schools, to identify ways to address students' academic and mental health needs, and to address learning loss due to the COVID-19 pandemic.	Federal 10,300,000
	GF/GP \$0

**EDUCATION (DEPARTMENT)**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

	<b>Gross</b>	<b>\$0</b>
<b>4. Biweekly Block Reimbursement Rate</b>		
Includes a net \$0 reappropriation in order to adopt a part-time, full-time payment model through an updated biweekly block reimbursement rate schedule by amending the associated boilerplate.	Federal	0
	GF/GP	\$0
<b>5. Mental Health Consultation</b>		
Includes a net \$0 reappropriation in order to use \$3.0 million of federal funds to continue providing mental health consultation to child care providers, through the network of infant and early childhood mental health consultation, by amending the associated boilerplate.	Federal	0
	GF/GP	\$0
<b>6. Family Contribution Payments</b>		
Includes a net \$0 reappropriation in order to pay the required family contribution on behalf of families for the entirety of FY 2021-22 and FY 2022-23 by amending the associated boilerplate.	Federal	0
	GF/GP	\$0
<b>7. Child Care Stabilization Grants</b>		
Includes a net \$0 reappropriation in order to administer at least one new round of grants through the child care stabilization grant program before the end of FY 2021-22, and in FY 2022-23 if funds remain, by amending the associated boilerplate.	Federal	0
	GF/GP	\$0

**FY 2019-20 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

- Sec. 401. Biweekly Block Reimbursement Rate**  
Requires the department to implement a part-time, full-time payment model through an updated biweekly block reimbursement rate schedule, with 1 to 30 hours reimbursed as 30 hours, 31 to 60 hours reimbursed as 60 hours, and 61 to 90 hours reimbursed as 90 hours.
- Sec. 402. Wonderschool Pilot Program**  
Requires funding to be used for a pilot program that provides quality support to Michigan providers who seek to adopt business practices that best serve Michigan families; requires the recipient to provide technical support, develop informational materials, and develop a software platform for child care providers.
- Sec. 403. Mental Health Consultation**  
Requires funding to be used by the department, in collaboration with DHHS, to continue providing mental health consultation to child care providers through the network of infant and early childhood mental health consultation.
- Sec. 404. Family Contribution Payments**  
Requires the department to pay for the required family contribution on behalf of families, for the entirety of FY 2021-22 and for FY 2022-23.
- Sec. 405. ARP – Child Care Entitlement**  
Designates unexpended funds as a work project appropriation.
- Sec. 406. ARP – Child Care Stabilization**  
Designates unexpended funds as a work project appropriation.
- Sec. 407. ARP – Child Care Stimulus**  
Designates unexpended funds as a work project appropriation.
- Sec. 408. Child Care Stabilization Grants**  
Requires the department to administer at least one new round of grants through the child care stabilization grant program before the end of FY 2021-22.
- Sec. 409. ARP – ESSER Administration - Administrative Assistance and Monitoring Oversight**  
Requires funding to be used for administrative assistance and monitoring oversight of public schools, to identify ways to address students' academic and mental health needs, and to address learning loss due to the COVID-19 pandemic.
- Sec. 410. ARP – ESSER Administration**  
Designates unexpended funds as a work project appropriation.

**FY 2019-20 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

***Sec. 411. Child Care Award***

Designates unexpended funds as a work project appropriation.

***Sec. 412. CRRSA – Child Care Stimulus***

Designates unexpended funds as a work project appropriation.

**REPEALERS**

***Sec. 1101. Repeal Biweekly Block Reimbursement Rate Schedule***

Repeals section 1011 of Article 3 of 2021 PA 87 which sets the biweekly block reimbursement rate schedule, and replaces it with section 401 in Article 15 of this bill.

***Sec. 1102. Repeal Mental Health Consultation***

Repeals section 1012 of Article 3 of 2021 PA 87 which requires the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers, and replaces it with section 403 in Article 15 of this bill.

***Sec. 1103. Repeal Family Contribution Payments***

Repeals section 1025 of Article 3 of 2021 PA 87 which requires payment on a family's behalf of the child development and care program's required family contribution, and replaces it with section 404 in Article 15 of this bill.

***Sec. 1104. Repeal ARP – Child Care Stabilization***

Repeals section 1030 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Stabilization as a work project, and replaces it with section 406 in Article 15 of this bill.

***Sec. 1105. Repeal CRRSA – Child Care Stimulus***

Repeals section 1031 of Article 3 of 2021 PA 87 which designates unexpended funding from CRRSA – Child Care Stimulus as a work project, and replaces it with section 412 in Article 15 of this bill.

***Sec. 1106. Repeal ARP – Child Care Stimulus***

Repeals section 1032 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Stimulus as a work project, and replaces it with section 407 in Article 15 of this bill.

***Sec. 1107. Repeal Child Care Award***

Repeals section 1033 of Article 3 of 2021 PA 87 which designates unexpended funding from Child Care Award as a work project, and replaces it with section 411 in Article 15 of this bill.

***Sec. 1108. Repeal ARP – Child Care Entitlement***

Repeals section 1034 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Entitlement as a work project, and replaces it with section 405 in Article 15 of this bill.

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 4)**

**Analyst: Austin Scott**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$3,544,900	\$3,406,400	(\$138,500)	(3.9)
<b>Federal</b>	226,889,200	287,641,700	60,752,500	26.8
<b>Local</b>	0	0	0	--
<b>Private</b>	1,411,200	1,415,500	4,300	0.3
<b>Restricted</b>	304,550,000	337,354,900	32,804,900	10.8
<b>GF/GP</b>	153,375,400	98,835,800	(54,539,600)	(35.6)
<b>Gross</b>	<b>\$689,770,700</b>	<b>\$728,654,300</b>	<b>\$38,883,600</b>	<b>5.6</b>
<b>FTEs</b>	1,467.0	1,516.0	49.0	3.3

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Environment, Great Lakes, and Energy (EGLE) is responsible for managing Michigan's air, land, water, and energy resources. Departmental functions include improving resource quality, reducing waste, and mitigating threats to Michigan's environment.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Community Technical, Managerial, and Financial Support for Lead Line Replacement (One-Time)**

Provides \$48.0 million in federal Coronavirus State Fiscal Recovery Fund for local grants to replace lead service lines and upgrade water treatment facilities; preference for disadvantaged communities.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>NA</b>	<b>\$48,000,000</b>
Federal	NA	48,000,000
GF/GP	NA	\$0

**2. Oil, Gas, and Mineral Services – Federal Infrastructure Act IJA**

Appropriates \$31.0 million of federal Infrastructure Act funding and authorizes 2.0 FTE positions on a limited-term basis in section 925 for remediation of orphaned oil and gas wells.

FTE	59.0	0.0
<b>Gross</b>	<b>\$11,630,900</b>	<b>\$31,000,000</b>
IDG	220,000	0
Federal	150,000	31,000,000
Restricted	6,879,900	0
GF/GP	\$4,381,000	\$0

**3. Environmental Sustainability and Stewardship – Federal Infrastructure Act IJA**

Appropriates \$15.8 million of federal Infrastructure Act funding and authorizes 5.0 FTE positions on a limited-term basis in section 902 for energy efficiency projects.

FTE	11.0	0.0
<b>Gross</b>	<b>\$6,224,000</b>	<b>\$15,800,000</b>
Federal	3,806,700	15,800,000
Private	140,000	0
Restricted	2,277,300	0
GF/GP	\$0	\$0

**4. Energy Efficiency Revolving Fund – Federal Infrastructure Act IJA**

Appropriates \$7.2 million of federal Infrastructure Act funding for energy efficiency projects.

<b>Gross</b>	<b>NA</b>	<b>\$7,200,000</b>
Federal	NA	7,200,000
GF/GP	NA	\$0

**5. High Water Infrastructure Grants (One-Time)**

Eliminates \$14.3 million GF/GP once used for infrastructure grants to address flooding, erosion, and other coastal issues.

<b>Gross</b>	<b>\$14,325,000</b>	<b>(\$14,325,000)</b>
GF/GP	\$14,325,000	(\$14,325,000)

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>6. Environmental Health</b>			
Appropriates \$7.9 million Gross (\$6.2 million GF/GP) to strengthen water supply oversight and support local health departments in monitoring and testing drinking water; also aligns authorization with available federal and restricted funding.	FTE	57.0	0.0
	<b>Gross</b>	<b>\$7,351,600</b>	<b>\$7,917,900</b>
	Federal	3,382,000	1,500,000
	Restricted	1,431,000	250,000
	GF/GP	\$2,538,600	\$6,167,900
<b>7. NPDES Nonstormwater Program</b>			
Appropriates \$1.2 million GF/GP and authorizes 7.0 FTE positions to strengthen water supply oversight and support local health departments in monitoring and testing drinking water.	FTE	98.0	7.0
	<b>Gross</b>	<b>\$15,222,700</b>	<b>\$1,190,000</b>
	Federal	6,865,500	0
	Restricted	4,294,200	0
	GF/GP	\$4,063,000	\$1,190,000
<b>8. Drinking Water</b>			
Appropriates \$1.8 million GF/GP and authorizes 7.0 FTE positions to strengthen water supply oversight and support local health departments in monitoring and testing drinking water.	FTE	68.0	7.0
	<b>Gross</b>	<b>\$11,915,600</b>	<b>\$1,799,900</b>
	Federal	6,343,900	0
	Restricted	3,199,100	0
	GF/GP	\$2,372,600	\$1,799,900
<b>9. Air Quality Programs</b>			
Appropriates \$4.4 million GF/GP and authorizes 15.0 FTE positions to expand air quality monitoring staff and operations, and to reduce permit review wait times.	FTE	187.0	15.0
	<b>Gross</b>	<b>\$30,416,600</b>	<b>\$4,439,800</b>
	Federal	7,493,200	0
	Restricted	14,807,400	0
	GF/GP	\$8,116,000	\$4,439,800
<b>10. Grants and Records Management</b>			
Appropriates \$2.9 million GF/GP and authorizes 4.0 FTE positions to create new program to digitize and manage departmental grants and records; \$2.0 million GF/GP is appropriated on a one-time basis.	FTE	NA	4.0
	<b>Gross</b>	<b>NA</b>	<b>\$2,935,400</b>
	GF/GP	NA	\$2,935,400
<b>11. Radiological Protection Program – Legacy Cleanups</b>			
Appropriates \$175,000 GF/GP to cleanup legacy contaminated sites and reduces \$200,000 interdepartmental grant received from Michigan State Police for a net reduction of \$25,000 Gross.	FTE	12.0	0.0
	<b>Gross</b>	<b>\$2,035,500</b>	<b>(\$25,000)</b>
	IDG	1,720,500	(200,000)
	Federal	315,000	0
	GF/GP	\$0	\$175,000
<b>12. Environmental Cleanup and Redevelopment Program – Legacy Cleanups</b>			
Establishes new program by appropriating \$27.6 million from the Cleanup and Redevelopment Fund to cleanup legacy contaminated sites.	<b>Gross</b>	<b>NA</b>	<b>\$27,600,000</b>
	Restricted	NA	27,600,000
	GF/GP	NA	\$0
<b>13. Refined Petroleum Product Program (One-Time) – Legacy Cleanups</b>			
Appropriates \$19.2 million from the Refined Petroleum Fund to cleanup legacy contaminated sites.	FTE	99.0	0.0
	<b>Gross</b>	<b>\$35,123,600</b>	<b>\$19,170,900</b>
	Federal	2,105,100	0
	Restricted	33,018,500	19,170,900
	GF/GP	\$0	\$0
<b>14. Contaminated Site Investigations, Cleanup, and Revitalization– Legacy Cleanups</b>			
Appropriates \$2.4 million from the Cleanup and Redevelopment Fund and authorizes 16.0 FTE positions to cleanup legacy contaminated sites.	FTE	130.0	16.0
	<b>Gross</b>	<b>\$19,079,000</b>	<b>\$2,393,100</b>
	Restricted	18,784,400	2,393,100
	GF/GP	\$294,600	\$0
<b>15. Municipal Assistance</b>			
Appropriates \$1.4 million Gross (\$0 GF/GP) and authorizes 4.0 FTE positions on a limited-term basis in section 950 to increase loan processing staff and access to federal water infrastructure loans for local communities.	FTE	29.0	0.0
	<b>Gross</b>	<b>\$5,007,600</b>	<b>\$1,407,700</b>
	Federal	3,272,900	1,200,000
	Restricted	1,734,700	207,700
	GF/GP	\$0	\$0

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>			
<b>16. Hazardous Waste Management Program</b>	FTE	45.0	0.0
Appropriates \$200,000 in available restricted revenue from technologically enhanced naturally occurring radioactive material.	<b>Gross</b>	<b>\$5,926,800</b>	<b>\$200,000</b>
	Federal	2,315,600	0
	Restricted	3,511,200	200,000
	GF/GP	\$100,000	\$0
<b>17. Environmental Cleanup Support</b>	<b>Gross</b>	<b>\$30,300,000</b>	<b>(\$29,300,000)</b>
Reduces \$29.3 million from the Environmental Response Fund that is no longer needed to perform contaminated site cleanup at former Premcor Refining Group gas station sites.	Restricted	30,300,000	(29,300,000)
	GF/GP	\$0	\$0
<b>18. Septage Waste Compliance Grants</b>	<b>Gross</b>	<b>\$275,000</b>	<b>(\$150,000)</b>
Reduces \$150,000 from the Septage Waste Program Fund to align appropriation authority with available revenue.	Restricted	275,000	(150,000)
	GF/GP	\$0	\$0
<b>19. Removal of FY 2021-22 One-Time Funding</b>	<b>Gross</b>	<b>\$92,750,100</b>	<b>(\$92,750,100)</b>
Removes \$92.8 million Gross (\$47.8 million GF/GP) for one-time programs included in the FY 2021-22 budget. Programs included the Contaminated Site Emergency Reserve Fund, Drinking Water Emergency Assistance, Harbor Site Environmental Cleanup, Lead Line Replacement, PFAS Remediation, Sustainable Business Park, Wastewater Retention Basin, and Water Infrastructure Improvements for the Nation Act.	Federal	45,000,000	(45,000,000)
	Restricted	100	(100)
	GF/GP	\$47,750,000	(\$47,750,000)
<b>20. Dam Safety Emergency Action Fund</b>	<b>Gross</b>	<b>\$6,000,000</b>	<b>(\$6,000,000)</b>
Eliminates \$6.0 million GF/GP once used to respond to dam emergencies where the owner has not adequately maintained their dam.	GF/GP	\$6,000,000	(\$6,000,000)
<b>21. Dam Safety Grant Program (One-Time)</b>	<b>Gross</b>	<b>\$13,000,000</b>	<b>(\$13,000,000)</b>
Eliminates \$13.0 million GF/GP once used to establish grants to address imminent threats or significant risks at publicly-owned or privately-owned dams.	GF/GP	\$13,000,000	(\$13,000,000)
<b>22. Michigan Geological Survey</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,000,000</b>
Appropriates \$3.0 million GF/GP on a one-time basis to the Michigan Geological Survey to conduct data collection and mapping of data.	GF/GP	NA	\$3,000,000
<b>23. Disposal of firefighting foam containing PFAS (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
Appropriates \$500,000 GF/GP to dispose of firefighting foam containing PFAS.	GF/GP	NA	\$500,000
<b>24. Cooperative Lakes Monitoring Program (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$150,000</b>
Appropriates \$150,000 GF/GP to support the continuation of EGLE's contract for the Cooperative Lakes Monitoring Program.	GF/GP	NA	\$150,000
<b>25. Private Well Testing (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$5,000,000</b>
Appropriates \$5.0 million GF/GP for grants to local health departments to provide free or low-cost water testing to private well owners.	GF/GP	NA	\$5,000,000
<b>26. Buffalo Reef (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,000,000</b>
Appropriates \$10.0 million from the Cleanup and Redevelopment Fund to build a coal dock jetty for the dredging of stamp sands from Lake Superior in Keweenaw County.	Restricted	NA	10,000,000
	GF/GP	NA	\$0
<b>27. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$4,729,000</b>
Reflects increased costs of \$4.7 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	61,500
	Federal	NA	1,052,500
	Private	NA	4,300
	Restricted	NA	2,433,300
	GF/GP	NA	\$1,177,400



**Major Boilerplate Changes from FY 2021-22**

**Sec. 207. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 218. Remote Working – NEW**

States legislative intent to prioritize in-person work for the state's workforce where possible unless they were working remotely prior to February 28, 2020.

**Sec. 219. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Authorizes legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 224. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 225. Appropriations for Environmental Cleanup Projects – REVISED (UNENFORCEABLE)**

Re-appropriates unspent funding from Cleanup and Redevelopment Fund, Leaking Underground Storage Tank funding, bottle deposits funding, CMI – Response Activities Fund, Brownfield Grants and Loans, Waterfront Grants, and Strategic Water Quality Initiatives Fund for expenditure for any site listed in an appropriation act. Revised to add Contaminated Site Cleanup and Renew Michigan Program to the list of re-appropriations; designates unexpended and unencumbered amounts from the Renew Michigan Fund and from FY 2021-22 General Fund appropriations as "appropriated for expenditure." *(Governor's signing letter states this section is unenforceable.)*

**Sec. 226. Settlement Fund Revenue Carryforward – REVISED**

Authorizes carryforward of up to \$2.5 million of settlement revenues into succeeding fiscal year. Revised to remove the \$2.5 million cap.

**Sec. 237. Employee Legal Costs Related to Drinking Water Declaration of Emergency – RETAINED (UNENFORCEABLE)**

Requires department to be responsible for payment of current and former department employees' legal costs from legal actions taken related to drinking water declaration of emergency. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 241. Rules and Regulations Federal Standard – DELETED**

Prohibits the department from establishing rules and regulations more stringent than federal standards.

**Sec. 242. Legislator Notification – NEW**

Requires the department to inform local state legislators within 12 hours when responding to significant incidents to protect life and property.

**Sec. 243. Michigan Geological Survey – NEW**

Directs expenditure of funding for the Michigan Geological Survey to be used to conduct data collection and mapping to expand geologic information.

**Sec. 303. Contaminated Site Investigations Legacy Cleanups Staff – NEW**

Earmarks 16.0 FTE positions of Contaminated Site Investigations appropriation for legacy cleanups.

**Sec. 308. Work Projects – Emergency Cleanup Actions and Refined Petroleum Product Cleanup Program – REVISED**

Authorizes unexpended funds appropriated for Emergency Cleanup Actions, Emergency Cleanup Support, and Refined Petroleum Product Cleanup Program to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanups. Revised to designate Environmental Cleanup Support and Brownfields Grants as work projects.

**Sec. 312. Work Project – Environmental Cleanup Support – DELETED**

Authorizes unexpended funds appropriated for Environmental Cleanup Support to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanup at former Premcor Refining Group gas station sites.

**Sec. 314. Geographically Proximate Cleanups – NEW**

Encourages the department to remediate contaminated sites in geographically proximate areas when possible.

## **ENVIRONMENT, GREAT LAKES, AND ENERGY**

### **Major Boilerplate Changes from FY 2021-22**

#### ***Sec. 315. Environmental Response Fund and Natural Resource Damage Fund Receive and Expend – NEW***

Authorizes expenditure of funds from the Environmental Response Fund or Natural Resource Damage Fund upon receipt as outlined by legal decisions; requires a report on this section's preceding fiscal year's expenditures by February 1.

#### ***Sec. 351. Superfund Cleanup – DELETED***

Earmarks \$10.0 million of appropriation to be used for contaminated site cleanup at the Spartan Chemical site in Kent County; designates unexpended funding as a work project appropriation.

#### ***Sec. 411. Chapaton Treatment Lagoon Report – DELETED***

Requires department to report information and materials needed to permit and regulate Chapaton open-air wastewater treatment lagoon in Macomb County.

#### ***Sec. 801. Work Project – Renew Michigan Program – NEW***

Authorizes unexpended funds appropriated for the Renew Michigan Program to be considered a work project appropriation and carried forward into succeeding fiscal year; program will support environmental cleanup and redevelopment, waste management, and recycling.

#### ***Sec. 902. Limited Term FTEs – Environmental Sustainability and Stewardship – NEW***

Authorizes 5.0 limited term FTE positions from the Environmental Sustainability and Stewardship appropriation to issue energy efficiency grants to communities.

#### ***Sec. 925. Limited Term FTEs – Oil, Gas, and Mineral Services – NEW***

Authorizes 2.0 limited term FTE positions from the Oil, Gas, and Minerals appropriation to close abandoned gas and oil wells.

#### ***Sec. 950. FTE Earmark – Municipal Assistance – NEW***

Earmarks 4.0 federally-funded FTE positions from the Municipal Assistance appropriation to review and approve clean water and wastewater grants and loans.

#### ***Sec. 1001. ARP – Community Technical, Managerial, and Financial Support for Lead Line Replacement – NEW***

Encourages the department to work with MDARD to coordinate technical assistance to communities.

#### ***Sec. 1002. Work Project – Buffalo Reef – NEW***

Authorizes unexpended funds for Buffalo Reef totaling \$10.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to build a coal dock jetty for the dredging of stamp sands from Lake Superior in Keweenaw County.

#### ***Sec. 1003. Dam Safety Grant Program – DELETED***

Directs expenditure of the Dam Safety Grant Program for projects to mitigate risky dams; requires annual report on program.

#### ***Sec. 1004. Private Well Testing – NEW***

Directs expenditure of funding for Private Well Testing as grants to local health departments to provide free or low-cost water testing to private well owners; requires report.

#### ***Sec. 1004. Dam Safety Emergency Action Fund – DELETED***

Directs expenditure of the Dam Safety Emergency Action Fund for EGLE to mitigate risky dams if the dam owner is unwilling or unable to take action; requires annual report on activities of the fund.

#### ***Sec. 1005. Water Infrastructure Improvements for the Nation Act – DELETED***

Re-establishes the appropriation for the Water Infrastructure Improvements for the Nation program as a work project account; authorizes unspent funds at the end of the fiscal year to be carried forward into the following fiscal year. Funding was originally appropriated in 2017 PA 33.

#### ***Sec. 1006. High Water Infrastructure Grants – DELETED***

Directs expenditure of funding for High Water Infrastructure Grants for planning and infrastructure grants to local communities for severe weather; caps individual grants at \$500,000 and requires a 20% match.

#### ***Sec. 1009. PFAS Remediation – DELETED***

Directs expenditure of funding for grants to drinking water systems for PFAS contaminant remediation or alternate water system connection costs; requires report on expenditures.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 1010. Wastewater Retention Basins – DELETED**

Directs expenditure of funding for Wastewater Retention Basins to increase the storage capacity of wastewater retention basins for combined sewer overflows and infrastructure in Macomb County.

**Sec. 1011. Harbor Site Environmental Cleanup – DELETED**

Directs expenditure of funding for Harbor Site Environmental Cleanup to remediate contaminated soil and mitigate adjacent wetlands in Muskegon.

**Sec. 1012. Sustainable Business Park – DELETED**

Directs expenditure of funding for Sustainable Business Park to support the infrastructure necessary to develop a sustainable business park to replace the need for new landfills in Kent County.

**Sec. 1013. Watershed Council Grants – DELETED**

Directs expenditure of funding for Watershed Council Grants for grants to watershed councils for education, administration, and conservation efforts; caps individual grants at \$40,000; requires report on grant recipients and grant amounts by April 1.

**Sec. 1014. Lead Service Line Replacements – DELETED**

Directs expenditure of funding for Lead Service Line Replacements to replace lead service lines and improve drinking water safety in Benton Harbor; designates appropriation as a work project account.

**Sec. 1015. Contaminated Site Cleanup – DELETED**

Directs expenditure of funding for Contaminated Site Cleanup for the prioritization and remediation of newly contaminated properties statewide that do not qualify for other cleanup funding; designates appropriation as a work project account.

**Sec. 1016. Contaminated Site Cleanup Contingency Reserve Fund – DELETED**

Creates a Contaminated Site Cleanup Contingency Reserve Fund and directs expenditure of fund for the prioritization and remediation of newly contaminated properties statewide that do not qualify for other cleanup funding; requires a legislative transfer for expenditure.

**Sec. 1017. Contaminated Site Cleanup Contingency Reserve Fund Transfer – DELETED**

Designates \$10.0 million to be transferred into the Contaminated Site Cleanup Contingency Reserve Fund as described in Sec. 1016.

**Sec. 1018. Drinking Water Emergency Assistance – DELETED**

Directs expenditure of funding for Drinking Water Emergency Assistance to address drinking water systems contamination response and remediation; designates appropriation as a work project account.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**1. Environmental Sustainability and Stewardship**

Appropriates \$6.5 million in available state restricted revenue to provide grants to public and private applicants for community energy management services, clean energy manufacturing, and energy policy initiatives.

<b>Gross</b>	<b>\$6,500,000</b>
Restricted	6,500,000
GF/GP	\$0

**FY 2019-20 Supplemental Boilerplate Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 451. Environmental Sustainability and Stewardship**

Designates unexpended funds as a work project appropriation; program will provide grant assistance to public and private applicants for community energy management services, clean energy manufacturing, and energy policy initiatives.

GENERAL GOVERNMENT TOTALS

**GENERAL GOVERNMENT TOTALS**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analysts: Michael Crossen and Viola Bay Wild**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$1,132,012,100	\$1,120,888,100	(\$11,124,000)	(1.0)
<b>Federal</b>	1,894,483,500	1,264,235,700	(630,247,800)	(33.3)
<b>Local</b>	26,260,700	26,240,800	(19,900)	(0.1)
<b>Private</b>	14,332,400	13,096,200	(1,236,200)	(8.6)
<b>Restricted</b>	2,500,444,800	2,678,961,900	178,517,100	7.1
<b>GF/GP</b>	2,653,803,700	3,497,514,500	843,710,800	31.8
<b>Gross</b>	<b>\$8,221,337,200</b>	<b>\$8,600,937,200</b>	<b>\$379,600,000</b>	<b>4.6</b>
<b>FTEs</b>	10,014.0	10,092.0	78.0	0.8

Notes:

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Currently, the following departmental and agency budgets are included in the General Government budget: Executive Office, Legislature, Legislative Auditor General, and the Departments of Attorney General, Civil Rights, State, Technology, Management, and Budget (including the Civil Service Commission and State Building Authority rent costs), Treasury (including the Bureau of State Lottery, Michigan Gaming Control Board, State Building Authority, Revenue Sharing, and Debt Service), Labor and Economic Opportunity (including Michigan Strategic Fund, Michigan State Housing Development Authority, and Talent Investment Agency, Unemployment Insurance Agency, and Workforce Development Agency). **Budget issues are listed by department on the following pages.**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits departments from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law. (Governor's signing letter states this section is unenforceable.)

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. (Governor's signing letter states this section is unenforceable.)

**Sec. 223. Return to Work Requirement – REVISED**

Prohibits a department, agency, board, or commission from permitting state employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. Revised to state that the intent of the legislature is to maximize efficiency of the state workforce and, where possible, prioritize in-person work; requires each department and agency to post its in-person, remote, or hybrid work policy on its website.

**Sec. 229. Initiatives and Recommendations Related to Savings Identified in Audit Reports – RETAINED (UNENFORCEABLE)**

Requires departments to report on their efforts and progress made toward achieving savings and efficiencies identified by the auditor general in audit reports; authorizes the auditor general to perform and charge for a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented if the required report is not received within 6 months of the release of the audit. (Governor's signing letter states this section is unenforceable.)

**DEPARTMENT OF ATTORNEY GENERAL**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Michael Cnossen**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$35,083,600	\$35,954,600	\$871,000	2.5
<b>Federal</b>	9,868,400	10,101,900	233,500	2.4
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	20,390,800	20,786,700	395,900	1.9
<b>GF/GP</b>	43,056,000	51,429,800	8,373,800	19.4
<b>Gross</b>	<b>\$108,398,800</b>	<b>\$118,273,000</b>	<b>\$9,874,200</b>	<b>9.1</b>
<b>FTEs</b>	547.4	549.4	2.0	0.4

Notes:

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The attorney general serves as legal counsel for state departments, agencies, boards, and commissions, and their officers; brings actions and intervenes in cases on the state's behalf; and represents legislators and judges who may be sued while acting in their official capacities. The attorney general issues opinions on questions of law submitted by members of legislature and others, serves as chief law enforcement officer of the state, issues legal opinions that have the force of law until reversed by legislative or judicial action, and has supervisory powers over all local prosecuting attorneys.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Job Specialty Court (One-Time)**

Provides \$5.0 million GF/GP to create a job court pilot program that would offer the option of dismissal of charges for pre-trial defendants who successfully secure and maintain gainful employment. The program will provide supervision and support to participants with the aim of assisting them while diverting prosecutorial caseloads and reducing criminal case backlogs.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	NA	<b>\$5,000,000</b>
GF/GP	NA	\$5,000,000

**2. Organized Retail Crime Unit (One-Time)**

Provides \$3.5 million GF/GP to establish the Organized Retail Fraud Unit to respond to the emergence of "smash-and-grab" organized retail crime activity and sales of stolen goods. Unit will work to reduce demand for stolen merchandise, limit opportunities to sell stolen merchandise, and reduce theft opportunities for drug users who are primary repeat offenders.

FTE	NA	0.0
<b>Gross</b>	<b>NA</b>	<b>\$3,500,000</b>
GF/GP	NA	\$3,500,000

**3. PACC Online Training (One-Time)**

Provides \$410,100 GF/GP and 2.0 FTE positions for training attorneys to expand online training opportunities for prosecution staff to assist them with responding to increased rates of violent crimes over the last two years.

FTE	12.0	2.0
<b>Gross</b>	<b>\$2,217,600</b>	<b>\$410,100</b>
Federal	121,200	0
Restricted	419,600	0
GF/GP	\$1,676,800	\$410,100

**GENERAL GOVERNMENT: ATTORNEY GENERAL**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>4. Removal of Current Year One-Time Funding</b>	<b>Gross</b>	<b>\$1,560,000</b>	<b>(\$1,560,000)</b>
Eliminates \$1.6 million of one-time GF/GP funding appropriated in FY 2021-22:	GF/GP	\$1,560,000	(\$1,560,000)
<ul style="list-style-type: none"> <li>\$1.1 million GF/GP for PACC NextGen case management</li> <li>\$500,000 GF/GP for address confidentiality program.</li> </ul>			
<b>5. Operations Line Item Unrolling</b>	FTE	498.4	0.0
Unrolls Operations line item into three new line items totaling \$98.3 million and 498.4 FTE positions for a \$0 change excluding economic adjustments.	<b>Gross</b>	<b>\$96,025,900</b>	<b>\$0</b>
<ul style="list-style-type: none"> <li>Administrative Support - \$23.2 million and 46.0 FTE positions</li> <li>Civil Bureaus - \$64.6 million and 362.0 FTE positions</li> <li>Criminal Bureaus - \$10.5 million and 90.4 FTE positions</li> </ul>	IDG	35,083,600	0
	Federal	6,998,100	0
	Restricted	19,971,200	0
	GF/GP	\$33,973,000	\$0
<b>6. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,524,100</b>
Provides for increased costs of \$2.5 million Gross (\$1.0 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	871,000
	Federal	NA	233,500
	Restricted	NA	395,900
	GF/GP	NA	\$1,023,700

**Major Boilerplate Changes from FY 2021-22**

**Sec. 302a. Enforcement of State and Federal Laws – NEW**

States that it is the intent of the legislature that the attorney general use appropriated funds for upholding and enforcing any and all state and federal laws.

**Sec 306a. Lawsuit Proceeds Subject to Appropriation – NEW**

Prohibits expenditure of proceeds from lawsuit settlements for either criminal prosecution or litigation unless appropriated by the legislature.

**Sec. 308. Appropriation of Litigation Expense Reimbursements – REVISED**

Appropriates up to \$500,000 from litigation expense reimbursements; authorizes unexpended funding, up to \$250,000, to be carried forward. Revised to prohibit revenue collected under this section to be used for either criminal prosecution or litigation.

**Sec. 314. Lawsuit Settlement Proceeds Fund – RETAINED (PARTIALLY UNENFORCEABLE)**

Allows department to use up to \$2.7 million of lawsuit settlement proceeds for associated expenses with Flint Declaration of Emergency due to drinking water contamination; requires quarterly expenditure report detailing how funds related to Flint Declaration of Emergency were spent by case, purpose, hourly rate of retained attorney, and department involved; caps hourly rate of attorneys retained for investigation at \$250 if reporting requirements are not fulfilled. (*Governor's signing letter states capping hourly rate of attorney retained for investigation is unenforceable.*)

**Sec. 316. Sexual Assault Kit Testing – REVISED (PARTIALLY UNENFORCEABLE)**

Requires funding to be used to test sexual assault kits statewide in order to eliminate county backlogs, assist with prosecutions and investigations of viable cases, and provide victim services; requires annual report on number of untested kits, a work plan outlining actions to eliminate remaining untested kits, and a work and spending plan outlining anticipated litigation and expenditures resulting from test findings; allows funds to be used for retesting kits for DNA; stipulates funds to be used only for testing if there are remaining untested kits on January 31. Revised to require that appropriated funds not be spent until all existing work project balances for the same purpose are expended. (*Governor's signing letter states requirement that existing work project balances be expended first is unenforceable.*)

**Sec. 320. Lawsuit Settlement Notification and Adherence to State Laws – REVISED**

Requires notification of lawsuit settlements with a fiscal impact for the state of \$2.0 million or more; prohibits department from entering into a lawsuit that is contrary to state laws. Revised to reduce notification threshold to \$200,000.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 323. PACC Case Management System – DELETED**

Requires Prosecuting Attorneys Coordinating Council to continue to fund replacement of council's case and data management system with funds appropriated for NextGen Case and Document Management System.

**Sec. 330. Job Court Limited-Term Employees – NEW**

Authorizes one-time funds for Job Court to be used to hire 5.0 limited-term employees.

**Sec. 331. Organized Retail Crime Limited-Term Employees and Work Project – NEW**

Authorizes funds for Organized Retail Crime Unit to be used to hire 6.5 limited-term employees to develop an organized retail crime unit with the intent that the unit be fully self-funded with state restricted revenue within three years; authorizes unexpended one-time funding as a work project and for funds not to lapse to the General Fund at the end of the fiscal year.

**DEPARTMENT OF CIVIL RIGHTS  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Michael Cnossen**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$298,900	\$0	(\$298,900)	(100.0)
<b>Federal</b>	2,850,700	2,890,900	40,200	1.4
<b>Local</b>	0	0	0	--
<b>Private</b>	18,700	18,700	0	0.0
<b>Restricted</b>	58,500	58,500	0	0.0
<b>GF/GP</b>	14,607,300	18,633,500	4,026,200	27.6
<b>Gross</b>	<b>\$17,834,100</b>	<b>\$21,601,600</b>	<b>\$3,767,500</b>	<b>21.1</b>
<b>FTEs</b>	115.0	115.0	0.0	0.0

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Civil Rights Commission is charged with investigating alleged discrimination against any person because of religion, race, color, national origin, sex, age, marital status, height, weight, arrest record, or physical and mental disabilities. The commission is directed to "secure the equal protection of such civil rights without such discrimination." The Department of Civil Rights serves as the administrative arm charged with implementing policies of the commission. The department works to prevent discrimination through educational programs that promote voluntary compliance with civil rights laws, investigates and resolves discrimination complaints, disseminates information on the rights and responsibilities of Michigan citizens as provided by law, and provides information and services to businesses on diversity initiatives, equal employment law, procurement opportunities, feasibility studies, and joint venture/strategic alliance matchmaking.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		
<b>1. Complaint Investigation Backlog (One-Time)</b>		
Provides \$3.2 million GF/GP to support restructuring of current complaint investigation processes and 25.0 limited-term FTE positions to help eliminate a backlog of 2,500 complaint cases which accumulated due to hiring freeze, employee turnover, and retirements. Elimination of backlog will secure additional federal revenues from Department of Housing and Urban Development through closure of housing complaints.	FTE 40.0	0.0
	<b>Gross \$6,297,400</b>	<b>\$3,151,900</b>
	IDG 298,900	0
	Federal 2,835,700	0
	Restricted 58,500	0
	GF/GP \$3,104,300	\$3,151,900
<b>2. Indian Boarding School Study (One-Time)</b>		
Provides \$500,000 GF/GP to conduct a statewide study of the number of Native American children forced to attend boarding schools to understand impacts of historical federal and state boarding school policies and removal of tribal children. Study will be accomplished through location and preservation of records and interviews with those impacted by the policies. Study will align with goals of Federal Indian Boarding School Initiative.	<b>Gross NA</b>	<b>\$500,000</b>
	GF/GP NA	\$500,000



**GENERAL GOVERNMENT: CIVIL RIGHTS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>3. ADA FTE Position and Funding Shift</b>	<b>Gross</b>	<b>\$298,900</b>	<b>\$0</b>
Provides \$298,900 GF/GP and eliminates same amount of IDG funding to reflect retirement of two health and safety FTE positions supported with IDG funding from DTMB and replacement with two ADA compliance FTE positions that would be supported with GF/GP.	IDG	298,900	(298,900)
	GF/GP	\$0	\$298,900
<b>4. Removal of Current Year One-Time Funding</b>	<b>Gross</b>	<b>\$250,000</b>	<b>(\$250,000)</b>
Eliminates \$250,000 of one-time GF/GP funding appropriated in FY 2021-22 for discrimination outreach efforts.	GF/GP	\$250,000	(\$250,000)
<b>5. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$365,600</b>
Provides for increased costs of \$365,600 Gross (\$325,400 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	40,200
	GF/GP	NA	\$325,400

**Major Boilerplate Changes from FY 2021-22**

***Sec. 402. Training and Information Dissemination – REVISED***

Authorizes department to receive and expend local and private funds, up to a combined total of \$85,000, pertaining to employer training, publication and sale of informational material, copy and witness fees, mediation activities, workshops and seminars, and related staffing costs. Revised to raise expenditure cap to \$200,000.

***Sec. 403. Contracts with Local Units of Governments – REVISED***

Authorizes department to contract with local units of government to review equal employment opportunity compliance of potential contractors, charge to develop and provide such services, and expend amounts received; requires annual report on revenues and expenditures under this section. Revised to add existing contractors to potential contractors authorized for review.

***Sec. 411. Museums Support – REVISED***

Allocates \$500,000 each to Arab American National Museum in Dearborn, Charles H. Wright Museum of African American History in Detroit, and Holocaust Memorial Center in Farmington Hills. Revised to stipulate payments to museums be made directly and revises population figures to reflect the most recent federal decennial census.

***Sec. 412. Discrimination Outreach – DELETED***

Requires department to conduct outreach efforts to increase public awareness of violent criminal activity primarily motivated by discrimination and ethnic intimidation during COVID-19 pandemic.

***Sec. 420. Complaint Investigation and Enforcement – NEW***

Requires the department to expand complaint investigation and enforcement activities to eliminate a backlog of civil rights complaint cases; authorizes up to an additional 25.0 limited-term employees; authorizes unexpended one-time funding appropriated for complaint investigation and enforcement as a work project.

***Sec. 421. Native American Boarding School Study – NEW***

Requires funds for Indian boarding school study to be used to research the number of Native America children forced to attend boarding schools, how they were impacted, to locate and preserve records, to work in concert with Federal Indian Boarding School Initiative, and to interview boarding school survivors and tribal representatives to fully understand immediate and long-term impacts of policies of Native American children removal; requires report to be completed by January 30, 2024; authorizes the Department of Civil Rights to contract with a university or other entity to carry out the section.

**GENERAL GOVERNMENT: CIVIL RIGHTS**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. ALPACT**

Includes \$500,000 GF/GP for grants to be distributed to local existing Advocates and Leaders for Police and Community Trust (ALPACT) coalitions to examine issues affecting police and community relations and to promote trust between law enforcement and the communities they serve.

	<b>Appropriation Change</b>
<b>Gross</b>	<b>\$500,000</b>
GF/GP	\$500,000

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 351. ALPACT**

Requires the department to provide and administer grants to local existing ALPACT coalitions to examine issues affecting police and community relations and to promote trust between law enforcement and the communities they serve; designates unexpended funds as a work project appropriation.

**EXECUTIVE OFFICE  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Viola Bay Wild**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$0	\$0	\$0	--
<b>Federal</b>	0	0	0	--
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	0	0	0	--
<b>GF/GP</b>	7,318,600	8,533,600	1,215,000	16.6
<b>Gross</b>	<b>\$7,318,600</b>	<b>\$8,533,600</b>	<b>\$1,215,000</b>	<b>16.6</b>
<b>FTEs</b>	89.2	96.2	7.0	7.8

*Notes:*

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Executive Office budget provides funding for the governor, the lieutenant governor, and their staffs. Major constitutionally-specified responsibilities include organization and supervision of the Executive branch and annual preparation and submission of the executive budget.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Executive Office Operations**

Includes increase of \$1.2 million GF/GP for increased costs for Executive Office staff and other operations and includes authorization for 7.0 additional FTE positions.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
FTE	89.2	7.0
<b>Gross</b>	<b>\$7,318,600</b>	<b>\$1,215,000</b>
GF/GP	\$7,318,600	\$1,215,000

**Major Boilerplate Changes from FY 2021-22**

There are no major boilerplate changes for FY 2022-23.

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

Analyst: Viola Bay Wild

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	1,433,813,200	1,219,595,000	(214,218,200)	(14.9)
<b>Local</b>	10,900,000	10,700,000	(200,000)	(1.8)
<b>Private</b>	13,591,900	12,430,700	(1,161,200)	(8.5)
<b>Restricted</b>	273,852,900	245,920,400	(27,932,500)	(10.2)
<b>GF/GP</b>	1,517,995,600	1,411,699,900	(106,295,700)	(7.0)
<b>Gross</b>	<b>\$3,250,153,600</b>	<b>\$2,900,346,000</b>	<b>(\$349,807,600)</b>	<b>(10.8)</b>
<b>FTEs</b>	2,588.9	2,593.9	5.0	0.2

Notes:

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Labor and Economic Opportunity (LEO) engages in economic development; community growth and development; affordable housing; tourism; job creation, retention, and training; and workforce development and preparedness. LEO includes the Michigan Strategic Fund (MSF)/Michigan Economic Development Corporation (MEDC), Bureau of Employment Relations, Bureau of Services for Blind Persons, Michigan Occupational Safety & Health Administration (MIOSHA), Workforce Development, Michigan Rehabilitation Services, Office of Global Michigan, Unemployment Insurance Agency (UIA), Workers' Disability Compensation Agency, State Land Bank, and Michigan State Housing Development Authority (MSHDA).

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Enacted Change</u>
<b>WORKFORCE DEVELOPMENT</b>			
<b>1. Michigan Reconnect Program</b>	<b>Gross</b>	<b>\$55,000,000</b>	<b>\$0</b>
Replaces \$5.0 million restricted funding with \$5.0 million GF/GP.	Restricted	5,000,000	(5,000,000)
	GF/GP	\$50,000,000	\$5,000,000
<b>2. Going Pro</b>	<b>Gross</b>	<b>\$40,000,000</b>	<b>\$15,000,000</b>
Includes additional \$15.0 million GF/GP for the Going Pro program.	Restricted	9,540,800	0
	GF/GP	\$30,459,200	\$15,000,000
<b>3. Graduation Alliance</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>\$1,000,000</b>
Includes a \$1.0 million GF/GP increase to the Graduation Alliance program.	GF/GP	\$1,500,000	\$1,000,000
<b>4. Workforce Development</b>	<b>Gross</b>	<b>NA</b>	<b>\$4,754,000</b>
Includes \$4.8 million federal MiSTAIR grant funding for improving registered apprenticeship programs.	Federal	NA	4,754,000
	GF/GP	NA	\$0
<b>5. Office of Future Mobility and Electrification</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Provides \$2.0 million GF/GP for the Office of Future Mobility and Electrification to support state efforts in mobility initiative.	GF/GP	\$0	\$2,000,000

**GENERAL GOVERNMENT: LABOR AND ECONOMIC OPPORTUNITY**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>6. MiSTEM</b>	FTE	0.0	0.0
Includes \$300,000 GF/GP transferred from the School Aid budget to fund the MiSTEM Advisory Council which provides oversight to the MiSTEM Network.	<b>Gross</b>	<b>\$0</b>	<b>\$300,000</b>
	GF/GP	\$0	\$300,000
<b>REHABILITATION SERVICES</b>			
<b>7. Bureau of Services for Blind Persons Staff</b>	FTE	113.0	3.0
Authorizes 3.0 additional FTE positions to provide pre-employment transition services to eligible blind and visually impaired students, to meet federal requirements. Additional staff would be supported with current appropriations.	<b>Gross</b>	<b>\$25,509,200</b>	<b>\$0</b>
	Federal	19,201,500	0
	Local	100,000	0
	Private	111,800	0
	Restricted	350,000	0
	GF/GP	\$5,745,900	\$0
	<b>Gross</b>	<b>\$134,227,900</b>	<b>\$3,600,000</b>
	Federal	108,570,100	3,600,000
	Local	5,300,000	0
	Private	521,500	0
	Restricted	188,300	0
	GF/GP	\$19,648,000	\$0
<b>EMPLOYMENT SERVICES</b>			
<b>9. Office of Global Michigan – Refugee Services</b>	FTE	11.0	0.0
Includes \$9.6 million federal funding to recognize a federal grant for refugee services.	<b>Gross</b>	<b>\$29,246,400</b>	<b>\$9,600,000</b>
	Federal	28,769,000	9,600,000
	GF/GP	\$477,400	\$0
	<b>Gross</b>	<b>\$3,970,900</b>	<b>\$156,400</b>
<b>10. Wage and Hour Program – Administrative Hearings Costs</b>	Restricted	3,970,900	156,400
Provides an increase of \$156,400 restricted funding for increased expenditures in LEO for administrative hearings and rules expenditures in the LARA budget.	GF/GP	\$0	\$0
	<b>Gross</b>	<b>NA</b>	<b>\$299,000</b>
<b>11. MiOSHA Property Management</b>	Federal	NA	200,000
Increases funding by \$299,000 Gross (\$0 GF/GP) for a fund source adjustment for property management.	Restricted	NA	99,000
	GF/GP	NA	\$0
<b>UNEMPLOYMENT</b>			
<b>12. Unemployment Insurance Benefit Claims Monitoring</b>	<b>Gross</b>	<b>\$4,000,000</b>	<b>(\$4,000,000)</b>
Removes \$4.0 million GF/GP that would support a third-party service that would provide a proprietary identity document capture and verification solution.	GF/GP	\$4,000,000	(\$4,000,000)
<b>COMMISSIONS</b>			
<b>13. Commissions on Middle Eastern American Affairs and Asian Pacific American Affairs</b>	<b>Gross</b>	<b>\$262,400</b>	<b>\$170,000</b>
Includes \$170,000 GF/GP to fund an increase of \$85,000 GF/GP for each commission.	GF/GP	\$262,400	\$170,000
	FTE	14.0	0.0
<b>14. Michigan Community Service Commission</b>	<b>Gross</b>	<b>\$11,831,500</b>	<b>\$160,000</b>
Includes additional \$160,000 private authorization to reflect increased private revenues.	Federal	10,826,000	0
	Private	44,100	160,000
	GF/GP	\$961,400	\$0

**GENERAL GOVERNMENT: LABOR AND ECONOMIC OPPORTUNITY**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>			
<b>15. Michigan Women's Commission</b>	FTE	1.0	0.0
Includes an increase of \$1.1 million Gross (\$0 GF/GP) to provide funding for the commission's initiatives. Includes a net-zero technical transfer of \$131,000 GF/GP and authorization for 1.0 FTE position from the unclassified salary line item to the Michigan Women's Commission.	<b>Gross</b>	<b>\$242,600</b>	<b>\$1,100,000</b>
	Federal	0	100,000
	Private	0	1,000,000
	GF/GP	\$242,600	\$0
<b>MICHIGAN STRATEGIC FUND</b>			
<b>16. Pure Michigan and ARP – Pure Michigan</b>	<b>Gross</b>	<b>\$40,000,000</b>	<b>\$0</b>
Includes additional \$5.0 million GF/GP and reduces federal Coronavirus State Fiscal Recovery Fund authorization by \$5.0 million.	Federal	20,000,000	(5,000,000)
	Local	5,000,000	0
	Private	5,000,000	0
	GF/GP	\$10,000,000	\$5,000,000
<b>17. State Trade Export Program</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,000,000</b>
Includes \$3.0 million federal funding to recognize a federal grant that has been administered by the Michigan Strategic Fund for the past nine years. This funding appropriation would authorize the grant program funding within the MSF budget.	Federal	NA	3,000,000
	GF/GP	NA	\$0
<b>18. Flint Settlement Payments</b>	<b>Gross</b>	<b>\$35,000,000</b>	<b>(\$35,000,000)</b>
Transfers \$35.0 million GF/GP for the Flint Settlement Payment from LEO to Treasury as requested by Executive Budget Revision Letter 2023-1.	GF/GP	\$35,000,000	(\$35,000,000)
<b>19. Arts and Cultural Grants</b>	<b>Gross</b>	<b>\$11,000,000</b>	<b>\$2,000,000</b>
Increases funding for arts and cultural grants by \$2,000,000 GF/GP.	Federal	1,050,000	0
	Private	100,000	0
	GF/GP	\$9,850,000	\$2,000,000
<b>MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>			
<b>20. Michigan State Housing Development Authority Staffing</b>	FTE	273.0	0.0
Includes authorization for 20.0 limited-term FTEs through boilerplate to help reach goal of providing an additional 75,000 new or renovated housing units within the next 5 years. Funding for additional limited-term FTEs exists within current budget authorization.	<b>Gross</b>	<b>\$46,699,600</b>	<b>\$0</b>
	Restricted	46,699,600	0
	GF/GP	\$0	\$0
<b>ONE-TIME APPROPRIATIONS</b>			
<b>21. Michigan Enhancement Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$205,299,500</b>
Includes \$205.3 million GF/GP for 100 individual Michigan Enhancement Grants. See Table 1 at back of general government summary for a list of the individual grants.	GF/GP	\$0	\$205,299,500
<b>22. Economic Development and Workforce Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$251,475,000</b>
Includes \$251.5 million GF/GP for 27 individual Economic Development and Workforce Grants. See Table 2 at back of general government summary for a list of the individual grants.	GF/GP	\$0	\$251,475,000
<b>23. Michigan Infrastructure Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$212,800,000</b>
Includes \$212.8 million GF/GP for 17 individual Michigan Infrastructure Grants. See Table 3 at back of general government summary for a list of the individual grants.	GF/GP	\$0	\$212,800,000

**GENERAL GOVERNMENT: LABOR AND ECONOMIC OPPORTUNITY**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>24. Special Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$331,000,000</b>
Includes \$331.0 million GF/GP for the following grants:	GF/GP	\$0	\$331,000,000
<ul style="list-style-type: none"> <li>• Academic Research Building (Detroit Center for Innovation) - \$100.0 million GF/GP.</li> <li>• Cancer Institute Project (Wayne State Medical School) - \$100.0 million GF/GP.</li> <li>• Electric Vehicle Teaching, Training, and Development Center (University of Michigan) - \$130.0 million GF/GP.</li> <li>• Sea Wall Project (Muskegon) - \$1.0 million GF/GP.</li> </ul>			
<b>25. State Historic Preservation Office (SHPO) Grant Program</b>	<b>Gross</b>	<b>NA</b>	<b>\$750,000</b>
Includes \$750,000 federal one-time funding for a SHPO Resilient Lakeshore Heritage Grants Program to award grants for the rehabilitation of eligible rural properties along the great lakes.	Federal	NA	750,000
	GF/GP	NA	\$0
<b>26. Office of Global Michigan – Language Access Program</b>	FTE	11.0	2.0
Includes \$700,000 GF/GP one-time funding to develop a statewide language access program to help individuals with limited English proficiency have access to services. Also includes \$268,700 on-going GF/GP and authorization for 2.0 FTE positions for program.	<b>Gross</b>	<b>\$29,246,400</b>	<b>\$968,700</b>
	Federal	28,769,000	0
	GF/GP	\$477,400	\$968,700
<b>27. ARP - Nonprofit Relief Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$50,000,000</b>
Includes \$50.0 million federal Coronavirus State Fiscal Relief funding for nonprofit relief grants to nonprofit community service organizations.	Federal	0	50,000,000
	GF/GP	\$0	\$0
<b>28. Michigan Community Development Financial Institution Fund Grants (CDFI)</b>	<b>Gross</b>	<b>NA</b>	<b>\$75,000,000</b>
Includes \$75.0 million GF/GP for CDFI grants to be awarded by the Michigan Strategic Fund to eligible community development financial institutions.	GF/GP	NA	\$75,000,000
<b>29. Blight Elimination Program</b>	<b>Gross</b>	<b>\$0</b>	<b>\$75,000,000</b>
Includes \$75.0 million GF/GP one-time funding for a Blight Elimination Program.	GF/GP	\$0	\$75,000,000
<b>30. Removal of FY 2021-22 One-Time Appropriations</b>	<b>Gross</b>	<b>\$372,122,200</b>	<b>(\$372,122,200)</b>
Removes funding for the following one-time appropriations:	Federal	118,750,000	(118,750,000)
<ul style="list-style-type: none"> <li>• \$2.0 million GF/GP – Child Savings Accounts</li> <li>• \$1.8 million GF/GP – College Degree Enhancement Grant</li> <li>• \$1.0 million GF/GP – Construction Career Center Grant</li> <li>• \$25.0 million restricted – Legacy Program: Futures for Frontliners</li> <li>• \$23.8 million Gross (\$5.0 million GF/GP) – Michigan Career and Technical Institute</li> <li>• \$1.0 million GF/GP – Poverty Task Force</li> <li>• \$6.0 million GF/GP – Reconnect and Futures for Frontliners Wraparound Services</li> <li>• \$100.0 million federal funding – ARP Community Revitalization and Placemaking Grants</li> <li>• \$146.9 million GF/GP – Michigan Enhancement Grants</li> <li>• \$48.0 million GF/GP – Michigan Infrastructure Grants</li> <li>• \$5.0 million GF/GP – Rural Jobs and Capital Investment</li> <li>• \$3.0 million GF/GP – Training Center Equipment Grants</li> <li>• \$660,000 GF/GP – Reentry Employment Support</li> <li>• \$8.0 million GF/GP – Statewide Pre-Apprenticeship Program.</li> </ul>	Restricted	25,000,000	(25,000,000)
	GF/GP	\$228,372,200	(\$228,372,200)

**GENERAL GOVERNMENT: LABOR AND ECONOMIC OPPORTUNITY**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>31. Technical Budget Adjustments</b>		<b>Gross</b>	<b>NA (\$17,666,000)</b>
Includes a reduction of \$17.7 million Gross (\$45,100 GF/GP) for technical adjustments to align appropriation authority with available funding estimates.		Federal	(17,381,800)
		Local	(200,000)
		Restricted	(39,100)
		GF/GP	(\$45,100)
<b>32. Removal of Supplemental FY 2021-22 Appropriations</b>		<b>Gross</b>	<b>NA (\$1,176,324,500)</b>
Includes a reduction of \$1.2 billion Gross (\$1.0 billion GF/GP) to remove FY 2021-22 supplemental funding appropriated in 2021 PA 132 (\$1.0 billion Gross) and 2021 PA 133 (\$176.3 million Gross).		Federal	(151,698,400)
		Private	(2,324,900)
		Restricted	(350,200)
		GF/GP	(\$1,021,951,000)
<b>33. Economic Adjustments</b>		<b>Gross</b>	<b>NA \$9,872,500</b>
Increases funding by \$9.9 million Gross (\$1.1 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022, and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		Federal	6,608,000
		Private	3,700
		Restricted	2,201,400
		GF/GP	\$1,059,400

**Major Boilerplate Changes from FY 2021-22**

**DEPARTMENT LABOR AND ECONOMIC OPPORTUNITY (LEO)**

**Sec. 983. Broadband Bonding Prohibition – RETAINED (UNENFORCEABLE)**

Prohibits LEO, the Michigan Strategic Fund, and the Michigan State House Development Authority from issuing or refinancing bonds or using any funds for broadband construction, expansion, repairs, or upgrades. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 989b. UIA Request for Solutions – DELETED**

Requires LEO to solicit proposals for UIA solutions through the state's procurement process by December 1, 2021; requires solution incorporate proven processes that correctly decipher between valid and fraudulent claims and expedite claims for payment.

**Sec. 989c. Broadband-Focused Employees – NEW**

States legislative intent that all of the broadband-focused state employees be consolidated into LEO.

**LEO – MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA)**

**Sec. 991. Housing and Rental Assistance Program Limited-Term Staff – NEW**

Authorizes LEO to hire or contract for 20.0 limited-term employees to administer housing and rental assistance programs.

**LEO – MICHIGAN STRATEGIC FUND (MSF)**

**Sec. 1005d. Pure Michigan Promotion – DELETED**

Requires Pure Michigan campaign to prioritize sectors of the economy that were disproportionately impacted by the COVID-19 pandemic.

**Sec. 1009. Land Purchase Provisions – RETAINED (UNENFORCEABLE)**

Prohibits MEDC from purchasing land or land options unless the land is in an economically distressed area or purchase is at invitation of local unit and economic development agency; authorizes purchases where proposed use is consistent with a regional land use plan, will result in redeveloping an economically distressed area, can be supported with existing infrastructure, and will not cause population to shift from population centers; requires report. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 1054. Employment Opportunity Program Funding Distribution – NEW**

Appropriates tax capture revenues collected under the employment opportunity program and allows distribution of payments to qualified businesses pursuant to chapter 8F of the Michigan Strategic Fund Act.



**Major Boilerplate Changes from FY 2021-22**

**LEO – EMPLOYMENT SERVICES**

***Sec. 1056. MIOSHA Press Release Limitation – DELETED***

Prohibits MIOSHA from identifying specific employers by name in communications distributed to the press with respect to violations issued under emergency rules.

***Sec. 1057. MIOSHA Records – NEW***

Requires MIOSHA to maintain physical or virtual records of notes and documents in accordance with the state's record retention policies for cases in which an employer was issued a citation or fine for a violation of the Michigan Occupational Safety and Health Act.

***Sec. 1058. Employment Services Delivery – NEW***

Requires LEO to continue to use local merit staff and the Michigan Works! agency staff to deliver employment services, in accordance with Wagner-Peyser Act and the Michigan v. Herman settlement agreement.

***Sec. 1067. MiSTEM Advisory Council – NEW***

Requires MiSTEM Advisory Council to support staff for MiSTEM network and provides support requirements.

***Sec. 1071. Jobs for America's Graduates – REVISED***

Requires funding for at-risk youth grants to be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program. Revised by deleting language requiring \$1.0 million to be used to match private funds to the Michigan franchise holder.

***Sec. 1083. Michigan Rehabilitation Services (MRS) Funding for Disabled Agricultural Workers – REVISED***

Allocates \$50,000 from MRS appropriation line item along with federal matching funds for vocational rehabilitation services to disabled agricultural workers; requires report. Revised by removing the specific amount of \$50,000 for the funding that is to be allocated for services.

**LEO – COMMISSIONS**

***Sec. 1092. Office of Global Michigan Report – REVISED***

Requires the Office of Global Michigan to report on activities of office; stipulates reporting requirements. Revised reporting requirements include reporting the number of refugee arrivals, the average wage and job placements of refugees, and the number of referrals conducted through the Michigan International Talent Solutions program.

**LEO – ONE-TIME APPROPRIATIONS**

***Sec. 1094f. Blight Elimination Program – NEW***

Requires funding for a blight elimination program to be awarded to 4 specific projects and the remaining funding to be awarded through a competitive grant program; designates unexpended funds as a work project appropriation.

***Sec. 1094k. Michigan Enhancement Grants – NEW***

Allocates funding to provide grants for specific projects. See Table 1 at back of the general government summary for a list of the individual grants.

***Sec. 1094l. Michigan Infrastructure Grants – NEW***

Allocates funding to provide grants for specific projects. See Table 3 at back of the general government summary for a list of the individual grants.

***Sec. 1094m. Economic Development and Workforce Grants – NEW***

Allocates funding to provide grants for specific projects. See Table 2 at back of the general government summary for a list of the individual grants.

***Sec. 1094n. Cancer Institute Project Grant – NEW***

Allocates \$100.0 million for a grant to Wayne State University Medical Center to partner with a cancer institute on the project.

***Sec. 1094o. Electric Vehicle Teaching, Training, and Development Center Grant – NEW***

Allocates \$130.0 million for a grant to the University of Michigan to support an electric vehicle development center; requires report.

**GENERAL GOVERNMENT: LABOR AND ECONOMIC OPPORTUNITY**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 1094p. Dam and Walkway Funding – NEW**

States legislative intent that \$850,000 funding appropriated in FY 2021-22 for a dam and walkway project be designated as a work project.

**Sec. 1094q. Center for Innovation Grant – NEW**

Allocates funding for an academic research building to support a combined project with the University of Michigan to support economic and talent development.

**Sec. 1097. Michigan Community Development Financial Institution (CDFI) Fund Grants – NEW**

Creates the Michigan CDFI Fund and requires grants to be awarded by the MSF to eligible community development financial institutions.

**Sec. 1098. ARP - Nonprofit Relief Grants – NEW**

Requires LEO to establish a new nonprofit relief grant program to award grant funding to nonprofit community service organizations across the state.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Workers' Compensation Board of Magistrates**

Includes \$500,000 GF/GP and authorization for 3.0 FTE positions to hire temporary magistrates to serve for 6 months or less in any 2-year period if caseloads increase. Trials were suspended during the COVID-19 pandemic and additional magistrates would help address the increased backlog of cases.

FTE	3.0
<b>Gross</b>	<b>\$500,000</b>
GF/GP	\$500,000

**2. ARP – Coronavirus Economic Development Administration State Tourism Grant**

Includes \$10.3 million of federal funding to support travel, tourism, and outdoor recreation sectors. Of the total, at least \$8.3 million will be allocated for Pure Michigan marketing, \$1.0 million for competitive grants to support accessibility, and \$1.0 million for certain activities related to Pure Michigan marketing and to accessibility if approved by the United States Economic Development Administration.

<b>Gross</b>	<b>\$10,307,400</b>
Federal	10,307,400
GF/GP	\$0

**3. Broadband Equity, Access, and Deployment**

Includes \$5.0 million of federal funding to support initial planning activities for the Broadband, Equity, Access, and Deployment (BEAD) program, which was established under the federal Infrastructure Investment and Jobs Act. Funds will be used by the department to create a 5-year action plan in collaboration with local and regional entities.

<b>Gross</b>	<b>\$5,000,000</b>
Federal	5,000,000
GF/GP	\$0

**4. Community Development Block Grant (CDBG) – Disaster Recovery**

Includes \$12.0 million of federal funding to support recovery from the severe storms and flooding of June 2021 in southeast Michigan. Of the \$12.0 million, federal requirements are that \$9.6 million be allocated to Wayne County. The cities of Detroit and Dearborn will receive separate individual grants directly from the federal government.

<b>Gross</b>	<b>\$12,033,000</b>
Federal	12,033,000
GF/GP	\$0

**5. Corrections Officer Post-Secondary Grants**

Includes \$5.0 million GF/GP for the Michigan Community College Association to establish and administer a post-secondary grant program for corrections officers to pay for up to 15 college credit hours for current and new officers that have not completed required coursework for employment as a corrections officer.

<b>Gross</b>	<b>\$5,000,000</b>
GF/GP	\$5,000,000

**6. Michigan One-Time Grant**

Includes \$11.0 million GF/GP for the Sturgis Hospital.

<b>Gross</b>	<b>\$11,000,000</b>
GF/GP	\$11,000,000

**FY 2021-22 Supplemental Boilerplate Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 601. Worker's Compensation Board of Magistrates**

Designates unexpended funds as a work project appropriation.

**FY 2021-22 Supplemental Boilerplate Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

***Sec. 602. ARP – Coronavirus Economic Development Administration State Tourism Grant***

Requires funding to be used to support travel, tourism, and outdoor recreation sectors; allocates at least \$8.3 million for Pure Michigan marketing, \$1.0 million for competitive grants to support accessibility, and \$1.0 million for certain activities related to Pure Michigan marketing and to accessibility if approved by the United States Economic Development Administration; designates unexpended funds as a work project appropriation.

***Sec. 603. Community Development Block Grant – Disaster Recovery***

Designates unexpended funds as a work project appropriation.

***Sec. 604. Corrections Officer Post-Secondary Grants***

Requires funding to be allocated to the Michigan Community College Association to establish and administer a post-secondary grant program for corrections officers to pay for up to 15 college credit hours for current and new officers that have not completed required coursework for employment with the Department of Corrections.

***Sec. 605. Broadband Equity, Access, and Deployment***

Designates unexpended funds as a work project appropriation.

***Sec. 606. Michigan One-Time Grant***

Requires the appropriation to be allocated to Sturgis Hospital in Sturgis, Michigan.

**LEGISLATURE**

**Summary of FY 2022-23 Enacted**

**Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Viola Bay Wild**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	0	0	0	--
<b>Local</b>	0	0	0	--
<b>Private</b>	406,000	428,300	22,300	5.5
<b>Restricted</b>	4,706,800	4,965,700	258,900	5.5
<b>GF/GP</b>	181,535,400	181,283,000	(252,400)	(0.1)
<b>Gross</b>	<b>\$186,648,200</b>	<b>\$186,677,000</b>	<b>\$28,800</b>	<b>0.0</b>

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

This budget provides funding for the Legislative branch of state government, including the Legislative Council and agencies it governs, the Legislative Retirement System, and Property Management. The legislature enacts the laws of Michigan, levies taxes, and appropriates funding from revenue collected for the support of public institutions and the administration of the affairs of state government. The Legislative Council provides a wide variety of essential services to members and staff of the legislature. The Michigan Legislative Retirement System provides retirement allowances, survivors' allowances, and other benefits for members of the legislature and their spouses, dependents, survivors, and beneficiaries. Property Management employees maintain, operate, and repair the Cora Anderson House of Representatives Office Building and Binsfield Senate Office Building. The Michigan State Capitol Historic Site includes the Capitol Building, its grounds and parking lot, and the Michigan State Capitol Commission.

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>1. Legislative Operations Adjustment</b>	<b>Gross</b>	<b>\$175,997,100</b>	<b>\$10,679,900</b>
Includes \$10.7 million Gross (\$10.4 million GF/GP) increase to fund increased costs related to legislative employees, property management, and other operations.	Private	406,000	22,300
	Restricted	4,706,800	258,900
	GF/GP	\$170,884,300	\$10,398,700
	<b>Gross</b>	<b>\$3,108,900</b>	<b>(\$3,108,900)</b>
<b>2. Independent Citizens Redistricting Commission (ICRC)</b>	<b>Gross</b>	<b>\$3,108,900</b>	<b>(\$3,108,900)</b>
Removes \$3.1 million GF/GP for the ICRC. The Michigan Constitution requires that the terms of the commissioners expire once the commission has completed its work for a census cycle.	GF/GP	\$3,108,900	(\$3,108,900)
	<b>Gross</b>	<b>\$7,542,200</b>	<b>(\$7,542,200)</b>
<b>3. Legislative IT Design Special Project</b>	<b>Gross</b>	<b>\$7,542,200</b>	<b>(\$7,542,200)</b>
Removes \$7.5 million GF/GP one-time appropriation for phase two of the IT system upgrade to the legislative computer system.	GF/GP	\$7,542,200	(\$7,542,200)

**Major Boilerplate Changes from FY 2021-22**

**Sec. 616. Independent Citizens Redistricting Commission (ICRC) – DELETED**

Requires council administrator to assist in administering compensation, benefits, and other personnel support for members, employees, staff, and consultants of the Independent Citizens Redistricting Commission.

**Sec. 617. Independent Citizens Redistricting Commission Reporting – DELETED**

Requires a quarterly expenditure and activities report from the ICRC.

Major Boilerplate Changes from FY 2021-22

**Sec. 618. Legislative IT Design Special Project Work Project – DELETED**

Designates appropriation for the legislative IT design special project as a work project account.

**Sec. 624. Authorization to Charge and Collect Fees for Subsequent Audit – RETAINED (UNENFORCEABLE)**

Authorizes the auditor general to charge and collect fees for a subsequent audit conducted pursuant to Section 229; states that fees and charges may not exceed cost of audit; provides for expenditure of funds. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 625. Access to Confidential Information – RETAINED (UNENFORCEABLE)**

Specifies legislative intent that the auditor general be authorized to access and examine confidential information of each branch, department, office, board, commission, agency, authority, and institution of the state subject to the same duty of confidentiality imposed by law on the entity providing the confidential information. *(Governor's signing letter states this section is unenforceable.)*

FY 2021-22 Supplemental Appropriation Items

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**1. Independent Citizens Redistricting Commission (ICRC)**

Includes \$2.2 million GF/GP for the ICRC to support costs of ongoing litigation.

<b>Gross</b>	<b>\$2,200,000</b>
GF/GP	\$2,200,000

**LEGISLATIVE AUDITOR GENERAL**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

Analyst: Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$6,345,200	\$6,654,800	\$309,600	4.9
<b>Federal</b>	0	0	0	--
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	2,170,500	2,329,300	158,800	7.3
<b>GF/GP</b>	18,598,900	19,621,800	1,022,900	5.5
<b>Gross</b>	<b>\$27,114,600</b>	<b>\$28,605,900</b>	<b>\$1,491,300</b>	<b>5.5</b>

Notes:

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The legislative auditor general is responsible for conducting post financial and performance audits of state government operations. Audit reports provide a continuing flow of information to assist the legislature in its oversight of approximately 100 individual state funds. Audit reports provide citizens with a measure of accountability and assist state departments and agencies in improving financial management of their operations. The goal of the legislative auditor general is to improve accounting and financial reporting practices and promote effectiveness, efficiency, and economy in state government. The mission is to improve the accountability of public funds and to improve the operations of state government for the benefit of the citizens of the state.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Auditor General Operations Increase**

Includes \$1.5 million Gross (\$1.0 million GF/GP) for increased costs related to auditor general staff and other operations.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>\$27,114,600</b>	<b>\$1,491,300</b>
IDG	6,345,200	309,600
Restricted	2,170,500	158,800
GF/GP	\$18,598,900	\$1,022,900

**Major Boilerplate Changes from FY 2021-22**

There are no major boilerplate changes for FY 2022-23.

**DEPARTMENT OF STATE**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Michael Cnossen**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$20,000,000	\$20,000,000	\$0	0.0
<b>Federal</b>	1,460,000	1,460,000	0	0.0
<b>Local</b>	0	0	0	--
<b>Private</b>	50,100	50,100	0	0.0
<b>Restricted</b>	218,218,600	221,007,300	2,788,700	1.3
<b>GF/GP</b>	12,435,600	12,679,300	243,700	2.0
<b>Gross</b>	<b>\$252,164,300</b>	<b>\$255,196,700</b>	<b>\$3,032,400</b>	<b>1.2</b>
<b>FTEs</b>	1,592.0	1,592.0	0.0	0.0

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of State (DOS) is the oldest department in Michigan state government. It is administered by the secretary of state, an elected official who serves a four-year term of office and has constitutional and statutory duties. Services provided by the department include registering and titling automobiles, watercraft, and recreational vehicles; regulating automobile dealers and repair facilities; registering voters and administering elections; and streamlining the collection of revenue. The department operates programs designed to enhance driver safety, protect automotive consumers, and ensure the integrity of both the motor vehicle administration system and the statewide elections process.

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b><u>FY 2021-22 Year-to-Date (as of 2/9/22)</u></b>	<b><u>FY 2022-23 Enacted Change</u></b>
<b>1. Enhanced Driver License Increase</b>	<b>Gross</b>	<b>\$10,814,200</b>	<b>\$1,000,000</b>
Authorizes \$1.0 million Gross (\$0 GF/GP) of state restricted Enhanced Driver License and Enhanced Personal Identification Card Fee revenue to reflect increased level of customer transactions due to approaching date of federal REAL ID identification requirements for domestic air travel.	Restricted	10,814,200	1,000,000
	GF/GP	\$0	\$0
<b>2. State Contracted Security Costs</b>	<b>Gross</b>	<b>NA</b>	<b>\$300,000</b>
Provides \$300,000 Gross (\$0 GF/GP) to support the department's share of increased costs statewide of contracted security services. Security services are used at secretary of state branch office locations.	Restricted	NA	300,000
	GF/GP	NA	\$0
<b>3. Restricted Revenue Adjustments</b>	<b>Gross</b>	<b>\$2,730,300</b>	<b>(\$2,730,300)</b>
Reduces state restricted revenue authorization by \$2.7 million to reflect a decrease in projected revenues due in part to changes from criminal justice reform legislation:	Restricted	2,730,300	(2,730,300)
<ul style="list-style-type: none"> <li>• \$1.0 million – State Lottery Fund</li> <li>• \$487,600 – Reinstatement Fees</li> <li>• \$396,600 – Vehicle Theft Prevention Fund</li> <li>• \$358,500 – Parking Ticket Court Fines</li> <li>• \$308,200 – Driver Improvement Course Fund</li> <li>• \$163,600 – Child Support Clearance Fees.</li> </ul>	GF/GP	\$0	\$0

**GENERAL GOVERNMENT: STATE (DEPARTMENT)**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>	<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>	
<b>4. TACF/TASF Revenue Replacement</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Includes \$19.0 million state restricted from the Transportation Administration Support Fund (TASF), created in Treasury under section 949I, to support expenses related to vehicle and driver services, and reduces corresponding amounts of revenue authorization from the Transportation Administration Collection Fund (TACF), resulting in a net \$0 Gross change. Revenue from TASF is provided to help address the long-term revenue shortfall anticipated for TACF. Revenue adjustments are:	Restricted	NA	0
	GF/GP	NA	\$0
<ul style="list-style-type: none"> <li>• \$461,700 for Executive Direction.</li> <li>• \$2.7 million for Department Operations.</li> <li>• \$1.1 million for Property Management.</li> <li>• \$10,900 for Worker's Compensation.</li> <li>• \$1.5 million for Legal Services.</li> <li>• \$5.6 million for Branch Operations.</li> <li>• \$3.4 million for Central Operations.</li> <li>• \$4.4 million for Information Technology Services and Projects.</li> </ul>			
<b>5. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$4,462,700</b>
Provides for increased costs of \$4.5 million Gross (\$243,700 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Restricted	NA	4,219,000
	GF/GP	NA	\$243,700

**Major Boilerplate Changes from FY 2021-22**

**Sec. 714. Branch Office Closings or Consolidations – RETAINED (UNENFORCEABLE)**

Requires legislature to be notified in writing at least 180 days prior to closing a branch office or 60 days prior to relocating a branch outside of its current local unit of government; notification to include analyses of branch transactions and revenue, citizen impact, and savings and costs. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 718. Full-Time Walk-In Branch Office Services – RETAINED (UNENFORCEABLE)**

Requires department to maintain "adequate in-person services" as defined in the Michigan Vehicle Code, MCL 257.1a.; defined as "providing in-person service options, without the requirement of an advance appointment, on each day and at each location a secretary of state branch office is open for services in this state". *(Governor's signing letter states this section is unenforceable.)*

**Sec. 719. State HAVA Grant Report – NEW**

Requires a report on reimbursements to counties, cities, and townships from the department's election security grant program funded by federal Help America Vote Act funding.

**Sec. 720a. Election Notices Report – NEW**

Requires the department to report on figures on voter registrations from information returned from change of address notifications sent by the secretary of state.

**Sec. 721. Ballot Proposal 2 Cost Report – DELETED**

Requires DOS to submit quarterly report on all expenditures associated with establishing Independent Citizens Redistricting Commission and its role as secretary of commission as required by constitutional amendment approved under Ballot Proposal 2 of 2018.

**Sec. 721a. Ballot Proposal 3 Cost Report – DELETED**

Requires DOS to submit quarterly report on all expenditures associated with implementing changes and new procedures and purchasing equipment needed for implementing same-day registration and no-reason absentee voting as required by constitutional amendment approved under Ballot Proposal 3 of 2018.



**Major Boilerplate Changes from FY 2021-22**

**Sec. 722. Legacy Mainframes System Modernization – REVISED**

Authorizes DOS to spend funds to modernize legacy mainframe systems; requires report of modernization project detailing costs and various updates on project. Revised to require a report on ongoing costs of the department's modernized automated IT system, the Customer and Automotive Records System (CARS), as it transitions from implementation to maintenance costs.

**Sec. 722a. MERTS Election System Report – NEW**

Requires a report describing the progress made on updating the state's software application for campaign finance and state level committees filing for public office, Michigan Electronic Reporting and Tracking System (MERTS), and on contracting to modernize or replace the system, including a timeline towards completing the modernization, key implementation dates, and anticipated costs.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**1. Reimbursement to Local Clerks for Special Elections**

Includes \$600,000 GF/GP to reimburse county, city, and township clerks in Kent, Macomb, Oakland, and Wayne counties for costs of administering special elections held on March 1, 2022, which is not one of three statutorily prescribed election dates. Clerks must provide documentation showing actual expenses incurred from special elections in order to receive reimbursement.

<b>Gross</b>	<b>\$600,000</b>
GF/GP	\$600,000

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Michael Cnossen**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$1,057,210,900	\$1,047,125,600	(\$10,085,300)	(1.0)
<b>Federal</b>	10,129,800	5,217,200	(4,912,600)	(48.5)
<b>Local</b>	2,328,700	2,331,200	2,500	0.1
<b>Private</b>	234,700	137,400	(97,300)	(41.5)
<b>Restricted</b>	121,020,600	123,219,300	2,198,700	1.8
<b>GF/GP</b>	517,745,100	657,109,000	139,363,900	26.9
<b>Gross</b>	<b>\$1,708,669,800</b>	<b>\$1,835,139,700</b>	<b>\$126,469,900</b>	<b>7.4</b>
<b>FTEs</b>	3,147.0	3,167.0	20.0	0.6

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Technology, Management, and Budget (DTMB) is the centralized service agency for the executive branch. Its responsibilities include information technology services and project support for state departments and agencies; state facility and lease management; the state motor vehicle fleet; state purchasing and procurement; state retirement systems; internal audit; state budget development and monitoring; and state accounting and financial control systems. Autonomous units within DTMB include the following: State Budget Office, Office of the State Employer, Civil Service Commission, Office of Retirement Services, State Administrative Board, and the Office of Children's Ombudsman.

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b><u>FY 2021-22 Year-to-Date (as of 2/9/22)</u></b>	<b><u>FY 2022-23 Enacted Change</u></b>
<b>1. ITIF Legacy IT System Projects (One-Time)</b>	<b>Gross</b>	<b>\$50,000,000</b>	<b>\$85,000,000</b>
Provides a net increase of \$85.0 million GF/GP from FY 2021-22 with \$100.0 million GF/GP of one-time funding to Information Technology Investment Fund project portfolio (ITIF) to support new information technology legacy system modernization projects. ITIF will receive \$135.0 million GF/GP total, with recommended ongoing funding of \$35.0 million GF/GP.	GF/GP	\$50,000,000	\$85,000,000
<b>2. State Facilities Special Maintenance (One-Time)</b>	<b>Gross</b>	<b>\$28,000,000</b>	<b>\$70,000,000</b>
Provides an additional \$70.0 million in one-time GF/GP for maintenance, demolition, and infrastructure projects for 800 buildings and 5,000 structures that the state owns. With \$28.0 million GF/GP in the current year base, a total of \$98.0 million will be available for special maintenance projects.	GF/GP	\$28,000,000	\$70,000,000
<b>3. Supply Chain Technology (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$15,000,000</b>
Provides \$15.0 million GF/GP to purchase software from a Michigan-based vendor that provides real-time visibility for complex supply chains.	GF/GP	NA	\$15,000,000
<b>4. MiLogin Program Augmentation and Stabilization</b>	FTE	17.0	8.0
Provides \$5.0 million GF/GP and 8.0 FTE positions to support increased use and adoption of the state's online single sign-on platform. Use of MiLogin platform increased dramatically during state employees' transition to remote work during the pandemic. \$2.5 million GF/GP is also included for this purpose under article 15 for FY 2021-22.	<b>Gross</b>	<b>\$9,693,200</b>	<b>\$5,000,000</b>
	GF/GP	\$9,693,200	\$5,000,000

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>5. Cyber Security and Infrastructure Protection Division</b>	FTE	25.0	19.0
Provides \$3.1 million GF/GP and 19.0 FTE positions for additional staffing and resources for the state's cybersecurity protection office. FTE positions would be allocated as follows:	<b>Gross</b>	<b>\$14,149,200</b>	<b>\$3,070,200</b>
	GF/GP	\$14,149,200	\$3,070,200
<ul style="list-style-type: none"> <li>• 9.0 for Governance, Risk, and Compliance Program to perform security accreditation and risk assessments of all enterprise IT systems</li> <li>• 8.0 for security operations to support front-line program for monitoring critical IT systems for threats</li> <li>• 2.0 for security architecture to ensure legacy system replacements and upgrades have adequate security protocols.</li> </ul>			
<b>6. New Grand Rapids State Police Facility</b>	<b>Gross</b>	<b>\$95,451,500</b>	<b>\$2,000,000</b>
Provides \$2.0 million Gross (\$0 GF/GP) to support building management and operational costs of the new State Police facility near Grand Rapids which opened in 2021. Funds support costs of maintaining the building, equipment, and grounds, overseeing building-related security, utilities, and parking, and asset and preventive maintenance planning.	IDG	93,951,500	2,000,000
	GF/GP	\$1,500,000	\$0
<b>7. Central Data Analytics Center</b>	<b>Gross</b>	<b>\$2,750,000</b>	<b>(\$900,000)</b>
Provides \$1.9 million GF/GP, for a decrease of \$900,000 from one-time funding in FY 2021-22, to provide an ongoing \$2.0 million GF/GP to support operations of new central data analytics center for research and information sharing among state departments. Funding will enable implementation and operation of data center that was initiated with current year one-time funding.	GF/GP	\$2,750,000	(\$900,000)
<b>8. Central Procurement IT Solicitation</b>	FTE	104.0	2.0
Provides \$473,300 GF/GP and 2.0 FTE positions for new procurement software and to assist state agencies with IT contract development as procurement documents have increased in complexity to ensure data security and safeguarding provisions are properly included.	<b>Gross</b>	<b>\$13,471,100</b>	<b>\$473,300</b>
	IDG	452,900	0
	Restricted	9,118,300	0
	GF/GP	\$3,899,900	\$473,300
<b>9. Delegated Procurement Support</b>	FTE	173.5	7.0
Provides \$872,100 Gross (\$0 GF/GP) and 7.0 FTE positions to support increasing workload in delegated procurement process for contracts under \$500,000 due to increases in delegated authority thresholds.	<b>Gross</b>	<b>\$26,156,400</b>	<b>\$872,100</b>
	IDG	15,751,300	544,600
	Restricted	4,946,100	327,500
	GF/GP	\$5,459,000	\$0
<b>10. DTMB Vehicle Fleet Rate Changes</b>	<b>Gross</b>	<b>\$82,017,200</b>	<b>\$3,622,500</b>
Provides \$3.6 million in IDG funding to reflect increased vehicle travel and insurance service rate adjustments.	IDG	82,017,200	3,622,500
	GF/GP	\$0	\$0
<b>11. LMISI Private Funds Placeholder</b>	<b>Gross</b>	<b>\$5,989,900</b>	<b>(\$99,900)</b>
Reduces current year private funding authorization by \$99,900 to provide \$100 to serve as placeholder for legislative contingency authorization transfers of potential private philanthropic grants revenue to programs under the Bureau of Labor Market Information and Strategic Initiatives. The Bureau received \$100,000 in private grant funding for the Data for the American Dream Initiative in FY 2021-22.	Federal	4,943,900	0
	Local	35,000	0
	Private	100,000	(99,900)
	GF/GP	\$911,000	\$0
<b>12. Annual IT IDG Baseline Adjustment</b>	FTE	NA	6.0
Reduces IDG funding authorization by \$22.6 million to reflect projects and service adjustments in other executive department and agency budgets, administrative cost allocation changes, and IT budgetary requests made by departments and agencies and provides 6.0 FTE positions to support IT and network capabilities associated with regulating internet gaming. Technology Service appropriation lines are prorated by department based on their total IT budget.	<b>Gross</b>	<b>NA</b>	<b>(\$22,605,100)</b>
	IDG	NA	(22,605,100)
	GF/GP	NA	\$0

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>13. IT Personnel Transfer to Lottery</b>	FTE	11.0	(11.0)
Transfers \$1.5 million Gross (\$0 GF/GP) and 11.0 FTE positions to Michigan Bureau of State Lottery to organize employees by tasks typically performed by agencies.	<b>Gross</b>	<b>\$1,459,300</b>	<b>(\$1,459,300)</b>
	IDG	1,459,300	(1,459,300)
	GF/GP	\$0	\$0
<b>14. Building Security Cost Increase and Funding Shift</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>(\$200,000)</b>
Reduces \$1.5 million GF/GP and increases IDG authorization by \$1.3 million to shift funding for FY 2021-22 increased security costs at state-owned facilities to departments for a \$200,000 Gross decrease.	IDG	0	1,300,000
	GF/GP	\$1,500,000	(\$1,500,000)
<b>15. SWCAP Adjustment</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Reallocates fund sourcing associated with annual Statewide Cost Allocation Plan (SWCAP) for a net change of \$0 Gross and decrease of \$23,400 GF/GP.	IDG	NA	(370,400)
	Restricted	NA	393,800
	GF/GP	NA	(\$23,400)
<b>16. Civil Service Commission Transfers</b>	FTE	NA	0.0
Transfers \$400,000 Gross (\$152,000 GF/GP) and 7.0 FTE positions for two separate requests to align staffing and funding with agency operations for a net \$0 and 0.0 FTE position change. Transfers include:	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<ul style="list-style-type: none"> <li>\$400,000 from Executive Direction to Information Technology Services and Projects</li> <li>2.0 FTE positions from Employee Benefits to Executive Direction</li> <li>5.0 FTE positions from Human Resources Operations to Information Technology Services and Projects.</li> </ul>	IDG	NA	0
	GF/GP	NA	\$0
<b>17. Removal of Current Year One-Time Funding</b>	<b>Gross</b>	<b>\$47,050,000</b>	<b>(\$47,050,000)</b>
Eliminates \$47.1 million Gross (\$42.1 million GF/GP) of one-time funding appropriated in FY 2021-22:	Federal	5,000,000	(5,000,000)
<ul style="list-style-type: none"> <li>\$20.0 million GF/GP for advanced cybersecurity threats</li> <li>\$12.3 million GF/GP for legal services</li> <li>\$5.0 million for Energy Efficiency Revolving Fund</li> <li>\$1.7 million GF/GP for PPE stockpile warehouse operations</li> <li>\$1.0 million GF/GP for business incentive study</li> <li>\$1.0 million GF/GP for statewide PPE stockpile</li> <li>\$500,000 GF/GP for Indiana border survey cost study</li> <li>\$300,000 GF/GP for vendor data tracking</li> <li>\$250,000 GF/GP for state innovation waiver actuarial study</li> <li>\$5.0 million federal funding for COVID-19 Office of Accountability.</li> </ul>	GF/GP	\$42,050,000	(\$42,050,000)
<b>18. Business Incentive Evaluation</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Provides \$1.0 million GF/GP to continue implementation of the Economic Development Incentive Evaluation Act (2018 PA 540) which requires the department to contract with a private entity, nonprofit entity, or academic institution for the evaluation of economic development incentives.	GF/GP	NA	\$1,000,000
<b>19. Vendor Data Tracking</b>	<b>Gross</b>	<b>NA</b>	<b>\$300,000</b>
Includes \$300,000 GF/GP to support the continuation and expansion of a subscription for a supplier risk and information tracking system used for a pre-contract risk assessment program.	GF/GP	NA	\$300,000
<b>20. Software License Purchasing Review</b>	<b>Gross</b>	<b>NA</b>	<b>\$750,000</b>
Provides \$750,000 GF/GP for vendor contract costs to provide an enterprisewide review of data security and software licensing purchases to achieve potential efficiencies.	GF/GP	NA	\$750,000

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>21. FTE Adjustments</b>	FTE	NA	(11.0)
Reduces 16.0 FTE positions from the Resource Services IT line item and adds 5.0 FTE positions to the Budget and Financial Services line item for a net reduction of 11.0 FTE positions.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	GF/GP	NA	\$0
<b>22. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$11,696,100</b>
Includes \$11.7 million Gross (\$3.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	6,882,400
	Federal	NA	87,400
	Local	NA	2,500
	Private	NA	2,600
	Restricted	NA	1,477,400
	GF/GP	NA	\$3,243,800

**Major Boilerplate Changes from FY 2021-22**

**Sec. 816. Privatization RFPs – RETAINED (UNENFORCEABLE)**

Requires RFP issued for purpose of privatization to include all factors to be used in evaluating and determining price. (Governor's signing letter states this section is unenforceable.)

**Sec. 821. Office of Retirement Services Report – REVISED**

Requires the Office of Retirement Services (ORS) to produce a report on the Judges Retirement System, Military Retirement System, Michigan Public School Employees' Retirement System, State Employees' Retirement System, and State Police Retirement System showing tables and charts of the annual required contribution flow per fiscal year and a justification if the payroll growth assumption is maintained at or above 0% for any pension or OPEB plan; requires additional items to be reported for the Michigan Public School Employees' Retirement System; requires ORS to post the most recent year's CAFR for each plan. Revised to eliminate requirement to report on annual required contribution payment charts based on basis points less than the current annualized rate of return.

**Sec. 822o. Business Incentive Study – REVISED**

Requires one-time appropriated funds for Business Incentive Study to be used to implement Economic Development Incentive Evaluation Act (2018 PA 540). Revised to reflect transfer of \$1.0 million GF/GP from one-time appropriations unit to ongoing Administrative Services line.

**Sec. 822p. Supplier Risk Assessment Program – REVISED**

Requires DTMB to maintain a comprehensive supplier risk and information subscription used for the pre-contract risk assessment program described in 2017 PA 107. Revised to reflect transfer of \$300,000 GF/GP from one-time appropriations unit to ongoing Business Support Services line.

**Sec. 823. Sale of Paid Advertising – DELETED**

Permits DTMB to sell paid advertising on or sponsorships for state websites; requires advertising revenue up to \$250,000 to be used for operating costs and future IT enhancements; requires advertising revenue in excess of \$250,000 to be deposited in the General Fund; provides for receipt and expenditure of gifts to underwrite state websites.

**Sec. 830. Enterprise IT Project Reporting – DELETED**

Requires quarterly report on active and closed IT projects throughout all executive branch departments with information on schedule, budget, cost, project changes, project success scores, and number of completed projects that have exceeded their initial schedule and budget estimates.

**Sec. 836. RFI for UIA Information System Rebid – DELETED**

Requires department to use third-party vendor to compile business requirements to be incorporated into the RFP for rebid of unemployment insurance benefits system.

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 863a. State Building Occupancy and Use Report – REVISED**

Requires DTMB to submit report which evaluates office building and space usage by all state departments and develop a projection for future building occupancy; lists additional report requirements including projections of amounts of state-owned and leased buildings, comparisons of past occupancy levels with projected levels, plan for building occupancy efficiency, and projected costs to complete space optimization plan. Revised to require DTMB to work with state departments and agencies to evaluate state-owned and leased office space usage to identify projected changes in the current and next fiscal years and to provide a report which includes those changes, a comparative analysis of 2019 occupancy levels to current and future levels, a list of expenditures related to property divestment, and net savings from property divestment.

**Sec. 890. Energy Efficiency Revolving Fund – DELETED**

Creates Energy Efficiency Revolving Fund within Treasury; authorizes Treasury to receive money or other assets for deposit into fund and to credit interest and earnings into the fund; provides carry-forward authorization for unexpended funds at close of fiscal year; states that funds appropriated for Energy Efficiency Revolving Fund are deposited into the fund; describes department's responsibilities in administering the fund; directs money saved by projects from the fund to be deposited to the fund and appropriates those funds; requires an annual report that includes a list of all funded projects and savings realized from those projects.

**Sec. 890. Software Purchasing Review – NEW**

Provides a list of technical requirements and functions for the platform purchased with funds appropriated for Software Purchasing Review.

**Sec. 891. Supply Chain Software Solicitation – NEW**

Requires the department to solicit a Michigan-based vendor for a software product that provides real-time visibility platforms for complex supply chains; provides eligibility criteria for selecting a vendor.

**Sec. 892. Michigan-Indiana Border Survey – DELETED**

Requires one-time appropriated funds for Michigan-Indiana Border Survey to be used to conduct a study and cost assessment of administration and remonumentation of Michigan-Indiana border; provides list of costs that must be estimated.

**Sec. 893. State Innovation Waiver Actuarial Study – DELETED**

Requires DTMB to contract with actuarial firm to conduct study that would support information needs of pursuing a state innovation waiver under Patient Protection and Affordable Care Act; lists requirements for proposed state waiver that information from study must be able to show; requires study to produce economic analysis regarding impact of waiver on health insurance coverage in Michigan.

**Sec. 894. Statewide PPE Stockpile Procurement – DELETED**

Requires one-time appropriated funds for Michigan-Indiana Border Survey to be used to issue request for information to ensure the state has sufficient data regarding optimal PPE needs and subsequently a request for proposal with the purpose of contracting for purchase of PPE and creating state-managed PPE reserve; lists eligibility requirements for contracted vendors.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Communications Radios and Towers**

Includes \$8.8 million GF/GP to support construction or maintenance of radios and towers. Funding would be allocated as follows: \$1.0 million for radios in Midland County, \$3.0 million for towers in Barry County, and \$4.8 million for towers in Isabella County.

**Appropriation  
Change**

**Gross \$8,800,000  
GF/GP \$8,800,000**

**2. Michigan-Indiana Border Survey Transfer**

Reflects the transfer of \$500,000 GF/GP to the Department of Licensing and Regulation Affairs (LARA) for conducting a cost estimate of the administration and remonumentation of Michigan-Indiana border and other requirements established in 2022 PA 81 and 2022 PA 82.

**Gross (\$500,000)  
GF/GP (\$500,000)**

**GENERAL GOVERNMENT: TECHNOLOGY, MANAGEMENT, AND BUDGET**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**3. MPSCS Towers and Equipment**

Includes \$5.0 million GF/GP to support construction or maintenance of towers, shelter equipment, state radio replacements, and any other associated equipment involved in maintaining or augmenting the Michigan Public Safety Communications System (MPSCS).

**Gross \$5,000,000**  
GF/GP \$5,000,000

**4. MiLogin Program Augmentation and Stabilization**

Includes \$2.5 million GF/GP to support technical response activities for MiLogin resulting from increased users and adoption of the state's online single sign-on platform. Use of MiLogin platform increased dramatically during state employees' transition to remote work during the pandemic.

**Gross \$2,500,000**  
GF/GP \$2,500,000

**5. PFAS Remediation at EMHSTC**

Includes authorization to receive \$3.2 million in state restricted State Site Cleanup Fund revenue to support PFAS remediation activities at the Emergency Management and Homeland Security Training Center (EMHSTC) of the Department of State of Police. Remediation activities would include investigations, sewer-line replacement, diversion, disposal, mitigation, monitoring, and coordination with agency partners to ensure protection of public health and the environment. Funding would also reimburse DTMB for costs incurred for remediation efforts at EMHSTC that have already been completed.

**Gross \$3,184,000**  
Restricted 3,184,000  
GF/GP \$0

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 751. Communications Radios and Towers**

Requires appropriation to be allocated as follows: \$1.0 million for radios in Midland County, \$3.0 million for towers in Barry County, and \$4.8 million for towers in Isabella County; requires grant funding to support the integration of a county into the MPSCS or to expand interoperability of all local public safety entities within the county on the MPSCS.

**Sec. 752. MPSCS Towers and Equipment**

Requires appropriation to be used to support construction or maintenance of towers, shelter equipment, state radio replacements, and any other associated equipment involved in maintaining or augmenting the MPSCS; requires funding to be used to aid in maintenance and improvement of the statewide integration and interoperability of all state and local public safety communications resources; designates unexpended funds as a work project appropriation.

**Sec. 753. PFAS Remediation**

Designates unexpended funds as a work project appropriation; requires funding to be used to support PFAS remediation activities at the Michigan State Police, EMHSTC; lists specific remediation activities.

**Sec. 754. Budget Stabilization Fund Deposit**

Appropriates \$180.0 million from the state general fund for deposit into the Countercyclical Budget and Economic Stabilization Fund.

**REPEALERS**

**Sec. 1109. Repeal Michigan-Indiana Border Survey Boilerplate**

Repeals section 892 of Article 5 of 2021 PA 87 which requires funding to be used to conduct a cost estimate of the administration and remonumentation of Michigan-Indiana border, and replaces it with section 651 in Article 15 of this bill.

**DEPARTMENT OF TREASURY  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 5)**

**Analyst: Viola Bay Wild**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$13,073,500	\$11,153,100	(\$1,920,400)	(14.7)
<b>Federal</b>	436,361,400	24,970,700	(411,390,700)	(94.3)
<b>Local</b>	13,032,000	13,209,600	177,600	1.4
<b>Private</b>	31,000	31,000	0	0.0
<b>Restricted</b>	1,860,026,100	2,060,674,700	200,648,600	10.8
<b>GF/GP</b>	340,511,200	1,136,524,600	796,013,400	233.8
<b>Gross</b>	<b>\$2,663,035,200</b>	<b>\$3,246,563,700</b>	<b>\$583,528,500</b>	<b>21.9</b>
<b>FTEs</b>	1,934.5	1,978.5	44.0	2.3

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Treasury is the chief fiscal agency of the state and the primary source of advice to the governor on tax and fiscal policy issues. The department's mission is to collect state taxes; to invest, control, and disburse state monies; and to protect the state's credit rating and that of its cities. The department manages one of the nation's largest pension funds, administers revenue sharing, and administers student financial aid programs. It also investigates fraudulent financial activity, provides assistance on all property tax-related issues, and advises issuers of municipal obligations. The Bureau of State Lottery, the Michigan Gaming Control Board (MGCB), and State Building Authority (SBA) are autonomous agencies housed within the department.

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b><u>FY 2021-22 Year-to-Date (as of 2/9/22)</u></b>	<b><u>FY 2022-23 Enacted Change</u></b>
<b>1. Constitutional Revenue Sharing</b>	<b>Gross</b>	<b>\$912,040,500</b>	<b>\$124,554,400</b>
Includes an increase of \$124.6 million of restricted sales tax revenue over the FY 2021-22 appropriated amount. Appropriation reflects May 2022 CREC estimate for FY 2022-23 which represents an \$11.0 million (1.0%) decrease from May 2022 CREC estimate for FY 2021-22.	Restricted	912,040,500	124,554,400
	GF/GP	\$0	\$0
<b>2. City, Village, and Township (CVT) Revenue Sharing</b>	<b>Gross</b>	<b>\$266,245,100</b>	<b>\$15,974,800</b>
Increases funding by \$16.0 million of restricted sales tax revenue to provide a 5.0% ongoing and 1.0% one-time increase (6.0% total) for CVT revenue sharing payments. A CVT will be eligible for a payment equal to 106.0% of its FY 2021-22 eligible payment.	Restricted	266,245,100	15,974,800
	GF/GP	\$0	\$0
<b>3. County Revenue Sharing</b>	<b>Gross</b>	<b>\$231,516,700</b>	<b>\$14,289,600</b>
Includes \$14.3 million of sales tax revenue to provide a 5.0% ongoing and 1.0% one-time increase (6.0% total) for all 83 counties. Each county will be eligible to receive 113.04552% of statutory full funding. Includes an additional \$376,000 of sales tax revenue for Emmet County, the last remaining county to deplete their local reserve fund, and Leelanau County which became eligible in FY 2021-22. County Incentive Program (CIP) is increased by \$69,300 sales tax revenue.	Restricted	231,516,700	14,289,600
	GF/GP	\$0	\$0



**GENERAL GOVERNMENT: TREASURY**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>4. Flint Settlement Payment</b>	<b>Gross</b>	<b>\$0</b>	<b>\$35,000,000</b>
Includes \$35.0 million GF/GP funding for the Flint Settlement Payment transferred from the Department of Labor and Economic Opportunity budget as requested by Executive Budget Revision Letter 2023-1.	GF/GP	\$0	\$35,000,000
<b>5. Flow-Through Entity Tax Administration</b>	FTE	NA	10.0
Includes \$1.4 million GF/GP and authorizes 10.0 FTE positions to provide administrative support to oversee the new flow-through entity tax established in 2021 PA 135.	<b>Gross</b>	<b>NA</b>	<b>\$1,376,900</b>
	GF/GP	NA	\$1,376,900
<b>6. Adjustments for New Tax Programs</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,600,000</b>
Increases funding by \$3.6 million GF/GP for anticipated additional costs for the implementation of legislative tax program changes.	GF/GP	\$0	\$3,600,000
<b>7. Office of Postsecondary Financial Planning</b>	FTE	NA	5.0
Includes \$2.9 million GF/GP and authorizes 5.0 FTE positions to support the administration of new scholarship programs and to fund outreach for student scholarship programs.	<b>Gross</b>	<b>NA</b>	<b>\$2,936,100</b>
	GF/GP	NA	\$2,936,100
<b>8. General Obligation Debt Service</b>	<b>Gross</b>	<b>\$99,064,000</b>	<b>\$1,020,100</b>
Adds \$1.0 million GF/GP to reflect anticipated increase in debt service costs for Clean Michigan Initiative, Great Lakes Water Quality, and Quality of Life general obligation bonds.	GF/GP	\$99,064,000	\$1,020,100
<b>9. Recreational Marijuana Grants</b>	<b>Gross</b>	<b>\$30,000,000</b>	<b>\$20,580,000</b>
Includes an increase of \$20.6 million of restricted Marijuana Regulation Fund to increase the level of payments to locals based on revenues to the fund. Payments to locals are estimated at \$50.6 million for FY 2022-23. These payments are split evenly between counties and other municipalities and distributed proportionately based on the number of marijuana retail stores and microbusinesses within the municipality or county.	Restricted	30,000,000	20,580,000
	GF/GP	\$0	\$0
<b>10. Lottery IT Support Transfer</b>	FTE	0.0	11.0
Includes a net-to-zero technical transfer of 11.0 FTE positions into the Lottery budget from DTMB. These employees provide IT services to the Lottery and the funding for the positions is currently paid by Lottery to DTMB through an IDG transfer. Following this proposed transfer of FTE positions, funding will remain in the Lottery budget.	<b>Gross</b>	<b>\$1,459,300</b>	<b>\$0</b>
	Restricted	1,459,300	0
	GF/GP	\$0	\$0
<b>11. Michigan Gaming Control Board (MGCB) – Staffing and IT Support</b>	FTE	151.0	18.0
Adds \$2.4 million restricted funding and authorizes 18.0 FTE positions to MGCB to increase staff and IT support due to increased workload from higher than expected internet gaming activity.	<b>Gross</b>	<b>\$31,297,600</b>	<b>\$2,375,000</b>
	Restricted	31,297,600	2,375,000
	GF/GP	\$0	\$0
<b>12. MGCB – IT Network Speed Increase</b>	<b>Gross</b>	<b>\$3,480,200</b>	<b>\$1,801,400</b>
Includes an increase of \$1.8 million restricted funding to increase IT support, network storage capacity, and network speeds in Detroit MGCB casino offices to support operations, including surveillance videos and the transfer of large regulatory files.	Restricted	3,480,200	1,801,400
	GF/GP	\$0	\$0
<b>13. Responsible Gaming Advertisement Campaign</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,000,000</b>
Adds \$3.0 million restricted one-time funding for advertising to promote responsible gaming, the use of the problem gambling hotline, and outreach to community organizations.	Restricted	NA	3,000,000
	GF/GP	NA	\$0

**GENERAL GOVERNMENT: TREASURY**

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>			
<b>14. Treasury – IT Maintenance</b>	<b>Gross</b>	<b>\$43,687,200</b>	<b>\$1,250,000</b>
Increases funding by \$1.3 million Gross (\$795,000 GF/GP) for additional ongoing support for two critical systems: the Revenue Sharing and Personal Property Tax IT system and the Motor Fuel and Tobacco Tax system (MiMats).	IDG	407,300	455,000
	Federal	614,300	0
	Restricted	20,887,800	0
	GF/GP	\$21,777,800	\$795,000
<b>15. Local Unit Municipal Pension Principal Payment Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$750,000,000</b>
Includes \$750.0 million GF/GP for a one-time grant program to award funding to qualified units of government to deposit into their retirement systems with certain stipulations.	GF/GP	\$0	\$750,000,000
<b>16. State Police Retirement System</b>	<b>Gross</b>	<b>\$0</b>	<b>\$100,000,000</b>
Includes \$100.0 million GF/GP to be deposited as one-time funding into the state police retirement system in addition to the actuarially determined contribution.	GF/GP	\$0	\$100,000,000
<b>17. Transportation Administration Support Fund (TASF)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$19,000,000</b>
Includes \$19.0 million GF/GP for a one-time deposit into the TASF.	GF/GP	\$0	\$19,000,000
<b>18. Other Technical Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$8,310,300</b>
Includes the following technical adjustments:	IDG	NA	(2,518,500)
• Includes \$10.7 million restricted funding for Convention Facility Development Distribution due to anticipated increased revenue	Federal	NA	(2,542,500)
• Includes \$150,000 GF/GP for the Senior Citizen Cooperative Housing Tax Exemption Program for new facilities entering the program	Restricted	NA	13,221,300
• Reduces federal authorization by \$2.3 million for Michigan Guaranty Agency which monitors and collects federal student loans because a portion was reassigned to the federal agency	GF/GP	NA	\$150,000
• Removes \$4,400 federal funding for an economic adjustment for the Home Heating Assistance Program			
• Eliminates \$288,100 federal funding for the John R. Justice program that provides student loan assistance to public defenders and prosecutors; program is no longer active			
• Shifts \$2.5 million IDG funding for State Agency Collections Fees to restricted funding from Delinquent Tax Collection Fund.			
<b>19. FY 2021-22 One-Time Appropriations</b>	<b>Gross</b>	<b>\$44,033,000</b>	<b>(\$44,033,000)</b>
Removes the following one-time GF/GP appropriations included in FY 2021-22:	GF/GP	\$44,033,000	(\$44,033,000)
• \$18.0 million – Transportation Administration Support Fund			
• \$16.0 million – NextGen Infrastructure			
• \$5.0 million – Local First Responder Recruitment and Training Grants			
• \$4.6 million – Flow-Through Entity Tax Implementation			
• \$433,000 – Coronavirus Relief Local Government Grants Reimbursement.			
<b>20. Removal of Supplemental FY 2021-22 Appropriations</b>	<b>Gross</b>	<b>NA</b>	<b>(\$484,000,000)</b>
Removes \$484.0 million Gross (\$75.0 million GF/GP) for FY 2021-22 supplemental funding appropriated in 2021 PA 132.	Federal	NA	(409,000,000)
	GF/GP	NA	(\$75,000,000)
<b>21. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$6,492,900</b>
Adds \$6.5 million Gross (\$1.2 million GF/GP) for increased costs of negotiated salary and wage increases (5.0% on October 1, 2022, and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	143,100
	Federal	NA	151,800
	Local	NA	177,600
	Restricted	NA	4,852,100
	GF/GP	NA	\$1,168,300

Major Boilerplate Changes from FY 2021-22

TREASURY OPERATIONS

**Sec. 926. John R. Justice Grant – DELETED**

Designates the John R. Justice grant appropriation as a work project appropriation.

**Sec. 947. Financial Independent Teams – RETAINED (UNENFORCEABLE)**

Stipulates that the 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. (Governor's signing letter states this section is unenforceable.)

**Sec. 949g. Equal Opportunity Program Funding Distribution – NEW**

Appropriates tax capture revenues collected under the employment opportunity program and allows distribution of payments to qualified businesses pursuant to chapter 8F of the Michigan Strategic Fund Act.

**Sec. 949n. Foster Futures Scholarship Trust Fund – NEW**

Appropriates gifts or donations to the Fostering Futures Scholarship Trust Fund for the program.

**Sec. 949r. Local Government Financial Disclosure Software – NEW**

Requires \$300,000 be allocated for a partnership with a public university to develop software to create integrated machine-readable financial disclosures for local units of government using integrated, business reporting language (XBRL).

TREASURY – REVENUE SHARING

**Sec. 952. City, Village, and Township (CVT) Revenue Sharing and County Incentive Program – REVISED**

Specifies distribution to all CVTs that received a payment under Section 950(2) of 2009 PA 128 greater than \$1,000.00; eligible payment is equal to 102.0% of its FY 2020-21 eligible payment; any unexpended funds are directed to be deposited in the Financial Distressed CVTs program in Sec. 956, subject to approval of transfers; requires eligible CVTs to allocate an amount equal to their FY 2020-21 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (CVTs are exempt if they have issued a municipal security to pay down their unfunded liability.) Revised to reflect payment increase to 106.0% of previous year payments.

**Sec. 955. County Revenue Sharing Payments – REVISED**

Requires the county revenue sharing appropriation to be distributed so that each eligible county receives a payment (when coupled with the County Incentive Program payment) equal to 106.6435% of the amount determined pursuant to the Glenn Steil State Revenue Sharing Act; requires counties receiving a payment to allocate their FY 2020-21 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (Counties are exempt if they have issued a municipal security to pay down their unfunded liability.) Revised to reflect payment increase to 113.04552% of previous year payments.

TREASURY – GAMING CONTROL BOARD

**Sec. 972. Internet Gaming – NEW**

Requires that after required gaming expenditures are made, any remaining funding in the Fantasy Contest Fund, the Internet Gaming Fund, and the Internet Sports Betting Fund are appropriated and shall be deposited into the School Aid Fund.

**Sec. 979. Millionaire Party Regulation – REVISED**

Allocates amount not to exceed the amount appropriated to the MGCB from the State Lottery Fund to support regulation and licensing of millionaire parties; requires report. Revised to change the funding to the Internet Gaming Fund.

**Sec. 979a. Local Unit Municipal Pension Principal Payment Grants – NEW**

Requires Treasury to establish a grant program to award funding to qualified units of government to deposit into their qualified retirement systems with certain stipulations; designates unexpended funds as a work project appropriation.

**Sec. 979b. Local Unit Municipal Pensions – NEW**

Appropriates \$50.0 million GF/GP to make qualified payments under Section 979a to ensure retirement systems have a funded ratio of at least 60 percent.

**Sec. 979c. State Police Retirement System – NEW**

Requires funding to be deposited into the state police retirement system in addition to the actuarially determined contribution.

**GENERAL GOVERNMENT: TREASURY**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Fire Gear Equipment Grants**

Includes \$12.0 million GF/GP to provide fire gear equipment grants to local units to assist fire departments that are mainly on-call, part-time, or volunteer fire departments to purchase fire gear. Grants will be awarded through a competitive grant process and individual grants will be capped at \$10,000.

	<b>Appropriation Change</b>
<b>Gross</b>	<b>\$12,000,000</b>
GF/GP	\$12,000,000

**2. Wrongful Imprisonment Compensation Fund**

Includes \$2.5 million GF/GP funding for the Wrongful Imprisonment Compensation Fund for anticipated claims in FY 2021-22.

<b>Gross</b>	<b>\$2,500,000</b>
GF/GP	\$2,500,000

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 801. Fire Gear Equipment Grants**

Requires the department to provide fire gear equipment grants to local units to assist fire departments that are mainly on-call, part-time, or volunteer fire departments to purchase fire gear; requires grants to be awarded through a competitive grant process; caps individual grants at \$10,000; designates unexpended funds as a work project appropriation.

**Sec. 802. Bottle Deposit Fund**

Appropriates and directs distribution of revenue received from the Bottle Deposit Fund; aligns distribution language with statutory changes made in 2021 PA 139.

**REPEALERS**

**Sec. 1110. Repeal Bottle Deposit Fund Boilerplate**

Repeals section 910 of Article 5 of 2021 PA 87 which appropriates the disbursement of funding from the Bottle Deposit Fund to dealers by the Department of Treasury and replaces it with section 802 in Article 15 of this bill.

**GENERAL GOVERNMENT: TABLE 6 – MICHIGAN ENHANCEMENTS GRANTS**

**Table 6: Michigan Enhancement Grants - Public Act 166 of 2022 (House Bill 5783, Article 5)**

1	City of Monroe - Opportunity Center	\$7,800,000
2	Jim Crow Museum - Ferris State	1,000,000
3	City of Utica - Police, Fire, and Public Infrastructure	2,500,000
4	US 23 Thompson Road Project	10,000,000
5	Camp Dearborn	2,000,000
6	Dearborn Community Pools	6,000,000
7	Canton Rd Project	5,000,000
8	Adrian Riverfront	3,000,000
9	Ontonagon Pension Debt	3,100,000
10	Nuclear Energy Study	250,000
11	Inkster Sidewalk Replacement	750,000
12	Mona Lake Watershed Council	500,000
13	Wigs for Kids	500,000
14	Corazon Imaging Inc.	4,000,000
15	Sparta Township Drain - Kent County Drain Commissioner	2,000,000
16	Traverse Connect - Targeted Marketing	350,000
17	Beat the Streets	250,000
18	Nottawa Township Sewer - Isabella County	1,000,000
19	Denso Road - Southfield	3,000,000
20	Romulus Sidewalk Project	1,000,000
21	Ford Field Handicap Accessibility Gateway Project - Northville	910,000
22	Fire Equipment for City of Charlotte	1,000,000
23	City of Sterling Heights Purchase of Vacant Fillmore Elementary School to Build Recreation Center	1,000,000
24	United Methodist Community House.	2,000,000
25	City of Grandville Fire Truck	800,000
26	Scio Township Zeeb Road Pathway & Park Road Improvements	1,700,000
27	NEW (Non-Profit Enterprise at Work) Non-Profit Ann Arbor	650,000
28	Alternatives for Girls Non-Profit (Based in Detroit)	590,000
29	Western Michigan University and the Asylum Lake Policy & Management Council	550,000
30	3rd Street Wharf Redevelopment Project (City of Muskegon)	1,300,000
31	Grant to the City of Farmington Hills for the Development of a Community Innovation Center	750,000
32	Economic Development Site Validation (Provided to Oakland County)	2,000,000
33	Mack Avenue Corridor Improvement Plan Engineering Phase	500,000
34	Downtown Boxing Gym (Detroit)	500,000
35	Lakeshore Drive Seawall and Road Repairs	1,200,000
36	Ascend Foundation (Based in Bloomfield Hills)	500,000
37	Grant for the Replacement of Portage (Kalamazoo County) Fire Aerial Apparatus	1,100,000
38	City of Livonia Tree Canopy Initiative	500,000
39	Detroit Historical Society Museum	4,000,000
40	Yemeni Assoc. Grant (NAYA)	500,000
41	Sidewalk and Road Infrastructure Improvements (Canton Township)	750,000
42	Ann Arbor Housing Commission Lurie Terrace Senior Apartments Renovation	500,000
43	City of Berkley HVAC Improvements	700,000
44	Flint Children's Museum	500,000
45	Potter Park Zoo	2,000,000
46	Charles Wright Museum Detroit	6,000,000
47	Muskegon Channel Lighthouse Restoration Project	800,000

**GENERAL GOVERNMENT: TABLE 6 – MICHIGAN ENHANCEMENTS GRANTS**

**Table 6: Michigan Enhancement Grants - Public Act 166 of 2022 (House Bill 5783, Article 5)**

48	Detroit/Wayne County Port Authority	\$1,000,000
49	Binder Park Zoo	800,000
50	Shelby Recreation Park	1,000,000
51	Lapeer Child Advocacy Center	500,000
52	Tuscola County Road Commission - Bridge Replacement	1,400,000
53	Dixie Highway	2,000,000
54	Grand Rapids Museum	11,000,000
55	Baldwin Road Project	500,000
56	Mundy Township Project	2,400,000
57	Tibbits Theater	300,000
58	Berrien and Cass County Boat Project	200,000
59	Selfridge Base Road	2,000,000
60	City of Allegan Rebuild	2,000,000
61	Edsel Ford House	1,800,000
62	Spine Robotics	1,879,200
63	Michigan Braille	339,300
64	CR Miles - Midland	1,000,000
65	Michigan State Capitol Commission - Equipment Garage	4,500,000
66	Water Street Remediation	4,381,000
67	Dean Transportation	5,000,000
68	Michigan Fitness Grant	8,500,000
69	Handy Park and Claude Allison Park Walking Path Renovations	250,000
70	Methodist Children's Home Society Day Treatment and Respite Care Programs	500,000
71	Play Works	950,000
72	Ennis Center	500,000
73	Berstan Field House	500,000
74	IGNITE Program	250,000
75	Sylvester Broome Empowerment Village	500,000
76	Boys & Girls Club of Greater Flint	250,000
77	Saint Mark Community Outreach Center	500,000
78	Hamilton Community Health Network	1,500,000
79	Crossover Outreach New Center Construction	250,000
80	Martus-Luna Food Pantry	150,000
81	Gleaners Food Bank	500,000
82	Oakland County Sheriff	250,000
83	Rail Grade Separation Infrastructure Project(s) in the City of Plymouth	1,000,000
84	The Source	300,000
85	Matrix Services Public Health Grant	500,000
86	Inkster Library - Welcome Center	1,200,000
87	Arab American Civil Rights League	250,000
88	American Indian Health & Family Services	1,000,000
89	Taylor North Little League	300,000
90	City of Rockwood Wastewater Treatment Plant Upgrades	250,000
91	CEI - CMH (Greenlawn)	5,000,000
92	Higher Ground Community Center	350,000
93	Hospice Room and Board	900,000
94	Ruth Ellis Center	1,000,000

**GENERAL GOVERNMENT: TABLE 6 – MICHIGAN ENHANCEMENTS GRANTS**

**Table 6: Michigan Enhancement Grants - Public Act 166 of 2022 (House Bill 5783, Article 5)**

95	Avalon Housing	\$3,500,000
96	Northside Housing Development	1,000,000
97	Electric Vehicle Charging Stations	1,000,000
98	City of East Pointe Fire Truck	600,000
99	Andy's Place - Jackson	500,000
100	Joe Louis Greenway	40,000,000
	<b>TOTAL</b>	<b>\$205,299,500</b>

**GENERAL GOVERNMENT: TABLE 7 – ECONOMIC DEVELOPMENT AND WORKFORCE GRANTS**

**Table 7: Economic Development and Workforce Grants – Public Act 166 of 2022 (House Bill 5783, Article 5)**

1	Business Incubators - G-Link International Accelerator and Lakeshore Advantage	\$28,000,000
2	Salem Township Water Treatment	15,000,000
3	Magnus Center CTE Facility - Clare/Gladwin RESD	15,000,000
4	Battle Creek River Restoration	13,000,000
5	Grand Rapids Amphitheatre	30,000,000
6	LiUNA	8,000,000
7	ABC Construction Programs	8,000,000
8	Global Talent Initiative (Global Detroit)	5,000,000
9	Talent Retention and Expansion in Key Industries	10,000,000
10	Removal of Employment Barriers Project	10,000,000
11	Helmets to Hardhats	500,000
12	Statewide Pre-Apprenticeship Program	10,000,000
13	Regional Council of Carpenters Skilled Trades Promotion	5,000,000
14	Lansing DDA - Loss of State Workforce	5,000,000
15	Alpena Wastewater Treatment	6,000,000
16	Gaylord Water Line Extension	3,500,000
17	Holland Township Pipeline	20,000,000
18	Saginaw Township (HSC)	10,000,000
19	Lincoln Housing Project	12,500,000
20	Reed City Water Treatment System	10,000,000
21	McBain Lead Line Replacement	2,125,000
22	Pitchford Park Culvert	240,000
23	Jackson Theater	2,750,000
24	Traverse City Flats Housing Project	6,000,000
25	Traverse City Senior Center	7,000,000
26	Bingham Apartments Project - Alpena	3,860,000
27	Midland Community Center	5,000,000
	<b>TOTAL</b>	<b>\$251,475,000</b>



**GENERAL GOVERNMENT: TABLE 8 – MICHIGAN INFRASTRUCTURE GRANTS**

**Table 8: Michigan Infrastructure Grants - Public Act 166 of 2022 (House Bill 5783, Article 5)**

1	Mound Road	\$32,000,000
2	Mackinac Island Upgrades	35,000,000
3	My Michigan Hospital	5,000,000
4	Children's Hospital	20,000,000
5	Maritime Passenger Ferry	14,000,000
6	Northern MI Rail Phase Study	1,000,000
7	Croswell Water System Upgrades	5,000,000
8	Lawton Wastewater Upgrades	1,000,000
9	Special Olympics	12,000,000
10	Macomb Co. Health Services Project	25,000,000
11	Mary Free Bed	10,000,000
12	Chaldean Housing Project	10,000,000
13	Arenac Dam	800,000
14	Lower Town River Front Conservancy (AA)	20,000,000
15	InvestUP	15,000,000
16	Traverse City Curling Club	2,000,000
17	Port of Monroe	5,000,000
	<b>TOTAL</b>	<b>\$212,800,00</b>

**HEALTH AND HUMAN SERVICES**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Summary of FY 2022-23 Enacted with Vetoes  
Public Act 166 of 2022 (House Bill 5783, Article 6)**

**Analysts: Victoria Amponsah, Sydney Brown, Kent Dell, and Kevin Koorstra**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$14,593,500	\$14,696,000	\$102,500	0.7%
<b>Federal</b>	23,187,321,000	23,693,049,100	505,728,100	2.2
<b>Local</b>	167,951,100	170,002,300	2,051,200	1.2
<b>Private</b>	172,276,500	185,596,800	13,320,300	7.7
<b>Restricted</b>	2,986,632,100	3,132,592,800	145,960,700	4.9
<b>GF/GP</b>	5,448,429,200	6,170,128,600	721,699,400	13.2
<b>Gross</b>	<b>\$31,977,203,400</b>	<b>\$33,366,065,600</b>	<b>\$1,388,862,200</b>	<b>4.3%</b>
<b>FTEs</b>	15,587.5	15,690.5	103.0	0.7

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs and by enforcing child support laws, and funding for behavioral health (mental health and substance use disorder), public health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>	<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
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**MEDICAID AND BEHAVIORAL HEALTH – GENERAL**

**1. Traditional Medicaid Cost Adjustment**

Includes a reduction of \$565.9 million Gross (increase of \$91.7 million GF/GP) to recognize caseload, utilization, and inflation adjustments, removing the additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act and associated prohibition on closing Medicaid cases, and traditional FMAP cost-sharing adjustments from FMAP reducing from 65.48% to 64.71%, for medical and behavioral health services in the traditional Medicaid program. Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, May Caseload Consensus forecasts an average annual increase of 5.4%.

<b>Gross</b>	<b>\$16,499,311,900</b>	<b>(\$565,864,900)</b>
Federal	11,000,733,400	(795,016,500)
Local	50,496,500	11,015,900
Private	7,000,000	0
Restricted	2,158,300,300	126,451,900
GF/GP	\$3,282,781,700	\$91,683,800

**2. Healthy Michigan Plan Cost Adjustment**

Includes a reduction of \$421.2 million Gross (\$2.5 million GF/GP) to recognize caseload, utilization, and inflation adjustments, and removing prohibition on closing Medicaid cases provided under the federal Families First Coronavirus Response Act for medical and behavioral health services in the Healthy Michigan Plan (HMP). Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, May Caseload Consensus forecasts an average annual increase of 3.2%.

<b>Gross</b>	<b>\$5,767,637,700</b>	<b>(\$421,219,300)</b>
Federal	5,172,523,800	(375,612,900)
Local	2,038,800	0
Private	200,000	0
Restricted	539,443,100	(43,097,400)
GF/GP	\$53,432,000	(\$2,509,000)

**HEALTH AND HUMAN SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>	<b><u>FY 2021-22 Year-to-Date (as of 2/9/22)</u></b>	<b><u>FY 2022-23 Enacted Change</u></b>
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<b>3. Actuarial Soundness</b>	<b>Gross</b>	<b>NA</b>	<b>\$340,745,600</b>
Includes an increase of \$340.7 million Gross (\$88.4 million GF/GP) to support an estimated 2.0% to 5.0% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), 2.0% to 2.5% for Medicaid Health plans, Program of All-includes Care for the Elderly (PACE); home- and community-based services; and Integrated Care Organizations (MI Health Link); and 1.0% for Healthy Kids Dental.	Federal	NA	252,356,500
	GF/GP	NA	\$88,389,100

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

<b>4. Warehouse Operations</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,400,000</b>
Includes \$1.4 million GF/GP to support the stockpiling of medical supplies, including personal protective equipment, in accordance with the Emergency Management Act, 1976 PA 390.	GF/GP	\$0	\$1,400,000

<b>5. CCWIS Development – One-Time</b>	FTE	6.0	0.0
Includes a net increase of \$12.2 million Gross (\$5.5 million GF/GP) for a total of \$29.0 million Gross (\$14.3 million GF/GP) to support the continued one-time development costs of the Comprehensive Child Welfare Information System (CCWIS) – the replacement system for MISACWIS. This includes the development of the next 3 of the remaining cloud-based modules to be implemented over the course of the next 3 to 4 years.	<b>Gross</b>	<b>\$16,824,200</b>	<b>\$12,165,300</b>
	Federal	8,075,600	6,630,500
	GF/GP	\$8,748,600	\$5,534,800

<b>6. MMIS – CHAMPS Maintenance and Operations</b>	<b>Gross</b>	<b>\$18,000,000</b>	<b>(\$15,850,000)</b>
Retains \$2.2 million GF/GP from FY 2021-22 technology upgrades for system maintenance and operations of CHAMPS, the state Medicaid system, and removes federal authorization as ongoing line should have sufficient federal authorization.	Federal	15,850,000	(15,850,000)
	GF/GP	\$2,150,000	\$0

<b>7. Information Technology Contracts – Inflation Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,074,800</b>
Includes \$2.1 million Gross (\$1.4 million GF/GP) to adjust for inflationary increases to contractual payments across IT systems.	Federal	NA	712,400
	GF/GP	NA	\$1,362,400

<b>8. Information Technology – Systems Maintenance</b>	<b>Gross</b>	<b>\$261,364,200</b>	<b>\$3,631,200</b>
Includes \$3.6 million Gross (\$2.7 million GF/GP) for department-wide information technology services and projects maintenance costs.	TANF	16,689,000	0
	Federal	190,087,300	882,000
	Private	250,000	0
	Restricted	1,922,300	0
	GF/GP	\$52,415,600	\$2,749,200

<b>9. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$48,052,300</b>
Reflects increased costs of \$48.1 million Gross (\$21.4 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	102,500
	TANF	NA	7,325,200
	Federal	NA	18,078,200
	Local	NA	280,800
	Private	NA	356,600
	Restricted	NA	470,700
	GF/GP	NA	\$21,438,300

**COMMUNITY SERVICES AND OUTREACH**

<b>10. Sexual Assault Evidence Kit (SAEK) Tracking System Adjustment</b>	FTE	0.0	1.0
Reduces net funding by \$430,500 Gross (increase of \$369,500 GF/GP) for the Sexual Assault Kit Tracking System. Replaces expired Sexual Assault Tracking Kit Fund with GF to maintain Track Kit software contract. Sec. 457 is related boilerplate.	<b>Gross</b>	<b>\$800,000</b>	<b>(\$430,500)</b>
	Restricted	800,000	(800,000)
	GF/GP	\$0	\$369,500

**HEALTH AND HUMAN SERVICES**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>11. Child Advocacy Centers</b>	FTE	0.5	0.0
Adds \$1.0 million GF/GP for child advocacy centers and transfers GF/GP funding into a new, GF/GP only line called Child Advocacy Centers-Supplemental Grants, which Sec. 459 requires the GF/GP be allocated to child advocacy centers proportional to number of children served during the previous fiscal year.	<b>Gross</b>	<b>\$2,407,000</b>	<b>\$1,000,000</b>
	Restricted	1,407,000	0
	GF/GP	\$1,000,000	\$1,000,000
<b>12. Sexual Assault Nurse Examiner Program (SANE)</b>	<b>Gross</b>	<b>NA</b>	<b>\$102,600</b>
Includes \$102,600 GF/GP to support a Sexual Assault Nurse Examiner Program (SANE). Sec. 451 is related boilerplate.	GF/GP	NA	\$102,600
<b>13. Diaper Assistance Program</b>	<b>Gross</b>	<b>\$250,000</b>	<b>\$4,154,400</b>
Transfers Diaper Assistance line to Community Services and Outreach and increases funding \$4.2 million TANF. Sec. 464 is related boilerplate that adds maternity homes and other nonprofit agencies as eligible funding recipients.	TANF	250,000	4,154,400
	GF/GP	\$0	\$0
<b>14. Increase 2-1-1 Funding</b>	<b>Gross</b>	<b>\$2,472,600</b>	<b>\$2,000,000</b>
Transfers 2-1-1 line to Community Services and Outreach Administration line and increases funding by \$2.0 million GF/GP. Sec. 465 is related boilerplate.	Federal	1,522,600	0
	GF/GP	\$950,000	\$2,000,000
<b>15. Increase School Success Partnership</b>	<b>Gross</b>	<b>\$525,000</b>	<b>\$1,000,000</b>
Includes \$1.0 million TANF to fund an increase to the School Success Partnership line. Sec. 450 is related boilerplate.	TANF	525,000	1,000,000
	GF/GP	\$0	\$0
<b>16. Community Services and Outreach – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$49,540,000</b>
Includes the following:	Federal	NA	40,000,000
• Safe Housing grant program for human trafficking survivors (\$1.0 million)	GF/GP		\$9,540,000
• Green Gables Haven for domestic violence survivors (\$600,000)			
• Safe Harbor Child Advocacy Centers (\$500,000)			
• United Methodist Community House (\$1.4 million)			
• Supportive Housing for homeless individuals (\$6.0 million)			
• Federal Weatherization Assistance (\$40.0 million)			
Related boilerplate sections: 1959, 1962, 1964, 1966,1982,1983.			
<b>CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>			
<b>17. Child Welfare Caseload Adjustments</b>	<b>Gross</b>	<b>\$766,140,200</b>	<b>(\$64,084,400)</b>
Reduces funding by \$64.1 million Gross (\$41.0 GF/GP) based on May consensus as follows:	TANF	75,304,600	(4,723,100)
• Foster care payments are reduced by \$39.8 million Gross (\$19.9 million GF/GP) from 7,958 cases at \$31,552 per year to 7,924 cases at \$32,228 per year.	Federal	209,732,900	(13,619,200)
• Adoption subsidies is increased by \$281,400 Gross (\$74,500 GF/GP) from 21,877 cases at \$723.92 per month to 20,978 cases at \$735.71 per month.	Local	45,745,200	(4,703,500)
• Guardianship assistance payments are increased by \$139,000 Gross (\$96,700 GF/GP) from 1,209 cases at \$687.87 per month to 1,223 cases at \$707.29 per month.	Private	2,700,000	0
• The Child Care Fund is decreased by \$24.7 million Gross (\$21.3 million GF/GP).	GF/GP	\$432,657,500	(\$41,038,600)
<b>18. Child Welfare FMAP Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Includes a \$5.9 million GF/GP increase to offset the decrease in federal funding due to the decrease in federal FMAP match from 65.48% to 64.71%. Also reverses FY 22 Enhanced FMAP adjustments for base caseload in applicable child welfare lines.	Federal	NA	(5,912,300)
	GF/GP	NA	\$5,912,300

**HEALTH AND HUMAN SERVICES**

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>19. Federal Title IV-E Administration Decrease</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Includes \$34.9 million GF/GP adjustment to correct an overclaim of federal title IV-E administrative reimbursements identified during FY 2020-21 book closing.	Federal	NA	(34,945,000)
	GF/GP	NA	\$34,945,000
<b>20. Family Maintenance Payment Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$36,013,900</b>
Includes \$36.0 million Gross (\$14.2 GF/GP) to fund a 20% increase in regular maintenance payments to foster parents, adoptive families, and juvenile guardians.	TANF	NA	6,282,000
	Federal	NA	14,045,500
	Local	NA	1,440,600
	GF/GP	NA	\$14,245,800
<b>21. Residential Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,519,500</b>
Includes \$10.5 million Gross (\$9.0 million GF/GP) to fund a 5% reimbursement increase to residential child caring institutions as well as a 12% reimbursement increase to private residential juvenile justice providers.	Federal	NA	1,543,500
	GF/GP	NA	\$8,976,000
<b>22. Direct Care Worker to Residential Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,668,200</b>
Includes a net \$1.7 million federal increase from 1) adding \$11.1 million Gross (\$9.5 million GF/GP) for a general rate increase to private residential facilities and 2) removing private residential facilities from the direct care wage pass through.	Federal	NA	1,668,200
	GF/GP	NA	\$0
<b>23. Raise the Age Fund Adjustment</b>	<b>Gross</b>	<b>\$9,150,000</b>	<b>\$4,000,000</b>
Includes \$4.0 million GF/GP to adjust the Raise the Age fund for county incurred service costs based on county budget submissions to DHHS.	G/F/GP	\$9,150,000	\$4,000,000
<b>24. Adoption Marketing and Education Program – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Governor vetoes Sec. 548 and \$10.0 million GF/GP for marketing programs that promote adoption of infants and to develop educational materials to promote adoption as an alternative to abortion.	G/F/GP	\$0	\$0
<b>25. Adoption Tax Credit – VETOED</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Governor vetoes Sec. 532 and \$2.0 million GF/GP for a tax credit for adoptive parents.	G/F/GP	NA	\$0
<b>26. Education Planners Funding Increase</b>	<b>Gross</b>	<b>\$1,627,400</b>	<b>\$372,000</b>
Includes \$372,000 GF/GP to increase funding for Education Planners.	TANF	461,000	0
	Capped	242,800	0
	Federal	307,500	0
	G/F/GP	\$616,100	\$372,000
<b>27. Child Care Fund Basic Grants Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,400,000</b>
Includes \$2.4 million GF/GP to increase the County Child Care Fund basic grant amounts for smaller counties and tribal entities with a population of less than 75,000 by equally distributing the \$2.4 million appropriated to eligible counties and tribal entities. Sec. 528 is related boilerplate.	GF/GP	NA	\$2,400,000
<b>28. Foster Care Let Them Play</b>	<b>Gross</b>	<b>NA</b>	<b>\$100,000</b>
Includes \$100,000 GF/GP to fund reimbursements to foster care children for costs associated with participation in extracurricular activities. Sec. 560 is related boilerplate.	GF/GP	NA	\$100,000

**HEALTH AND HUMAN SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>29. Child Welfare – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$8,980,000</b>
One-Time Child Welfare programming includes:	GF/GP	NA	\$8,980,000
<ul style="list-style-type: none"> <li>• Grant Me Hope facility for homeless youth aging out of foster care (\$1.5 million)</li> <li>• Arc Michigan education supports for developmentally disabled foster youth (\$2.0 million)</li> <li>• Center for Youth Justice In-home care grants (\$500,000)</li> <li>• Child Welfare Day Treatment Pilot Program (\$2.5 million)</li> <li>• Unified Clinics for Resiliency for children and families who are victims of abuse (\$750,000)</li> <li>• Kinship and the Bridge program for youth placed in foster care (\$1.8 million)</li> </ul>			
Related boilerplate sections: 1952, 1960, 1963, 1968, 2000, 2003.			
<b>PUBLIC ASSISTANCE</b>			
<b>30. Public Assistance Caseload Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,150,033,800</b>
Recognizes a \$1.2 billion Gross net increase (\$2.9 million GF/GP net reduction) resulting from adjusted estimates to Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI) caseloads for FY 2021-22 and FY 2022-23. Adjustments include pandemic-related increases to food assistance (P-EBT).	TANF	NA	(2,729,800)
	Federal	NA	1,155,716,600
	Restricted	NA	(13,300)
	GF/GP	NA	(\$2,939,700)
<ul style="list-style-type: none"> <li>• FIP: reduction of \$2.9 million Gross (\$0 GF/GP)</li> <li>• FAP: increase of \$1.2 billion Gross (\$0 GF/GP)</li> <li>• SDA: increase of \$284,700 Gross (\$118,000 GF/GP)</li> <li>• SSI: reduction of \$3.1 million GF/GP</li> </ul>			
<b>31. Food Security Council – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,950,000</b>
Includes \$4.0 million GF/GP to support grants to food banks and other charity-based organizations that distribute food, update food distribution facilities, create a new food distribution center in the U.P., information technology updates for the Bridges system, and attempt coordination between primary health care services and food access.	GF/GP	\$0	\$3,950,000
<b>32. Home Repair and Plumbing Assistance Grants – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,823,300</b>
Includes \$1.8 million GF/GP to support grants through local Community Action Agencies to households for minor home repair work, including plumbing repairs.	GF/GP	\$0	\$1,823,300
<b>33. Family Independence Program – Young Child Supplements</b>	<b>Gross</b>	<b>\$59,751,700</b>	<b>\$4,154,400</b>
Includes \$4.2 million in TANF block-grant funds for an annual, lump-sum distribution of \$600 per child under the age of 6 to applicable cases.	TANF	48,722,100	4,154,400
	Restricted	10,121,900	0
	GF/GP	\$907,700	\$0
<b>34. Family Independence Program – Child Support Pass-Through</b>	<b>Gross</b>	<b>\$59,751,700</b>	<b>\$0</b>
Includes \$1.1 million GF/GP to backfill a like amount of forgone state-share collections of child support for administrative purposes. This would eliminate the remainder of state-share collections to allow those child support collections to pass through to FIP applicable cases.	TANF	48,722,100	0
	Restricted	10,121,900	(1,100,000)
	GF/GP	\$907,700	\$1,100,000
<b>35. Employment Verification Contract Increase</b>	<b>Gross</b>	<b>\$17,595,000</b>	<b>\$5,374,700</b>
Includes \$5.4 million Gross (\$3.2 million GF/GP) to support the employment verification contract with TALX (Equifax). This includes moving the payment rate from a flat-rate to a per-unit rate, and account for increased employment verifications.	IDG	145,400	0
	TANF	3,597,500	3,800
	Federal	6,279,800	2,127,300
	GF/GP	\$7,572,300	\$3,243,600

**HEALTH AND HUMAN SERVICES**

**Major Budget Changes from FY 2021-22 YTD Appropriations**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>36. Security Services Contract Increase</b>	<b>Gross</b>	<b>\$17,595,000</b>	<b>\$1,400,000</b>
Includes \$1.4 million Gross (\$783,800 GF/GP) to increase payments to DK Security for infrastructure protection. The increase in funds would be utilized to increase personnel wages from the current hourly minimum of \$12.40 to \$16.00 statewide, with the exception of Detroit, which would see an increase to \$18.00.	IDG	145,400	0
	TANF	3,597,500	264,700
	Federal	6,279,800	351,500
	GF/GP	\$7,572,300	\$783,800
<b>37. Migrant Family Independence Specialists</b>	FTE	4,417.5	5.0
Includes \$555,700 Gross (\$277,900 GF/GP) and 5.0 FTE positions to place Migrant Family Independence Specialists at Intercare, Cherry Health, Northwest Michigan Human Services, and Great Lakes Bay health centers. The additional Family Independence Specialists would provide for targeted outreach to migrant populations.	<b>Gross</b>	<b>\$471,827,100</b>	<b>\$555,700</b>
	IDG	6,805,700	0
	TANF	52,195,400	0
	Federal	208,849,800	277,800
	GF/GP	\$203,976,200	\$277,900
<b>38. Legal Assistance</b>	<b>Gross</b>	<b>\$20,000</b>	<b>\$30,000</b>
Adds \$30,000 GF/GP to the grant to the Allegan County Legal Assistance Center, used to provide civil law services to low-income individuals.	GF/GP	\$20,000	\$30,000
<b>39. Food Assistance Reinvestment – Waived Penalty Period</b>	FTE	16.0	0.0
Reduces penalty payments to the U.S. Department of Agriculture – Food and Nutrition Services by \$3.6 million GF/GP. The USDA waived food assistance distribution error rate-related penalties due to the inability to determine correct error rates during certain periods in the 2 previous fiscal years, resulting from the COVID-19 pandemic and related mitigation measures.	<b>Gross</b>	<b>\$10,985,000</b>	<b>(\$3,551,500)</b>
	GF/GP	\$10,985,000	(\$3,551,500)
<b>40. Food Distribution Grant – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$700,000</b>
Includes \$700,000 GF/GP to support a grant to Feeding America West Michigan to re-develop and equip a new distribution warehouse facility in Kentwood.	GF/GP	\$0	\$700,000
<b>41. Wrap-Around Services Grant – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$400,000</b>
Includes \$400,000 GF/GP to support a grant to the Boys and Girls Club facility in Bay City for site maintenance and improvement.	GF/GP	\$0	\$400,000
<b>42. Ride to Work Program – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP to support a grant to the Wheels to Work program in order to expand services and reduce fees.	GF/GP	\$0	\$1,000,000
<b>BEHAVIORAL HEALTH SERVICES</b>			
<b>43. Michigan Crisis and Access Line (MiCAL)</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,000,000</b>
Adds \$3.0 million GF/GP to continue implementing MiCAL statewide, a behavioral health crisis intervention and support call center that also provides primary coverage in regions where a regional national suicide prevention 988 lifeline center does not provide coverage and for statewide secondary coverage for 988.	GF/GP	NA	\$3,000,000
<b>44. Family Support Subsidy</b>	<b>Gross</b>	<b>\$11,832,400</b>	<b>\$1,517,100</b>
Adds a net \$1.5 million TANF from reducing \$1.6 million TANF to support an estimated 3,700 family support subsidy cases and increasing the monthly subsidy by \$71.05 to \$300.36.	TANF	11,832,400	1,517,100
	GF/GP	\$0	\$0
<b>45. Opioid Healing and Recovery Fund</b>	<b>Gross</b>	<b>\$0</b>	<b>\$23,200,000</b>
Includes \$23.2 million of restricted funds from court settlements between the state and opioid manufacturers and distributors. State statute recently created the Opioid Healing and Recovery Fund and established the use of the funds.	Restricted	0	23,200,000
	GF/GP	\$0	\$0

**HEALTH AND HUMAN SERVICES**

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<b>46. Court-Appointed Guardian</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
Includes \$5.0 million GF/GP to reimburse CMHSPs for the cost of court-appointed public guardians of individuals who receive community mental health services.	GF/GP	\$0	\$5,000,000
<b>47. Medicaid Mental Health Local Match</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Includes \$5.1 million GF/GP to replace a like amount of local funding used for Medicaid mental health supports and services. Amount would reflect the third year of phasing out the local match portion over a 5-year period.	Local	NA	(5,095,100)
	GF/GP	NA	\$5,095,100
<b>48. Medicaid Methadone Bundled Services Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$16,185,000</b>
Adds \$16.2 million Gross (\$4.1 million GF/GP) to increase the Medicaid bundled reimbursement rate for administering and servicing methadone to \$19.00.	Federal	NA	12,110,600
	GF/GP	NA	\$4,074,400
<b>49. Behavioral Health Inpatient Capacity and Operations</b>	FTE	NA	87.0
Includes \$41.0 million GF/GP and authorizes 87.0 FTE positions to increase capacity at Hawthorn Center for children by 56 beds and to reimburse private providers of intensive psychiatric treatments for the purpose of reducing state psychiatric hospital and center waiting lists.	<b>Gross</b>	<b>NA</b>	<b>\$40,950,000</b>
	GF/GP	NA	\$40,950,000
<b>50. New Non-State Behavioral Health Facility Capacity – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$223,100,000</b>
Adds \$223.1 million GF/GP in one-time funding under Sec. 1965, unless otherwise noted, for the following non-state behavioral health facility projects (note: \$325.0 million for a new state facility were included within Capital Outlay):	GF/GP	\$0	\$223,100,000
<ul style="list-style-type: none"> <li>• Pine Rest pediatric behavioral health center (\$38.0 million)</li> <li>• Detroit Wayne Integrated Health Network psychiatric campus (\$45.0 million)</li> <li>• Establishing crisis stabilization units (CSUs) (\$32.0 million)</li> <li>• U of M Medicine children's emergency psychiatry and day program for children and adults (\$11.0 million)</li> <li>• Establishing psychiatric residential treatment facilities (\$10.0 million)</li> <li>• Team Wellness adolescent behavioral wraparound health care program (\$8.0 million)</li> <li>• McLaren Northern Michigan adolescent partial hospitalization (\$5.0 million)</li> <li>• Bay County pediatric psychiatric inpatient (\$5.0 million)</li> <li>• Detroit Children's Hospital psychiatric (\$5.0 million)</li> <li>• War Memorial psychiatric inpatient (\$3.6 million)</li> <li>• McLaren emergency psychiatric assessment, treatment, and healing (EmPATH) unit (\$8.0 million)</li> <li>• Insight Behavioral Health in Flint (\$2.5 million), Sec. 1992</li> <li>• Competitive pediatric psychiatric infrastructure grants (\$50.0 million), Sec. 1997.</li> </ul>			
<b>51. Clinical and CMHSP Integration Readiness Initiatives – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$50,000,000</b>
Includes a total of \$50.0 million GF/GP for grants to facilities and providers that wish to clinically integrate physical and behavioral health services and providers and to CMHSPs for system, IT, staffing, and administrative improvements for integration readiness. Sec. 1984. states funds are not available for expenditure until legislatively transferred.	GF/GP	\$0	\$50,000,000



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<b>52. Health Homes</b>	FTE	1.0	0.0
Includes \$16.8 million Gross (\$2.5 million GF/GP) to increase the number of counties with behavioral health homes from 37 and 42 and the number of counties with opioid health homes from 40 to 49.	<b>Gross</b>	<b>\$33,005,400</b>	<b>\$16,832,100</b>
	Federal	29,524,900	14,332,100
	Local	246,900	0
	Restricted	677,300	0
	GF/GP	\$2,556,300	\$2,500,000
<b>53. Central Administrative Support for State Psychiatric Hospitals and Centers</b>	FTE	NA	8.0
Includes a net increase of \$1.1 million GF/GP and authorizes a net 8.0 FTE positions to increase administrative support for state hospital admissions and discharges, the Michigan Community Transition Program, and Psychiatric Residential Treatment Facilities.	<b>Gross</b>	<b>NA</b>	<b>\$1,087,900</b>
	GF/GP	NA	\$1,087,900
<b>54. State Psychiatric Hospital Pharmacy Cost Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$436,700</b>
Adds \$436,700 Gross (\$357,700 GF/GP) to support an estimated 5% inflationary increase in pharmacy costs within the state psychiatric hospitals.	Federal	NA	30,600
	Local	NA	32,400
	Restricted	NA	16,000
	GF/GP	NA	\$357,700
<b>55. Behavioral Health One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$39,523,300</b>
Includes \$39.5 million GF/GP for various one-time behavioral health programming including:	SFRF	NA	0
	GF/GP	NA	\$39,523,300
<ul style="list-style-type: none"> <li>• Jail Diversion Fund (\$10.0 million)</li> <li>• Multicultural integration funding (\$8.6 million)</li> <li>• Salvation Army Safe Harbor (\$8.3 million)</li> <li>• Families Against Narcotics (FAN) (\$5.0 million)</li> <li>• Easterseals - autism comprehensive care center (\$2.5 million)</li> <li>• First responder mental health funding (\$2.5 million)</li> <li>• Western Upper Peninsula CMHSP health professionals in schools (\$1.0 million)</li> <li>• Altarum substance use disorder programming (\$600,000)</li> <li>• Easterseals – Parent/Family stress programs (\$500,000)</li> <li>• Great Lakes Recovery Center (\$250,000)</li> <li>• Blue Water Recovery and Outreach (\$150,000)</li> <li>• Endeavor to Persevere – teen walk-in mental health (\$50,000)</li> <li>• Mediation services (\$40,000)</li> </ul>			
<b>PUBLIC HEALTH</b>			
<b>56. Uterine Fibroid Disease Prevention – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
Includes funding of \$500,000 GF/GP for a new initiative to reduce health disparities through uterine fibroid disease education and outreach for minority women. Section 1979 is related boilerplate.	GF/GP	NA	\$500,000
<b>57. Essential Health Provider - Behavioral Health – One-Time</b>	<b>Gross</b>	<b>\$3,519,600</b>	<b>\$10,000,000</b>
Provides one-time funding of \$10.0 million GF/GP to support behavioral health provider repayment of medical education loans in exchange for service in health professional shortage areas, an expansion of the existing Michigan essential health provider state/federal program. Sec. 1981 is related boilerplate and establishes the funding as a work project.	Federal	1,236,300	0
	Private	855,000	0
	GF/GP	\$1,428,300	\$10,000,000

**HEALTH AND HUMAN SERVICES**

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>58. Health Workforce Development Initiatives – One-Time</b>	<b>Gross</b>	<b>\$1,573,000</b>	<b>\$4,977,000</b>
Increases current year funding by \$5.0 million GF/GP to support 4 workforce projects: to increase the number of psychiatric-mental health nurse practitioners, provide training in crisis stabilization management for social workers, and provide skills development and training for direct care workers. Sec. 1970 is related boilerplate and establishes the funding as a work project.	GF/GP	\$1,573,000	\$4,977,000
<b>59. Health Care Access, Facilities, and COVID-19 – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$40,000,000</b>
Provides one-time funding of \$40.0 million GF/GP for the following projects:	GF/GP	\$0	\$40,000,000
<ul style="list-style-type: none"> <li>• Mackinac Straits health system project (\$10.0 million) Sec. 1995</li> <li>• Community health campus pilot (\$25.0 million) Sec. 1996</li> <li>• Upper Peninsula robotic spinal surgery (\$2.0 million) Sec. 2002</li> <li>• Incompass Michigan COVID-19 response (\$3.0 million) Sec. 1993</li> </ul>			
<b>60. Notice of Prohibited Use of Funds for Abortion – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Governor vetoed section 243 and related funding of \$50,000 GF/GP for notification and information to health providers and the public concerning the prohibited use of state restricted or state general funds by DHHS, grantees, or subcontractors to fund any elective abortion.	GF/GP	\$0	\$0
<b>61. Statewide Trauma System Fund Shift to GF/GP</b>	<b>Gross</b>	<b>\$3,500,000</b>	<b>\$0</b>
Shifts funds for the statewide trauma system, using GF/GP to replace \$3.5 million of Crime Victim's Rights Fund (CVRF) state restricted revenue. CVRF was allowed for this use by law beginning in 2010, but 2021 PA 89 discontinued CVRF funding for this use effective October 1, 2022.	Restricted	3,500,000	(3,500,000)
	GF/GP	\$0	\$3,500,000
<b>62. City of Detroit Environmental Monitoring – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP for a contract with a local health department for health and emissions monitoring in the City of Detroit. Sec. 1986 is related boilerplate and establishes the funding as a work project.	GF/GP	\$0	\$1,000,000
<b>63. Newborn Screening Inflationary Adjustment</b>	<b>Gross</b>	<b>\$17,912,100</b>	<b>\$967,300</b>
Recognizes increased newborn screening fee revenue of \$967,300 in 2 line items from automatic inflationary fee adjustment (4.5%) pursuant to statute, for screening of newborns for genetic conditions.	Restricted	17,912,100	967,300
	GF/GP	\$0	\$0
<b>64. Sexually Transmitted Disease Control and Prevention</b>	<b>Gross</b>	<b>\$6,418,200</b>	<b>\$2,000,000</b>
Increases private funding by \$2.0 million for state and local prevention activities and drug treatment programs related to sexually transmitted infections (STI). Funds are pharmaceutical manufacturer rebates for drug expenditures.	Federal	3,358,100	0
	Private	136,500	2,000,000
	Restricted	2,296,600	0
	GF/GP	\$627,000	\$0
<b>65. School Violence Reduction / School Training and Technical Assistance – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP for training and technical assistance to school districts for local violence prevention strategies intended to reduce school violence. Sec. 1985 is related boilerplate and establishes the funding as a work project.	GF/GP	\$0	\$1,000,000
<b>66. Healthy Moms Healthy Babies - Doula Care</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,179,100</b>
Provides \$1.2 million GF/GP for expansion of Healthy Moms Healthy Babies maternal and infant health and support programs to provide professional doula care services for high-risk pregnant women, new mothers, and their families.	GF/GP	\$0	\$1,179,100

**HEALTH AND HUMAN SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>67. Child and Adolescent Health Care and Centers</b>	<b>Gross</b>	<b>\$16,242,700</b>	<b>\$25,000,000</b>
Retains \$5.0 million FY 2021-22 supplemental increase (included in year-to-date amount shown), and recognizes additional increase of \$25.0 million of local school district revenue originated from the state School Aid Fund for primary health care services to children and youth in clinical and school-based settings.	Local	16,242,700	25,000,000
	GF/GP	\$0	\$0
<b>68. Outstate Local Public Health Dental Clinics</b>	<b>Gross</b>	<b>\$1,750,000</b>	<b>\$1,000,000</b>
Increases ongoing funding for outstate local public health dental clinics by \$1.0 million GF/GP. The program utilizes My Community Dental Clinics (MCDC). Sec. 1317 is related boilerplate.	GF/GP	\$1,750,000	\$1,000,000
<b>69. Alternative Pregnancy and Parenting Program – VETOED</b>	<b>Gross</b>	<b>\$36,818,200</b>	<b>\$0</b>
Governor vetoed section 1307 and related \$700,000 federal TANF funding for the Real Alternatives pregnancy and parenting services program which promotes childbirth, alternatives to abortion, and grief counseling.	TANF	0	0
	Federal	15,828,300	0
	Restricted	50,000	0
	GF/GP	\$20,939,900	\$0
<b>70. Maternal Navigator Pilot Program – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Governor vetoed section 1345 and related funding of \$3.0 million GF/GP for a maternal navigator pilot program by nonprofit organizations in 2 geographically diverse areas to provide referrals and services to pregnant women; grantee organizations must promote childbirth and alternatives to abortion.	GF/GP	\$0	\$0
<b>71. Pregnancy Resource Center Grants – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Governor vetoed section 1346 and related funding of \$1.5 million GF/GP for grants to pregnancy resource centers, to be distributed equally to applicants; centers are defined as private nonprofit organizations that promote childbirth and alternatives to abortion, and provide referrals and information to pregnant women.	GF/GP	\$0	\$0
<b>72. Maternity Homes Expansion – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Governor vetoed section 1323 and related funding of \$4.0 million GF/GP for maternity home expansion grants for safe housing and supportive services for pregnant women who are without a safe home, and for a statewide assessment of need for access to maternity home programs.	GF/GP	\$0	\$0
<b>73. Lead Abatement Grant SCHIP Adjustments</b>	<b>Gross</b>	<b>\$32,745,400</b>	<b>\$0</b>
Includes a net \$0 Gross fund shift of \$393,000 from federal to GF/GP for FMAP adjustment for federal Children's Health Insurance Program funds used for lead abatement in Flint and other high-risk communities since FY 2016-17.	Federal	19,999,500	(393,000)
	Private	77,800	0
	Restricted	723,700	0
	GF/GP	\$11,944,400	\$393,000
<b>74. Public Health Non-GF/GP Funds Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,584,400</b>
Recognizes net \$1.6 million Gross increase for federal, private, and state restricted funding adjustments, including:	Federal	NA	301,100
	Private	NA	883,300
	Restricted	NA	400,000
	GF/GP	NA	\$0
<ul style="list-style-type: none"><li>• \$400,000 state restricted revenue for body art facility licensure.</li><li>• Reduction of \$1.4 million for 3 federal grants for rural health services now provided directly to grantee, Michigan Center for Rural Health</li><li>• \$1.2 million federal funds for AIDS prevention, testing, and care.</li><li>• \$500,000 federal smoking prevention funds.</li><li>• \$883,300 private funds for WIC program vendor system.</li></ul>			

**HEALTH AND HUMAN SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>AGING AND ADULT SERVICES</b>			
<b>75. Aging Services</b>	<b>Gross</b>	<b>\$126,630,000</b>	<b>\$3,460,000</b>
Recognizes \$3.5 million of additional federal funds available for senior programs including \$1.0 million for community services, \$1.5 million for congregate and home-delivered meals, and \$1.0 million for administration including funds carried forward from prior fiscal years. Removes \$40,000 GF/GP and Sec. 1426 regarding friendly caller service that is already being provided by DHHS.	Federal	65,343,900	3,500,000
	Private	1,020,000	0
	Restricted	6,068,700	0
	GF/GP	\$54,197,400	(\$40,000)
<b>76. Senior Living and Healthcare Expansion – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP for Presbyterian Villages of Michigan senior assisted living community expansion. Sec. 1994 is related boilerplate.	GF/GP	\$0	\$1,000,000
<b>MEDICAL SERVICES</b>			
<b>77. Dementia Care Unit</b>	<b>Gross</b>	<b>\$400,000</b>	<b>\$0</b>
Retains \$400,000 GF/GP one-time funding for dementia care and redesignates the funding as ongoing.	GF/GP	\$400,000	\$0
<b>78. Medicaid Dental Program Redesign</b>	<b>Gross</b>	<b>NA</b>	<b>\$85,131,200</b>
Includes \$85.1 million Gross (\$47.7 million GF/GP) to increase adult fee-for-service reimbursements, to increase rate for dental procedures at outpatient and ambulatory surgical centers, and includes \$30.0 million GF/GP for the costs of future adult dental administrative redesign recommendations, which Sec. 1630 is related boilerplate.	Federal	NA	37,457,600
	GF/GP	NA	\$47,673,600
<b>79. Hospice Room and Board</b>	<b>Gross</b>	<b>\$3,318,000</b>	<b>\$1,682,000</b>
Includes an additional \$1.7 million GF/GP to support room and board costs of Medicaid recipients at hospice residences that are licensed by the state, but not certified for Medicare. Sec. 1856 is related, revised boilerplate.	GF/GP	\$3,318,000	\$1,682,000
<b>80. Program of All-Inclusive Care for the Elderly (PACE)</b>	<b>Gross</b>	<b>\$198,118,300</b>	<b>\$20,173,100</b>
Includes \$20.2 million Gross (\$17.1 million GF/GP), \$15.5 million of which is one-time GF/GP for COVID cost recoveries and the balance is for the expansion of enrollment caps at current PACE sites in Wayne County, Traverse City, and the Central Michigan regional site.	SFRF	0	0
	Federal	133,489,100	3,024,000
	GF/GP	\$64,629,200	\$17,149,100
<b>81. Medicaid Primary Care Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$56,121,000</b>
Includes \$56.1 million Gross (\$15.0 million GF/GP) to increase Medicaid primary care provider rates.	Federal	NA	41,121,000
	GF/GP	NA	\$15,000,000
<b>82. Medicaid Community Health Workers</b>	<b>Gross</b>	<b>\$0</b>	<b>\$28,336,600</b>
Includes \$28.3 million Gross (\$10.0 million GF/GP) to permit Medicaid to reimburse community health workers.	Federal	0	18,336,600
	GF/GP	\$0	\$10,000,000
<b>83. Medicaid Neonatology Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,416,800</b>
Includes \$1.4 million Gross (\$500,000 GF/GP) to increase Medicaid neonatology rates by 5%.	Federal	NA	916,800
	GF/GP	NA	\$500,000
<b>84. Medicaid Private Duty Nursing Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$7,800,000</b>
Includes \$7.8 million Gross (\$2.8 million GF/GP) to increase Medicaid private duty nursing rates by 15% to 30%.	Federal	NA	4,980,000
	GF/GP	NA	\$2,820,000
<b>85. Vaccine Administration – Medicaid Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$14,061,200</b>
Includes \$14.1 million Gross (\$4.5 million GF/GP) to increase Medicaid reimbursement rates for non-COVID vaccines up to Medicare reimbursement rates.	Federal	NA	9,544,500
	GF/GP	NA	\$4,516,700

**HEALTH AND HUMAN SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>86. Restricted Fund Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Includes \$29.5 million GF/GP as a net-zero replacement of restricted revenue authorization to recognize a decrease in revenues from the Medicaid Benefits Trust Fund (\$20.0 million), the Insurance Providers Assessment (IPA) (\$5.5 million), Healthy Michigan Fund (\$2.0 million), and from removing the last of the Health Insurance Claims Assessment (HICA) fund balance (\$2.0 million).	Restricted	NA	(29,527,400)
	GF/GP	NA	\$29,527,400
<b>87. Medical Services – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$24,500,000</b>
Includes:	Federal	NA	5,000,000
<ul style="list-style-type: none"><li>E-FMAP redetermination: Exec. Reorg. 2023-3 \$10.0 million Gross (\$5.0 million GF/GP)</li><li>Sheridan Hospital improvement grant (\$6.6 million)</li><li>Muskegon Family Care/Mercy Health FQHC pilot (\$3.4 million)</li><li>Sickle Cell Center (\$2.5 million)</li><li>Region VII AAA PACE wellness center pilot (\$1.0 million)</li><li>Honor Health psychiatric graduate medical education (\$1.0 million)</li></ul>	GF/GP	NA	\$19,500,000
<b>ONE-TIME APPROPRIATIONS</b>			
<b>88. Remove FY 2021-22 One-Time Appropriations</b>	FTE	6.0	(6.0)
Removes one-time appropriations included in FY 2021-22, including one-time appropriations within 133 PA 2021 (HB 4398). Any of this funding that is retained into FY 2022-23 is noted elsewhere.	<b>Gross</b>	<b>\$515,885,100</b>	<b>(\$515,885,100)</b>
	SFRF	41,900,000	(41,900,000)
	Federal	352,626,800	(352,626,800)
	GF/GP	\$121,358,300	(\$121,358,300)

**Major Boilerplate Changes from FY 2021-22**

**GENERAL SECTIONS**

**Sec. 218. Basic Health Services and Report – REVISED**

Lists eight health services to be included in an annual list of proposed basic health services to be funded, as required under Part 23 of the Public Health Code; requires report. Revises to strike list and report; and directs department to provide a list of proposed basic health services by October 1 to the Legislature.

**Sec. 219. Michigan Public Health Institute Contracts/Employment – REVISED**

Allows DHHS to contract with the Michigan Public Health Institute (MPHI) for public health projects and related activities; requires semiannual reports including all products from prior fiscal year funding. Revises to add intent that MPHI shall not be a passthrough or contract manager for a contract with the department.

**Sec. 225. Public and Private Service Providers – RETAINED (UNENFORCEABLE)**

Prohibits sanctions or suspensions from being more stringent for private providers than for public providers performing equivalent funded services; and prohibits preferential treatment for public or private service providers based on whether or not they have collective bargaining agreements with direct care workers. (Governor's signing letter states section is unenforceable).

**Sec. 229. Interagency Agreement with LEO for Use of TANF Funds – RETAINED (UNENFORCEABLE)**

Requires DHHS to extend the interagency agreement with Department of Labor and Economic Opportunity (LEO) for TANF-funded job readiness and welfare-to-work programming including Michigan Works!; requires report by January 1 on certain information including TANF expenditures, clients served, job readiness referrals, and outcomes. (Governor's signing letter states section is unenforceable).

## **HEALTH AND HUMAN SERVICES**

### **Major Boilerplate Changes from FY 2021-22**

#### **Sec. 231. Direct Care Worker Wage Increase and Report – REVISED**

Requires DHHS to increase wages by up to \$2.35 per hour paid to direct care workers funded by DHHS appropriations, and states specific workers and wage increases to be supported. Includes provisions if a worker elects to reject the increase. Requires contractor quarterly reporting, and requires DHHS to report by March 1 including details on wages paid. Revises to require Medicaid managed care organizations of MI Choice, MI Health Link, and PIHPs to continue the direct care wage increase and to report annually to DHHS on direct care salaries paid, and removes references to private child caring institutions, area agencies on aging, and long-term care (which is moved to new Sec. 1644).

#### **Sec. 238. Remote Work Policy – NEW**

Legislative intent language that the department maximize workforce efficiency, prioritize in-person work, and post related work policy online.

#### **Sec. 246. Submission of Reports – NEW**

New boilerplate requiring that reports be submitted to certain legislative entities and the state budget office.

#### **Sec. 250. Prohibit Mandatory Face Covering Under Age 18 – RETAINED (UNENFORCEABLE)**

Prohibits DHHS director or a local health officer from issuing or enforcing 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. (*Governor's signing letter states section is unenforceable*).

## **CHILDREN'S SERVICES AGENCY**

#### **Sec. 532. Adoption Tax Credit – NEW (VETOED)**

Includes \$2.0 million to fund a tax credit for adoptive parents. Require DHHS to work with the Department of Treasury to ensure funding is distributed in a timely manner to adoptive families.

#### **Sec. 528- 548. Adoption Marketing and Education Program – NEW (VETOED)**

Includes, in Sec. 548., \$10.0 million to fund marketing programs that promote the adoption of infant and to develop education materials on adoption as an alternative to abortion.

#### **Sec. 575. Kinship Caregiver Advisory Council – REVISED**

Requires DHHS to allocate \$200,000 to provide support and coordinated services to the kinship advisory council. Revises to also require the establishment of a public awareness campaign to educate the public about kinship caregivers; consult and coordinate with kinship caregiver navigator program to collect data; establish, maintain, and update a list of local support groups and programs to provide services to kinship families; develop methods to promote and improve collaboration between states, counties, agencies, and stakeholders for improved services.

## **BEHAVIORAL HEALTH SERVICES**

#### **Sec. 924. Autism Services Fee Schedule – REVISED**

Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$50.00 per hour and not more than \$55.00 per hour. Revises hourly rates to \$52.35 and \$57.35, which is associated with the direct care wage increase no longer being a separate pass-through.

#### **Sec. 1062. 5-Year Inpatient Psychiatric Bed Plan – DELETED**

Requires DHHS to report a 5-year plan to address need for public and private inpatient psychiatric beds for adults and children. Deletes and associated funding is also removed.

## **PUBLIC HEALTH**

#### **Sec. 1186. Stroke and STEMI Initiative – REVISED**

Allocates \$3.0 million GF/GP to establish a statewide stroke and ST-elevation myocardial infarction (STEMI) care system integrated into the statewide trauma and EMS systems including facility designations and registries, as approved by stroke advisory and STEMI advisory subcommittees. Revises to remove references to advisory subcommittees as proposed in Senate Bill 521 which is not enacted as of June 2022, and to add a report due March 1.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 1222. Essential Local Public Health Services – REVISED (SUBSECTION (4) UNENFORCEABLE)**

Directs that essential local public health services funding be prospectively allocated to local public health departments for nine state and local cost-shared services, some provided in consultation with Departments of Agriculture and Rural Development, and Environment, Great Lakes, and Energy; local health departments are held to contractual standards and spending minimums; requires a report by December 1. States distribution formula required to be used, and that allocations shall not be less than the previous fiscal year. Subsection (4) directs that funding shall be unappropriated if a local health officer has an emergency order under Section 2453 of the Public Health Code in effect as of October 1, 2021; does not apply if a county board of commissioners passes a non-binding resolution to support any such emergency orders. Revises subsection (4) to update date to October 1, 2022, and make technical changes. (*Governor's signing letter states subsection (4) is unenforceable*).

**Sec. 1305. Contract Restrictions for Family Planning & Pregnancy Prevention – REVISED (UNENFORCEABLE)**

(1) Prohibits DHHS from contracting for family planning and pregnancy prevention services with an entity that engages in abortion activities under PA 360 of 2002, if another entity applies to provide those services that is not already engaged in abortion activities. (2) Requires DHHS to give a higher priority to a) contracting for services in counties where there are currently no contracts for services, before b) contracting for additional services by an entity that engages in abortion activities in a county where there are already services provided by an entity that does not engage in abortion activities. Revises with a technical correction to the PA 360 legal citation. (*Governor's signing letter states section is unenforceable*).

**Sec. 1321. Revise Education Modules Regarding Sexual Abuse Prevention – REVISED**

Allows DHHS to revise Michigan Model health education modules to include age-appropriate information about the importance of consent, setting and respecting personal boundaries, and prevention of child sexual abuse, sexual assault, and dating violence. Revises to include prevention of human trafficking.

**Sec. 1347. Use of Funds for Abortion or Human Embryo Use – RETAINED (UNENFORCEABLE)**

Prohibits use of state funds for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo is destroyed or discarded. (*Governor's signing letter states section is unenforceable*).

**HEALTH SERVICES**

**Sec. 1517. Actuarial Analysis – Specialty Medicaid Managed Care Health Plan – REVISED**

Allocates funding to complete an actuarial analysis to assess the creation of a Medicaid managed care plan for children in foster care; provides for the requirements of specialty plan; and requires a report. Revises by removing associated funding and requires a report on implementation.

**Sec. 1616. Community Health Workers – REVISED**

Requires DHHS to consult with the federal government on allowable avenues to further utilize Community Health Workers as Medicaid providers; possible federal matching funds for services; and requires any expansion be geographically broad-based, evidence-based, and commensurate with applicable training. Revises to require DHHS to seek federal authority to enroll and recognize community health workers and obtain Medicaid matching funds for services, and requires a report.

**Sec. 1644. Direct Care Worker Wage Increase and Report – NEW**

Requires DHHS to continue the direct care wage increase for direct care workers at skilled nursing facilities and direct care workers at adult foster care and homes for the aged. (Language moves from current Sec. 231.)

**Sec. 1701. Supportive Housing Report – NEW**

Requires DHHS to perform a feasibility study on obtaining Medicaid match funding to provide for a supportive housing services benefit; requires a report; and provides legislative intent.

**Sec. 1875. Prior Authorization for Certain Drugs – REVISED**

Applies prior authorization prohibition to DHHS and its contractual agents for psychotropic medications, drugs for the treatment of HIV or AIDS, epilepsy/seizure disorder, or drugs for organ transplant therapy, if those drugs were either carved out or not subject to prior authorization procedures as of January 22, 2021, defines "prior authorization"; and requires DHHS to explore including medications for the treatment of Duchenne Muscular Dystrophy to the list of Medicaid prescriptions not subject to prior authorization. Revises to only include Duchenne Muscular Dystrophy, as the rest of the section was recently codified into Sec. 109h of the Social Welfare Act MCL 400.109h.

**Sec. 1895. Nursing Home Variable Cost Component – NEW**

Requires DHHS to adjust interim variable cost component at 102.5% of the interim rate provided on October 1, 2022, establishes quality assurance supplement formula, and requires DHHS to audit costs to establish a final audited rate.

**HEALTH AND HUMAN SERVICES**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**1. Traditional Medicaid Cost Adjustments**

Includes a reduction of \$172.2 million Gross (\$585.8 million GF/GP) for traditional Medicaid program caseload/utilization/inflation and financing adjustments based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Total includes GF/GP savings from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act 3 additional quarters, for a full fiscal year of enhanced FMAP.

**Gross (\$172,246,800)**  
Federal 414,121,000  
Private (600,000)  
GF/GP (\$585,767,800)

**2. Healthy Michigan Plan Cost Adjustments**

Includes a reduction of \$134.1 million Gross (\$16.9 million GF/GP) for Healthy Michigan Plan caseload/utilization/inflation and financing adjustments based on the May Caseload Consensus.

**Gross (\$134,089,000)**  
Federal (117,195,700)  
GF/GP (\$16,893,300)

**3. Special Medicaid Payment Cost Adjustments**

Adds \$434.2 million Gross (reduces GF/GP by \$122.2 million) in special Medicaid payment cost adjustments, including provider tax funded supplemental Medicaid payments and physician and dental adjuster payments, based on the May Caseload Consensus.

**Gross \$434,163,800**  
Federal 551,791,100  
Local (20,689,900)  
Private 1,016,600  
Restricted 24,232,000  
GF/GP (\$122,186,000)

**4. Child Support Security Audit**

Includes \$500,000 Gross (\$166,700 GF/GP) to fund a federally-required independent technology audit of county Prosecuting Attorneys and Friend of the Court offices.

**Gross \$500,000**  
Federal 333,300  
GF/GP \$166,700

**5. Weatherization Assistance - IJJA**

Includes \$20.0 million in capped federal revenue to increase funding for expansion of the Weatherization Assistance program and includes authorization for 11.0 additional FTE positions to support administration for the expanded program over an expected seven years.

FTE 11.0  
**Gross \$20,000,000**  
Capped 20,000,000  
GF/GP \$0

**6. Child Welfare Caseload Adjustments**

Reduces funding for child welfare programs by \$56.6 million Gross (\$34.9 million GF/GP) based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

**Gross (\$56,598,700)**  
TANF (4,027,100)  
Federal (13,381,900)  
Local (4,258,200)  
GF/GP (\$34,931,500)

**7. Child Welfare E-FMAP Adjustments**

Reflects a savings of \$10.5 million GF/GP from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act for 3 additional quarters, for a full fiscal year of enhanced FMAP.

**Gross \$0**  
Federal 10,469,100  
GF/GP (\$10,469,100)

**8. Federal IV-E Administration Decrease**

Includes \$32.9 million GF/GP to correct an overclaim of federal title IV-E administrative reimbursements identified during FY 2020-21 book closing.

**Gross \$0**  
Federal (32,916,100)  
GF/GP \$32,916,100

**9. Child Protection**

Authorizes receipt of an additional \$1.0 million in federal funds to reflect an increase in federal child protection grant funding.

**Gross \$1,000,000**  
Federal 1,000,000  
GF/GP \$0

**10. Children's Trust Fund**

Includes \$68,800 in capped federal revenue authorization to the Children's Trust Fund line item to provide sufficient authorization to expend a formula grant to states for expenditures made in accordance with Sections 201 through 209 of Title II of the Child Abuse Prevention and Treatment Act Community-Based Family Resource and Support Grants.

**Gross \$68,800**  
Federal 68,800  
GF/GP \$0

**11. Raise the Age Fund Adjustment**

Includes an increase of \$4.0 million GF/GP to adjust the Raise the Age fund for county incurred service costs based on county budget submissions to DHHS.

**Gross \$4,000,000**  
GF/GP \$4,000,000



**FY 2021-22 Supplemental Appropriation Items  
Public Act 166 of 2022 (House Bill 5783, Article 15)**

	<b>Appropriation Change</b>
<b>12. Foster Care Restricted Fund Authorization</b>	<b>Gross \$0</b>
Includes \$2.0 million in state restricted funds and offsets a like amount of GF/GP to create a new state restricted fund source within the Foster Care Payments line item to house SSI benefits for foster children that will carry over annually.	Restricted 2,000,000 GF/GP (\$2,000,000)
<b>13. County Juvenile Officers</b>	<b>Gross \$73,300</b>
Includes \$73,300 GF/GP to fund inflationary increase that DHHS provided in their grants to counties for County Juvenile Officers.	GF/GP \$73,300
<b>14. Public Assistance Caseload Adjustments</b>	<b>Gross \$1,500,112,400</b>
Recognizes a \$1.5 billion Gross net increase (\$2.3 million GF/GP net reduction) resulting from adjusted estimates to Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI) caseloads for FY 2021-22. Adjustments include pandemic-related increases to food assistance (P-EBT).	TANF (3,394,400) Federal 1,505,716,600 Restricted 62,200 GF/GP (\$2,272,000)
<b>15. Private Funding Authorization</b>	<b>Gross \$3,800,000</b>
Authorizes receipt of an additional \$3.8 million in private behavioral health services-related grant awards from the Michigan Health Endowment Fund and Vital Strategies.	Private 3,800,000 GF/GP \$0
<b>16. Family Support Subsidy Caseloads Adjustments</b>	<b>Gross (\$795,300)</b>
Reflects a reduction of \$795,300 in federal TANF to support an estimated 4,000 family support subsidy cases.	TANF (795,300) GF/GP \$0
<b>17. Opioid Healing and Recovery Fund</b>	<b>Gross \$16,000,000</b>
Includes \$16.0 million of restricted funds from court settlements between the state and opioid manufacturers and distributors. State statute recently created the Opioid Healing and Recovery Fund and established the use of the funds.	Restricted 16,000,000 GF/GP \$0
<b>18. State Psychiatric Hospital Enhanced FMAP Adjustments</b>	<b>Gross \$0</b>
Reflects a savings of \$1.3 million GF/GP from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act for 2 additional quarters, for a total of 3 quarters of enhanced FMAP.	Federal 1,267,200 GF/GP (\$1,267,200)
<b>19. State Psychiatric Hospital Net \$0 Adjustments</b>	<b>Gross \$0</b>
Includes a net \$0 adjustment of federal, restricted, and GF/GP funding sources across the 5 state psychiatric hospitals and centers line items to align fund authorizations with estimated costs.	Federal 0 Restricted 0 GF/GP \$0
<b>20. Rural Health Services</b>	<b>Gross (\$1,380,500)</b>
Removes \$1.4 million of federal grant authorization for rural health programs; grants will be awarded directly to the Michigan Center for Rural Health at Michigan State University, rather than passing through DHHS. Includes 3 federal rural health and hospital program grants.	Federal (1,380,500) GF/GP \$0
<b>21. Lead Abatement Grant SCHIP Adjustment</b>	<b>Gross \$0</b>
Includes net \$0 Gross fund shift of \$524,000 from GF/GP to federal for FMAP adjustment for federal Children's Health Insurance Program (SCHIP) funds used for lead abatement in Flint and other high risk communities since FY 2016-17.	Federal 524,000 GF/GP (\$524,000)
<b>22. Sexually Transmitted Disease Control and Prevention</b>	<b>Gross \$2,000,000</b>
Increases private funding by \$2.0 million for state and local prevention activities and drug treatment programs related to sexually transmitted infections (STI). Funds are pharmaceutical manufacturer rebates for drug expenditures within the program.	Private 2,000,000 GF/GP \$0
<b>23. Child and Adolescent Health Care and Centers</b>	<b>Gross \$3,000,000</b>
Authorizes receipt of an additional \$3.0 million in local school district revenue, originating from the state School Aid Fund, for primary health care services to children and youth in clinical and school-based settings.	Local 3,000,000 GF/GP \$0

**HEALTH AND HUMAN SERVICES**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

	<b>Appropriation Change</b>
<b>24. Public Health Non-GF/GP Funds Adjustments</b>	<b>Gross \$2,964,900</b>
Recognizes \$3.0 million Gross increase for federal, private, and state restricted funding adjustments, including:	Federal 1,681,600
	Private 883,300
	Restricted 400,000
	GF/GP \$0
<ul style="list-style-type: none"><li>• \$400,000 state restricted revenue for body art facility licensure, under Epidemiology Administration.</li><li>• \$1.2 million federal funds for AIDS prevention, testing, and care.</li><li>• \$500,000 federal smoking prevention funds.</li><li>• \$883,300 private funds for WIC program vendor system</li></ul>	
<b>25. Public Health Transfers Within DHHS</b>	FTE 0.0
	<b>Gross \$0</b>
	Federal 0
	Restricted 0
	GF/GP \$0
<ul style="list-style-type: none"><li>• Michigan 2-1-1 funding of \$2.5 million Gross (\$950,000 GF/GP) from Health Policy and Planning to Community Services and Outreach.</li><li>• One FTE position and \$145,200 Gross (\$72,900 GF/GP) from Health Policy and Planning to Community Services and Outreach.</li><li>• \$279,300 GF/GP from Public Health Administration to Departmental Administration and Management.</li><li>• \$170,000 Healthy Michigan Fund state restricted revenue from Pregnancy Prevention Program to Family, Maternal, and Child Health Administration.</li></ul>	
<b>26. Aging Community and Nutrition Services</b>	<b>Gross \$3,500,000</b>
Recognizes \$3.5 million of additional federal funds available for senior programs including \$1.0 million for senior community services, \$1.5 million for senior nutrition services including congregate meals and home-delivered meals, and \$1.0 million for administration.	Federal 3,500,000
	GF/GP \$0
<b>27. Medicaid Tribal Pharmaceutical Payments</b>	<b>Gross \$20,535,100</b>
Includes \$20.5 million Gross (\$0 GF/GP) to support reimbursement increases to tribal health providers for pharmaceutical services provided to non-tribal Medicaid recipients. Private funding would come from revenues collected by the tribal health providers.	Federal 17,109,600
	Private 3,425,500
	GF/GP \$0
<b>28. ARP – Expanding Public Health Workforce Within Aging Network</b>	<b>Gross \$1,257,800</b>
Includes \$1.3 million of federal American Rescue Plan Act funds for wages and other costs to expand the use of professional community health workers employed through the area agencies on aging network to prevent hospital readmissions.	Federal 1,257,800
	GF/GP \$0
<b>29. ARP – Family Violence Prevention and Services – COVID-19</b>	<b>Gross \$9,986,000</b>
Includes \$10.0 million of federal American Rescue Plan Act funds to provide grants for COVID-19 testing, vaccines, and mobile health units access for domestic violence shelters.	Federal 9,986,000
	GF/GP \$0
<b>30. ARP – Maternal, Infant, and Early Childhood Home Visiting Program</b>	<b>Gross \$1,892,100</b>
Includes \$1.9 million, the balance of federal American Rescue Plan Act funds awarded, for emergency assistance through home visiting programs to eligible families impacted by the COVID-19 pandemic, including visits, services, provision of emergency supplies, and training of home visitors.	Federal 1,892,100
	GF/GP \$0
<b>31. ARP – SHIP Expanding Public Health Workforce Within Aging Network</b>	<b>Gross \$116,800</b>
Includes \$116,800 of federal American Rescue Plan Act funds for public health workforce costs for Medicare counseling and technical assistance for older adults under the Michigan Medicare Assistance Program (MMAP), which is Michigan's federal State Health Insurance Assistance Program (SHIP).	Federal 116,800
	GF/GP \$0
<b>32. TANF Pandemic Emergency Assistance Fund</b>	<b>Gross \$19,001,800</b>
Includes \$19.0 million of federal TANF for non-recurrent, short-term benefits for low-income families.	TANF 19,001,800
	GF/GP \$0
<b>33. Residential Rate Non-Contracted Rate Increase</b>	<b>Gross \$15,000,000</b>
Provides \$15.0 million GF/GP pandemic-related fiscal relief to residential child welfare providers.	GF/GP \$15,000,000

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

		<b>Appropriation Change</b>
<b>34. COVID-19 ELC Environmental Public Health Emergency Response</b>	<b>Gross</b>	<b>\$300,000</b>
Includes \$300,000 of federal funds for epidemiology and laboratory capacity (ELC) public health emergency response network capabilities.	Federal	300,000
	GF/GP	\$0
<b>35. COVID-19 ELC Special Projects</b>	<b>Gross</b>	<b>\$474,600</b>
Includes \$474,600 of federal funds for epidemiology and laboratory capacity (ELC) public health laboratory preparedness and special projects.	Federal	474,600
	GF/GP	\$0
<b>36. ARP – COVID-19 Elder Justice – Aging and Field Services</b>	<b>Gross</b>	<b>\$5,498,500</b>
Includes \$5.5 million of federal American Rescue Plan Act funds to enhance and improve the ability of the adult protective services system to investigate allegations of abuse, neglect, or exploitation of seniors.	Federal	5,498,500
	GF/GP	\$0
<b>37. Emergency Medical Services Scholarships and Grants</b>	<b>Gross</b>	<b>\$30,000,000</b>
Includes \$30.0 million GF/GP for a scholarship and grant program for individuals to complete emergency medical services/paramedic training, and for local units to apply for grants to train new employees to become paramedics.	GF/GP	\$30,000,000
<b>38. Family Violence Prevention and Services</b>	<b>Gross</b>	<b>\$3,595,700</b>
Includes \$3.6 million of federal funds for crisis intervention and safety planning services for victims of domestic violence.	Federal	3,595,700
	GF/GP	\$0
<b>39. Federal COVID Immunization and Vaccine Grant</b>	<b>Gross</b>	<b>\$7,332,000</b>
Includes \$7.3 million of federal funds for COVID-19 vaccine capacity, administration, distribution, and outreach.	Federal	7,332,000
	GF/GP	\$0

**FY 2019-20 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 501. Weatherization Assistance**

Designates unexpended funds as a work project appropriation.

**Sec. 503. ARP – TANF Pandemic Emergency Assistance Fund**

Designates unexpended funds as a work project appropriation.

**Sec. 504. Child Caring Institution Non-Contracted Rates**

Designates unexpended funds as a work project appropriation.

**Sec. 505. COVID-19 ELC Environmental Public Health Emergency Response**

Designates unexpended funds as a work project appropriation.

**Sec. 506. COVID-19 ELC Special Projects**

Designates unexpended funds as a work project appropriation.

**Sec. 507. Emergency Medical Services Scholarships and Grants**

Requires DHHS to work with the Department of Treasury to establish, implement, and operate a scholarship and grant program for emergency medical services training courses to address statewide shortage of paramedics; requires scholarships to be made available to high school students; requires program to allow all state-approved emergency medical services education programs to apply for grants; requires department to review shortage of paramedics, communicate funding availability, and award funding on a geographically diverse basis; designates unexpended funds as a work project appropriation.

**Sec. 508. Family Violence Prevention and Services**

Designates unexpended funds as a work project appropriation.

**Sec. 509. Federal COVID-19 Immunization and Vaccine Grant**

Designates unexpended funds as a work project appropriation.

**HIGHER EDUCATION**

**HIGHER EDUCATION  
Summary of FY 2022-23 Enacted with Vetoes  
Public Act 144 of 2022 (Senate Bill 845, Article 3)**

**Analyst: Perry Zielak**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	128,526,400	128,526,400	0	0.0
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	361,403,300	347,888,300	(13,515,000)	(3.7)
<b>GF/GP</b>	1,317,821,500	1,540,221,000	222,399,500	16.9
<b>Gross</b>	<b>\$1,807,751,200</b>	<b>\$2,016,635,700</b>	<b>\$208,884,500</b>	<b>11.6</b>

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Higher Education budget, contained in Article 3 of the compiled School Aid Act, provides funding for operational support of the state's 15 public universities, the AgBioResearch and Extension programs operated by Michigan State University; some retirement costs for employees who participate in the state public school employee retirement system; various financial aid programs for students attending public and independent colleges and universities in the state; and several other smaller higher education-related programs.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. University Operations Increase**

Includes a net increase of \$55.0 million GF/GP for university operations, a 3.7% increase. This includes:

- \$52.3 million GF/GP increase to operations grants for universities, with universities participating in MPSERS receiving a 2% increase, and non-MPSERS universities receiving up to a 5% increase. (Universities below \$4,500 FYES funding floor would realize an operations increase greater than 5%).
- \$17.7 million GF/GP increase to fund the first year of a three-year phase-in of a \$4,500 funding floor based on fiscal year equated students (FYES).
- Removal of \$14.6 million GF/GP one-time FY 2021-22 operations funding.
- \$344,700 GF/GP decrease based on FY 2020-21 North American Indian Tuition Waiver program costs reported by institutions.

Attainment of the operations increase and FYES floor funding would be conditioned on restraining resident undergraduate tuition and fee increases to the greater of 5.0% or \$722 (set at 4.2% or \$590 in the current year). Projected funding changes for universities would range from 0.0% to 12.5%. Total funding for operations would be \$1.5 billion Gross (\$1.2 billion GF/GP).

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>\$1,487,758,800</b>	<b>\$55,038,300</b>
Restricted	343,168,300	0
GF/GP	\$1,144,590,500	\$55,038,300

**HIGHER EDUCATION**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>2. Michigan State University Extension and AgBioResearch Programs</b>	<b>Gross</b>	<b>\$65,724,200</b>	<b>\$2,602,900</b>
Includes a net increase of \$2.6 million GF/GP for MSU's AgBioResearch and Extension program funding. This includes an ongoing operations increase for the MSU AgBioResearch program of \$1.7 million GF/GP, and removal of one-time FY 2021-22 funding of \$349,400 GF/GP. Additionally, the MSU Extension program includes a net increase of \$1.2 million GF/GP comprising an ongoing operations increase of \$1.5 million GF/GP and the removal of one-time FY 2021-22 funding of \$301,400 GF/GP. These adjustments represent a 5.0% increase for both programs. Total funding for AgBioResearch and Extension programs would be \$68.3 million GF/GP.	GF/GP	\$65,724,200	\$2,602,900
<b>3. Michigan Public School Employee Retirement System (MPERS) State Share of Unfunded Actuarial Accrued Liability (UAAL) Stabilization Payment</b>	<b>Gross</b>	<b>\$13,495,000</b>	<b>(\$13,425,000)</b>
Decreases funding by \$13.4 million School Aid Fund (SAF) for the state's share of the universities' MPERS UAAL contribution, a 99.5% decrease. The state's share is the difference between the calculated UAAL contribution to the system and the employer contribution cap of 25.73% of payroll for the seven universities with MPERS employees (Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western). The amount needed for the state share was reduced due to the one-time MPERS payment of \$84.7 million GF/GP appropriated in FY 2021-22. Total funding for the state share of MPERS UAAL would be \$70,000 SAF.	Restricted GF/GP	13,495,000 \$0	(13,425,000) \$0
<b>4. MPERS Normal Cost Offset</b>	<b>Gross</b>	<b>\$4,740,000</b>	<b>(\$90,000)</b>
Decreases reimbursement funding provided to universities by \$90,000 SAF, a 1.9% decrease, for the normal cost required to maintain the assumed rate of return for MPERS at 6.8%. Total funding for the MPERS Normal Cost Offset would be \$4.7 million SAF.	Restricted GF/GP	4,740,000 \$0	(90,000) \$0
<b>5. MPERS UAAL One-Time Payment</b>	<b>Gross</b>	<b>\$84,741,700</b>	<b>(\$84,741,700)</b>
Removes \$84.7 million GF/GP in one-time funding for the state's share of the universities' MPERS UAAL contribution.	GF/GP	\$84,741,700	(\$84,741,700)
<b>6. Postsecondary Scholarship Fund</b>	<b>Gross</b>	<b>\$0</b>	<b>\$250,000,000</b>
Adds \$250.0 million GF/GP for a to-be-determined postsecondary scholarship. The funds would be deposited into the Postsecondary Scholarship Fund, managed by the Department of Treasury, and subject to future appropriation.	GF/GP	\$0	\$250,000,000
<b>7. Ethical Stem Cell/Fetal Tissue Research – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Adds \$5.0 million GF/GP for research grants awarded to public research universities that agree to not conduct any research on aborted fetal tissue.	GF/GP	\$0	\$0
<b>8. Pregnant and Parenting Support Services – VETOED</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Adds \$500,000 GF/GP for pregnant and parenting services. Universities that establish and operate a pregnant and parenting student services office according to the guidelines found in Sec. 275k are eligible for grants to operate the office.	GF/GP	\$0	\$0
<b>9. Japan Center for Michigan Universities</b>	<b>Gross</b>	<b>\$500,000</b>	<b>(\$500,000)</b>
Removes \$500,000 GF/GP in one-time funding to support operations at the Japan Center for Michigan Universities hosted by Michigan State University.	GF/GP	\$500,000	(\$500,000)

## **HIGHER EDUCATION**

### **Major Boilerplate Changes from FY 2021-22**

#### ***Sec. 236h. FY 2021-22 MPSERS One-Time Payment Detail – REVISED***

Details the FY 2021-22 one-time payment for MPSERS UAAL contributions to the system for the seven universities with MPSERS employees (Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western) and states payments will be distributed no later than December 31, 2021. Revises language to increase the FY 2021-22 MPSERS UAAL contribution by \$300.0 million and states payments will be distributed no later than September 30, 2022 (see Supplemental Items below).

#### ***Sec. 236j. Postsecondary Scholarship Fund Detail – NEW***

Adds language creating the Postsecondary Scholarship Fund in the Department of Treasury. Money in the fund would require an appropriation to be expended; provides that money in the fund at the end of a fiscal year does not lapse; and deposits \$250.0 million into the fund for FY 2022-23.

#### ***Sec. 236k. Fiscal Year Equated Student (FYES) Funding Floor – NEW***

Adds language detailing the three-year implementation of a \$4,500 FYES funding floor for each university below the funding calculation.

#### ***Sec. 245a. Campus Safety Information and Resources, Safety Reporting Requirements – REVISED***

Requires universities to develop a "campus safety information and resources" webpage, which must be linked and displayed on their home webpage. The page must display various safety information and policies, and the schools must certify compliance to the state budget director by October 1, 2021, or have monthly state payments withheld. Updates certification deadline to October 1, 2022.

#### ***Sec. 251. Michigan Competitive Scholarship Program Detail – REVISED***

Provides for distribution of funds appropriated for State Competitive Scholarships. Specifies grant amount of \$1,000, unless insufficient funds are available, in which case a report is required. Revises award amount from \$1,000 to \$1,500.

#### ***Sec. 252. Tuition Grant Program Detail – REVISED***

Provides for distribution of funds appropriated for Tuition Grants; specifies grant amount of \$2,800, unless insufficient funds are available, in which case a report is required. Revises award amount from \$2,800 to \$3,000 and raises institution cap from \$4.8 million to \$5.0 million.

#### ***Sec. 256. Tuition Incentive Program Detail – REVISED***

Specifies criteria for Tuition Incentive Program (TIP) eligibility; provides for award conditions and limits under Phases I (associate degree and certificate programs) and II (third and fourth years toward bachelor's degree) of the program. Adds language removing individual annual and semester credit limits.

#### ***Sec. 260. Student Loan and Financial Aid Website – REVISED***

Requires the Department of Treasury, working with the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities (MASU), the Michigan Community College Association (MCCA), and Michigan Independent Colleges and Universities (MICU) to the extent possible, create a website for students containing various student loan and other financial aid information. Adds various definitions and requires Treasury to audit and update the website annually; revises loan providers to loan amortization information.

#### ***Sec. 265. Performance Funding Tuition and Fees Restraint Requirement – REVISED***

Provides tuition restraint requirements in order to receive performance funding increase. Revises requirements to apply to both operations increase and the per-student funding floor for FY 2022-23 and revises tuition restraint cap for universities to the greater of 5.0% or \$722 (currently set at 4.2% or \$590).

#### ***Sec. 265a. Performance Funding Formula Detail and Additional Requirements – REVISED***

Includes requirements for a university to receive the performance funding increase. Revises dual enrollment credit certification language.

#### ***Sec. 265f. College Level Equivalent Credit Examination Requirements – NEW***

Adds language that requires public universities to develop and implement policies for awarding academic credit for college level equivalent credit examinations, allow students to earn college credit through exams once enrolled, post the policies and opportunities for credit examinations and submit a report if the university requires exam scores higher than those recommended by the American Council on Education to earn credit through examinations.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 265g. Accelerated Degree Completion Pathways Requirement – NEW**

Adds language that requires public universities to provide all students with information on accelerated degree completion pathways within the first semester of enrollment, post the information on a public website and create accelerated degree completion pathways if they do not exist. Independent colleges and universities are encouraged to create accelerated degree completion pathways.

**Sec. 266a. University Declining Enrollment Testimony – NEW**

Adds intent language stating public universities who have a 10% decline in enrollment since 2012 may be called to testify to the House or Senate Higher Education appropriation subcommittees to answer questions on enrollment, finances, tuition and possible consolidation of services with another public university.

**Sec. 269. Saginaw Chippewa Tribal College North American Indian Tuition Waiver Funding – REVISED**

Specifies an \$82,400 pass-through payment from Central Michigan's North American Indian Tuition Waiver appropriation to Saginaw Chippewa Tribal College for costs of the Indian Tuition Waiver Program. Requires the tribal college to report waiver information specified under Sec. 268 to the Department of Civil Rights. Revises payment from \$82,400 to \$31,000.

**Sec. 270c. Keweenaw Bay Ojibwa Community College North American Indian Tuition Waiver Funding – REVISED**

Specifies a \$50,000 pass-through payment from Northern Michigan's North American Indian Tuition Waiver appropriation to Keweenaw Bay Ojibwa Community College for costs of the Indian Tuition Waiver Program. Requires the tribal college to report waiver information specified under Sec. 268 to the Department of Civil Rights. Revises payment from \$50,000 to \$87,800.

**Sec. 274. Embryonic Stem Cell Research Reporting – REVISED**

Details legislative intent language that requires universities conducting research using human embryonic stem cells to report to the Department of Health and Human Services regarding compliance with federal guidelines and stem cell lines derived by university. Revises reporting dates and changes report recipients to the House and Senate Higher Education appropriation subcommittees, fiscal agencies and state budget director.

**Sec. 274a. Ethical Stem Cell/Fetal Tissue Research – NEW (VETOED)**

Adds language that specifies a public research university will be awarded research grant funding if the university agrees to not conduct any research on aborted fetal tissue. *Governor vetoed section because it was considered tied to Sec. 236(10), the line funding the ethic stem cell/fetal tissue research that was also vetoed.*

**Sec. 275. University Veteran-Friendly Policies – REVISED**

Requires universities to participate in the Yellow Ribbon GI Education Enhancement Program and provide other veterans-related services. Requires report on program participation. States universities should consider all veterans as in-state residents for determining tuition/fees and waive enrollment fees for all veterans. Requires reasons programming and scheduling accommodation for military duties and training obligations. Requires report on all services provided specific to veterans and active-duty military personnel. Adds language requiring universities to provide college-level equivalent credit examination opportunities for veterans, active military members, National Guard or military reserves, and to grant college credit or create a structure that awards college credit for military service and prior experiences.

**Sec. 275a. Self-Liquidating Projects Restriction and Capital Outlay Reporting – DELETED**

Deletes language that prohibits use of state funds for self-liquidating projects and requires compliance with Joint Capital Outlay Subcommittee reporting requirements, with specified penalty of 1.0% appropriation reduction if funds are used for a self-liquidating project.

**Sec. 275b. Veteran-Friendly Admissions Policies – REVISED**

Requires universities, when aware that an applicant for admission is a veteran or member of the military, to notify applicant of potential availability of academic credit for college-level military training. Adds language requiring universities to inform applicants of college level equivalent credit examination opportunities.

**Sec. 275g. COVID-19 Federal Funding Reporting Requirement – REVISED**

Requires universities to report all federal funding received related to the COVID-19 pandemic and requires report to be posted on a public website. Revises language to include the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act of 2021.

**Sec. 275i. University COVID-19 Vaccination Exemption Requirement – REVISED**

Details exemptions and reporting requirements that universities must provide to students if a campus mandatory vaccine policy is implemented. Revises language to include employees to exemptions and reporting requirements and adds details around exemptions, accommodations and reporting requirements.

**HIGHER EDUCATION**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 275j. Post-Secondary Degree, Certification or Credential Obtainment Goal – NEW**

Adds language that sets a goal of 60% of Michigan residents achieving a post-secondary credential, certification or degree by 2030.

**Sec. 275k. Pregnant and Parenting Student Services Program Requirements – NEW (VETOED)**

Adds language detailing the Pregnant and Parenting Student Support Services program, states that individual institutional awards for the program cannot exceed \$50,000 and must have a 30% university match, gives the Department of Labor and Economic Opportunity administrative responsibility for the program, and adds a reporting requirement for universities that establish a program. *Governor vetoed section because it was considered tied to Sec. 236(11), the line funding the pregnant and parenting student services program that was also vetoed.*

**Sec. 276. Martin Luther King, Jr. – Cesar Chavez – Rosa Parks (KCP) Future Faculty Program – REVISED**

Provides for program, funded by allocations from public university appropriations, intended to increase number of academically or economically disadvantaged candidates pursuing faculty teaching careers, and details requirements of unexpended and unencumbered program funds. Adds language to include revenue collected from defaulted fellowship agreements.

**Sec. 278. KCP Select Student Support Services Program – REVISED**

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to develop academically/economically disadvantaged student retention programs. Adds language specifying a two-year award period.

**Sec. 279. KCP College/University Partnership Program – REVISED**

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to increase the number of academically or economically disadvantaged students who transfer from community colleges to baccalaureate institutions. Adds language specifying a two-year award period.

**Sec. 280. KCP Visiting Professors Program – REVISED**

Provides for program, funded by allocations from public university appropriations, intended to increase the number of instructors to provide role models for academically or economically disadvantaged students, and details requirements of unexpended and unencumbered program funds. Adds language specifying a two-year award period.

**Sec. 286b. Bachelor of Science in Nursing Articulation Agreements Reporting – DELETED**

Deletes language that requires any university with a bachelor of science in nursing program to report on a summary of efforts on establishing articulation agreements with community colleges.

**FY 2021-22 Supplemental Appropriation Items**

**1. FY 2021-22 MPSERS One-Time Payment**

Adds \$300.0 million SAF for a one-time payment for MPSERS UAAL contributions to the system for the seven universities with MPSERS employees (Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western).

**Appropriation  
Change**

<b>Gross</b>	<b>\$300,000,000</b>
Restricted	300,000,000
GF/GP	\$0



FY 2022-23 University Operations Appropriations  
Enacted Summary

University	Total FY 2021-22 FY 2021-22 Appropriation	FY 2021-22 Indian Tuition Waiver Payment	FY 2021-22 One-Time Appropriation	*FY 2021-22 Base Appropriation	Total Ongoing Operations Increase	Indian Tuition Waiver Through Payments	Indian Tuition Waiver Adjustment	Total FY23 Indian Tuition Waiver Payment	FYES Funding Floor Supplemental Payment	Total FY 2022-23 Appropriation	Percent Change	Change From FY 2021-22 Total	Estimated MPSERS Savings with \$300 Million Payment
Central	\$90,440,500	\$1,964,500	\$876,000	\$87,600,000	\$1,752,000	\$31,000	(\$171,400)	\$1,793,100	\$0	\$91,145,100	0.8%	\$704,600	\$7,035,400
Eastern	78,305,900	279,700	772,500	77,253,700	1,545,100	0	73,900	353,600	0	79,152,400	1.1%	846,500	3,511,550
Ferris	56,541,600	965,800	550,300	55,025,500	1,100,500	0	(138,900)	826,900	0	56,952,900	0.7%	411,300	4,625,800
Grand Valley	74,213,800	1,177,200	723,100	72,313,500	0	0	102,100	1,279,300	7,661,000	81,253,800	9.5%	7,040,000	0
Lake Superior	14,366,600	926,500	133,100	13,307,000	266,100	0	(137,700)	788,800	0	14,361,900	(0.0%)	(4,700)	868,100
Michigan State	292,137,800	1,932,800	2,873,300	287,331,700	14,349,600	0	113,600	2,046,400	0	303,727,700	4.0%	11,589,900	0
Michigan Tech	51,371,900	769,300	501,000	50,101,600	1,002,000	0	78,100	847,400	0	51,951,000	1.1%	579,100	3,197,100
Northern	49,338,700	1,051,500	478,100	47,809,100	1,780,700	87,800	109,800	1,161,300	0	50,751,100	2.9%	1,412,400	552,550
Oakland	54,012,900	334,000	531,500	53,147,400	0	0	21,300	355,300	7,259,200	60,761,900	12.5%	6,749,000	0
Saginaw Valley	31,043,500	153,900	305,800	30,583,800	1,369,600	0	34,400	188,300	132,900	32,274,600	4.0%	1,231,100	0
UM-Ann Arbor	326,265,400	1,075,600	3,219,700	321,970,100	16,390,200	0	(237,900)	837,700	0	339,198,000	4.0%	12,932,600	0
UM-Dearborn	26,593,700	165,000	261,700	26,167,000	0	0	81,200	246,200	1,702,700	28,115,900	5.7%	1,522,200	0
UM-Flint	24,197,400	345,000	236,200	23,616,200	204,700	0	39,400	384,400	953,900	25,159,200	4.0%	961,800	0
Wayne State	205,496,400	469,700	2,030,000	202,996,700	10,289,900	0	(116,600)	353,100	0	213,639,700	4.0%	8,143,300	0
Western	113,432,700	795,300	1,115,200	111,522,200	2,230,400	0	(196,000)	599,300	0	114,351,900	0.8%	919,200	6,462,900
<b>TOTAL:</b>	<b>\$1,487,758,800</b>	<b>\$12,405,800</b>	<b>\$14,607,500</b>	<b>\$1,460,745,500</b>	<b>\$52,280,800</b>	<b>\$118,800</b>	<b>(\$344,700)</b>	<b>\$12,061,100</b>	<b>\$17,709,700</b>	<b>\$1,542,797,100</b>	<b>3.7%</b>	<b>\$55,038,300</b>	<b>\$26,253,400</b>

Operations increase: 2% for the seven MPSERS universities; up to 5% for non-MPSERS universities. Universities below \$4,500 funding floor would realize an operations increase greater than 5%.

Requirements to receive operations increase for FY 2022-23:

1. Restrain FY 2022-23 resident undergraduate tuition/fee rate increase to 5.0% or \$722 (whichever is greater)
2. Participate in at least three reverse transfer agreements with community colleges
3. Maintain a dual enrollment credit policy that does not consider whether credits were used toward high school graduation, the course location, course delivery method, or student enrollment composition within the course
4. Actively participate in and submit timely updates to the Michigan Transfer Network

Requirements to avoid a 10% reduction in operations funding:

1. Submit Sec. 274c & 274d Title IX reports
2. Comply with various Title IX requirements listed in Sec. 265b

\*Does not include one-time funding for FY 2021-22

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 7)**

**Analyst: Marcus Coffin**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$724,600	\$736,500	\$11,900	1.6
<b>Federal</b>	1,017,100	1,017,100	0	0.0
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	71,245,900	72,581,900	1,336,000	1.9
<b>GF/GP</b>	0	0	0	--
<b>Gross</b>	<b>\$72,987,600</b>	<b>\$74,335,500</b>	<b>\$1,347,900</b>	<b>1.8</b>
<b>FTEs</b>	378.5	390.5	12.0	3.2

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Insurance and Financial Services (DIFS) is responsible for regulating and promoting the insurance and financial services industries operating within the state. The department also provides consumer protection by managing consumer information and inquiries and investigating consumer complaints. DIFS administers and enforces state statutes pertaining to state-chartered banks and credit unions; mortgage brokers, lenders, and servicers; consumer finance entities; insurance companies, agents, and products; and health maintenance organizations.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Regulatory Staff Increase**

Includes authorization for 9.0 FTE positions, which will be used to fulfill departmental responsibilities related to auto no-fault insurance reform, anti-fraud changes, surprise medical billing, health and auto insurance market regulation, and consumer services. The additional positions will be supported with existing department appropriations and are projected to include:

- 1 departmental analyst to process provider utilization review appeals under auto no-fault insurance reforms.
- 1 departmental analyst to review alleged violations of the Insurance Code of 1956.
- 1 auditor to audit title insurance agencies.
- 2 financial institution examiners to perform financial examinations of consumer finance entities.
- 2 departmental analysts to process consumer complaints and inquiries.
- 2 departmental analysts to review insurance licensee data security programs and insurer self-reported data breaches.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
FTE	NA	9.0
<b>Gross</b>	<b>NA</b>	<b>\$0</b>
GF/GP	NA	\$0

**2. Pharmacy Benefit Manager Regulatory Activity Staffing Increase**

Includes authorization for 3.0 FTE positions to support departmental responsibilities related to 2022 PA 11, which created responsibilities for DIFS with respect to the licensing and regulation of pharmacy benefit managers.

FTE	NA	3.0
<b>Gross</b>	<b>NA</b>	<b>\$0</b>
GF/GP	NA	\$0

**INSURANCE AND FINANCIAL SERVICES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>3. Technical Adjustments</b>	FTE	NA	0.0
Includes net to zero adjustments to numerous line items and state restricted funding authorizations to align fund sources and line item authorizations with projected revenues and expenditures. Also includes an internal net to zero transfer of \$703,500 in state restricted authorization (Insurance Bureau Fund) from the Consumer Services and Protection line item to the Insurance Evaluation line item to align with regulatory activity.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	Restricted	NA	0
	GF/GP	NA	\$0
<b>4. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,347,900</b>
Reflects increased costs of \$1.3 million Gross for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG/IDT	NA	11,900
	Restricted	NA	1,336,000
	GF/GP	NA	\$0

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Communication with the Legislature – RETAINED (UNENFORCEABLE)**

Prohibits DIFS from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 217. Work Project Usage – RETAINED (UNENFORCEABLE)**

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 223. Remote Work – NEW**

Expresses legislative intent that DIFS maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires DIFS to post its in-person, remote, or hybrid work policy on its website.

**JUDICIARY**

**JUDICIARY**

**Summary of FY 2022-23 Enacted**

**Public Act 166 of 2022 (House Bill 5783, Article 8)**

**Analyst: Robin R. Risko**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$1,652,300	\$1,902,300	\$250,000	15.1
<b>Federal</b>	6,374,800	6,340,300	(34,500)	(0.5)
<b>Local</b>	7,619,800	7,782,600	162,800	2.1
<b>Private</b>	1,222,600	1,524,200	301,600	24.7
<b>Restricted</b>	94,312,700	95,181,400	868,700	0.9
<b>GF/GP</b>	209,280,900	370,774,900	161,494,000	77.2
<b>Gross</b>	<b>\$320,463,100</b>	<b>\$483,505,700</b>	<b>\$163,042,600</b>	<b>50.9</b>
<b>FTEs</b>	524.0	537.0	13.0	2.5

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

Article VI of the State Constitution of 1963 forms the basis for Michigan's judicial branch of government. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, and related judicial agencies. The budget funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the number of judgeships.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Statewide Judicial Case Management System**

Includes \$150.0 million in one-time GF/GP for costs of developing a single, statewide judicial case management system. Currently, there are 242 trial courts using and funding more than 16 case management systems and 150 computer systems. The Trial Court Funding Commission recommended that the state provide all court technology needs for trial courts, including case and document management services, and the Supreme Court recently ordered that local trial courts submit all case data in a uniform manner. Funding will support data management efforts and consistent implementation of newer technologies among trial courts.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	NA	\$150,000,000
GF/GP	NA	\$150,000,000

**2. Judicial Tenure Commission**

Includes \$1.1 million GF/GP (\$249,300 one-time; \$807,000 ongoing) and authorization for 2.0 FTE positions that will support contract attorney positions and a contract support person to assist with reducing the grievance/investigation backlog, an increased number of hearings, an additional paralegal position that will assist with non-attorney legal work, equipment, office space, supplies, and travel costs.

FTE	8.0	2.0
<b>Gross</b>	<b>\$1,583,800</b>	<b>\$1,056,300</b>
GF/GP	\$1,583,800	\$1,056,300

**JUDICIARY**

**Major Budget Changes from FY 2021-22 YTD Appropriations**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>3. Restoration of Funding Reduced in FY 2020-21</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,005,900</b>
Restores \$1.0 million GF/GP that was reduced from the FY 2020-21 budget. Funding will support data collection and analysis, technology modernization, and other judicial system process improvements.	GF/GP	NA	\$1,005,900
<b>4. Expansion of Self-Help Centers</b>	<b>Gross</b>	<b>NA</b>	<b>\$750,000</b>
Includes \$750,000 GF/GP for expanding access to legal self-help centers which provide free legal information and assistance to individuals who represent themselves in simple civil legal matters. Funding will be used to open small, rural virtual self-help centers, support navigator services, and expand access to technology and staff for existing self-help centers.	GF/GP	NA	\$750,000
<b>5. Statewide E-File System</b>	FTE	20.0	5.0
Includes \$746,100 and 5.0 FTE positions to support further development and implementation of the MiFile statewide e-filing project.	<b>Gross</b>	<b>\$11,028,300</b>	<b>\$746,100</b>
	Restricted	11,028,300	746,100
	GF/GP	\$0	\$0
<b>6. Judgeship Changes</b>	<b>Gross</b>	<b>NA</b>	<b>\$366,200</b>
Reflects a net increase of \$366,200 GF/GP from the following statutory judgeship changes: addition of 1.0 circuit court judge in Marquette County pursuant to 2021 PA 74; elimination of 1.0 district court judge in Pontiac and 1.0 district court judge in Wayne County pursuant to 2012 PA 37; addition of 1.0 circuit court judge in Wayne County, 1.0 circuit court judge in Muskegon County, and 1.0 circuit court judge in Ottawa County pursuant to 2022 PA 8; and addition of 1.0 probate court judge in Kent County pursuant to 2022 PA 8.	GF/GP	NA	\$366,200
<b>7. Mandatory Continuing Judicial Education</b>	<b>Gross</b>	<b>NA</b>	<b>\$335,300</b>
Includes \$335,300 GF/GP to begin implementation of the Supreme Court's new judicial continuing education requirements required under Administrative Order 2021-7.	GF/GP	NA	\$335,300
<b>8. Problem Solving Courts</b>	<b>Gross</b>	<b>\$22,441,200</b>	<b>\$323,000</b>
Includes \$323,000 GF/GP for problem solving courts. Of that amount, \$165,200 will be allocated for drug treatment courts, \$133,000 for mental health courts, and \$24,800 for veterans courts.	IDG	1,500,000	0
	Federal	2,145,000	0
	Restricted	3,458,100	0
	GF/GP	\$15,338,100	\$323,000
<b>9. Justice for All Initiative</b>	FTE	NA	2.0
Includes \$300,000 GF/GP and authorization for 2.0 FTE positions for continuing the Justice for All initiative which aims to simplify the court system, including court rules, processes, and forms, in order to increase court and community engagement and access to justice.	<b>Gross</b>	<b>NA</b>	<b>\$300,000</b>
	GF/GP	NA	\$300,000
<b>10. Judicial Workload Assessment</b>	<b>Gross</b>	<b>NA</b>	<b>\$225,000</b>
Includes \$225,000 in one-time GF/GP funding to support a contracted judicial workload assessment study which will provide underlying data for the Supreme Court's Judicial Resources Recommendation that will be issued in 2025.	GF/GP	NA	\$225,000
<b>11. Private Grant Authorization</b>	<b>Gross</b>	<b>\$201,100</b>	<b>\$300,000</b>
Authorizes the State Court Administrative Office (SCAO) to receive an additional \$300,000 in private grant awards which will align appropriation authority with the amount of grant funding expected to be received.	Private	201,100	300,000
	GF/GP	\$0	\$0

**JUDICIARY**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>12. Foster Care Review Board Funding Adjustment</b>	<b>Gross</b>	<b>\$1,360,400</b>	<b>\$0</b>
Includes \$96,200 GF/GP to replace federal Title IV-E funding provided through the Department of Health and Human Services for administrative support of the Foster Care Review Board. DHHS over claimed the amount of its' administrative costs that could be reimbursed with federal Title IV-E funding.	Federal	408,800	(96,200)
	GF/GP	\$951,600	\$96,200
<b>13. Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers</b>	FTE	NA	7.0
Includes \$962,900 in one-time GF/GP and authorization for 7.0 FTE positions for the State Appellate Defender Office (SADO) to ensure continued compliance with the U.S. Supreme Court ruling on the <i>Montgomery v. Louisiana</i> case, and to support other case work and projects of the Juvenile Lifer Unit. As of September 2021, there were 51 clients awaiting resentencing hearings.	<b>Gross</b>	<b>NA</b>	<b>\$962,900</b>
	GF/GP	NA	\$962,900
<b>14. SADO Administration</b>	FTE	56.0	4.0
Includes \$400,000 GF/GP and authorization for 4.0 FTE positions to support human resource and finance administrations, a program officer for the Criminal Defense Resource Center, and backfilling a position to accommodate increased need for information technology support.	<b>Gross</b>	<b>\$8,982,800</b>	<b>\$400,000</b>
	Federal	570,200	0
	Private	88,400	0
	Restricted	172,400	0
	GF/GP	\$8,151,800	\$400,000
<b>15. SADO Wrongful Prosecution and Administration</b>	FTE	56.0	2.0
Includes \$287,900 in ongoing GF/GP and authorization for 2.0 FTE positions to continue operations of the Wrongful Prosecution Unit within SADO. Federal grant funding from the U.S. Department of Justice will expire and appropriation of GF/GP will ensure continuation of the unit and its work.	<b>Gross</b>	<b>\$8,982,800</b>	<b>\$287,900</b>
	Federal	570,200	0
	Private	88,400	0
	Restricted	172,400	0
	GF/GP	\$8,151,800	\$287,900
<b>16. SADO IDG Funding Authorization</b>	<b>Gross</b>	<b>NA</b>	<b>\$250,000</b>
Authorizes SADO to receive \$250,000 in federal Byrne formula grant funding from the Department of State Police should it become available.	IDG	NA	250,000
	GF/GP	NA	\$0
<b>17. Eliminate Current Year One-Time Funding</b>	FTE	9.0	(9.0)
Reduces the budget by \$1.9 million GF/GP and 9.0 FTE positions to reflect elimination of one-time funding included in the FY 2021-22 budget. Eliminated funding includes: \$939,100 (7.0 FTE positions) for SADO, \$204,000 for the Judicial Tenure Commission, and \$798,000 (2.0 FTE positions) for the Justice for All Initiative.	<b>Gross</b>	<b>\$1,941,100</b>	<b>(\$1,941,100)</b>
	GF/GP	\$1,941,100	(\$1,941,100)
<b>18. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$7,675,100</b>
Reflects increased costs of \$7.7 million Gross (\$7.3 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Federal	NA	61,700
	Local	NA	162,800
	Private	NA	1,600
	Restricted	NA	122,600
	GF/GP	NA	\$7,326,400

**Major Boilerplate Changes from FY 2021-22**

**Sec. 205. Standard List of Report Recipients – NEW**

Requires all reports required in boilerplate to be submitted to the Senate and House Appropriations Subcommittees on Judiciary, the Senate and House Fiscal Agencies, and the State Budget Office, unless otherwise noted.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 213. Prohibition of Taking Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**  
 Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. (*Governor's signing letter states this section is unenforceable.*)

**Sec. 315. Medication-Assisted Treatment Program – REVISED**  
 Requires judiciary to maintain a medication-assisted treatment program to provide treatment for opioid- and alcohol-addicted individuals who are referred to and who voluntarily participate in the program; requires judiciary to report on the program, including itemized spending by court, number of participants, and statistics that indicate average program participation duration and success rates. Revised to include additional language that states the goal of the program is for participants to be free of narcotic addiction before ending participation in the program.

**Sec. 402. Statewide Judicial Case Management System – NEW**  
 Requires SCAO to establish a system that demonstrates the ability to integrate criminal justice data across the state and local units; prohibits funds from being used to supplant the current user fee system and administrative purposes unrelated to the system; requires the system to comply with all security measures and restrictions and to be hosted in a secure cloud by an experienced vendor; requires implementation status report; designates unexpended funds as a work project appropriation.

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
 Change**

<b>1. Foster Care Review Board</b>	<b>Gross</b>	<b>\$0</b>
Includes \$55,000 GF/GP to replace federal Title IV-E funding provided through the Department of Health and Human Services for administrative support of the Foster Care Review Board. DHHS over claimed the amount of its' administrative costs that could be reimbursed with federal Title IV-E funding.	Restricted	(55,000)
	GF/GP	\$55,000
<b>2. ARP – Trial Court Backlog</b>	<b>Gross</b>	<b>\$7,000,000</b>
Includes \$7.0 million of federal Coronavirus State Fiscal Recovery Funds for assisting trial courts with processing backlog cases.	Federal	7,000,000
	GF/GP	\$0

**FY 2019-20 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 551. Trial Court Backlog**  
 Requires appropriation to be used to create a virtual backlog response docket supporting visiting judges and other costs to help reduce the backlog of criminal cases awaiting in-person proceedings in local courts; designates unexpended funds as a work project appropriation.

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 9)**

**Analyst: Marcus Coffin**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$45,079,800	\$47,026,900	\$1,947,100	4.3
<b>Federal</b>	29,030,900	29,659,200	628,300	2.2
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	258,929,800	249,325,900	(9,603,900)	(3.7)
<b>GF/GP</b>	184,195,900	213,822,400	29,626,500	16.1
<b>Gross</b>	<b>\$517,236,400</b>	<b>\$539,834,400</b>	<b>\$22,598,000</b>	<b>4.4</b>
<b>FTEs</b>	1,857.9	1,879.9	22.0	1.2

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Licensing and Regulatory Affairs (LARA) is the state's primary regulatory entity. The department oversees regulation across a variety of sectors, including commercial and occupational activities, construction and fire safety, health care and human services, public utilities, liquor control, and marihuana. Units within LARA also conduct and adjudicate administrative hearings, oversee rules promulgation, provide support for the Michigan Indigent Defense Commission and the Unarmed Combat Commission, and administer multiple grant programs, including Michigan Indigent Defense Commission grants.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Low Carbon Energy Infrastructure Enhancement and Development**

Includes \$25.0 million GF/GP for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing low carbon energy facilities, which could include natural gas facilities, combined heat and power facilities, and electrification programs.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>NA</b>	<b>\$25,000,000</b>
<b>GF/GP</b>	<b>NA</b>	<b>\$25,000,000</b>

**2. Marihuana Treatment Research**

Removes \$20.0 million of state restricted Marihuana Regulation Fund (adult-use) authorization that supported clinical trials researching marihuana efficacy for treating medical conditions afflicting veterans and for preventing veteran suicide. The Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, required expenditures for this purpose until 2022 or for at least two years. This requirement has been fulfilled.

<b>Gross</b>	<b>\$20,000,000</b>	<b>(\$20,000,000)</b>
<b>Restricted</b>	<b>20,000,000</b>	<b>(20,000,000)</b>
<b>GF/GP</b>	<b>\$0</b>	<b>\$0</b>

**3. Michigan Saves Green Bank**

Includes an additional \$1.0 million GF/GP (one-time) for Michigan Saves, a non-profit green bank. Funding will be used to offer credit enhancement tools intended to incentivize lending at lower rates and under better terms for renewable energy and energy efficiency improvement loans to commercial, residential, and public entities. Such credit enhancement tools could include a loan loss reserve fund.

<b>Gross</b>	<b>\$1,500,000</b>	<b>\$1,000,000</b>
<b>GF/GP</b>	<b>\$1,500,000</b>	<b>\$1,000,000</b>



**LICENSING AND REGULATORY AFFAIRS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>4. Corporations Online Filing System Modernization</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,343,600</b>
Includes \$2.3 million of state restricted funding authorization from Corporation Fees (one-time) to modernize the Corporations Online Filing System. The modernization project will improve system reliability and security, increase online functionality, and simplify the public portal. The system is used to process and store approximately 2.7 million records, of which 1.0 million are for active entities and 1.6 million are for inactive entities.	Restricted	NA	2,343,600
	GF/GP	NA	\$0
<b>5. Urban Search and Rescue</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes an additional \$1.0 million GF/GP (one-time) for Urban Search and Rescue, which provides grant funding to the Michigan Mutual Aid Alarm System for costs associated with supervisory and essential functions at incidents where technical rescue expertise and equipment are required for effective rescue operations.	GF/GP	NA	\$1,000,000
<b>6. Nursing Home State Surveyors – Education and Consultation</b>	FTE	NA	10.0
Includes \$1.6 million GF/GP and authorization for 10.0 FTE positions to hire additional state surveyors to increase the department's ability to provide education and consultative services to approximately 450 nursing homes across the state. State surveyors have greater flexibility in interactions that they have with licensed facilities compared to federal surveyors, thus additional state surveyors could offer a holistic focus on care and services, allowing the state to fill an advisory role.	<b>Gross</b>	<b>NA</b>	<b>\$1,580,000</b>
	GF/GP	NA	\$1,580,000
<b>7. Bureau of Fire Services</b>	FTE	79.0	0.0
Includes an additional \$1.1 million GF/GP to support the activities of the Bureau of Fire Services.	<b>Gross</b>	<b>\$12,455,000</b>	<b>\$1,100,000</b>
	Federal	1,397,300	0
	Restricted	7,080,500	0
	GF/GP	\$3,977,200	\$1,100,000
<b>8. Bureau of Fire Services – Smoke Detectors</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP (one-time) for the Bureau of Fire Services to purchase and distribute smoke detectors to Michigan residents.	GF/GP	NA	\$1,000,000
<b>9. Michigan Task Force on Foreign Trained Medical Professional Licensing</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes \$1.0 million of state restricted Health Professions Regulatory Fund authorization (one-time) to cover costs associated with the Michigan Task Force on Foreign Trained Medical Professional Licensing and to implement the task force's recommendations. The task force will include a variety of stakeholders focused on proposals to reduce licensure barriers for medical professionals who were trained outside of the United States.	Restricted	NA	1,000,000
	GF/GP	NA	\$0
<b>10. Cannabis Regulatory Agency Staffing Increase</b>	FTE	34.0	10.0
Includes \$1.6 million in state restricted Marijuana Regulation Fund (adult-use) authorization and authorization to hire 10.0 additional Cannabis Regulatory Agency staff. FTE positions would include 3 regulation agents, 1 financial analyst, 1 departmental analyst, and 5 positions to inspect licensed marijuana processors. Additional staff would conduct investigations, monitor financial compliance, and review applications in the expanding adult-use sector.	<b>Gross</b>	<b>\$6,482,300</b>	<b>\$1,573,700</b>
	Restricted	6,482,300	1,573,700
	GF/GP	\$0	\$0

**LICENSING AND REGULATORY AFFAIRS**

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>11. Liquor Control Commission Staffing Increase</b>		FTE	116.0
Includes \$600,000 of state restricted funding authorization (\$282,000 from Liquor License Revenue and \$318,000 from the Liquor Purchase Revolving Fund) to hire additional Liquor Control Commission (LCC) staff. Four departmental analysts will be hired and will function as licensing staff, reviewing and processing application and renewal materials and preparing commission dockets. Additional staff will assist the LCC with processing increased filing volumes, facilitating LCC compliance with statutory requirements for timely processing established in the Liquor Control Code.		<b>Gross</b>	<b>\$16,492,000</b>
		Restricted	16,492,000
		GF/GP	\$0
			0.0
			<b>\$600,000</b>
			600,000
			\$0
<b>12. Cannabis Market Taxation and Regulatory Compliance Analysis Pilot Program</b>		<b>Gross</b>	<b>NA</b>
Includes \$500,000 of state restricted funding authorization from the Marihuana Regulation Fund (one-time) to conduct a pilot program to analyze tax reporting, collection, and regulatory compliance within the Michigan cannabis market.		Restricted	NA
		GF/GP	NA
			<b>\$500,000</b>
			500,000
			\$0
<b>13. Bureau of Construction Codes Carnival-Amusement and Ski Are Safety Inspections</b>		<b>Gross</b>	<b>\$500,000</b>
Includes an additional \$400,000 GF/GP to increase the number of inspections and other enforcement activities that the Bureau of Construction Codes conducts with respect to the Carnival-Amusement Safety Act, 1966 PA 225, and the Ski Area Safety Act, 1962 PA 199.		GF/GP	\$500,000
			<b>\$400,000</b>
			\$400,000
<b>14. Public Service Commission Community Education and Outreach</b>		FTE	188.0
Includes \$282,600 of state restricted funding authorization from Public Utility Assessments and authorization for 2.0 FTE positions to hire an outreach and education specialist and an outreach and education analyst within the Public Service Commission (PSC). The positions will expand the PSC's interactions with community organizations and customers, raising public awareness about the PSC and opportunities to participate in PSC processes and proceedings, educating consumers about energy programs and utility assistance, and supporting other PSC community activities (town halls, public hearings, etc.).		<b>Gross</b>	<b>\$33,215,100</b>
		Federal	2,625,800
		Restricted	30,589,300
		GF/GP	\$0
			2.0
			<b>\$282,600</b>
			0
			282,600
			\$0
			\$0
<b>15. Bureau of Fire Services – Public Assemblies</b>		<b>Gross</b>	<b>NA</b>
Includes \$228,900 GF/GP for the Bureau of Fire Services to conduct additional inspections at places of public assembly.		GF/GP	NA
			<b>\$228,900</b>
			\$228,900
<b>16. Utility Consumer Representation Increase</b>		<b>Gross</b>	<b>\$750,000</b>
Includes an additional \$100,000 of state restricted funding authorization from the Utility Consumer Representation Fund for the Utility Consumer Representation line item, which supports grants administered by the Utility Consumer Participation Board (UCPB) and awarded on an application basis to interest groups for residential consumer advocacy in utility rate cases and other proceedings. In FY 2020-21, the UCPB funded 23 intervenor cases. Additional funding will allow support to be offered for more cases.		Restricted	750,000
		GF/GP	\$0
			<b>\$100,000</b>
			100,000
			\$0

**LICENSING AND REGULATORY AFFAIRS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>17. Cannabis Regulatory Agency Alignment</b>	FTE	NA	0.0
Includes net to zero adjustments of state restricted funding and FTE position authorization for line items that support Cannabis Regulatory Agency activities. Adjustments are made to reflect changing market trends in the adult-use and medical marijuana sectors. Specific line item changes include:	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	Restricted	NA	0
	GF/GP	NA	\$0
<ul style="list-style-type: none"> <li>• Medical Marijuana Facilities Licensing and Tracking – reduce state restricted Marijuana Regulatory Fund authorization by \$5.3 million and reduce authorization for FTE positions by 49.0.</li> <li>• Medical Marijuana Program – reduce state restricted Marijuana Registry Fund authorization by \$200,000.</li> <li>• Recreational Marijuana Regulation – increase state restricted Marijuana Regulation Fund authorization by \$5.5 million and increase FTE position authorization by 49.0.</li> </ul>			
<b>18. Marijuana Operation and Oversight Grants</b>	<b>Gross</b>	<b>\$3,000,000</b>	<b>\$0</b>
Includes a net to zero fund shift of \$3.0 million in state restricted funding authorization from the Marijuana Registry Fund (patient registry cards) to the Marijuana Regulation Fund (adult-use). This shift is necessary due to declining revenues to the Marijuana Registry Fund. The grant funding currently supports grants awarded to counties, on an application basis, for education and outreach under the Michigan Medical Marijuana Act of 2008. Changes included in boilerplate and a technical change to the line item name will allow grants to be used for education and outreach regarding the Michigan Regulation and Taxation of Marijuana Act of 2018, in addition to the Michigan Medical Marijuana Act of 2008.	Restricted	3,000,000	0
	GF/GP	\$0	\$0
<b>19. Removal of FY 2021-22 One-Time Appropriations</b>	<b>Gross</b>	<b>\$2,350,000</b>	<b>(\$2,350,000)</b>
Removes \$2.4 million in one-time GF/GP funding that was included in the FY 2021-22 budget to support nursing facility infection control surveys, a renewable natural gas study, and Urban Search and Rescue equipment upgrades.	GF/GP	\$2,350,000	(\$2,350,000)
<b>20. Technical Adjustments</b>	FTE	NA	0.0
Includes numerous net to zero state restricted funding authorization adjustments to align funding with revenue estimates and program expenditures. Also includes the following adjustments:	<b>Gross</b>	<b>NA</b>	<b>\$1,068,400</b>
	IDG/IDT	NA	1,078,600
	Federal	NA	0
	Restricted	NA	(10,200)
	GF/GP	NA	\$0
<ul style="list-style-type: none"> <li>• Increases IDG authorization by \$1.1 million for the Michigan Office of Administrative Hearings and Rules line item to reflect anticipated revenues from other departments for administrative hearings.</li> <li>• Reduces state restricted Marijuana Regulatory Fund (medical) authorization by \$10,200 for the Health Facilities Regulation line item.</li> <li>• Internally transfers \$93,400 of state restricted Division on Deafness Fund authorization from the Bureau of Professional Licensing line item to the Health Facilities Regulation line item to reflect transfer of the Deaf Interpreter Program.</li> <li>• Internally shifts \$50,000 of federal funding authorization from the Bureau of Fire Services line item to the Health Facilities Regulation line item to align funding authorization with program expenditures where they are incurred.</li> <li>• Internally shifts 10.0 FTE positions from the Michigan Office of Administrative Hearings and Rules line item to the Child Care Licensing and Regulation line item.</li> </ul>			

**LICENSING AND REGULATORY AFFAIRS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>21. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$6,170,800</b>
Reflects increased costs of \$6.2 million Gross (\$667,600 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG/IDT	NA	868,500
	Federal	NA	628,300
	Restricted	NA	4,006,400
	GF/GP	NA	\$667,600

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Communication with the Legislature – RETAINED (UNENFORCEABLE)**

Prohibits LARA from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 217. Work Project Usage – RETAINED (UNENFORCEABLE)**

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 223. Remote Work – NEW**

Expresses legislative intent that LARA maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires LARA to post its in-person, remote, or hybrid work policy on its website.

**Sec. 234. Publication of Employee Training Materials – NEW**

Requires LARA to post a report describing materials used for employee and contractor mandatory trainings and requires training materials be made available to subcommittee members or their designees.

**Sec. 235. Customer Service and Business Ethics Training – NEW (UNENFORCEABLE)**

Requires each LARA employee to participate in 2 hours of customer service and business ethics training; establishes general requirements for the training and reporting requirements. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 302. Low Carbon Energy Infrastructure Enhancement and Development – NEW**

Requires funding to be used only for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing low carbon energy facilities, which may include natural gas and combined heat and power facilities and electrification programs; requires the Public Service Commission to develop and implement a grant application process within 6 months and establishes prioritization for grant approvals; establishes requirements for grant applicants, including submission of an impact study and proposal with a cost-benefit analysis and emissions details; establishes further requirements for grant applicants for renewable natural gas infrastructure projects; provides for a 45-day review period for affected entities to review and comment on an application and a 15-day period for an applicant to modify their initial proposal; requires the PSC to award grants to applicants who have met the grant criteria; requires grant recipients to report to the PSC on how the money was used within 30 days after a project's completion; designates unexpended funding as a work project appropriation.

**Sec. 510. Carnival-Amusement Safety and Ski Area Safety Inspections – REVISED**

Requires that at least \$500,000 from the appropriation for the Bureau of Construction Codes be allocated for additional inspections and enforcement activity related to the Carnival-Amusement Safety Act of 1966. Revised to increase the earmark to \$900,000 and to expand the inspection and enforcement activities LARA must conduct to include responsibilities under the Ski Area Safety Act, 1962 PA 199.

**Sec. 511. Homeowner Construction Lien Recovery Fund – NEW**

Appropriates unexpended funds in the Homeowner Construction Lien Recovery Fund for payments of court-ordered construction lien judgments entered prior to the repeal of the fund on August 23, 2010.

**Sec. 512. Bureau of Fire Services Inspections – NEW**

Requires BFS to allocate \$228,900 to increase the number of inspections it conducts at places of public assembly.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 602. Marijuana Activity Law Enforcement Referrals – NEW**

Requires the Cannabis Regulatory Agency to report quarterly on various metrics and information pertaining to investigations, complaints, and law enforcement referrals regarding suspected illegal or irregular activity.

**Sec. 603. Hemp Regulation Report – NEW**

Requires LARA to submit a report on all programs administered by the Cannabis Regulatory Agency related to hemp, which must include information on licensure volumes, revenues, expenditures, and other topics.

**Sec. 604. Marijuana Processor Inspections – NEW**

Requires the Cannabis Regulatory Agency to utilize 5.0 FTEs to conduct in-person, no-notice inspections of licensed marijuana processors, with priority given to facilities that produce distillate or concentrates and facilities that produce the highest volume; requires reporting on the inspections and specifies reporting requirements.

**Sec. 803. MIDC Construction Expenses Prohibition – RETAINED (UNENFORCEABLE)**

Prohibits MIDC grants from being used by recipients to support construction expenses for new structures. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 901. Medical Marijuana Operation and Oversight Grants – REVISED**

Requires LARA to award Medical Marijuana Operation and Oversight Grants to counties; requires LARA to post a listing of available grant funds; requires report submission by counties and LARA pertaining to amounts, recipients, and uses of grants. Revised to allow grants to be expended for adult-use program education and outreach, in addition to current purposes, and to reflect the new fund sourcing for grants.

**Sec. 1001. Bureau of Fire Services – Smoke Detectors – NEW**

Requires the Bureau of Fire Services to purchase and distribute sealed-battery smoke detectors to Michigan residents; allows for purchase of smoke detectors with additional capabilities for individuals who require an accommodative technology.

**Sec. 1002. Cannabis Market Taxation and Regulatory Compliance Analysis Pilot Program – NEW**

Requires the Cannabis Regulatory Agency to award a grant to conduct an analysis of tax reporting, collection, and regulatory compliance in the Michigan cannabis market; stipulates criteria the agency must consider when awarding the grant; requires reporting and establishes reporting requirements.

**Sec. 1003. Michigan Saves Appropriation Use – REVISED**

Allows PSC to award a \$1.5 million grant to a nonprofit green bank to make loans more affordable for families, businesses, and public entities in Michigan; authorizes grant funds to be used for a loan loss reserve fund or similar financial instrument. Revised to reflect \$2.5 million appropriation amount.

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation  
Change**

**1. COVID-19 Survey Activities**

Appropriates \$625,000 in federal funds to offset costs associated with increased survey workloads during the COVID-19 pandemic. Funding will be used for COVID-19 surveys and related work to ensure that health care providers and suppliers are able to fulfill community health needs during the pandemic.

<b>Gross</b>	<b>\$625,000</b>
Federal	625,000
GF/GP	\$0

**2. Michigan-Indiana Border Survey**

Reflects the transfer of \$500,000 GF/GP from DTMB for conducting a cost estimate of the administration and remonumentation of the Michigan-Indiana border and other requirements established in 2022 PA 81 and 2022 PA 82.

<b>Gross</b>	<b>\$500,000</b>
GF/GP	\$500,000

**FY 2019-20 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 651. Michigan-Indiana Border Study**

Requires appropriation to be used to conduct a study of the administration and remonumentation of the Michigan-Indiana border and specifies the costs that must be estimated; designates unexpended funds as a work project appropriation.

**LICENSING AND REGULATORY AFFAIRS**

**FY 2019-20 Supplemental Boilerplate Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

***Sec. 652. Homeowner Construction Lien Recovery Fund***

Appropriates unexpended funds in the Homeowner Construction Lien Recovery Fund for payments of court-ordered homeowner construction lien recovery fund judgments entered prior to the repeal of the fund on August 23, 2010.

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**  
**Summary of FY 2022-23 Enacted**  
**Public Act 166 of 2022 (House Bill 5783, Article 10)**

Analyst: Michael Cnossen

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$101,800	\$101,800	\$0	0.0
<b>Federal</b>	120,015,300	200,364,300	80,349,000	66.9
<b>Local</b>	0	0	0	--
<b>Private</b>	640,000	640,000	0	0.0
<b>Restricted</b>	21,336,700	18,794,900	(2,541,800)	(11.9)
<b>GF/GP</b>	78,758,800	127,465,000	48,706,200	61.8
<b>Gross</b>	<b>\$220,852,600</b>	<b>\$347,366,000</b>	<b>\$126,513,400</b>	<b>57.3</b>
<b>FTEs</b>	1,063.5	1,063.5	0.0	0.0

Notes:

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Military and Veterans Affairs (DMVA) provides for the operations of the Michigan National Guard in support of military and security needs of the state and federal government. The department, through the Michigan Veterans Affairs Agency, oversees state programs for veterans, grants to veterans service organizations, the County Veteran Service Fund, and the Michigan Veterans Trust Fund. The department also houses the independent Michigan Veterans Facility Authority, which manages and operates the state's three veterans homes.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Armory Modifications (One-Time)**

Provides \$100.0 million Gross (\$40.0 million GF/GP) to make physical modifications to all Michigan National Guard armories, most of which were constructed before women were allowed to serve or when their numbers were low, to create equitable accommodations to female servicemembers. Projects will include creating bathroom and shower space, and lactation rooms as required by 2015 Army directive. Funding will also support other armory modernization projects.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>\$31,000,000</b>	<b>\$100,000,000</b>
Federal	30,000,000	60,000,000
GF/GP	\$1,000,000	\$40,000,000

**2. State Veterans Cemetery (One-Time)**

Provides \$12.0 million Gross (\$1.5 million GF/GP) to acquire, or to designate, state land as a state veterans cemetery and for supporting costs of engineering, designing, conducting environmental impact studies, preparing the land, and other ongoing expenses of operating a state veterans cemetery.

<b>Gross</b>	<b>NA</b>	<b>\$12,000,000</b>
Federal	NA	10,500,000
GF/GP	NA	\$1,500,000

**3. Selfridge ANG Base Investment (One-Time)**

Provides \$6.1 million GF/GP to invest in expansion projects to help position Selfridge Air National Guard Base to be competitive in securing next generation aircraft flying missions.

<b>Gross</b>	<b>NA</b>	<b>\$6,100,000</b>
GF/GP	NA	\$6,100,000

**4. MVFA Veterans Homes Transition Funding (One-Time)**

Provides \$6.0 million GF/GP to assist Michigan Veterans' Facility Authority achieve self-sufficiency as an independent administrative authority over Michigan veterans homes while veteran home membership grows and to maximize federal funding opportunities.

<b>Gross</b>	<b>\$634,100</b>	<b>\$6,000,000</b>
GF/GP	\$634,100	\$6,000,000

**MILITARY AND VETERANS AFFAIRS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>5. Grand Rapids Home for Veterans Transition Costs (One-Time)</b>		<b>Gross</b>	<b>\$6,456,000</b>
Provides \$6.5 million Gross (\$4.1 million GF/GP) to continue operating certain portions of old home facility and offer services to accommodate some residents remaining in the old facility as they await moving to new living arrangements. This recommendation would retain a FY 2021-22 one-time appropriation for a \$0 change in FY 2022-23.		Federal	1,831,000
		Restricted	560,000
		GF/GP	\$4,065,000
			\$0
<b>6. Veterans Suicide Outreach Programming (One-Time)</b>		<b>Gross</b>	<b>NA</b>
Provides \$1.2 million GF/GP to conduct an outreach campaign targeting current and former servicemembers and their families on reducing suicide incidents. The campaign will be part of Governor's Challenge effort, in partnership with VA Substance Abuse and Mental Health Services Administration, to develop suicide prevention policy.		GF/GP	NA
			\$1,200,000
			\$1,200,000
<b>7. Military Retirement</b>		<b>Gross</b>	<b>\$875,000</b>
Provides \$582,000 GF/GP for the Military Retirement System to meet anticipated retirement obligations based on annual actuarial valuation of military retirement pension benefits.		GF/GP	\$875,000
			\$582,000
<b>8. Statewide Contracted Security Cost Increase</b>		<b>Gross</b>	<b>NA</b>
Provides \$251,400 GF/GP to support increased costs statewide of contracted security services at Grand Rapids and Chesterfield Township homes for veterans.		GF/GP	NA
			\$251,400
<b>9. Veterans Cemetery Feasibility Study</b>		<b>Gross</b>	<b>NA</b>
Provides \$250,000 GF/GP for a professional study to evaluate need for new state veterans cemetery in northern Michigan, to determine best locations, and to provide preliminary estimates on design, and construction and operational costs.		GF/GP	NA
			\$250,000
<b>10. Veterans Homes GF/GP, Medicaid Offset</b>		<b>Gross</b>	<b>\$37,211,000</b>
Decreases \$6.0 million GF/GP and increases Title XIX Medicaid federal revenue authorization by \$6.0 million to align authorization with increased reimbursements from utilization of CMS certified accommodations.		Federal	4,997,700
		GF/GP	\$32,213,300
			6,000,000
			(\$6,000,000)
<b>11. Removal of FY 2021-22 One-Time Funding</b>		<b>Gross</b>	<b>\$2,500,000</b>
Eliminates \$2.5 million GF/GP for record consolidation and digitization project.		GF/GP	\$2,500,000
			(\$2,500,000)
<b>12. Departmentwide Line Item Split</b>		<b>Gross</b>	<b>\$1,803,600</b>
Reallocates \$1.8 million Gross (\$293,300 GF/GP) of current year Departmentwide line item, which supports costs of travel, equipment, worker's compensation, vehicle liability insurance, rent, training, and safety supplies related to department offices and National Guard facility staff, to Headquarters and Armories and Military Training Sites and Support Facilities line items for \$0 net change.		Federal	1,510,300
		GF/GP	\$293,300
			0
			\$0
<b>13. Consolidation of MVFA Administration Line Item</b>		<b>Gross</b>	<b>\$634,100</b>
Reallocates \$634,100 GF/GP from current year Michigan Veterans' Facility Authority line item to Michigan Veterans Homes Administration and Information Technology Services and Projects line items.		GF/GP	\$634,100
			\$0
<b>14. D.J. Jacobetti Federal and Restricted Correction</b>		<b>Gross</b>	<b>\$2,745,100</b>
Swaps \$2.7 million in state restricted Income and Assessments revenue authorization with federal VA revenue to correct for an inadvertent error in the FY 2021-22 budget.		Federal	0
		Restricted	2,745,100
		GF/GP	\$0
			2,745,100
			(\$2,745,100)
			\$0



**MILITARY AND VETERANS AFFAIRS**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>15. Michigan Volunteer Defense Force (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$100,000</b>
Provides \$100,000 GF/GP to support ongoing costs of uniforms, training, equipment, and operations of the Michigan Volunteer Defense Force.	GF/GP	NA	\$100,000
<b>16. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,530,000</b>
Provides for increased costs of \$2.5 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	1,103,900
	Restricted	NA	203,300
	GF/GP	NA	\$1,222,800

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits departments from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law. (Governor's signing letter states this section is unenforceable.)

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. (Governor's signing letter states this section is unenforceable.)

**Sec. 222. Department Core Services – DELETED**

Lists core services of department; requires appropriations to be used for core services.

**Sec. 222. Prioritization of State Workforce In-person Work – NEW**

States that the intent of the legislature is to maximize efficiency of the state workforce and, where possible, prioritize in-person work; requires each department and agency to post its in-person, remote, or hybrid work policy on its website.

**Sec. 224. Intention to Sell Department Property – RETAINED (UNENFORCEABLE)**

Requires department to provide a 60-day notice of intent to sell property. (Governor's signing letter states this section is unenforceable.)

**Sec. 226. Standard Report Recipients – NEW**

Requires all reports required by boilerplate to be sent to Senate and House appropriations subcommittees with jurisdiction over DMVA budget, Senate and House fiscal agencies, and State Budget Office, unless stated otherwise.

**Sec. 303. Michigan Youth Challenge Academy – REVISED**

Requires department to maintain proper levels of staffing and resources to operate Michigan Youth Challenge Academy as provided under federal law; lists specific operating requirement and performance metrics. Revised to change graduate target number to be consistent with state's cooperative agreement with National Guard Bureau instead of 114 students per cohort.

**Sec. 304. Military Family Relief Fund – REVISED**

Requires DMVA to provide grant funding from Military Family Relief Fund, outreach services to military families of members of reserve component called into active duty, and biannual reports on financial activities of fund. Revised to require reports biannually and to include number of applications received, approved, and denied.

**Sec. 307. National Guard Tuition Assistance Program – REVISED**

Requires DMVA to establish and maintain tuition assistance program for members of Michigan National Guard and other eligible members as defined in 2014 PA 259; states program's objectives, performance metrics, and reporting requirements. Revised to set graduation and retention benchmark goal to be consistent with the cooperative agreement with the National Guard Bureau and to add information required in annual report.

## **MILITARY AND VETERANS AFFAIRS**

### **Major Boilerplate Changes from FY 2021-22**

#### **Sec. 312. Michigan Volunteer Defense Force Funding Report – DELETED**

Requires department to report amount of appropriated funds that will be made available to Michigan Volunteer Defense Force, list of any restrictions or stipulations on those funds, and explanation of any restrictions or stipulations.

#### **Sec. 312. Michigan Volunteer Defense Force – NEW**

Requires the department to maintain guidelines for membership goals in the Michigan Volunteer Defense Force (MVDF) and to carry out those guidelines; requires the department to provide the report required under the Michigan Military Act, MCL 32.561, to the appropriation subcommittee on the DMVA budget and the fiscal agencies, which includes regulations on MVDF missions, training and equipment needs, requirements and procedures for membership in the MVDF, and procedures for coordinating MVDF operations with law enforcement agencies and relief authorities.

#### **Sec. 313. National Guard COVID-19 Vaccine Waiver Report – NEW**

Requires the department to report on figures of vaccine waiver requests by National Guard members that are received, denied, appealed, and the reasons stated for the requests.

#### **Sec. 314. National Guard Retirement Request Processing Time Report – NEW**

Requires the department to report on the average number of days taken to process National Guard retirement requests and the number of requests for which processing exceeded 120 days.

#### **Sec. 404. MVAA Private Donations – REVISED**

Authorizes receipt of private donations to MVAA in excess of funds appropriated and permits expenditure of those funds for purpose designated by donor, if specified; requires department to give notification of receipt of donation within 14 calendar days, including amount of donation and purpose for which funds will be expended, if known. Revised to require quarterly reports of donations under \$10,000 and notification to the legislature within 14 days of donations of \$10,000 or more; requires all private donations to be used for the benefit and life enrichment of veterans.

#### **Sec. 405. Veterans' Trust Fund Grants – REVISED**

Requires MVAA to report on Michigan Veterans Trust Fund financial status, awarded grants, and operating and administrative expenses; establishes a minimum processing requirement of 2,000 applications. Revised to delete the minimum processing requirement.

#### **Sec. 406. MVAA Outreach Services – REVISED**

Requires MVAA to provide outreach services to veterans, communicate information on available VA benefits, process requests for military discharge documents, digitize military medical and discharge documents, and assist in processing claims for VA benefits; requires report providing estimate of state's homeless veterans population. Revised to require report annually, to restructure section formatting, and to eliminate requirement to continue digitization of veterans records.

#### **Sec. 411. Grants to Veterans Service Organizations – REVISED**

Requires MVAA to provide grants to veterans service organizations (VSOs) in a manner consistent with MVAA performance goals and objectives; requires quarterly reports from grantees on claims and services provided; requires grant recipients to meet performance metrics, specifies basic parameters of grant agreement, including regional service delivery; requires reports on grant activities. Revised to specify grants must be awarded to Congressionally-chartered VSOs; adds that the competitive grant process must include various new requirements including that grants be used to support efforts to connect veterans and their dependents with federal compensation and pension benefits, state veterans benefits, and other available local assistance, that a regional service model to ensure provision of services include veterans and their dependents within tribal communities and that it is as close to the communities they live in as possible, that virtual meetings are sufficient for adequate VSO grantee service, that innovative approaches are fostered for grantees' use when providing services, that license fees associated with the claims data system are considered an allowable expenditure for grant reimbursement, and that the MVAA review and audit grantees' expenditures of grant funds.

#### **Sec. 413. County Veterans Service Fund – REVISED**

Requires funds appropriated for County Veteran Service Fund to be deposited into County Veteran Service Fund created in 2018 PA 210; stipulates funds are available for expenditure to support county veterans' services grants; authorizes up to \$200,000 to be used to cover costs associated with administration and providing technical assistance to counties participating in grant program. Revised to reduce amount to be deposited into the County Veteran Service Fund and appropriate a corresponding amount for a separate county veteran service grant; authorizes up to \$210,500 to be used for administrative costs; adds requirement for annual expenditure report.

#### **Sec. 451. Michigan Veteran's Facility Authority – DELETED**

Requires Michigan Veterans' Facility Authority to exercise certain regulatory and governance authority over Michigan veterans homes.

**Major Boilerplate Changes from FY 2021-22**

**Sec. 451. Private Donations to Veteran Homes – REVISED**

Appropriates money privately donated to Grand Rapids Home for Veterans, D.J. Jacobetti Home for Veterans, and Chesterfield Township Home for Veterans, and permits its use for the purpose designated by private donor. Revised to require quarterly reports of donations under \$10,000 and notification to the legislature within 14 days of donations of \$10,000 or more; requires all private donations to be used for the benefit and life enrichment of veterans.

**Sec. 456. Veterans Homes Service and Care Requirements – REVISED**

Directs all complaints of abuse or neglect at a veterans home to be referred to the director of nursing or their designee; requires the director, or their designee, to report those complaints on a monthly basis. Revised to require the instructions on the process by which individuals can register complaints to be displayed in high-traffic areas throughout the veterans homes.

**Sec. 462. Veterans Homes CMS Certification Reporting – RETAINED (UNENFORCEABLE)**

Requires department to report to legislature regarding improvements in full-spectrum health care resulting from facility upgrades to obtain CMS certification. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 463. Non-Fiduciary Member Funds – NEW**

Appropriates funds held by state on non-fiduciary basis for members of veterans facilities to be used to pay medical expenses, assessments, and other expenses by that member; authorizes private revenue to not lapse at close of fiscal year.

**Sec. 601. Record Consolidation and Digitization – DELETED**

Requires funding to be used to digitize, index, and store all veterans' records under control of MVAA and to develop and implement computer platform to provide veterans and organizations that serve them better accessibility and timely delivery of veterans records upon request; requires biannual report on progress made on project; expresses intent of legislature that various veteran service entities have access to service members' and veterans' records.

**Sec. 601. State Veterans Cemetery – NEW**

Requires one-time funds to be used to acquire or to designate state land as a state veterans cemetery and for supporting costs of engineering, designing, conducting environmental impact studies, preparing the land, expenses for applying for and receiving federal funds, and other ongoing expenses of operating a state veterans cemetery; authorizes unexpended funds to not lapse at close of fiscal year and carry forward to FY 2026-27.

**Sec. 602. Report on Veteran Homes Plan for Federal Revenue Support – NEW**

Requires the MVFA to provide a detailed strategy, action plan, and timeline for the MVFA to transition the state's veterans' homes to be fully supported by federal and state restricted revenues and to not require state GF/GP revenue.

**Sec. 603. Veteran Outreach Program Work Project Authorization – NEW**

Authorizes unexpended funds appropriated for veterans suicide prevention outreach to not lapse at close of fiscal year and carry forward to FY 2025-26 to provide outreach to prevent suicide among service members, veterans, and their families.

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

	<b>Appropriation</b>
	<b><u>Change</u></b>
<b>1. Contracted Security Services Cost Increase</b>	<b>Gross \$251,400</b>
Includes \$251,400 GF/GP to support increased costs of contracted security services at the Grand Rapids and Chesterfield Township homes for veterans.	GF/GP \$251,400

**NATURAL RESOURCES**

**DEPARTMENT OF NATURAL RESOURCES  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 11)**

**Analyst: Austin Scott**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$203,100	\$203,100	\$0	0.0
<b>Federal</b>	91,291,300	93,630,000	2,338,700	2.6
<b>Local</b>	0	0	0	--
<b>Private</b>	7,039,200	7,039,200	0	0.0
<b>Restricted</b>	317,195,300	340,206,500	23,011,200	7.3
<b>GF/GP</b>	48,612,500	94,404,000	45,791,500	94.2
<b>Gross</b>	<b>\$464,341,400</b>	<b>\$535,482,800</b>	<b>\$71,141,400</b>	<b>15.3</b>
<b>FTEs</b>	2,360.9	2,418.8	57.9	2.5

*Notes:*

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by DNR.

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>	<b><u>FY 2021-22 Year-to-Date (as of 2/9/22)</u></b>	<b><u>FY 2022-23 Enacted Change</u></b>
<b>1. State Fish Hatchery Upgrades and Improvements (One-Time)</b> Appropriates \$30.0 million GF/GP for biosecurity, equipment, and infrastructure updates at state fish hatcheries, including expansion of facilities and fish production at the Wolf Lake hatchery in Van Buren County.	<b>Gross</b> NA GF/GP NA	<b>\$30,000,000</b> \$30,000,000
<b>2. Equipment Lifecycle Replacement (One-Time)</b> Appropriates \$11.6 million Gross (\$10.0 GF/GP) to replace aging equipment and vehicles in multiple DNR divisions including Fisheries, Forest Resources, and Law Enforcement.	<b>Gross</b> NA Restricted NA GF/GP NA	<b>\$11,550,000</b> 1,550,000 \$10,000,000
<b>3. Great Lakes Research Vessel (One-Time)</b> Appropriates \$4.0 million GF/GP to replace the aging Lake Michigan Survey Vessel.	<b>Gross</b> NA GF/GP NA	<b>\$4,000,000</b> \$4,000,000
<b>4. Wildfire Protection</b> Appropriates \$751,900 GF/GP to expand wildfire prevention and protection by funding staff overtime and vacancies.	FTE 115.0 <b>Gross</b> \$15,030,900 Federal 1,370,200 Restricted 7,212,500 GF/GP \$6,448,200	0.0 <b>\$751,900</b> 0 0 \$751,900
<b>5. Fisheries Resource Management</b> Appropriates \$652,800 GF/GP and authorizes 4.0 FTE positions to improve state and tribal relations in the co-management of fisheries.	FTE 158.0 <b>Gross</b> \$21,714,000 Federal 4,382,400 Private 136,700 Restricted 16,653,200 GF/GP \$541,700	4.0 <b>\$652,800</b> 0 0 0 \$652,800

**NATURAL RESOURCES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>6. Archives of Michigan Digitization (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$485,000</b>
Appropriates \$485,000 GF/GP to digitize and index decaying physical historical records.	GF/GP	NA	\$485,000
<b>7. Parks and Recreation Division Employee Initiatives</b>	FTE	NA	40.8
Appropriates \$9.2 million in available restricted revenue from the Forest Recreation Account, Michigan State Waterways Fund, and Park Improvement Fund and authorizes 40.8 FTE positions for division employee recruitment and retention initiatives, including increases in work hours and wages.	<b>Gross</b>	<b>NA</b>	<b>\$9,159,700</b>
	Restricted	NA	9,159,700
	GF/GP	NA	\$0
<b>8. Off-Road Vehicle Trail Improvements</b>	FTE	NA	13.1
Appropriates an additional \$3.1 million of available restricted revenue and authorizes 13.1 FTE positions to support trail improvement grants and law enforcement across Michigan's ORV system.	<b>Gross</b>	<b>NA</b>	<b>\$3,059,900</b>
	Restricted	NA	3,059,900
	GF/GP	NA	\$0
<b>9. State Parks Improvement Revenue Bonds – Debt Service</b>	<b>Gross</b>	<b>\$1,201,800</b>	<b>(\$1,201,800)</b>
Eliminates \$1.2 million from the Park Improvement Fund as no debt payments are required after FY 2021-22.	Restricted	1,201,800	(1,201,800)
	GF/GP	\$0	\$0
<b>10. Parks and Recreation Division Campsite and Harbor Operations</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,820,000</b>
Appropriates \$2.8 million in available restricted revenue from the Forest Recreation Account, Michigan State Waterways Fund, and Park Improvement Fund to increase funding for state campsites and harbors.	Restricted	NA	2,820,000
	GF/GP	NA	\$0
<b>11. Pay Increases for Recruitment and Retention of Short-Term Employees</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,531,100</b>
Appropriates \$2.5 million Gross to provide pay increases for short-term employees in fisheries, shooting ranges, and cultural centers.	Federal	NA	130,100
	Restricted	NA	2,401,000
	GF/GP	NA	\$0
<b>12. Marketing and Outreach</b>	FTE	137.3	0.0
Appropriates \$297,800 in available restricted revenue to align spending authorization with available Youth Hunting and Fishing Education and Outreach funding, to support the increased online credit card processing of hunting and fishing licenses, and to support maintenance of the MiConnect Outdoors license sales system.	<b>Gross</b>	<b>\$14,705,400</b>	<b>\$297,800</b>
	Federal	1,721,600	0
	Restricted	12,682,400	297,800
	GF/GP	\$301,400	\$0
<b>13. Wildlife Management</b>	FTE	221.5	0.0
Appropriates \$100,000 in available restricted revenue to align spending authorization with available Pheasant Hunting License fee revenue.	<b>Gross</b>	<b>\$46,042,300</b>	<b>\$100,000</b>
	Federal	25,638,700	0
	Private	315,700	0
	Restricted	15,635,300	100,000
	GF/GP	\$4,452,600	\$0
<b>14. Capital Outlay – State Parks Repair and Maintenance</b>	<b>Gross</b>	<b>\$16,100,000</b>	<b>\$3,100,000</b>
Appropriates \$3.1 million in available restricted revenue from Recreation Passport Fees for state park infrastructure maintenance, renovation, and upgrades.	Restricted	14,600,000	3,100,000
	GF/GP	\$1,500,000	\$0
<b>15. Capital Outlay – State Game and Wildlife Area Infrastructure</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,400,000</b>
Establishes new appropriation of \$1.1 million in federal funds and \$350,000 from the Game and Fish Protection Fund for facility improvements and wildlife restoration projects at state game areas.	Federal	NA	1,050,000
	Restricted	NA	350,000
	GF/GP	NA	\$0
<b>16. Capital Outlay – State Boating Infrastructure Maintenance</b>	<b>Gross</b>	<b>\$7,752,500</b>	<b>\$1,100,000</b>
Appropriates \$1.1 million in available federal and Michigan State Waterways funding for facility maintenance and infrastructure projects at state harbors and boating access sites.	Federal	1,075,000	400,000
	Restricted	6,677,500	700,000
	GF/GP	\$0	\$0

**NATURAL RESOURCES**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>17. Capital Outlay – Wetlands Restoration, Enhancement, and Acquisition</b>		<b>Gross</b>	<b>NA</b>
Reestablishes appropriation of \$1.0 million from Waterfowl Hunt Stamp revenue to facilitate access for public recreation in wetland areas. This program was last funded in FY 2020-21.		Restricted	1,000,000
		GF/GP	\$0
<b>18. Capital Outlay – Local Boating Infrastructure Maintenance and Improvements</b>		<b>Gross</b>	<b>\$3,322,500</b>
Appropriates \$300,000 in available Michigan State Waterways funding for local grants for facility maintenance and infrastructure projects at publicly-accessible local harbors and boating access sites.		Restricted	300,000
		GF/GP	\$0
<b>19. Removal of FY 2021-22 One-Time Funding</b>		<b>Gross</b>	<b>(\$7,995,800)</b>
Removes \$8.0 million Gross (\$2.0 million GF/GP) for one-time projects included in the FY 2021-22 budget. Projects included Fish Hatchery Energy Efficiencies and Kalamazoo River Watershed Improvements.		Restricted	(6,000,000)
		GF/GP	(\$1,995,800)
<b>20. Body Cameras for Conservation Officers</b>		<b>Gross</b>	<b>NA</b>
Appropriates \$400,000 GF/GP on a one-time basis and \$600,000 GF/GP on an ongoing basis for the provision of body cameras for conservation officers.		GF/GP	\$1,000,000
<b>21. Michigan Historical Center</b>		<b>Gross</b>	<b>\$7,071,500</b>
Appropriates \$850,000 in available restricted funding for historical and cultural education programming throughout the state park system.		Federal	0
		Restricted	850,000
		GF/GP	\$0
<b>22. Economic Adjustments</b>		<b>Gross</b>	<b>\$6,180,800</b>
Reflects increased costs of \$6.2 million Gross (\$897,600 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		Federal	758,600
		Restricted	4,524,600
		GF/GP	\$897,600

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Disciplinary Action Against State Employees – RETAINED (UNENFORCEABLE)**

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. (Governor's signing letter states this section is unenforceable.)

**Sec. 217. Expending Available Work Project Authorization – RETAINED (UNENFORCEABLE)**

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. (Governor's signing letter states this section is unenforceable.)

**Sec. 218. Remote Working – NEW**

States legislative intent to prioritize in-person work for the state's workforce where possible unless they were working remotely prior to February 28, 2020.

**Sec. 219. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Authorizes legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. (Governor's signing letter states this section is unenforceable.)

**Major Boilerplate Changes from FY 2021-22**

**Sec. 507. Antlerless Deer License Discounts – DELETED**

Permits department to discount antlerless deer licenses in the northeast Lower Peninsula to achieve deer management objectives; earmarks up to \$505,000 of funding for wildlife management to supplant lost revenue that would otherwise be collected from full-price antlerless deer licenses sold in the northeast Lower Peninsula; permits department to terminate the license discount once lost revenue reaches \$505,000. If lost revenue does not exceed \$505,000 by February 1 then the department is required to end the discount and allocate remaining funding to the Habitat Improvement Partnership Initiative.

**Sec. 601. Stream Habitat Improvement Grant – DELETED**

Appropriates \$758,000 to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat improvement projects.

**Sec. 602. Water Control Structure Certification – DELETED**

Directs Fisheries Division to not interfere with certification process for dams and other water control structures.

**Sec. 803. Federal Forest Fire Compact Expenditure Authorization – REVISED**

Authorizes expenditure of funds for forest fire suppression efforts on federal lands, provided DNR is reimbursed. Revised to add hazard incidents as allowable expenditure.

**Sec. 903. Body Cameras for Conservation Officers – NEW**

Directs expenditure of funding for body cameras for conservation officers.

**Sec. 1202. Kalamazoo River Watershed Improvements – Capital Outlay – DELETED**

Directs expenditure of funding for Kalamazoo River watershed improvements in accordance with the Kalamazoo River Supplemental Restoration Plan.

**Sec. 1202. Work Project – Great Lakes Research Vessel – NEW**

Authorizes unexpended funds appropriated for Great Lakes Research Vessel to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to replace and upgrade the Lake Michigan survey vessel.

**Sec. 1203. Body Cameras for Conservation Officers, One-Time – NEW**

Directs expenditure of one-time funding for body cameras for conservation officers.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Departmentwide Fuel Costs**

Appropriates \$845,400 GF/GP to support increased fuel costs resulting from a fuel surcharge assessed by DTMB Vehicle and Transportation Services due to rising gasoline prices. Affected DNR programs include Wildlife Management, Fish Production, Fisheries Resource Management, Law Enforcement, Parks and Recreation, Forest Management and Timber Market Development, and Wildfire Protection.

<b>Gross</b>	<b>\$845,400</b>
GF/GP	\$845,400

**2. Pay Increases for Recruitment and Retention of Short-Term Employees**

Appropriates \$6.3 million in available federal and restricted revenue to provide pay increases for short-term employees in fisheries, parks and recreation facilities, and cultural centers.

<b>Gross</b>	<b>\$6,369,500</b>
Federal	106,300
Restricted	6,263,200
GF/GP	\$0

**3. Shooting Range Development, Enhancement, and Restoration (One-Time)**

Appropriates \$7.7 million in available federal funding for maintenance of shooting ranges throughout the state.

<b>Gross</b>	<b>\$7,650,000</b>
Federal	7,650,000
GF/GP	\$0

SCHOOL AID

**SCHOOL AID  
Summary of FY 2022-23 Enacted with Vetoes  
Public Act 144 of 2022 (Senate Bill 845, Article 1)**

**Analysts: Jacqueline Mullen and Michael Benson**

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
	\$0	\$0	\$0	--
<b>Federal</b>	2,024,478,500	2,524,243,500	499,765,000	24.7
<b>Local</b>	0	0	0	--
<b>Private</b>	0	0	0	--
<b>Restricted</b>	14,868,232,200	16,966,472,900	2,098,240,700	14.1
<b>GF/GP</b>	85,400,000	112,000,000	26,600,000	31.1
<b>Gross</b>	<b>\$16,978,110,700</b>	<b>\$19,602,716,400</b>	<b>\$2,624,605,700</b>	<b>15.5</b>

Notes:

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The School Aid budget makes appropriations to the state's 537 local school districts, 293 public school academies (PSAs), and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Michigan Department of Education (MDE), Center for Educational Performance and Information (CEPI), and other entities to implement certain grants and other programs related to K-12 education.

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>1. Foundation Allowance (Secs. 22a &amp; 22b)</b>	<b>Gross</b>	<b>\$9,946,000,000</b>	<b>\$610,000,000</b>
Increases by \$610.0 million Gross and increases the Target foundation from \$8,700 to \$9,150.	Restricted	9,946,000,000	609,609,300
	GF/GP	\$0	\$390,700
<b>2. Special Education (Secs. 51a, 51c, 51d, 51e, 53a, 54 &amp; 56)</b>	<b>Gross</b>	<b>\$1,574,696,100</b>	<b>\$312,607,000</b>
Increases by \$312.6 million Gross (\$0 GF/GP) for revised cost estimates and reduces the amount of a special education pupil's foundation allowance that counts toward special education costs from 100% to 25%. Total estimated special education expenditures for FY 2022-23 are \$1.9 billion.	Federal	451,000,000	10,000,000
	Restricted	1,123,696,100	302,607,000
	GF/GP	\$0	\$0
<b>3. Michigan Public School Employees Retirement System (MPERS) (Secs. 147a, 147c, &amp; 147e)</b>	<b>Gross</b>	<b>\$1,811,760,000</b>	<b>\$1,152,890,000</b>
Increases state support for K-12 MPERS costs by \$1.2 billion Gross, including a decrease of \$10,000 GF/GP, for a total of \$3.0 billion Gross (\$550,000 GF/GP). In addition to cost-based adjustments, provides an additional \$1.0 billion to the system and provides \$140.4 million MPERS Retirement Obligation Reform Reserve Fund for the costs necessary to reduce the payroll growth assumption to 1.75% (a reduction of 75 basis points compared to current law).	Restricted	1,811,200,000	1,152,900,000
	GF/GP	\$560,000	(\$10,000)
<b>4. MPERS Retirement Obligation Reform Reserve Fund (Sec. 147b)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Deposits \$425.0 million SAF into the MPERS Retirement Obligation Reform Reserve Fund with the intent that these funds be used to offset costs associated with accelerating the reduction of the payroll growth assumption.	Restricted	0	0
	GF/GP	\$0	\$0



**SCHOOL AID**

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**FY 2021-22  
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Enacted  
Change**

<b>5. MI Future Educator Fellowship Program (Sec. 27a) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$25,000,000</b>
Provides \$25.0 million Gross (\$5.0 million GF/GP) to offset tuition costs for college students earning their initial teacher certification. Caps awards at the lesser of \$10,000 per academic year or the cost of in-district tuition. Requires grant recipients to agree to work in a Michigan public or nonpublic school or qualifying public preschool program for 3-5 years, depending on the number of years an award was received and whether the recipient works in a critical needs district, or repay a proportionate amount of total funds received as a 0% interest loan. Pending available funds, allows recipients to renew their award for up to 3 years.	Restricted	0	20,000,000
	GF/GP	\$0	\$5,000,000
<b>6. Grow Your Own Program (Sec. 27b)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$175,000,000</b>
Provides \$175.0 million Gross (\$0 GF/GP) for grants to districts and ISDs to provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses include tuition and fees, books, testing fees, travel, and a substitute employee salary. Up to 10% of a district's or ISD's funds may be used to implement a program to encourage students in grades 6-12 to consider a career in education. Requires a recipient to work as a teacher in the district or ISD for the same number of years funding was received.	Federal	0	155,000,000
	Restricted	0	20,000,000
	GF/GP	\$0	\$0
<b>7. MI Future Educator Student Teacher Stipend (Sec. 27c) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$50,000,000</b>
Provides \$50.0 million SAF for public and nonpublic institutions of higher education (IHEs) to pay student teachers up to \$9,600 per semester. Student teachers who are paid by their district are not eligible for this stipend. Funding must be used for tuition, living expenses, childcare, or any other cost associated with student teaching.	Restricted	0	50,000,000
	GF/GP	\$0	\$0
<b>8. Troops to Teachers (Sec. 30c) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$15,000,000</b>
Provides \$15.0 million SAF for districts to implement a Troops to Teachers mentorship training program for veterans. Requires participants to student teach while shadowing a mentor teacher for at least 1 semester, before either being approved to teach or participating in another 1 semester round of mentorship. Provides a salary for participants during the program and requires a district to independently fully fund a participant's salary by September 30, 2027.	Federal	0	0
	Restricted	0	15,000,000
	GF/GP	\$0	\$0
<b>9. Teach for America (Sec. 99x)</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>\$19,000,000</b>
Increases to \$20.0 million and revises fund source to Federal Coronavirus State Fiscal Recovery Fund (SFRF). Revises to require TFA to lead and support teacher recruitment, training, development, and retention efforts of high-performing educators in at-risk schools. Requires TFA to recruit or invest in the retention of 100 teachers to receive the first \$10.0 million and 450 teachers to receive remaining funding. Also requires TFA to operate fellowship programs in at least 3 regions, support educator-led innovation, and invest in a broad educator workforce campaign.	Federal	0	20,000,000
	Restricted	0	0
	GF/GP	\$1,000,000	(\$1,000,000)
<b>10. School Consolidation and Infrastructure Fund (Sec. 11x) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Deposits \$475.0 million SAF into the School Consolidation and Infrastructure Fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in this state. Requires districts to allow an infrastructure study under Sec. 11y to be eligible for funds. Caps funding for non-consolidation related infrastructure projects at 50% of fund total. The School Consolidation and Infrastructure Fund may only be used for aid to local school districts and may not be used to aid PSAs.	Restricted	0	0
	GF/GP	\$0	\$0

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<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>11. School Consolidation Studies (Sec. 11x(6)) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$5.0 million SAF to non-PSA districts and ISDs to conduct a feasibility study for consolidation. Caps grants at \$250,000.	Restricted	0	5,000,000
	GF/GP	\$0	\$0
<b>12. Infrastructure Study (Sec. 11y) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$20.0 million SAF for an ISD or consortium of ISDs to conduct a statewide school facilities study for all non-PSA school buildings.	Restricted	0	20,000,000
	GF/GP	\$0	\$0
<b>13. School Safety Grants (Sec. 97)</b>		<b>Gross</b>	<b>\$10,000,000</b>
Increases by \$158.0 million Gross (\$15.5 million GF/GP) for a total of \$168.0 million Gross (\$18.0 million GF/GP) and revises from competitive safety grants to per-pupil payments to districts and nonpublic schools. Allowable uses include: coordination with law enforcement; training on threat assessment, threat response, crisis communication, and responsible gun ownership; safety infrastructure; professional development for school resource officers; and any other school safety service or product.	Restricted	7,500,000	142,500,000
	GF/GP	\$2,500,000	\$15,500,000
<b>14. School Resource Officers (Sec. 97b) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$25.0 million SAF for schools, districts, and ISDs to hire school resource officers and requires a recipient to provide 50% matching funds.	Restricted	0	25,000,000
	GF/GP	\$0	\$0
<b>15. Cross-System Intervention Approach (Sec. 97b/97f) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$15.0 million SAF for a public research institution, in collaboration with a national law enforcement foundation, to pilot a cross-system intervention approach to identifying and supporting middle and high school students that are determined to be at risk for violence through a psychiatric or psychological assessment.	Restricted	0	15,000,000
	GF/GP	\$0	\$0
<b>16. Per-Pupil Mental Health Grant (Sec. 31aa) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$150.0 million SAF for per-pupil payments to districts for activities to improve mental health, including hiring support staff, implementing screening tools, providing school personnel with consultations with behavioral health clinicians, and any other mental health service or product.	Restricted	0	150,000,000
	GF/GP	\$0	\$0
<b>17. TRAILS Program (Sec. 31p) – NEW</b>		<b>Gross</b>	<b>\$0</b>
Provides \$50.0 million Federal SFRF for grants to ISDs to implement the TRAILS program to improve youth access to evidence-based mental health services by training school mental health professionals in effective practices.	Federal	0	50,000,000
	Restricted	0	0
	GF/GP	\$0	\$0
<b>18. Great Start Readiness Program (Secs. 32d &amp; 39)</b>		<b>Gross</b>	<b>\$418,470,000</b>
Increases by \$34.0 million Gross (including a reduction of \$38.0 million Federal) for a total of \$452.5 million Gross (\$350,000 GF/GP) to ISDs and consortia of ISDs for school readiness preschool programs for 4-year-old children in low-income families. Increases the allocation per child to \$9,150 for a full-day program—an amount equal to the foundation allowance—and to \$4,575 for a part-day program.	Federal	121,000,000	(38,000,000)
	Restricted	297,120,000	72,000,000
	GF/GP	\$350,000	\$0
<b>19. School-Based Health Centers (Sec. 31a(7))</b>		<b>Gross</b>	<b>\$8,000,000</b>
Increases by \$25.0 million SAF for a total of \$33.0 million SAF for adolescent health care services. Allocates 4% of funding under this subsection for technical support and coordination services from a nonprofit organization dedicated to serving adolescent health centers. Adds requirement that MDE and DHHS prioritize unserved counties when making funding decisions for new adolescent health centers.	Federal	0	0
	Restricted	8,000,000	25,000,000
	GF/GP	\$0	\$0

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<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>20. ISD Mental Health and Support Services (Sec. 31n(6))</b>	<b>Gross</b>	<b>\$37,800,000</b>	<b>\$25,000,000</b>
Increases by \$25.0 million SAF for a total of \$62.8 million SAF for mental health and support services for general education pupils. Increases the initial payment to each ISD from \$575,000 to \$955,300 and increases the remaining funds, allocated on a per-pupil basis, from \$5.6 million to \$9.3 million. Adds that an ISD may contract with 1 or more other ISDs for coordinating the provision of services.	Restricted	37,800,000	25,000,000
	GF/GP	\$0	\$0
<b>21. Before and After School Programs (Sec. 32n) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$25,000,000</b>
Provides \$25.0 million Federal SFRF for competitive grants for before and after school programs and summer school programming. Allocates up to 2% of funding for a nonprofit entity to provide start-up grants and assistance for the implementation of high quality out-of-school time learning opportunities. Requires at least 60% of funding to go to CBOs.	Federal	0	25,000,000
	Restricted	0	0
	GF/GP	\$0	\$0
<b>22. Cash-Flow Borrowing (Sec. 11m)</b>	<b>Gross</b>	<b>\$9,500,000</b>	<b>(\$1,700,000)</b>
Reduces by \$1.7 million SAF for a total of \$7.8 million SAF for the interest costs of inter-fund borrowing between the School Aid Fund and the General Fund to balance the timing of revenue collections and required state aid payments.	Restricted	9,500,000	(1,700,000)
	GF/GP	\$0	\$0
<b>23. Genesee Early Childhood Collaborative Enrollment Software and Staff (Sec. 11s(8))</b>	<b>Gross</b>	<b>\$1,384,900</b>	<b>(\$1,384,900)</b>
Eliminates \$1.4 million GF/GP for enrollment software and staff for the early childhood collaborative under Sec. 11s(7).	Restricted	0	0
	GF/GP	\$1,384,900	(\$1,384,900)
<b>24. Isolated District Funding (Sec. 22d)</b>	<b>Gross</b>	<b>\$8,420,000</b>	<b>\$438,000</b>
Increases by \$438,000 SAF for a total of \$8.9 million SAF to increase the allocations for small, isolated districts; districts with fewer than 10.0 pupils per square mile; and districts with greater than 250 square miles by 5.2%.	Restricted	8,420,000	438,000
	GF/GP	\$0	\$0
<b>25. Inkster Operating Debt (Sec. 22g)</b>	<b>Gross</b>	<b>\$25,500,000</b>	<b>(\$25,500,000)</b>
Eliminates \$25.5 million SAF for an ISD to pay outstanding operating debt and accrued school bond loan fund interest for a dissolved school district (Inkster).	Restricted	25,500,000	(25,500,000)
	GF/GP	\$0	\$0
<b>26. Learning Pods (Sec. 23f) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
Provides \$5.0 million SAF for ISDs to administer a learning pods pilot program for interested students, who may enroll in up to 2 summer programs.	Restricted	0	5,000,000
	GF/GP	\$0	\$0
<b>27. Strict Discipline Academies (Sec. 25f)</b>	<b>Gross</b>	<b>\$1,600,000</b>	<b>\$0</b>
Maintains \$1.6 million SAF for strict discipline academies based on added costs, but expands to also include PSAs that enroll pupils who were enrolled in a strict discipline academy that has since closed.	Restricted	1,600,000	0
	GF/GP	\$0	\$0
<b>28. Attendance Recovery (Sec. 25i)</b>	<b>Gross</b>	<b>\$6,000,000</b>	<b>(\$6,000,000)</b>
Eliminates \$6.0 million GF/GP for an attendance recovery program for all districts that opt in to serve eligible students.	Restricted	0	0
	GF/GP	\$6,000,000	(\$6,000,000)
<b>29. Renaissance Zone Reimbursements (Sec. 26a)</b>	<b>Gross</b>	<b>\$15,300,000</b>	<b>(\$1,300,000)</b>
Reduces by \$1.3 million SAF for a total of \$14.0 million SAF to reimburse districts and ISDs under the Michigan Renaissance Zone Act.	Restricted	15,300,000	(1,300,000)
	GF/GP	\$0	\$0
<b>30. PILT Reimbursement (Sec. 26b)</b>	<b>Gross</b>	<b>\$4,710,000</b>	<b>\$279,000</b>
Increases by \$279,000 SAF for a total of \$5.0 million SAF to reimburse districts, ISDs, and community colleges for payment in lieu of taxes (PILT) obligations.	Restricted	4,710,000	279,000
	GF/GP	\$0	\$0

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<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>31. Promise Zones (Sec. 26c)</b>	<b>Gross</b>	<b>\$13,800,000</b>	<b>\$1,000,000</b>
Increases by \$1.0 million SAF for a total of \$14.8 million SAF for required funds for districts and ISDs with an approved Promise Zone development plan.	Restricted	13,800,000	1,000,000
	GF/GP	\$0	\$0
<b>32. Brownfield Redevelopment Reimbursement (Sec. 26d)</b>	<b>Gross</b>	<b>\$7,500,000</b>	<b>\$6,900,000</b>
Increases by \$6.9 million SAF for a total of \$14.4 million SAF for reimbursements to ISDs as required under the Brownfield Redevelopment Financing Act.	Restricted	7,500,000	6,900,000
	GF/GP	\$0	\$0
<b>33. At-Risk (Sec. 31a)</b>	<b>Gross</b>	<b>\$524,500,000</b>	<b>\$223,000,000</b>
Increases by \$223.0 million SAF for a total of \$747.5 million SAF. Increases the payment per economically disadvantaged student from an estimated prorated payment of \$768 in FY 2021-22 to a fully funded payment of \$1,052 in FY 2022-23. Eliminates \$12.0 million SAF allocation to hold certain districts harmless from their previous year allocation and removes requirement capping certain districts with state and local revenue exceeding the Target foundation allowance at 35% of the amount they would have otherwise received.	Restricted	524,500,000	223,000,000
	GF/GP	\$0	\$0
<b>34. School Lunch Program (Sec. 31d)</b>	<b>Gross</b>	<b>\$579,838,400</b>	<b>\$359,715,000</b>
Increases the state share of school lunch programs by \$715,000 SAF for a total of \$24.6 million SAF. Also increases federal funding by \$359.0 million for a total of \$915.0 million for child nutrition programs and food distribution programs.	Federal	556,000,000	359,000,000
	Restricted	23,838,400	715,000
	GF/GP	\$0	\$0
<b>35. Local Produce in School Meals (Sec. 31j)</b>	<b>Gross</b>	<b>\$4,500,000</b>	<b>\$4,800,000</b>
Increases by \$4.8 million SAF for a total of \$9.3 million Gross (\$500,000 GF/GP) to support districts and other non-school sponsors in the purchase of locally grown fruits and vegetables. Removes requirement that recipients provide monthly participation rates and adds supportive activities as an eligible use. Provides intent that the \$4.8 million increase is for FY 2022-23 only.	Restricted	4,000,000	4,800,000
	GF/GP	\$500,000	\$0
<b>36. Wraparound Services (Sec. 31o)</b>	<b>Gross</b>	<b>\$240,000,000</b>	<b>(\$240,000,000)</b>
Eliminates \$240.0 million one-time SAF for districts and ISDs to increase the number of school psychologists, school social workers, school counselors, and school nurses.	Federal	0	0
	Restricted	240,000,000	(240,000,000)
	GF/GP	\$0	\$0
<b>37. Discover You (Sec. 31q) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Provides \$2.0 million GF/GP to reimburse districts and ISDs for implementation of the Discover You program for social and emotional learning.	Restricted	0	0
	GF/GP	\$0	\$2,000,000
<b>38. Year-Round Instruction Programs (Sec. 31y)</b>	<b>Gross</b>	<b>\$60,000,000</b>	<b>(\$60,000,000)</b>
Eliminates \$60.0 million SAF for per-pupil payments equal to 3% of the foundation allowance for districts that operate year-round, balanced calendars.	Restricted	60,000,000	(60,000,000)
	GF/GP	\$0	\$0
<b>39. Year-Round Infrastructure Grants (Sec. 31z)</b>	<b>Gross</b>	<b>\$75,000,000</b>	<b>(\$75,000,000)</b>
Eliminates \$75.0 million Federal SFRF for matching grants for one-time infrastructure costs to districts that commit to operating a year-round, balanced calendar.	Federal	75,000,000	(75,000,000)
	Restricted	0	0
	GF/GP	\$0	\$0
<b>40. Eastern Upper Peninsula ISD Learning Center (Sec. 31bb) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$700,000</b>
Provides \$700,000 SAF for the Eastern Upper Peninsula Intermediate District Learning Center.	Restricted	0	700,000
	GF/GP	\$0	\$0

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<b>41. Purple Star Program (Sec. 31cc) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,105,000</b>
Provides \$1.1 million GF/GP for MDE to create and administer a program for districts and ISDs to receive Purple Star Program designation.	Restricted	0	0
	GF/GP	\$0	\$1,105,000
<b>42. Roadmaps Program (Sec. 31dd) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$427,500</b>
Provides \$427,500 SAF for the University of Michigan and Saginaw Valley State University to provide the Roadmaps Program to grades K-5 in Title I schools that are in rural or urban areas.	Restricted	0	427,500
	GF/GP	\$0	\$0
<b>43. Detroit Horse Power (Sec. 31ee) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$500,000</b>
Provides \$500,000 GF/GP for a nonprofit organization to partner with Detroit Public Schools Community District to construct an urban equestrian center for under-resourced youth.	Restricted	0	0
	GF/GP	\$0	\$500,000
<b>44. Strong Beginnings Program (Sec. 32t) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,200,000</b>
Provides \$2.2 million SAF for the Clinton County RESA Strong Beginnings Program to provide services to children who meet the eligibility criteria for GSRP but are 3 years old.	Restricted	0	2,200,000
	GF/GP	\$0	\$0
<b>45. BookNook (Sec. 32u) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
Provides \$5.0 million GF/GP for districts and ISDs to provide, in collaboration with BookNook, a program that uses patented technology, provides scaffolded learning supports, exposes pupils to diverse texts, and includes a large tutor network.	Restricted	0	0
	GF/GP	\$0	\$5,000,000
<b>46. Michigan Education Corps (Sec. 35a(8))</b>	<b>Gross</b>	<b>\$3,500,000</b>	<b>\$1,500,000</b>
Increases by \$1.5 million GF/GP for a total of \$5.0 million GF/GP to the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps.	Restricted	0	0
	GF/GP	\$3,500,000	\$1,500,000
<b>47. Early Literacy Professional Learning (Sec. 35a(10))</b>	<b>Gross</b>	<b>\$4,000,000</b>	<b>\$6,000,000</b>
Increases by \$6.0 million SAF for a total of \$10.0 million SAF to districts for early literacy professional learning for educators in PreK through 3rd grade, prioritizing PreK through 1st grade. If funds remain, adds a second round of enrollment for other elementary school educators and special education personnel. Requires MDE to approve LETRS as the approved provider under this subsection.	Restricted	4,000,000	6,000,000
	GF/GP	\$0	\$0
<b>48. Dyslexia Center (Sec. 35b)</b>	<b>Gross</b>	<b>\$250,000</b>	<b>(\$250,000)</b>
Eliminates \$250,000 GF/GP for the Children's Choice Initiative for a multisensory structured language education method to improve reading proficiency rates.	Restricted	0	0
	GF/GP	\$250,000	(\$250,000)
<b>49. Alliance of Boys and Girls Clubs (Sec. 35e)</b>	<b>Gross</b>	<b>\$2,000,000</b>	<b>(\$2,000,000)</b>
Eliminates \$2.0 million GF/GP for the Michigan Alliance of Boys and Girls Clubs to provide early literacy and academic support to at-need youth in Michigan.	Restricted	0	0
	GF/GP	\$2,000,000	(\$2,000,000)
<b>50. Chaldean Community Foundation (Sec. 35f)</b>	<b>Gross</b>	<b>\$750,000</b>	<b>\$250,000</b>
Increases by \$250,000 GF/GP for a total of \$1.0 million GF/GP for the Chaldean Community Foundation to support and expand early childhood learning opportunities, improve early literacy achievement, increase high school graduation rates for new Americans, and assist with diploma acquisition, skills training, and postsecondary education.	Restricted	0	0
	GF/GP	\$750,000	\$250,000
<b>51. Jewish Federation of Metro Detroit (Sec. 35h)</b>	<b>Gross</b>	<b>\$1,700,000</b>	<b>(\$1,200,000)</b>
Reduces by \$1.2 million GF/GP for a total of \$500,000 GF/GP for the Jewish Federation of Metro Detroit to help mitigate the impact of remote learning on students' mental health and physical well-being.	Restricted	0	0
	GF/GP	\$1,700,000	(\$1,200,000)

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<b>52. Bilingual Education (Sec. 41)</b>	<b>Gross</b>	<b>\$25,200,000</b>	<b>\$1,311,000</b>
Increases by \$1.3 million SAF for a total of \$26.5 million SAF for services to English language learners (ELLs) that have been administered the WIDA Access or WIDA Alternate Access.	Restricted	25,200,000	1,311,000
	GF/GP	\$0	\$0
<b>53. Exito Educativo (Sec. 41a)</b>	<b>Gross</b>	<b>\$450,000</b>	<b>(\$450,000)</b>
Eliminates \$450,000 GF/GP for Mi Alma for the Exito Educativo after-school program.	Restricted	0	0
	GF/GP	\$450,000	(\$450,000)
<b>54. Afghan Refugees (Sec. 41b) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,250,000</b>
Provides \$1.3 million SAF for KEYS Grace Academy to partner with Kalasho Education and Youth Services to provide education support services to immigrants, including Afghan refugees.	Restricted	0	1,250,000
	GF/GP	\$0	\$0
<b>55. Special Education Cost Reimbursement (Sec. 51f)</b>	<b>Gross</b>	<b>\$90,207,000</b>	<b>(\$90,207,000)</b>
Eliminates \$90.2 million SAF to reimburse districts and ISDs for an estimated 3% of total approved special education costs and moves this funding to Sec. 51e.	Restricted	90,207,000	(90,207,000)
	GF/GP	\$0	\$0
<b>56. Special Education Task Force Reforms – Early On (Sec. 54d)</b>	<b>Gross</b>	<b>\$14,150,000</b>	<b>\$7,100,000</b>
Increases by \$7.1 million SAF for a total of \$21.3 million SAF for grants to ISDs to provide state Early On services programs for children birth to 3 years old with developmental delays or disabilities and their families as described in the Early On Michigan state plan.	Restricted	14,150,000	7,100,000
	GF/GP	\$0	\$0
<b>57. Conductive Learning (Sec. 55)</b>	<b>Gross</b>	<b>\$250,000</b>	<b>\$50,000</b>
Increases by \$50,000 GF/GP for a total of \$300,000 GF/GP for the Conductive Learning Center at Aquinas College to support ongoing operations.	Restricted	0	0
	GF/GP	\$250,000	\$50,000
<b>58. Special Education Millage Incentive (Sec. 56(7))</b>	<b>Gross</b>	<b>\$34,200,000</b>	<b>\$0</b>
Maintains \$34.2 million SAF for payments to eligible ISDs, but increases eligibility cap from \$281 per pupil per mill in average special education revenue to \$296 per pupil per mill.	Restricted	34,200,000	0
	GF/GP	\$0	\$0
<b>59. Career and Technical Education (CTE) (Sec. 61a)</b>	<b>Gross</b>	<b>\$37,611,300</b>	<b>\$10,000,000</b>
Increases by \$10.0 million SAF for a total of \$47.6 million SAF to reimburse districts and ISDs for vocational education programs. Adds intent that the \$10.0 million increase is for FY 2022-23 only.	Restricted	37,611,300	10,000,000
	GF/GP	\$0	\$0
<b>60. CTE Equipment Upgrades (Sec. 61c)</b>	<b>Gross</b>	<b>\$7,500,000</b>	<b>\$0</b>
Maintains \$7.5 million for eligible career education planning districts (CEPDS), but revises fund source to SAF.	Restricted	0	7,500,000
	GF/GP	\$7,500,000	(\$7,500,000)
<b>61. CTE Incentive Payments (Sec. 61d)</b>	<b>Gross</b>	<b>\$5,000,000</b>	<b>\$0</b>
Maintains \$5.0 million SAF for CTE incentive payments that provide \$35 per pupil in grades 9 to 12 enrolled in CTE programs and an additional \$35 per pupil for those in CTE programs identified as "critical skills" programs. Requires the payment for a CTE student at an ISD to be split equally between the student's district and the ISD.	Restricted	5,000,000	0
	GF/GP	\$0	\$0
<b>62. COOR ISD CTE Program (Sec. 61g)</b>	<b>Gross</b>	<b>\$2,500,000</b>	<b>(\$2,500,000)</b>
Eliminates \$2.5 million SAF for COOR ISD to support its CTE offerings through building retrofitting, equipment purchases, and other necessary expenditures.	Restricted	2,500,000	(2,500,000)
	GF/GP	\$0	\$0
<b>63. CTE Teacher Recruitment and Retention (Sec. 61i) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$10,000,000</b>
Provides \$10.0 million SAF for ISDs to recruit and retain Career and Technical Education (CTE) teachers.	Restricted	0	10,000,000
	GF/GP	\$0	\$0

**SCHOOL AID**

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>64. Detroit Area PreCollege Engineering Program (Sec. 65)</b>	<b>Gross</b>	<b>\$400,000</b>	<b>\$500,000</b>
Increases by \$500,000 SAF for a total of \$900,000 SAF for the Detroit Area PreCollege Engineering Program (DAPCEP). Adds intent that the \$500,000 increase is for FY 2022-23 only.	Restricted	400,000	500,000
	GF/GP	\$0	\$0
<b>65. MSU Developer Academy (Sec. 67c) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,000,000</b>
Provides \$3.0 million SAF to Michigan State University to recruit and provide stipends for participants in a developer academy for ages 18 and older.	Restricted	0	3,000,000
	GF/GP	\$0	\$0
<b>66. ProStart/HTM Hospitality and Tourism Grants (Sec. 67d) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,500,000</b>
Provides \$2.5 million GF/GP for a nonprofit organization to teach restaurant management, culinary arts or hospitality, and tourism management.	Restricted	0	0
	GF/GP	\$0	\$2,500,000
<b>67. Skilled Trades for Students Program (Sec. 67e) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Provides \$2.0 million GF/GP for a nonprofit to develop a guide to skilled trades careers for students in grades 8-12.	Restricted	0	0
	GF/GP	\$0	\$2,000,000
<b>68. ISD General Operations (Sec. 81)</b>	<b>Gross</b>	<b>\$71,903,600</b>	<b>\$3,739,000</b>
Increases by \$3.7 million SAF for a total of \$75.6 million SAF for payments to ISDs for general operations. Each ISD would receive 105.2% of its FY 2021-22 funding.	Restricted	71,903,600	3,739,000
	GF/GP	\$0	\$0
<b>69. K-12 Reporting, Noninstructional Staffing/Spending, and Information Technology (IT) Strategy (Sec. 94c)</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>(\$1,500,000)</b>
Eliminates \$1.5 million GF/GP for a vendor to develop a strategy for streamlining the reporting that districts and ISDs must submit under state law; develop recommendations for an annual process to measure noninstructional staffing and spending by districts and ISDs and propose options to optimize noninstructional spending; and recommend an IT strategy and identify a shortlist of IT systems that districts and ISDs can use in transition as existing systems are retired.	Restricted	0	0
	GF/GP	\$1,500,000	(\$1,500,000)
<b>70. Special Education Personnel Task Force (Sec. 94d)</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>(\$1,500,000)</b>
Eliminates \$1.5 million SAF for a task force to develop a comprehensive multi-year plan to attract, prepare, and retain qualified personnel for children with disabilities.	Restricted	1,500,000	(1,500,000)
	GF/GP	\$0	\$0
<b>71. School Safety and Mental Health Commission (Sec. 97e) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Provides \$2.0 million GF/GP for a School Safety and Mental Health Commission within MDE. Allows the commission to hire an executive director and staff.	Restricted	0	0
	GF/GP	\$0	\$2,000,000
<b>72. Michigan Virtual University (Sec. 98)</b>	<b>Gross</b>	<b>\$7,500,000</b>	<b>\$500,000</b>
Increases by \$500,000 GF/GP for a total of \$8.0 million GF/GP for Michigan Virtual University, but adds intent that the \$500,000 increase is for FY 2022-23 only.	Restricted	0	0
	GF/GP	\$7,500,000	\$500,000
<b>73. MI Learning Channel (Sec. 98d)</b>	<b>Gross</b>	<b>\$2,000,000</b>	<b>(\$2,000,000)</b>
Eliminates \$2.0 million SAF for Northern Michigan University to support the Michigan Learning Channel.	Restricted	2,000,000	(2,000,000)
	GF/GP	\$0	\$0
<b>74. FIRST Robotics (Sec. 99h)</b>	<b>Gross</b>	<b>\$5,323,200</b>	<b>\$500,000</b>
Increases by \$500,000 SAF for a total of \$5.8 million Gross (\$600,000 GF/GP) for PreK-12 events hosted by competitive robotics programs, but adds intent that the \$500,000 increase is for FY 2022-23 only. Expands eligible programs to also include equipment vendors. Maintains MDE as the grant administrator.	Restricted	4,723,200	500,000
	GF/GP	\$600,000	\$0

**SCHOOL AID**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>			
<b>75. Women in Technology Foundation (Sec. 99i)</b>	<b>Gross</b>	<b>\$150,000</b>	<b>\$350,000</b>
Increases by \$350,000 GF/GP for a total of \$500,000 GF/GP for the Michigan Council of Women in Technology Foundation to support the girls exploring together information technology clubs.	Restricted	0	0
	GF/GP	\$150,000	\$350,000
<b>76. MiSTEM Grants (Sec. 99s)</b>	<b>Gross</b>	<b>\$8,169,300</b>	<b>(\$535,000)</b>
Reduces by \$535,000 Gross (\$300,000 GF/GP) for a total of \$7.6 million SAF for STEM programs. Eliminates \$235,000 Federal allocation to support the activities and programs of the MiSTEM network regions. Also eliminates \$300,000 GF/GP for LEO to support the MiSTEM Network staff (this allocation is moved to the LEO budget for FY 2022-23). Eliminates requirement that \$350,000 SAF be awarded for fabrication laboratories (Fab Labs).	Federal	235,000	(235,000)
	Restricted	7,634,300	0
	GF/GP	\$300,000	(\$300,000)
<b>77. Online Algebra Tool (Sec. 99t)</b>	<b>Gross</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>
Increases by \$1.0 million GF/GP for a total of \$3.0 million GF/GP for a statewide online algebra tool (Algebra Nation).	Restricted	0	0
	GF/GP	\$2,000,000	\$1,000,000
<b>78. Fitness Foundation (Sec. 99w)</b>	<b>Gross</b>	<b>\$400,000</b>	<b>(\$400,000)</b>
Eliminates \$400,000 GF/GP for the Michigan Fitness Foundation to work with MDE to invest in a physical education curriculum.	Restricted	0	0
	GF/GP	\$400,000	(\$400,000)
<b>79. YMCA Youth in Government (Sec. 99bb)</b>	<b>Gross</b>	<b>\$3,750,000</b>	<b>(\$3,750,000)</b>
Eliminates \$3.8 million GF/GP for the State Alliance of Michigan YMCAs for competitive grants to districts, ISDs, and nonpublic schools for civics and model government programs for grades 6 to 12.	Restricted	0	0
	GF/GP	\$3,750,000	(\$3,750,000)
<b>80. NAF Academies (Sec. 99cc) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$253,000</b>
Provides \$253,000 SAF for competitive grants to districts and ISDs for work-based learning programs hosted in partnership with NAF.	Restricted	0	253,000
	GF/GP	\$0	\$0
<b>81. MI Science Center (Sec. 99dd) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
Provides \$2.0 million GF/GP for a nonprofit organization to provide STEM opportunities to students.	Restricted	0	0
	GF/GP	\$0	\$2,000,000
<b>82. Hispanic Collaborative (Sec. 99ee) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
Provides \$1.5 million GF/GP for a nonprofit that supports academically ambitious first-generation Hispanic high school and college students.	Restricted	0	0
	GF/GP	\$0	\$1,500,000
<b>83. Education Assessments (Sec. 104)</b>	<b>Gross</b>	<b>\$35,759,400</b>	<b>\$8,000,000</b>
Increases by \$8.0 million SAF for a total of \$43.8 million Gross (\$0 GF/GP) for reimbursement of costs associated with state student assessment requirements.	Federal	6,250,000	0
	Restricted	29,509,400	8,000,000
	GF/GP	\$0	\$0
<b>84. Digital Literacy (Sec. 104f)</b>	<b>Gross</b>	<b>\$500,000</b>	<b>(\$350,000)</b>
Reduces by \$350,000 SAF for a total of \$150,000 for an assessment digital literacy preparation program for pupils in grades K-8.	Restricted	500,000	(350,000)
	GF/GP	\$0	\$0
<b>85. Benchmark Assessments for the Following School Year (Secs. 104h &amp; 104i)</b>	<b>Gross</b>	<b>\$11,500,000</b>	<b>\$0</b>
Maintains \$11.5 million SAF for districts to begin implementation of a benchmark assessment system for the following school year. Expands to include ISDs with enrolled K-8 pupils as eligible recipients. Revises deadline for a recipient district to submit assessment data from 30 days after the last assessment is given to within a timeframe specified by MDE. Also revises the deadline for MDE to report on benchmark data from June 15 to September 25.	Restricted	11,500,000	0
	GF/GP	\$0	\$0



**SCHOOL AID**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>86. Reimbursements to Nonpublic Schools (Sec. 152b)</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>\$0</b>
Maintains \$1.0 million GF/GP to reimburse nonpublic schools for the costs of complying with health, safety, and welfare requirements. Adds that the funds under this section are for purposes that do not constitute a primary function necessary for a nonpublic school's existence and that do not involve excessive religious entanglement. Strikes that the cost of taking daily attendance must be considered an eligible cost under this section.	Restricted	0	0
	GF/GP	\$1,000,000	\$0
<b>87. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$268,200</b>
Reflects increased costs of \$268,200 Gross (\$229,800 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Restricted	NA	38,400
	GF/GP	NA	\$229,800

**Major Boilerplate Changes from FY 2021-22**

**Sec. 6. Pupil Membership Definitions – REVISED**

Extends provision through 2022-23 school year only that allows instruction by a noncertificated, nonendorsed teacher engaged to teach under Sec. 1233b of the Revised School Code.

Provides requirements for participation to count as regular daily attendance for cyber school students rather than referencing the requirements in Sec. 5-O-D of the Pupil Accounting Manual. Provides intent that these requirements are subject to Sec. 8c retroactively, effective July 1, 2021.

**Sec. 8c. Cyber School Participation – NEW**

Prohibits MDE from requiring a cyber school pupil participate in all educational hours made available to the pupil. Also prohibits MDE from tracking a cyber school pupil's participation through attendance. Provide intent that this section applies retroactively, effective July 1, 2021.

**Sec. 20m. Additional Per-Pupil Calculation for Hold Harmless Districts – REVISED**

Revises language to account for districts that will continue to have a calculation under this section for FY 2022-23.

**Sec. 21f. Virtual Courses – REVISED**

Expands the definition for a virtual course provider from a district, ISD, community college, or MVU to also include any other third-party vendor that the district pays to provide the course.

Strikes requirement that a pupil enrolled in more than 2 virtual courses have an education development plan.

**Sec. 32p. Early Childhood Block Grants – REVISED**

Revises the supports that a local great start system should include by adding family economic self-sufficiency and revising "parent education" to "parent leadership and family engagement."

**Sec. 95b. Value-Added Growth Model – REVISED**

Deletes requirement that MDE report on the number of traditional local school districts that opted in to student teacher linkages and verify that the value-added reporting platform continued hosting and delivery of historical reporting. Adds requirement that MDE publish student growth metrics provided by the platform at the district and school level by grade and subject.

**Sec. 98. Michigan Virtual University – REVISED**

Adds requirement that MVU provide a link to, and explanation of, online course standards for professional development programming, including how to file a complaint about course content.

**Sec. 104g. SAT/PSAT – DELETED**

Repeals this section, which required districts to make the SAT and PSAT available in fall 2021 to students who were not able to take the exams in the prior school year or who requested to retake them.

**SCHOOL AID**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 107. Adult Education – REVISED**

Revises the cap on the percent of participants under subsection (15) (programs that connect adult education participants with employers) that may already have a diploma or certificate from 25% to 15%.

<b><u>FY 2021-22 Supplemental Appropriation Items</u></b>		<b>Appropriation Change</b>
<b>1. Learning Loss (Sec. 98c) – NEW</b>	<b>Gross</b>	<b>\$52,056,000</b>
Includes \$52.1 million Federal for per-pupil payments to districts to address learning loss. Payments are estimated to be \$37 per pupil. Requires a district to publicly present a plan on how it will use funding. This re-appropriates Federal ESSER and GEER funds that were appropriated under Sec. 23b and Sec. 23c in FY 2020-21.	Federal	52,056,000
	Restricted	0
	GF/GP	\$0
<b>2. Educator Fellowship Public Provider Fund (Sec. 27d) – NEW</b>	<b>Gross</b>	<b>\$0</b>
Deposits \$235.0 million SAF into a newly established Educator Fellowship Public Provider Fund for improving the educator workforce through recruitment efforts for students attending public educator preparation programs.	Restricted	0
	GF/GP	\$0
<b>3. Educator Fellowship Private Provider Fund (Sec. 27e) – NEW</b>	<b>Gross</b>	<b>\$0</b>
Deposits \$45.0 million GF/GP into a newly established Educator Fellowship Private Provider Fund for improving the educator workforce through recruitment efforts for students attending private educator preparation programs.	Restricted	0
	GF/GP	\$0
<b>4. Education Workforce Report (Sec. 27f) – NEW</b>	<b>Gross</b>	<b>\$500,000</b>
Provides \$500,000 GF/GP for an association that represents a consortium of urban school districts in Michigan, in partnership with a research consultant, for an analysis of Michigan's education workforce, including shortages across districts, recommendations, and policies other states have implemented.	Restricted	0
	GF/GP	\$500,000
<b>5. Cash Flow Borrowing Costs (Sec. 11m)</b>	<b>Gross</b>	<b>(\$8,500,000)</b>
Reduces by \$8.5 million SAF for a total of \$1.0 million SAF for the interest costs of inter-fund borrowing between the School Aid Fund and the General Fund to balance the timing of revenue collections and required state aid payments.	Restricted	(8,500,000)
	GF/GP	\$0
<b>6. Foundation Allowances (Secs. 22a &amp; 22b)</b>	<b>Gross</b>	<b>(\$288,000,000)</b>
Reduces by \$288.0 million SAF for a total of \$9.7 billion Gross (\$0 GF/GP) to reflect updated consensus cost estimates for pupil membership counts and taxable values.	Restricted	(288,000,000)
	GF/GP	\$0
<b>7. Renaissance Zone Reimbursements (Sec. 26a)</b>	<b>Gross</b>	<b>(\$1,300,000)</b>
Reduces by \$1.3 million SAF for a total of \$14.0 million SAF to reimburse districts and ISDs under the Michigan Renaissance Zone Act.	Restricted	(1,300,000)
	GF/GP	\$0
<b>8. Promise Zone Funding (Sec. 26c)</b>	<b>Gross</b>	<b>\$1,000,000</b>
Increases by \$1.0 million SAF for a total of \$14.8 million SAF for required funds for districts and ISDs with an approved Promise Zone development plan.	Restricted	1,000,000
	GF/GP	\$0
<b>9. Brownfield Redevelopment Reimbursement (Sec. 26d)</b>	<b>Gross</b>	<b>\$4,500,000</b>
Increases by \$4.5 million SAF for a total of \$12.0 million SAF for reimbursements to ISDs as required under the Brownfield Redevelopment Financing Act.	Restricted	4,500,000
	GF/GP	\$0
<b>10. School Lunch Program (Sec. 31d)</b>	<b>Gross</b>	<b>\$375,415,000</b>
Increases the state share of school lunch programs by \$715,000 SAF for a total of \$24.5 million SAF. Also increases federal funding by \$374.7 million for a total of \$915.0 million for child nutrition programs and food distribution programs.	Federal	374,700,000
	Restricted	715,000
	GF/GP	\$0
<b>11. Wraparound Services (Sec. 31o)</b>	<b>Gross</b>	<b>\$0</b>
Maintains \$240.0 million SAF to increase the number of school psychologists, school social workers, school counselors, and school nurses, but revises to add ISDs as eligible recipients of funding. Also adds annualized language to account for staff hired partway through the year.	Restricted	0
	GF/GP	\$0

**SCHOOL AID**

**FY 2021-22 Supplemental Appropriation Items**

		<b>Appropriation Change</b>
<b>12. Special Education (Secs. 51a, 51c, 51d, 53a, 54 &amp; 56)</b>	<b>Gross</b>	<b>(\$68,800,000)</b>
Reduces by \$68.8 million SAF to reflect revised consensus cost estimates for special education costs. Total estimated special education expenditures for FY 2021-22 are \$1.5 billion.	Federal	0
	Restricted	(68,800,000)
	GF/GP	\$0
<b>13. PRIME (Sec. 67b)</b>	<b>Gross</b>	<b>(\$6,000,000)</b>
Eliminates \$6.0 million Federal SFRF for the SME Education Foundation's Partnership Response in Manufacturing Education (PRIME) initiative. This item was included in the MDE budget at \$6.0 million GF/GP in a FY 2021-22 supplemental (2021 PA 133).	Federal	(6,000,000)
	Restricted	0
	GF/GP	\$0
<b>14. Bus Driver Safety and School Bus Inspections (Sec. 74)</b>	<b>Gross</b>	<b>\$159,000</b>
Increases by \$159,000 SAF for a total of \$4.0 million SAF for bus driver safety and school bus inspections.	Restricted	159,000
	GF/GP	\$0

**FY 2021-22 Supplemental Boilerplate Items**

***Sec. 20. Foundation Allowance Calculation – REVISED***

Adds language to account for Sec. 20m in the calculation of the state portion of the foundation allowance for Hold Harmless districts.

***Secs. 104h & 104i. Benchmark Assessments for the Following School Year – REVISED***

Revises deadline for a recipient district to submit assessment data from 30 days after the last assessment is given to within a timeframe specified by MDE. Also revises deadline for MDE to report on benchmark data from June 15 to September 30.

**SCHOOL AID**

**LINE ITEM SUMMARY**

Sec.		FY 2021-2022			FY 2022-2023	FY 2022-2023	FY 2022-2023	FY 2022-2023	
		FY 22 2021 PA 48 YTD	2022 PA 6012 Supplemental	Change from 2022 PA 6012	FY 22 2022 PA 144 Enacted	FY 23 Exec Rec	FY 23 House	FY 23 Senate	Change from FY 22 YTD
11j	School Bond Redemption Fund	\$111,000,000			\$111,000,000	\$111,000,000	\$111,000,000		\$111,000,000
11m	Cash Flow Borrowing Costs	\$9,500,000		(\$8,500,000)	\$1,000,000	\$10,400,000	\$10,400,000	(\$1,700,000)	\$7,800,000
11s	Flint Declaration of Emergency	\$8,075,100			\$8,075,100	\$8,075,100	\$8,075,100	(\$100)	\$8,075,000
11s(7)	Flint Early Childhood Collaborative	\$1,000,000			\$1,000,000	\$1,000,000	\$0		\$1,000,000
11s(8)	Early Childhood Collaborative Enrollment Software and Staff	\$1,384,900			\$1,384,900	\$0	\$0	(\$1,384,900)	\$0
11v	DPSCD Settlement Payment - NEW	\$0			\$0	\$0	\$0		\$0
11w	Oxford Response - NEW	\$0	\$9,828,000		\$9,828,000	\$0	\$0		\$0
11x	Consolidation Studies - NEW	\$0			\$0	\$0	\$0	\$5,000,000	\$5,000,000
11y	Infrastructure Study - NEW	\$0			\$0	\$0	\$0	\$20,000,000	\$20,000,000
11y	School Infrastructure Projects - NEW	\$0			\$0	\$171,000,000	\$0		\$0
11z	Consolidated District Debt - NEW	\$0			\$0	\$0	\$500,000,000		\$0
20f	Categorical Offset Payments	\$18,000,000			\$18,000,000	\$18,000,000	\$18,000,000		\$18,000,000
21h	Partnership Model Districts	\$6,137,400			\$6,137,400	\$6,137,400	\$6,137,400		\$6,137,400
22a	Foundations: Proposal A Obligation Payment	\$4,742,000,000		(\$250,000,000)	\$4,492,000,000	\$4,421,000,000	\$4,421,000,000	(\$366,000,000)	\$4,376,000,000
22b	Foundations: Discretionary Payment	\$5,204,000,000		(\$38,000,000)	\$5,166,000,000	\$5,744,000,000	\$5,572,000,000	\$554,000,000	\$5,758,000,000
22c	Foundations: Equity Payment	\$3,000,000			\$3,000,000	\$3,000,000	\$3,000,000		\$3,000,000
22d	Isolated District Funding	\$8,420,000			\$8,420,000	\$8,841,000	\$8,841,000	\$438,000	\$8,858,000
22e	Rural Transportation - NEW	\$0			\$0	\$0	\$50,000,000		\$0
22g	Inkster Operating Debt	\$25,500,000			\$25,500,000	\$0	\$0	(\$25,500,000)	\$0
22m	Technology Regional Data Hubs	\$2,200,000			\$2,200,000	\$2,200,000	\$2,200,000		\$2,200,000
23b	COVID-19 Remediation Services - Federal - NEW	\$0			\$0	\$0	\$0		\$0
23c	Summer Program Teacher and Staff Incentives - Federal - NEW	\$0			\$0	\$0	\$0		\$0
23f	Learning Pods - NEW	\$0			\$0	\$0	\$0		\$0
24	Court-Placed Pupils	\$7,650,000			\$7,650,000	\$7,650,000	\$56,212,500	\$5,000,000	\$5,000,000
24a	Juvenile Detention Facility Programs	\$1,355,700			\$1,355,700	\$1,355,700	\$1,355,700		\$1,355,700
25f	Strict Discipline Academies	\$1,600,000			\$1,600,000	\$1,600,000	\$1,600,000		\$1,600,000
25g	Dropout Recovery Programs	\$750,000			\$750,000	\$750,000	\$750,000		\$750,000
25i	Attendance Recovery	\$6,000,000			\$6,000,000	\$0	\$5,000,000	(\$6,000,000)	\$0
26a	Renaissance Zone Reimbursement	\$15,300,000		(\$1,300,000)	\$14,000,000	\$14,000,000	\$14,000,000	(\$1,300,000)	\$14,000,000
26b	PILT Reimbursement	\$4,710,000			\$4,710,000	\$4,710,000	\$4,710,000	\$279,000	\$4,989,000
26c	Promise Zone Funding	\$13,800,000		\$1,000,000	\$14,800,000	\$14,800,000	\$14,800,000	\$1,000,000	\$14,800,000
26d	Brownfield Redevelopment Reimbursement	\$7,500,000		\$4,500,000	\$12,000,000	\$7,500,000	\$7,500,000	\$6,900,000	\$14,400,000
27a	Mi Future Educator Fellowship Program - NEW	\$0			\$0	\$100,000,000	\$0	\$25,000,000	\$25,000,000
27a(3)	Mi Future Educator Student Teacher Stipend Program - NEW	\$0			\$0	\$0	\$0		\$0
27a(4)	Mi Future Educator Graduate Fellowship - NEW	\$0			\$0	\$0	\$0		\$0
27a	Mi Student Teacher Scholarship Program - NEW	\$0			\$0	\$0	\$25,000,000		\$0
27b	Grow Your Own Programs - Federal - NEW	\$0			\$0	\$0	\$0	\$155,000,000	\$155,000,000
27b	Grow Your Own Programs - NEW	\$0			\$0	\$0	\$0	\$20,000,000	\$20,000,000
27b	Student Transportation Services - NEW	\$0			\$0	\$0	\$5,000,000		\$0
27c	Retention Bonuses - NEW	\$0			\$0	\$0	\$0		\$0
27c	Mi Future Educator Student Teacher Stipend Program - NEW	\$0			\$0	\$0	\$0	\$50,000,000	\$50,000,000
27d	New Teacher Programs - NEW	\$0			\$0	\$50,000,000	\$0		\$0
27e	Innovative Education Workforce Grants - NEW	\$0			\$0	\$0	\$0		\$0
27f	Education Workforce Support - NEW	\$0		\$500,000	\$500,000	\$0	\$0		\$0
30	Future Educator Scholarship - Federal - NEW	\$0			\$0	\$0	\$38,000,000		\$0
30	Future Educator Scholarship - NEW	\$0			\$0	\$0	\$33,000,000		\$0
30a	Grow Your Own Programs - Federal - NEW	\$0			\$0	\$0	\$213,175,000		\$0
30a	Grow Your Own Programs - NEW	\$0			\$0	\$0	\$825,000		\$0
30b	Student Teaching Compensation - Federal - NEW	\$0			\$0	\$0	\$150,000,000		\$0
30b	Student Teaching Compensation - NEW	\$0			\$0	\$0	\$0		\$0
30c	Troops to Teachers - Federal - NEW	\$0			\$0	\$0	\$50,000,000		\$0
30c	Troops to Teachers - NEW	\$0			\$0	\$0	\$0		\$0
31a	At-Risk Pupil Support	\$512,500,000			\$512,500,000	\$746,500,000	\$512,500,000	\$235,000,000	\$747,500,000
31a(7)	School Based Health Centers	\$8,000,000			\$8,000,000	\$19,000,000	\$22,300,000	\$25,000,000	\$33,000,000
31a(7)	School Based Health Centers - Federal	\$0			\$0	\$0	\$30,000,000		\$0
31a(8)	Hearing, Vision, & Dental Screening	\$6,650,000			\$6,650,000	\$6,650,000	\$6,650,000		\$6,650,000
31a(17)	At-Risk Pupil Hold Harmless	\$12,000,000			\$12,000,000	\$0	\$12,000,000	(\$12,000,000)	\$0

**LINE ITEM SUMMARY**

Sec.		FY 2021-2022			FY 2022-2023	FY 2022-2023	FY 2022-2023	FY 2022-2023	
		FY 22 2021 PA 48 YTD	2022 PA 6012 Supplemental	Change from 2022 PA 6012	FY 22 2022 PA 144 Enacted	FY 23 Exec Rec	FY 23 House	FY 23 Senate	Change from FY 22 YTD
31d	State School Lunch Programs	\$23,838,400		\$715,000	\$24,553,400	\$24,553,400	\$24,553,400	\$715,000	\$24,553,400
31d	School Lunch Programs - Federal	\$556,000,000		\$374,700,000	\$930,700,000	\$915,000,000	\$915,000,000	\$359,000,000	\$915,000,000
31f	School Breakfast Program	\$11,900,000			\$11,900,000	\$11,900,000	\$11,900,000		\$11,900,000
31j	Local Produce in School Meals	\$4,500,000			\$4,500,000	\$4,500,000	\$9,300,000	\$4,800,000	\$9,300,000
31n	School Mental Health and Support Services	\$53,900,000			\$53,900,000	\$103,900,000	\$39,600,000	\$25,000,000	\$78,900,000
31n	School Mental Health and Support Services - Federal	\$0			\$0	\$0	\$40,000,000		\$0
31n(11)	School-Based Mental Health Personnel Capacity Building - NEW	\$0			\$0	\$5,000,000	\$0		\$0
31n(11)	School-Based Mental Health Personnel Cap. Building - Federal - NEW	\$0			\$0	\$0	\$5,000,000		\$0
31n(12)	Mental Health Screening Tools - NEW	\$0			\$0	\$25,000,000	\$0		\$0
31n(12)	Mental Health Screening Tools - Federal - NEW	\$0			\$0	\$0	\$10,000,000		\$0
31o	Wraparound Services	\$240,000,000			\$240,000,000	\$120,000,000	\$0	(\$240,000,000)	\$0
31o	Wraparound Services - Federal	\$0			\$0	\$0	\$30,000,000		\$0
31p	TRAILS - NEW	\$0			\$0	\$150,000,000	\$0	\$10,000,000	\$0
31p	TRAILS - Federal - NEW	\$0			\$0	\$0	\$0	\$50,000,000	\$50,000,000
31q	Community-Based Organization Programs - Federal - NEW	\$0			\$0	\$0	\$15,000,000		\$0
31q	Discover You - NEW	\$0			\$0	\$0	\$0	\$2,000,000	\$2,000,000
31r	HealthBar - Federal - NEW	\$0			\$0	\$0	\$15,000,000		\$0
31y	Year-Round Instruction: 3% Foundation Payment	\$60,000,000			\$60,000,000	\$0	\$0	(\$60,000,000)	\$0
31z	Year-Round Instruction: Infrastructure Grants - Federal	\$75,000,000			\$75,000,000	\$0	\$0	(\$75,000,000)	\$0
31aa	SMART Internship Grant Program - Federal - NEW	\$0			\$0	\$0	\$20,000,000		\$0
31aa	SMART Internship Grant Program - NEW	\$0			\$0	\$0	\$0	\$15,000,000	\$0
31aa	Per-Pupil Mental Health Grant - NEW	\$0			\$0	\$0	\$0	\$150,000,000	\$150,000,000
31bb	Eastern UP Intermediate District Learning Center - NEW	\$0			\$0	\$0	\$0	\$700,000	\$700,000
31cc	Purple Star Program - NEW	\$0			\$0	\$0	\$100	\$1,105,000	\$1,105,000
31dd	Roadmaps Program - NEW	\$0			\$0	\$0	\$0	\$427,500	\$427,500
31ee	Detroit Horse Power - NEW	\$0			\$0	\$0	\$0	\$500,000	\$500,000
31ff	Consolidation or Sharing of Noninstructional Activities - NEW	\$0			\$0	\$0	\$100		\$0
32d	Great Start Readiness Program - State	\$297,470,000			\$297,470,000	\$451,470,000	\$361,970,000	\$72,000,000	\$369,470,000
32d	Great Start Readiness Program - Federal	\$121,000,000			\$121,000,000	\$0	\$83,000,000	(\$38,000,000)	\$83,000,000
32d(26)	GSRP Classroom Start Up Grants - NEW	\$0			\$0	\$0	\$0		\$0
32n	Before and After School Programs - NEW	\$0			\$0	\$50,000,000	\$0		\$0
32n	Before and After School Programs - Federal - NEW	\$0			\$0	\$0	\$50,000,000	\$25,000,000	\$25,000,000
32p	Early Childhood Block Grants	\$13,400,000			\$13,400,000	\$22,900,000	\$13,400,000		\$13,400,000
32s	GSRP Home Pilot - NEW	\$0			\$0	\$5,000,000	\$0		\$0
32t	Strong Beginnings Program - NEW	\$0			\$0	\$0	\$0	\$2,200,000	\$2,200,000
32u	BookNook - NEW	\$0			\$0	\$0	\$0	\$5,000,000	\$5,000,000
35a(4)	Early Literacy Teacher Coaches	\$31,500,000			\$31,500,000	\$31,500,000	\$31,500,000		\$31,500,000
35a(5)	Early Literacy Added Instructional Time	\$19,900,000			\$19,900,000	\$19,900,000	\$19,900,000		\$19,900,000
35a(7)	Literacy & Math Essentials	\$6,000,000			\$6,000,000	\$6,000,000	\$6,000,000		\$6,000,000
35a(8)	Michigan Education Corps	\$3,500,000			\$3,500,000	\$3,500,000	\$5,000,000	\$1,500,000	\$5,000,000
35a(10)	PD - Literacy Coaches and Classroom Teachers	\$4,000,000			\$4,000,000	\$4,000,000	\$4,000,000	\$6,000,000	\$10,000,000
35b	Children's Choice	\$250,000			\$250,000	\$0	\$0	(\$250,000)	\$0
35d	Orton Gilligham Dyslexia Program	\$1,000,000			\$1,000,000	\$0	\$0	\$1,000,000	\$1,000,000
35e	Boys and Girls Club	\$2,000,000			\$2,000,000	\$0	\$0	(\$2,000,000)	\$0
35f	Chaldean Community Foundation	\$750,000			\$750,000	\$0	\$0	\$250,000	\$1,000,000
35g	Innovative Community Libraries	\$1,000,000			\$1,000,000	\$0	\$1,000,000		\$1,000,000
35h	Jewish Federation	\$1,700,000			\$1,700,000	\$0	\$0	(\$1,200,000)	\$500,000
35j	Learner Vanguard Grants - NEW	\$0			\$0	\$0	\$500,000		\$0
35j	BookNook - Federal - NEW	\$0			\$0	\$0	\$10,000,000		\$0
35j	BookNook - NEW	\$0			\$0	\$0	\$5,000,000		\$0
39a(1)	Federal ESSA Grant Funds	\$752,300,000			\$752,300,000	\$752,300,000	\$752,300,000		\$752,300,000
39a(2)	Other Federal Funding	\$56,500,000			\$56,500,000	\$56,500,000	\$56,500,000		\$56,500,000
41	English Language Learner Grants	\$25,200,000			\$25,200,000	\$26,475,000	\$25,200,000	\$1,311,000	\$26,511,000
41a	Mi Alma - Exito Educativo	\$450,000			\$450,000	\$0	\$0	(\$450,000)	\$0
41b	Afghan Refugees - NEW	\$0			\$0	\$0	\$1,250,000	\$1,250,000	\$1,250,000
51a(1)	Special Education - Federal Reimbursement	\$380,000,000			\$380,000,000	\$390,000,000	\$390,000,000	\$10,000,000	\$390,000,000

**SCHOOL AID**

**LINE ITEM SUMMARY**

Sec.		FY 2021-2022			FY 2022-2023	FY 2022-2023	FY 2022-2023	FY 2022-2023		
		FY 22 2021 PA 48 YTD	2022 PA 6012 Supplemental	Change from 2022 PA 6012	FY 22 2022 PA 144 Enacted	FY 23 Exec Rec	FY 23 House	FY 23 Senate	Change from FY 22 YTD	FY 23 2022 PA 144 Enacted
51a(2)	Special Ed ISD Foundation and Costs	\$332,000,000		(\$20,200,000)	\$311,800,000	\$323,300,000	\$323,300,000	\$323,300,000	(\$8,700,000)	\$323,300,000
51a(3)	Special Ed ISD Hold Harmless Payment	\$1,000,000			\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000		\$1,000,000
51a(6)	Special Ed Admin Rules Changes	\$2,200,000			\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000		\$2,200,000
51a(11)	Special Ed Foundations for Non Sec. 52 to ISDs	\$2,900,000		(\$1,400,000)	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	(\$1,400,000)	\$1,500,000
51c	Special Ed Headlee Obligation (Durant)	\$733,400,000		(\$47,200,000)	\$686,200,000	\$710,000,000	\$710,000,000	\$710,000,000	(\$23,500,000)	\$709,900,000
51d	Special Education - Other Federal Grants	\$71,000,000			\$71,000,000	\$71,000,000	\$71,000,000	\$71,000,000		\$71,000,000
51f	Special Education Cost Reimbursement	\$90,207,000			\$90,207,000	\$240,207,000	\$300,207,000	\$90,207,000	(\$90,207,000)	\$0
51g	Remote Learning Library	\$3,000,000			\$3,000,000	\$3,000,000	\$3,000,000	\$0		\$3,000,000
51e	Special Education Foundation Payment	\$0			\$0	\$0	\$0	\$0	\$336,207,000	\$336,207,000
53a	Special Ed for Court Placed Pupils	\$10,500,000			\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000		\$10,500,000
54	Special Ed Michigan School Blind/Deaf	\$1,688,000			\$1,688,000	\$1,688,000	\$1,688,000	\$1,688,000		\$1,688,000
54b	Special Education Task Force Reforms (MiBLSI)	\$1,600,000			\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000		\$1,600,000
54d	Spec. Ed. Task Force - Early On	\$14,150,000			\$14,150,000	\$21,250,000	\$14,150,000	\$14,150,000	\$7,100,000	\$21,250,000
55	Conductive Learning	\$250,000			\$250,000	\$0	\$0	\$300,000	\$50,000	\$300,000
56	Special Ed ISD Millage Equalization	\$40,008,100			\$40,008,100	\$40,008,100	\$40,008,100	\$40,008,100		\$40,008,100
56(7)	Special Ed Millage Incentive	\$34,200,000			\$34,200,000	\$34,200,000	\$34,200,000	\$34,200,000		\$34,200,000
61a	Career & Tech Ed Programs	\$37,611,300			\$37,611,300	\$47,611,300	\$37,611,300	\$37,611,300	\$10,000,000	\$47,611,300
61b	Career & Tech Ed Early/Middle College	\$8,000,000			\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000		\$8,000,000
61c	CTE Equipment Upgrades	\$7,500,000			\$7,500,000	\$10,000,000	\$15,000,000	\$7,500,000		\$7,500,000
61d	CTE Incentive Payment	\$5,000,000			\$5,000,000	\$5,000,000	\$6,000,000	\$5,000,000		\$5,000,000
61g	COOR ISD CTE Program	\$2,500,000			\$2,500,000	\$0	\$0	\$0	(\$2,500,000)	\$0
61i	CTE Teacher Recruitment and Retention - Federal - NEW	\$0			\$0	\$0	\$14,000,000	\$0		\$0
61i	CTE Teacher Recruitment and Retention - NEW	\$0			\$0	\$0	\$0	\$0	\$10,000,000	\$10,000,000
62	ISD Career & Tech Ed Millage Equalization	\$9,190,000			\$9,190,000	\$20,000,000	\$9,190,000	\$9,190,000		\$9,190,000
65	Detroit PreCollege Engineering	\$400,000			\$400,000	\$400,000	\$400,000	\$400,000	\$500,000	\$900,000
67	Career and College Readiness Tools	\$3,000,000			\$3,000,000	\$3,000,000	\$100	\$3,000,000		\$3,000,000
67a	MITES	\$50,000			\$50,000	\$0	\$50,000	\$50,000		\$50,000
67b	PRIME - Federal	\$6,000,000		(\$6,000,000)	\$0	\$0	\$0	\$0	(\$6,000,000)	\$0
67c	Michigan State University Developer Academy - NEW	\$0			\$0	\$0	\$0	\$3,000,000		\$3,000,000
67d	ProStart/HTM Hospitality and Tourism CTE Grants - NEW	\$0			\$0	\$0	\$0	\$100	\$2,500,000	\$2,500,000
67e	Skilled Trades for Students - NEW	\$0			\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
74	School Bus Driver Safety Instruction	\$2,025,000		\$159,000	\$2,184,000	\$2,025,000	\$2,025,000	\$2,025,000		\$2,025,000
74	School Bus Inspections	\$1,780,800			\$1,780,800	\$1,819,200	\$1,819,200	\$1,819,200	\$38,400	\$1,819,200
81	ISD General Operations Support	\$71,903,600			\$71,903,600	\$75,498,800	\$71,903,600	\$71,903,600	\$3,739,000	\$75,642,600
94	AP/IB/CLEP Incentive Program	\$1,200,000			\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		\$1,200,000
94a	Center for Educational Performance and Information	\$18,802,500			\$18,802,500	\$19,032,300	\$19,032,300	\$19,032,300	\$229,800	\$19,032,300
94a	Center for Educational Performance and Info - Federal	\$193,500			\$193,500	\$193,500	\$193,500	\$193,500		\$193,500
94c	K-12 Reporting, Noninstructional Staffing/Spending, & IT Strategy	\$1,500,000			\$1,500,000	\$0	\$0	\$0	(\$1,500,000)	\$0
94d	Special Education Task Force	\$1,500,000			\$1,500,000	\$0	\$0	\$0	(\$1,500,000)	\$0
94e	Data System Development - Federal - NEW	\$0			\$0	\$0	\$76,000,000	\$0		\$0
94e	Data System Development - NEW	\$0			\$0	\$0	\$7,600,000	\$0		\$0
95b	Educator and Administrator Evaluations	\$2,000,000			\$2,000,000	\$0	\$100	\$100		\$2,000,000
97	School Safety Grants	\$10,000,000			\$10,000,000	\$51,000,000	\$227,500,000	\$10,000,000	\$158,000,000	\$168,000,000
97a	Navigate 360	\$1,947,000			\$1,947,000	\$0	\$1,947,000	\$1,947,000		\$1,947,000
97b	School Resource Officers - NEW	\$0			\$0	\$0	\$50,000,000	\$0	\$25,000,000	\$25,000,000
97b/97f	Cross-System Intervention Approach - NEW	\$0			\$0	\$15,000,000	\$0	\$0	\$15,000,000	\$15,000,000
97c	Risk Assessments - NEW	\$0	\$15,000,000		\$15,000,000	\$0	\$16,000,000	\$15,000,000		\$0
97d	ISD Mental Health and Safety Coordinators - Federal - NEW	\$0			\$0	\$0	\$8,400,000	\$0		\$0
97d	Critical Incidence Mapping - NEW	\$0	\$12,500,000		\$12,500,000	\$0	\$0	\$10,000,000		\$0
97e	School Safety and Mental Health Commission - Federal - NEW	\$0			\$0	\$0	\$2,000,000	\$0		\$0
97e	School Safety and Mental Health Commission - NEW	\$0			\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
97e	AI Security Monitoring - NEW	\$0			\$0	\$0	\$0	\$100		\$0
97f	Student Advocacy Center of Michigan - NEW	\$0			\$0	\$0	\$0	\$100,000		\$0
98	Michigan Virtual University	\$7,500,000			\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$500,000	\$8,000,000
98c	Learning Loss - Federal - NEW	\$0		\$52,056,000	\$52,056,000	\$0	\$0	\$0		\$0
98c	Learning Loss - NEW	\$0			\$0	\$0	\$0	\$70,000,000		\$0

LINE ITEM SUMMARY

Sec.		FY 2021-2022				FY 2022-2023	FY 2022-2023	FY 2022-2023	FY 2022-2023	
		FY 22 2021 PA 48 YTD	2022 PA 6012 Supplemental	Change from 2022 PA 6012	FY 22 2022 PA 144 Enacted	FY 23 Exec Rec	FY 23 House	FY 23 Senate	Change from FY 22 YTD	FY 23 2022 PA 144 Enacted
98d	Michigan Learning Channel	\$2,000,000			\$2,000,000	\$0	\$3,000,000	\$2,500,000	(\$2,000,000)	\$0
98e	Mi-STAR - NEW	\$0			\$0	\$0	\$750,000	\$0		\$0
99h	FIRST Robotics	\$5,323,200			\$5,323,200	\$5,323,200	\$5,323,200	\$5,823,200	\$500,000	\$5,823,200
99i	Women in Technology	\$150,000			\$150,000	\$0	\$0	\$0	\$350,000	\$500,000
99r	Fab Labs - NEW	\$0			\$0	\$0	\$350,000	\$0		\$0
99s(4)	MiSTEM Council and Grants	\$3,050,000			\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000		\$3,050,000
99s(5)	MiSTEM Grants - Math and Science Centers - Federal	\$235,000			\$235,000	\$0	\$0	\$0	(\$235,000)	\$0
99s(5)(7)	MiSTEM Centers Transition	\$4,584,300			\$4,584,300	\$4,584,300	\$4,584,300	\$4,584,300		\$4,584,300
99s(12)	MiSTEM Executive Director	\$300,000			\$300,000	\$0	\$300,000	\$0	(\$300,000)	\$0
99t	Algebra Nation	\$2,000,000			\$2,000,000	\$0	\$0	\$2,000,000	\$1,000,000	\$3,000,000
99u	Imagine Learning	\$6,000,000			\$6,000,000	\$0	\$100	\$6,000,000		\$6,000,000
99w	Michigan Fitness Foundation	\$400,000			\$400,000	\$0	\$0	\$0	(\$400,000)	\$0
99x	Teach for America	\$1,000,000			\$1,000,000	\$0	\$0	\$1,000,000	(\$1,000,000)	\$0
99x	Teach for America - Federal	\$0			\$0	\$0	\$20,000,000	\$0	\$20,000,000	\$20,000,000
99aa	Project SEARCH	\$1,500,000			\$1,500,000	\$0	\$0	\$1,500,000		\$1,500,000
99bb	YMCA Youth In Government	\$3,750,000			\$3,750,000	\$0	\$0	\$0	(\$3,750,000)	\$0
99cc	NAF Academies - NEW	\$0			\$0	\$0	\$750,000	\$0	\$253,000	\$253,000
99dd	MI Science Center - NEW	\$0			\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
99ee	Hispanic Collaborative - NEW	\$0			\$0	\$0	\$0	\$0	\$1,500,000	\$1,500,000
104	Education Assessments - State	\$29,509,400			\$29,509,400	\$37,509,400	\$29,509,400	\$29,509,400	\$8,000,000	\$37,509,400
104	Education Assessments - Federal	\$6,250,000			\$6,250,000	\$6,250,000	\$6,250,000	\$6,250,000		\$6,250,000
104f	Digital Literacy Training	\$500,000			\$500,000	\$0	\$0	\$150,000	(\$350,000)	\$150,000
104h/104i	Benchmark Assessments for the Following School Year	\$11,500,000			\$11,500,000	\$11,500,000	\$11,500,000	\$11,500,000		\$11,500,000
107	Adult Education	\$30,500,000			\$30,500,000	\$30,500,000	\$30,500,000	\$30,500,000		\$30,500,000
147a(1)	MPSERS Cost Offset	\$100,000,000			\$100,000,000	\$112,071,000	\$112,071,000	\$100,000,000		\$100,000,000
147a(2)	MPSERS Normal Cost Offset for Lower AROR/Dedicated Gains	\$177,460,000		\$19,600,000	\$197,060,000	\$172,150,000	\$172,150,000	\$172,150,000	\$14,290,000	\$191,750,000
147c	MPSERS State Share of Unfunded Liability Payments	\$1,469,000,000			\$1,469,000,000	\$1,478,500,000	\$3,153,500,000	\$1,478,500,000	\$1,149,900,000	\$2,618,900,000
147e	MPSERS Added Normal/DC Costs for PA 92 of 2017	\$65,300,000		(\$15,300,000)	\$50,000,000	\$69,300,000	\$69,300,000	\$69,300,000	(\$11,300,000)	\$54,000,000
152a	Adair - Database Payment	\$38,000,500			\$38,000,500	\$38,000,500	\$38,000,500	\$38,000,500		\$38,000,500
152b	Nonpublic School Reimbursement	\$1,000,000			\$1,000,000	\$0	\$0	\$1,000,000		\$1,000,000
152c	Audio Recording of Board Meetings - NEW	\$0			\$0	\$0	\$5,000,000	\$0		\$0
<b>TOTAL APPROPRIATIONS</b>		<b>\$16,978,110,700</b>	<b>\$37,328,000</b>	<b>\$65,330,000</b>	<b>\$17,080,768,700</b>	<b>\$18,356,039,200</b>	<b>\$20,101,868,800</b>	<b>\$17,910,004,000</b>	<b>\$2,624,605,700</b>	<b>\$19,602,716,400</b>
<b>REVENUE BY SOURCE</b>										
	Federal Aid	\$2,024,478,500	\$0	\$420,756,000	\$2,445,234,500	\$2,191,243,500	\$3,070,818,500	\$2,191,243,500	\$499,765,000	\$2,524,243,500
	School Aid Fund	\$14,796,232,100	\$25,108,600	(\$355,926,000)	\$14,465,414,700	\$15,814,595,600	\$16,888,350,400	\$15,548,063,900	\$1,957,840,800	\$16,754,072,900
	MPSERS Obligation Reform Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$140,400,000	\$140,400,000
	Community District Trust Fund/Other Restricted Fund	\$72,000,100	\$0	\$0	\$72,000,100	\$242,000,100	\$72,000,100	\$72,000,100	(\$100)	\$72,000,000
	General Fund/General Purpose	\$85,400,000	\$12,219,400	\$500,000	\$98,119,400	\$108,200,000	\$70,699,800	\$98,696,500	\$26,600,000	\$112,000,000
<b>TOTAL REVENUE</b>		<b>\$16,978,110,700</b>	<b>\$37,328,000</b>	<b>\$65,330,000</b>	<b>\$17,080,768,700</b>	<b>\$18,356,039,200</b>	<b>\$20,101,868,800</b>	<b>\$17,910,004,000</b>	<b>\$2,624,605,700</b>	<b>\$19,602,716,400</b>

**DEPARTMENT OF STATE POLICE  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 12)**

**Analyst: Marcus Coffin**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$24,816,300	\$25,502,400	\$686,100	2.8
<b>Federal</b>	145,331,500	81,804,300	(63,527,200)	(43.7)
<b>Local</b>	4,832,700	4,904,500	71,800	1.5
<b>Private</b>	35,000	35,000	0	0.0
<b>Restricted</b>	158,308,100	158,750,400	442,300	0.3
<b>GF/GP</b>	527,822,500	552,709,200	24,886,700	4.7
<b>Gross</b>	<b>\$861,146,100</b>	<b>\$823,705,800</b>	<b>(\$37,440,300)</b>	<b>(4.3)</b>
<b>FTEs</b>	3,695.0	3,757.0	62.0	1.7

**Notes:**

- (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.
- (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Department of State Police (MSP) is the state's primary law enforcement and emergency response authority. The department is responsible for criminal law enforcement and investigation, traffic and motor carrier safety, and homeland security. The department is also responsible for the administration and implementation of various state programs, technologies, and specialized services intended to enhance the capabilities and coordination of federal, state, and local law enforcement agencies, the criminal justice system, and the entire public safety community.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>1. FY 2022-23 Trooper Recruit School</b>	FTE	NA	50.0
Includes \$9.2 million GF/GP (\$4.5 million ongoing, \$4.7 million one-time) and authorization for 50.0 FTE positions to support various costs associated with an FY 2022-23 trooper recruit school, which is projected to graduate 50 troopers. Costs that will be covered by this funding include training materials, patrol vehicles, trooper outfitting, and salaries.	<b>Gross</b>	<b>NA</b>	<b>\$9,239,800</b>
	GF/GP	NA	\$9,239,800
<b>2. FY 2021-22 Trooper Recruit School Annualization</b>	<b>Gross</b>	<b>NA</b>	<b>\$5,670,800</b>
Includes \$5.7 million GF/GP to support departmental expenses incurred for troopers that are graduating from trooper recruit school during FY 2021-22. Costs include fleet leasing, IT support, salaries, and benefits.	GF/GP	NA	\$5,670,800
<b>3. Training and Professional Development</b>	FTE	22.0	0.0
Includes \$3.0 million GF/GP for training and professional development activities within MSP's Professional Development Bureau. Activities include, but are not limited to, department-led training, seminars, and third-party offerings. Training opportunities will be available to public-facing enlisted staff (approximately 1,250 personnel), as well as to other department personnel that may benefit from the training.	<b>Gross</b>	<b>\$4,500,000</b>	<b>\$3,000,000</b>
	GF/GP	\$4,500,000	\$3,000,000
<b>4. Contractual Services</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,800,000</b>
Includes \$2.8 million GF/GP (one-time) for increased levels of contractual services that MSP provides for executive security.	GF/GP	NA	\$2,800,000



<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>5. Fleet Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,069,000</b>
Includes an additional \$2.1 million Gross (\$1.9 million GF/GP) for increased costs that MSP remits to the Department of Technology, Management and Budget for its vehicle fleet. Primary factors that are included in the increase are higher costs for insurance premiums, fuel, and maintenance. The MSP fleet currently totals 2,452 vehicles, with 1,171 of those being patrol vehicles.	IDG/IDT	NA	38,800
	Local	NA	33,400
	Restricted	NA	54,500
	GF/GP	NA	\$1,942,300
<b>6. Crime Victim Support Program</b>	FTE	NA	4.0
Includes \$518,400 GF/GP (one-time) and authorization for 4.0 FTE positions to place full-time victim advocates in 2 MSP districts as a pilot program. Advocates will collaborate with federal, state, and local agencies to coordinate services and address the needs of crime victims. Victim advocates will address victim needs in early interactions with criminal justice agencies; specifically, advocates will inform crime victims of their rights, provide social service agency referrals, and assist with the victim compensation process.	<b>Gross</b>	<b>NA</b>	<b>\$518,400</b>
	GF/GP	NA	\$518,400
<b>7. Intelligence Operations Division – Cyber Crime Section Expansion</b>	FTE	209.0	8.0
Includes \$1.1 million GF/GP and authorization for 8.0 FTE positions to hire additional digital forensic analysts within the Intelligence Operations Division. Additional analysts will allow the department to increase processing of digital evidence, which, in addition to MSP cases, is also received from local law enforcement agencies and the National Center for Missing and Exploited Children.	<b>Gross</b>	<b>\$29,003,800</b>	<b>\$1,130,900</b>
	IDG/IDT	100,000	0
	Restricted	2,381,300	0
	GF/GP	\$26,522,500	\$1,130,900
<b>8. Secondary Road Patrol Program</b>	<b>Gross</b>	<b>\$13,073,200</b>	<b>\$1,922,700</b>
Includes a restructuring of funding for the Secondary Road Patrol Program, eliminating all GF/GP for the program and replacing it with state restricted funding authorization from the Secondary Road Patrol and Training Fund. This change will reflect changes included in HB 5732, and would bring total funding for the Secondary Road Patrol Program line (factoring in economic adjustments) to \$15.0 million Gross.	Restricted	11,073,200	3,922,700
	GF/GP	\$2,000,000	(\$2,000,000)
<b>9. Trooper Recruitment</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes \$1.0 million GF/GP (one-time) to increase racial, ethnic, and gender diversity in the MSP enlisted ranks through recruitment activities. Funding will be utilized for digital marketing campaigns, recruiting events, and public relations activities.	GF/GP	NA	\$1,000,000
<b>10. Bottle Bill Enforcement Fund</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
Includes \$1.0 million in state restricted funding authorization from the Bottle Bill Enforcement Fund for MSP enforcement and investigations under the Beverage Containers Act of 1976.	Restricted	NA	1,000,000
	GF/GP	NA	\$0
<b>11. Secure Cities Partnership</b>	FTE	30.0	0.0
Includes an additional \$700,000 GF/GP for the Secure Cities Partnership, with the funding targeted to cities with a population exceeding 100,000 that experienced a violent crime increase of at least 20% since 2018.	<b>Gross</b>	<b>\$8,405,800</b>	<b>\$700,000</b>
	Restricted	1,000,000	0
	GF/GP	\$7,405,800	\$700,000
<b>12. Michigan International Speedway Traffic Control</b>	<b>Gross</b>	<b>NA</b>	<b>\$300,000</b>
Includes \$300,000 GF/GP (one-time) to support traffic control activities at MIS.	GF/GP	NA	\$300,000

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<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>13. Removal of FY 2021-22 One-Time Appropriations</b>			
Removes \$66.0 million Gross (\$21.0 million GF/GP) of one-time funding that was included in the FY 2021-22 budget to support breathalyzer replacements, contracts and services, emergency and disaster response and mitigation, lawsuit settlements, the Secondary Road Patrol Program, and the FY 2021-22 trooper recruit school.	<b>Gross</b>	<b>\$65,985,500</b>	<b>(\$65,985,500)</b>
	Federal	45,000,000	(45,000,000)
	GF/GP	\$20,985,500	(\$20,985,500)
<b>14. Removal of FY 2021-22 Boilerplate and Supplemental Authorizations</b>			
Removes FY 2021-22 federal and state restricted appropriations authorized in boilerplate. Federal funding that was received included disaster funding from the Federal Emergency Management Agency (FEMA), Next Generation 9-1-1 funding from the Department of Transportation, and community policing funding from the Department of Justice. The state restricted appropriations were for funding from the Disaster and Emergency Contingency Fund used to cover costs associated with flooding in Southeast Michigan in 2021. Also removes one-time appropriations included in a supplemental budget bill, 2021 PA 133.	<b>Gross</b>	<b>\$31,688,400</b>	<b>(\$27,288,400)</b>
	Federal	19,378,400	(19,378,400)
	Restricted	12,310,000	(7,910,000)
	GF/GP	\$0	\$0
<b>15. Technical Adjustments</b>			
Includes \$575,300 Gross for numerous adjustments to various fund sources (IDG/IDT and state restricted) to align expenditures and revenues. Also includes numerous internal net to zero transfers to align funding and FTE authorization with department activity. Net to zero transfers include the following:	<b>Gross</b>	<b>NA</b>	<b>\$575,300</b>
	IDG/IDT	NA	100,000
	Restricted	NA	475,300
	GF/GP	NA	\$0
<ul style="list-style-type: none"> <li>• Transfers \$2.6 million Gross (\$1.8 million GF/GP) and 16.0 FTE positions from the Post Operations and Training line items to the Professional Development Bureau line item.</li> <li>• Transfers all funding (\$1.5 million Gross) from the Accounting Service Center line item to the Department Services line item to consolidate all financial services operations.</li> <li>• Transfers \$406,500 GF/GP and 3.0 FTE positions from the Post Operations line item to the Executive Direction line item.</li> <li>• Transfers \$584,300 GF/GP and 3.0 FTE positions from the Post Operations line item to the Intelligence Operations line item.</li> </ul>			
<b>16. Economic Adjustments</b>			
Reflects increased costs of \$25.9 million Gross (\$21.6 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	<b>Gross</b>	<b>NA</b>	<b>\$25,906,700</b>
	IDG/IDT	NA	547,300
	Federal	NA	851,200
	Local	NA	38,400
	Restricted	NA	2,899,800
	GF/GP	NA	\$21,570,000

**Major Boilerplate Changes from FY 2021-22**

**Sec. 206. Communication with the Legislature – RETAINED (UNENFORCEABLE)**

Prohibits MSP from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 217. Work Project Usage – RETAINED (UNENFORCEABLE)**

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. *(Governor's signing letter states this section is unenforceable.)*

**Major Boilerplate Changes from FY 2021-22****Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 226. Privatization Project Plans – RETAINED (UNENFORCEABLE)**

Requires submission of a project plan 90 days before beginning any effort to privatize and requires evaluation of plan within 30 months. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 230. Authorization to Expend Private Donations – REVISED**

Authorizes MSP to accept monetary and non-monetary donations for purposes designated by the donor; authorizes carry forward of unexpended funds. Revised to allow receive and expend of private revenues in excess of the appropriations in part 1 (only if received as a monetary or non-monetary donation under this section) and to require notification of the subcommittees and fiscal agencies within 10 days of an approval.

**Sec. 233. Officer Evaluation Criteria – RETAINED (UNENFORCEABLE)**

Prohibits use of citation volumes as a metric for performance evaluation and prohibits setting a specified number of citations for an officer. *(Governor's signing letter states this section is unenforceable.)*

**Sec. 236. Department Core Services – DELETED**

Lists MSP's core services and requires appropriations be expended for core services.

**Sec. 236. Remote Work – NEW**

Expresses legislative intent that MSP maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires MSP to post its in-person, remote, or hybrid work policy on its website.

**Sec. 301. Professional Development – NEW**

Lists types of training activities permitted with funds for the professional development bureau; requires a report on MSP's training curriculum and completion metrics.

**Sec. 601. General Law Enforcement and Traffic Safety – RETAINED (PARTIALLY UNENFORCEABLE)**

(1) Stipulates MSP troopers shall not be prohibited from responding to criminal or emergency situations and shall make every effort to protect residents; (2) requires MSP to maintain staff and resources to enhance traffic safety and dedicate a minimum of 455,200 hours to statewide patrol, with a minimum of 40,000 in distressed cities; (3) requires MSP to report number of residence checks of registered sex offenders; (4) requires report on Secure Cities Partnership. *(Governor's signing letter states item 2 is unenforceable.)*

**Sec. 602. Criminal Investigations – REVISED (PARTIALLY UNENFORCEABLE)**

(1) Requires MSP to identify and apprehend criminals through investigations; (2) requires maintenance of a specified number of investigation hours; (3) requires MSP to meet or exceed case clearance rate of 62%; (4) requires MSP to provide training opportunities to local law enforcement partners related to gambling laws, opioid investigations, and other law enforcement issues; (5) requires MSP to maintain staffing to investigate the average annual number of opioid-related investigations by multijurisdictional task forces that occurred in the preceding five fiscal years and requires MSP to enhance investigative and drug interdiction efforts. Revised to include a 5 year benchmark in item (2). *(Governor's signing letter states items 2 through 5 are unenforceable.)*

**Sec. 603. Tobacco Tax Fraud Investigations – RETAINED (PARTIALLY UNENFORCEABLE)**

(1) Requires MSP to provide prevention and suppression of organized untaxed tobacco smuggling; (2) requires submission of report pertaining to tobacco tax enforcement activities and expenditures; (3) requires MSP to dedicate a minimum of 16,600 hours to tobacco tax enforcement. *(Governor's signing letter states item 3 is unenforceable.)*

**Sec. 605. Secure Cities Partnership – NEW**

Requires \$700,000 Gross to be allocated to cities with a population over 100,000 that have seen at least a 20% increase in violent crime since 2018.

**Sec. 701. Intelligence and Special Operations – RETAINED (PARTIALLY UNENFORCEABLE)**

(1) Requires MSP to operate Michigan Intelligence Operations Center for Homeland Security (MIOC); (2) requires MSP to provide timely and accurate information to partners regarding critical information key resource threats and to increase public awareness on how to report suspicious activity; (3) requires MSP to operate Cyber Section and sets staffing goals; (4) requires MSP to provide digital forensic analysis and establishes case turnaround goal. *(Governor's signing letter states items 3 and 4 are unenforceable.)*

**STATE POLICE**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 702. Specialized Support Teams – RETAINED (PARTIALLY UNENFORCEABLE)**

(1) Requires MSP to provide specialized support services; (2) requires MSP to maintain staffing and resources to provide training to maintain readiness to respond to at least the average annual number of specialty service requests that occurred during the preceding five fiscal years; (3) requires canine unit to be available for call out 100% of the time; (4) requires bomb squad unit to be available for call out 100% of the time; (5) requires emergency support teams to be available for call out 100% of the time; (6) requires marine services team to be available for call out 100% of the time; (7) requires aviation services to be available for call out 100% of the time, unless prohibited by weather or mechanical breakdown; (8) requires maintenance of adequate levels of staffing and resources to provide security services at state Capitol Building and surrounding buildings, and establishes a goal of 35,000 patrols at state-owned and leased facilities. (Governor's signing letter states items 2 through 8 are unenforceable.)

**Sec. 704. Emergency Management and Homeland Security – RETAINED (PARTIALLY UNENFORCEABLE)**

(1) Requires MSP to coordinate emergency and disaster response activities of governmental units; (2) authorizes expenditure of appropriated funds to call upon state agencies or departments to protect life or property or to protect health or safety of any area under a state of emergency or disaster; requires report to state budget director and submission of recommendations to legislature for supplemental appropriations; (3) authorizes department to receive and expend additional funds from various sources to provide emergency management training or emergency response activities and requires notification of legislative bodies; limits federal receive and expend under Sec. 704(3) and Sec. 231 to \$45.0 million and state restricted receive and expend under Sec. 704(3) and Sec. 704(7) to \$15.0 million; (4) requires department to maintain partnerships to protect the state from all hazards; (5) requires department to serve local emergency management preparedness programs and local emergency planning committees, operate and maintain State Emergency Operations Center, respond to civil disorders and natural disasters at a specified level, and perform hazardous materials response training; (6) requires department to conduct a minimum of three training sessions to enhance emergency response; (7) appropriates amounts necessary from Disaster and Emergency Contingency Fund to cover costs related to disasters and emergencies upon approval of state budget director and notification of legislature, and requires department to submit report related to expenditures from fund; limits appropriations under Sec. 704(7) and receive and expend under Sec. 704(3) to \$15.0 million; (8) requires authorization for department expenditures from Disaster and Emergency Contingency Fund and requires reporting; (9) allows expenditures from any source during declared disasters and emergencies, upon approval of the state budget director and notification of legislative bodies; (10) requires department to report biannually on assessment of critical infrastructure vulnerabilities. (Governor's signing letter states items 8 and 9 are unenforceable.)

**Sec. 801. Federal Emergency and Disaster Response and Mitigation – DELETED**

Appropriates up to \$300 million in federal authorization for emergency and disaster response and mitigation; authorizes expenditure of funds after legislative transfer to specific line items.

**Sec. 801. Michigan International Speedway Traffic Control – RETAINED**

Allocates \$300,000 from the Contracts and Services line item for provision of traffic control support at MIS.

**Sec. 802. Crime Victim Support Pilot Program – NEW**

Requires MSP to operate a pilot program to provide support services to crime victims in 2 MSP districts.

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Departmentwide Fuel Costs**

Appropriates \$2.8 million GF/GP to support increased fuel costs resulting from a fuel surcharge assessed by DTMB Vehicle and Transportation Services due to rising gasoline prices.

	<b>Gross</b>	<b>\$2,766,800</b>
	<b>GF/GP</b>	<b>\$2,766,800</b>

**2. Mobile Office and System Support – Body-Worn Cameras**

Includes \$2.0 million of federal authorization to align with available grant revenues from the Department of Justice. Additional authorization will be utilized to purchase camera hardware and equipment to supplement MSP's body-worn camera program.

	<b>Gross</b>	<b>\$2,000,000</b>
	<b>Federal</b>	<b>2,000,000</b>
	<b>GF/GP</b>	<b>\$0</b>

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Appropriation**  
**Change**

**3. Criminal Justice Information Center GASB Alignment**

Includes \$550,000 of state restricted funding authorization to align with Governmental Accounting Standards Board (GASB) standards regarding the recording of revenues and expenses. Under GASB standards, MSP is required to record revenue for the Traffic Crash Reporting System when the fees are collected and to record expenses when 55% of the fee is remitted to local participants. This accounting change does not result in any additional payments, but does require cash received and disbursed related to FBI fingerprints to be recorded as revenues and expenditures.

<b>Gross</b>	<b>\$550,000</b>
Restricted	550,000
GF/GP	\$0

**4. Public Safety Officers Benefit Fund**

Appropriates \$400,000 GF/GP for the Public Safety Officers Benefit Fund to support benefit claims received in FY 2021-22. The Public Safety Officers Benefit Fund provides a one-time payment of \$25,000 to public safety officers permanently and totally disabled or killed in the line of duty. Since FY 2019-20, the average annual number of benefit claims paid from the fund has increased from 6 to 15, with 16 paid or pending benefit claims in FY 2021-22.

<b>Gross</b>	<b>\$400,000</b>
GF/GP	\$400,000

**5. Investigative Services**

Appropriates \$770,000 of state restricted funding authorization from the Bottle Bill Enforcement Fund to support MSP enforcement and investigations related to the Beverage Containers Act of 1976.

<b>Gross</b>	<b>\$770,000</b>
Restricted	770,000
GF/GP	\$0

**6. Commercial Vehicle Enforcement**

Appropriates \$5.2 million Gross for the Commercial Vehicle Enforcement Division, with \$5.0 million in federal authorization and \$230,000 of state restricted funding authorization from the Bottle Bill Enforcement Fund. The federal authorization will align with available revenues under the Infrastructure Investment and Jobs Act, supporting the Motor Carrier Safety Assistance Program and the High Priority Grant Program. The \$230,000 from the Bottle Bill Enforcement Fund will support MSP enforcement and investigations related to the Beverage Containers Act of 1976.

<b>Gross</b>	<b>\$5,230,000</b>
Federal	5,000,000
Restricted	230,000
GF/GP	\$0

**7. Highway Safety Planning Grant Receipt**

Includes \$25,000 of private funding authorization to align with available grant revenue from the Governors Highway Safety Association. The grant funding will be used to support safe driving initiatives, specifically the creation and implementation of programing to reduce teen speeding.

<b>Gross</b>	<b>\$25,000</b>
Private	25,000
GF/GP	\$0

**8. ARP – Community Policing Competitive Grant Program**

Includes \$11.0 million of federal authorization to support grants to law enforcement agencies for community policing programs to develop collaborative partnerships between law enforcement agencies and communities.

<b>Gross</b>	<b>\$11,000,000</b>
Federal	11,000,000
GF/GP	\$0

**9. ARP – Community Policing Grants**

Includes \$4.5 million of federal authorization to be distributed by MSP to support community policing and engagement strategies, with allocations to be made as follows: \$3.0 million for the GIVE Model Pilot Program in Flint, \$1.0 million for the Bridge the Gap Police – Community Partnership Organization in Saginaw, and \$500,000 for the FORCE Detroit Community Violence Intervention Program.

<b>Gross</b>	<b>\$4,500,000</b>
Federal	4,500,000
GF/GP	\$0

**10. ARP – Police Athletic League**

Includes \$7.5 million of federal authorization to support the existing PAL program in Detroit and to expand the PAL program into the Grand Rapids and Flint areas.

<b>Gross</b>	<b>\$7,500,000</b>
Federal	7,500,000
GF/GP	\$0

**11. Disaster and Emergency Contingency Fund**

Appropriates \$6.0 million GF/GP for deposit into the Disaster and Emergency Contingency Fund to support response and recovery activities and financial assistance to local government units in the event of a disaster or emergency.

<b>Gross</b>	<b>\$6,000,000</b>
GF/GP	\$6,000,000

**STATE POLICE**

**FY 2021-22 Supplemental Appropriation Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

	<b>Gross</b>	<b>Appropriation</b>
		<b>Change</b>
<b>12. MCOLES Certification Fees</b>	<b>\$2,700,000</b>	
Includes \$2.7 million GF/GP to pay for MCOLES certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or the Michigan State Police.	GF/GP	\$2,700,000
<b>13. Narcotic Teams/Task Force – Training and Equipment</b>	<b>\$3,000,000</b>	
Includes \$3.0 million GF/GP to be distributed to joint narcotic teams and task forces for purchasing equipment and for training.	GF/GP	\$3,000,000
<b>14. Public Safety Academy Assistance Program</b>	<b>\$30,000,000</b>	
Appropriates \$30.0 million GF/GP to be used to provide training academy recruit salaries (of up to \$4,000) to recruits from local public safety departments and to provide scholarships (of up to \$20,000) to local public safety department recruits on a first-come, first-served basis.	GF/GP	\$30,000,000
<b>15. Traffic Stop Data Collection Enhancement</b>	<b>\$3,000,000</b>	
Appropriates \$3.0 million GF/GP to develop new tracking and documentation systems to facilitate easier review and analysis of data regarding traffic stops made by MSP troopers. Specific changes with the new systems include increased data collection and development of a benchmarking dashboard. These activities would help to address issues highlighted in the recent Michigan State University Traffic Stop Study.	GF/GP	\$3,000,000

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**Sec. 701. Mobile Office and System Support Body-Worn Cameras**

Designates unexpended funds as a work project appropriation.

**Sec. 702. ARP – Community Policing Competitive Grant Program**

Requires MCOLES to administer grants to law enforcement agencies for community policing; prohibits use of funds for hiring law enforcement personnel; establishes criteria for awarding grants; requires reporting on grant status; designates unexpended funds as a work project appropriation.

**Sec. 703. ARP – Community Policing Grants**

Requires funding to be distributed by MSP to support community policing and engagement strategies; allocates funding as follows: \$3.0 million for the GIVE Model Pilot Program in Flint, \$1.0 million for the Bridge the Gap Police – Community Partnership Organization in Saginaw, and \$500,000 for the FORCE Detroit Community Violence Intervention Program.

**Sec. 704. ARP – Police Athletic League**

Requires funds to be distributed to support police athletic league programs in the Detroit, Grand Rapids, and Flint areas; requires funding to be distributed over a 4-year period in installments of \$1.9 million per year; designates unexpended funds as a work project appropriation.

**Sec. 705. Disaster and Emergency Contingency Fund**

Requires GF/GP appropriation to be deposited into the Disaster and Emergency Contingency Fund.

**Sec. 706. MCOLES Certification Fees**

Requires funding to be used to pay for MCOLES certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or MSP; designates unexpended funds as a work project appropriation.

**Sec. 707. Narcotic Teams/Task Force – Training and Equipment**

Requires funding to be distributed, through a grant program, to joint narcotic teams and task forces for purchasing equipment and for training; requires MCOLES to report detailed expenditure data quarterly; designates unexpended funds as a work project appropriation.

**FY 2021-22 Supplemental Boilerplate Items**  
**Public Act 166 of 2022 (House Bill 5783, Article 15)**

***Sec. 708. Public Safety Academy Assistance Programs***

Requires funding to be used for providing training academy recruit salaries for recruits from local public safety departments, with salaries capped at \$4,000 for police cadets who are receiving tuition assistance under this section; requires funds to be distributed by MCOLES or the Department of Treasury through a competitive scholarship program for local public safety department recruits, with scholarships capped at \$20,000 on a first-come, first-served basis; stipulates requirements that applicants must meet to receive a scholarship; establishes a 25 scholarship cap for a particular local public safety department; authorizes MCOLES to use up to \$140,000 of the appropriation for administration; designates unexpended funds as a work project appropriation.

***Sec. 709. Traffic Stop Data Collection Enhancement***

Requires MSP to develop new tracking and documentation systems, including a benchmarking dashboard, to expand data collected during traffic stops and to allow for easier review and analysis of traffic stop data; designates unexpended funds as a work project appropriation.

**TRANSPORTATION**

**DEPARTMENT OF TRANSPORTATION  
Summary of FY 2022-23 Enacted  
Public Act 166 of 2022 (House Bill 5783, Article 13)**

**Analyst: William E. Hamilton**

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Enacted	Difference: Enacted From FY 2021-22 YTD	
			Amount	%
<b>IDG/IDT</b>	\$4,044,800	\$4,123,800	\$79,000	2.0
<b>Federal</b>	1,641,755,300	2,026,480,000	384,724,700	23.4
<b>Local</b>	80,782,000	85,773,500	4,991,500	6.2
<b>Private</b>	900,000	16,800,000	15,900,000	1,766.7
<b>Restricted</b>	3,702,373,400	3,905,021,600	202,648,200	5.5
<b>GF/GP</b>	0	66,250,000	66,250,000	--
<b>Gross</b>	<b>\$5,429,855,500</b>	<b>\$6,104,448,900</b>	<b>\$674,593,400</b>	<b>12.4</b>
<b>FTEs</b>	2,942.3	3,056.3	114.0	3.9

**Notes:**

(1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation (MDOT). Historically, two-thirds of the revenue in this budget has come from state restricted revenue, with approximately one-third from federal sources. Most of the state-restricted revenue in this budget is constitutionally restricted – from motor fuel taxes and vehicle registration taxes – and is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 (Act 51) to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies (county road commissions and cities/villages). Revenue from aviation fuel and registration taxes, as well as a portion of Airport Parking Tax revenue, is credited to the State Aeronautics Fund for aeronautics programs.

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**1. Debt Service**

Includes \$225.3 million for debt service on previously issued bonds – bonds issued under a pledge of state restricted revenue or in anticipation of federal grants. The appropriation reflects anticipated debt service schedules. The most significant change is a \$50.6 million shift in fund sources – from federal to STF – used to repay federal grant anticipation refunding bonds sold in 2016.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Enacted Change
<b>Gross</b>	<b>\$253,643,600</b>	<b>(\$28,343,100)</b>
Federal	50,582,100	(50,582,100)
Restricted	203,061,500	22,239,000
GF/GP	\$0	\$0

**2. Department Administration and Support**

Increases baseline funding by \$1.2 million STF exclusive of economic adjustments or position transfers. Increases include \$1.1 million for 7.0 FTE positions (3.0 FTEs in Business Support; 3.0 FTEs in Finance, Contracts and Support Services; 1.0 FTE in Economic Development). Also includes \$77,400 STF increase to recognize increased costs of security services at MDOT properties.

FTE	257.3	7.0
<b>Gross</b>	<b>\$45,766,000</b>	<b>\$1,184,400</b>
IDG	4,044,800	0
Restricted	41,721,200	1,184,400
GF/GP	\$0	\$0

**3. Information Technology**

Increases baseline STF support by \$1.7 million to reflect increased demands for information technology, specifically for information governance and data analytics, GIS support and administration; server hosting and storage.

<b>Gross</b>	<b>\$39,512,400</b>	<b>\$1,725,000</b>
Federal	520,500	0
Restricted	38,991,900	1,725,000
GF/GP	\$0	\$0



**Major Budget Changes from FY 2021-22 YTD Appropriations**

**4. Design and Engineering Services**

Increases baseline funding by \$9.6 million exclusive of economic adjustments or position transfers. Increases include: \$6.7 million STF for 64.0 FTE positions to support increased construction program; \$1.8 million STF for construction field services support contracts; \$206,000 MTF for a local agency construction administration tool; \$400,000 MTF for traffic signal energy cost allocation; \$475,400 MTF for 2.0 FTE positions to assist local road agencies in National Historic Preservation Act compliance.

	<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
FTE	1,506.3	66.0
<b>Gross</b>	<b>\$177,078,900</b>	<b>\$9,575,500</b>
Federal	23,529,800	0
Restricted	153,549,100	9,575,500
GF/GP	\$0	\$0

**5. State Trunkline Maintenance**

Increases baseline funding by \$15.6 million STF, exclusive of economic adjustments and technical changes. Increases include: \$13.1 million to recognize increase costs associated with maintenance materials and services and \$2.5 million for 22.0 FTE staffing increase.

FTE	880.7	22.0
<b>Gross</b>	<b>\$425,881,200</b>	<b>\$15,594,400</b>
Restricted	425,881,200	15,594,400
GF/GP	\$0	\$0

**6. State Trunkline Road and Bridge Construction**

The state trunkline capital construction program totals \$1,651.9 million, a net increase of \$323.2 million from FY 2021-22. The \$334.0 million increase in federal funds is due to two things: \$283.4 million represents the state trunkline share of the additional federal funds available to Michigan under the Infrastructure Investment and Jobs Act (IIJA); an additional \$50.6 million in federal funds is available for the construction program as a result of the end of federal funds used for debt service payments (Item #1, above).

<b>Gross</b>	<b>\$1,328,645,000</b>	<b>\$333,224,600</b>
Federal	851,248,800	333,982,100
Local	30,003,500	0
Private	0	10,000,000
Restricted	447,392,700	(10,757,500)
GF/GP	\$0	\$0

The anticipated increase in available federal aid is partially offset by a net decrease of \$10.8 million in state restricted support: available STF revenue declines by \$14.7 million – in part due to increases in STF funded debt service and increased STF funded trunkline maintenance. State restricted revenue also reflects a \$4.0 million increase in appropriated Blue Water Bridge Fund revenue, from \$4.0 million to \$8.1 million, for Blue Water Bridge capital projects.

The enacted budget also includes \$10.0 million in private funds to provide spending authority for potential public-private partnerships.

**7. MTF to Local Road Agencies**

Includes \$1.9 billion as the estimated MTF distribution to local road agencies (county road commissions, and cities and villages), \$87.6 million more than the current year. This reflects the Act 51 distribution of estimated MTF revenue from motor fuel and vehicle registration taxes as well as local road agency share of \$600.0 million earmarked for road and bridge programs in the Income Tax Act.

<b>Gross</b>	<b>\$1,823,329,700</b>	<b>\$87,645,700</b>
Restricted	1,823,329,700	87,645,700
GF/GP	\$0	\$0

<b><i>MTF Distribution to Local Road Agencies</i></b>			
	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>Difference</b>
Cities/Villages	\$652,686,200	\$684,060,200	\$31,374,000
County Road Commissions	1,170,643,500	1,226,915,200	56,271,700
<b>Total</b>	<b>\$1,823,329,700</b>	<b>\$1,910,975,400</b>	<b>\$87,645,700</b>

**8. Local Federal Aid and Road and Bridge Construction**

Includes \$385.0 million to recognize the Act 51 earmark of certain federal-aid highway funds to local road agencies. The \$94.4 million increase reflects the local road agency share of the estimated increase in federal aid from IIJA.

<b>Gross</b>	<b>\$290,587,800</b>	<b>\$94,400,000</b>
Federal	290,587,800	94,400,000
GF/GP	\$0	\$0

**TRANSPORTATION**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>9. Grants to Local Programs (Local Program Fund)</b>			
Includes \$33.0 million for this Act 51 MTF earmark; this appropriation is distributed 64.2% to county road commissions and 35.8% to cities and villages.		<b>Gross \$33,000,000</b>	<b>\$0</b>
	Restricted	33,000,000	0
	GF/GP	\$0	\$0
<b>10. Local Bridge Program</b>			
Includes \$27.0 million for the Local Bridge Program, a program that receives funding from an Act 51 earmark of MTF revenue equal to one-half cent of the motor fuel tax on gasoline. The decrease of \$831,000 reflects the estimated decrease in revenue generated from each penny of the motor fuel tax on gasoline as compared to the FY 2021-22 estimate. Although not specifically recognized in this line item, the program is also allocated a share of local federal aid.		<b>Gross \$27,812,600</b>	<b>(\$831,000)</b>
	Restricted	27,812,600	(831,000)
	GF/GP	\$0	\$0
<b>11. Blue Water Bridge Operations and Maintenance</b>			
Includes \$340,300 baseline increase in Blue Water Bridge Fund support for additional 3.0 FTE positions.		FTE 41.0	3.0
	<b>Gross</b>	<b>\$6,714,700</b>	<b>\$340,300</b>
	Restricted	6,714,700	340,300
	GF/GP	\$0	\$0
<b>12. Transportation Economic Development Fund (TEDF)</b>			
The TEDF grant program is a targeted program established and governed by statute, 1987 PA 231. TEDF revenue comes from two statutory earmarks: an Act 51 earmark of MTF revenue, and an earmark of certain driver's license fees.		<b>Gross \$41,601,900</b>	<b>\$4,349,100</b>
	Restricted	41,601,900	4,349,100
	GF/GP	\$0	\$0
TEDF funding would total \$46.0 million, an increase of \$4.3 million. The increase in available TEDF revenue is due to a \$3.8 million reduction in TEDF-funded debt service, as well as an anticipated increase in interest credited to the fund.			
<b>13. Aeronautics Services</b>			
Includes \$288,800 baseline increase in State Aeronautics Fund support for additional 2.0 FTE positions; rolls up two operating lines into one.		FTE 46.0	2.0
	<b>Gross</b>	<b>\$7,127,700</b>	<b>\$288,800</b>
	Restricted	7,127,700	288,800
	GF/GP	\$0	\$0
<b>14. Passenger Transportation Services</b>			
Includes \$277,900 CTF baseline increase to support additional 4.0 FTE positions.		FTE 46.0	4.0
	<b>Gross</b>	<b>\$7,127,700</b>	<b>\$277,900</b>
	Restricted	7,127,700	277,900
	GF/GP	\$0	\$0
<b>15. Local Bus Transit Programs</b>			
Includes \$201.7 million CTF for operating assistance to local transit systems, an increase of \$5.0 million. Also recognizes an additional \$9.8 million in federal-aid transit funding to rural transit systems made available under IIJA.		<b>Gross \$226,777,900</b>	<b>\$14,817,700</b>
	Federal	28,027,900	9,817,700
	Local	2,000,000	0
	Restricted	196,750,000	5,000,000
	GF/GP	\$0	\$0
<b>16. Specialized Services/Transportation to Work</b>			
Includes \$1.0 million increase in baseline CTF support for program targeted at transportation needs of elderly and disabled persons; rolls up the \$3.9 million CTF Transportation to Work line into this line. Also recognizes \$3.2 million increase in estimated federal support.		<b>Gross \$18,438,900</b>	<b>\$8,102,400</b>
	Federal	9,900,000	3,227,400
	Local	4,185,000	0
	Restricted	4,353,900	4,875,000
	GF/GP	\$0	\$0
<b>17. Transit Capital</b>			
Recognizes \$41.0 million increase in estimated federal support and \$27.0 million increase in CTF support for program that provides matching funds on behalf of local transit agencies to access federal transit capital grants. The enacted budget also includes \$2.0 million in private funds to provide spending authority for potential public-private partnerships.		<b>Gross \$109,070,700</b>	<b>\$70,005,400</b>
	Federal	37,000,000	41,000,000
	Local	31,000,000	0
	Private	0	2,000,000
	Restricted	41,070,700	27,005,400
	GF/GP	\$0	\$0

**TRANSPORTATION**

**Major Budget Changes from FY 2021-22 YTD Appropriations**

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>18. Intercity Services</b>	<b>Gross</b>	<b>\$8,060,000</b>	<b>\$1,921,800</b>
Provides \$10.0 million for program that supports intercity bus service in Michigan, an increase of \$1.9 million from current year. Budget recognizes additional federal aid for intercity programs made available under IIJA, as well as increased CTF support.	Federal	4,500,000	1,558,800
	Local	160,000	0
	Private	800,000	0
	Restricted	2,600,000	363,000
	GF/GP	\$0	\$0
<b>19. Marine Passenger</b>	<b>Gross</b>	<b>\$1,012,000</b>	<b>\$3,952,000</b>
Includes \$5.0 million for program that provides capital grants for marine passenger (ferry) service in Michigan, specifically for ferries that provide service to Beaver Island and to islands on the St. Mary's River in the eastern Upper Peninsula. The appropriation, \$4.0 million more than FY 2021-22, recognizes \$2.6 million in federal aid made available under IIJA, as well as \$1.3 million increased CTF support.	Federal	0	2,652,000
	Local	500,000	0
	Restricted	512,000	1,300,000
	GF/GP	\$0	\$0
<b>20. Rail Operations and Infrastructure</b>	<b>Gross</b>	<b>\$104,356,200</b>	<b>\$33,394,500</b>
Includes \$135.9 million for state rail programs, an increase of \$33.4 million from current year, for line item that provides capital and operating support for rail passenger service in Michigan, as well as rail freight and rail economic development programs. Budget includes \$10.0 million increase in federal aid for rail programs, as well as \$21.5 million increase in CTF support. [Boilerplate Sec. 707 earmarks \$21.5 million for rail freight program and rail infrastructure.] The enacted budget also includes \$2.0 million in private funds, \$1.9 million more than current year.	Federal	20,000,000	10,000,000
	Local	100,000	0
	Private	100,000	1,900,000
	Restricted	84,156,200	21,494,500
	GF/GP	\$0	\$0
<b>21. Airport Improvement Program (AIP)</b>	<b>Gross</b>	<b>\$121,576,500</b>	<b>\$38,885,400</b>
Includes \$158.6 million for program of federal capital assistance to eligible local public airports in the state. Recognizes \$135.0 million in federal AIP funds, an increase of \$29.0 million from current year reflecting higher program funding targets under IIJA. Also recognizes increases in local matching funds and State Aeronautics Fund revenue. This program is shown in the state budget under the line item Airport Safety, Protection, and Improvement (ASAP). The enacted budget also includes \$2.0 million in private funds.	Federal	106,000,000	29,000,000
	Local	12,508,500	4,991,500
	Private	0	2,000,000
	Restricted	3,068,000	2,893,900
	GF/GP	\$0	\$0
<b>22. IIJA Airport Infrastructure Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$95,000,000</b>
Includes \$95.0 million federal spending authority for a new program, established under IIJA, of federal aid to public airports.	Federal	0	95,000,000
	GF/GP	\$0	\$0
<b>23. Detroit Metropolitan Wayne County Airport</b>	<b>Gross</b>	<b>\$5,200,000</b>	<b>\$650,000</b>
Increases Qualified Airport Fund support by \$650,000 reflecting revenue estimates. As provided through 2015 amendments to the State Aeronautics Code, Qualified Airport Fund revenue is appropriated to the Detroit Metropolitan Wayne County Airport.	Restricted	5,200,000	650,000
	GF/GP	\$0	\$0
<b>24. One-Time GF/GP – Priority Grade Separation Projects</b>	<b>Gross</b>	<b>\$0</b>	<b>\$12,000,000</b>
Includes \$12.0 million GF/GP; earmarked for Wayne County in boilerplate Sec. 1001.	Restricted	0	0
	GF/GP	\$0	\$12,000,000
<b>25. One-Time GF/GP – Replace Weather Station Equipment</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,900,000</b>
Includes \$3.9 million in one-time GF/GP to replace equipment at 32 state-owned weather stations.	GF/GP	\$0	\$3,900,000
<b>26. Basic Marine Dock Project</b>	<b>Gross</b>	<b>\$0</b>	<b>\$700,000</b>
Includes one-time funding of \$700,000 CTF for improvements to the Basic Marine dock in Escanaba, Michigan.	Restricted	0	700,000
	GF/GP	\$0	\$0
<b>27. Magnetic Roadway Sweepers</b>	<b>Gross</b>	<b>\$0</b>	<b>\$350,000</b>
Includes one-time funding of \$350,000 GF/GP for the purchase of a type a roadway sweeper; defined in boilerplate section, Sec. 613.	Restricted	0	0
	GF/GP	\$0	\$350,000

**TRANSPORTATION**

<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 Enacted Change</b>
<b>28. Upper Peninsula Freight Rail Infrastructure</b>	<b>Gross</b>	<b>\$0</b>	<b>\$550,000</b>
Includes \$550,000 CTF in one-time funding for a Chippewa County freight economic development project. The project is defined in boilerplate section, Sec. 1003.	Restricted	0	550,000
	GF/GP	\$0	\$0
<b>29. Airport Infrastructure Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$25,000,000</b>
Includes one-time funding of \$25.0 million GF/GP. Related boilerplate Sec. 1005 earmarks this line item for the Wayne County Airport Authority.	Restricted	0	0
	GF/GP	\$0	\$25,000,000
<b>30. Technical assistance, planning, and IJA match grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$25,000,000</b>
Includes one-time funding of \$25.0 million GF/GP. As defined in boilerplate Sec. 1004, the line will support grants available to local units of government and planning organization under the IJA.	Restricted	0	0
	GF/GP	\$0	\$25,000,000
<b>31. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$9,981,600</b>
Reflects increased costs of \$10.0 million Gross (\$0 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	79,000
	Federal	NA	1,006,100
	Restricted	NA	8,896,500
	GF/GP	NA	\$0

**Major Boilerplate Changes from FY 2021-22**

The Governor's signing letter stated that several sections of 2022 PA 166 were unenforceable in that they violated various sections of the Michigan Constitution:

- Article 3, Section 2: Separation of powers of government
- Article 4, Section 22 and Article 4, Section 33: An attempt to authorize legislation other than by bill
- Article 4, Section 24: No law shall embrace more than one object, which shall be expressed in its title
- Article 4, Section 25: Amendment by reference
- Article 4, Section 53: Duties of the Auditor General
- Article 5, Section 28: Duties of the State Transportation Commission

Sections 215, 217, 218, 353, 357, 382, 601, and 660(2) in the Transportation budget were specifically cited as unenforceable, as described below

**Sec. 215. Communication with the Legislature – RETAINED (UNENFORCEABLE)**

Retains section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.*

**Sec. 217. Work Project Limits – RETAINED (UNENFORCEABLE)**

Retains section that requires that work project balances be exhausted before expenditure from part 1 appropriations. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.*

**Sec. 218. State Administrative Board Transfers – RETAINED (UNENFORCEABLE)**

Retains section that provides for the legislature to intertransfer funds within departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget. *The Governor's signing letter indicated that this section was unenforceable in that impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers, as well as two sections under Article 4 the Michigan Constitution: Section 22 which requires that all legislation be by bill, and Section 33 which prescribes how bills are enacted into law.*

**Major Boilerplate Changes from FY 2021-22**

**Sec. 224. Remote Work/Utilization of Staffing – NEW**

Includes new intent language: "that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work", and that executive branch agencies post in-person, remote, or hybrid work policy on its website.

**Sec. 302. Report on Debt Service Coverage – REVISED**

Enacted budget revises section related to debt service limits and constitutionally restricted transportation revenue; the revised section retains a reporting requirement.

**Sec. 353. Prompt Payment – RETAINED (UNENFORCEABLE)**

Directs department to review contractor payment process; references Special Provision 109.10. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.*

**Sec. 357. Local Federal Aid Project Review – RETAINED (UNENFORCEABLE)**

Directs MDOT to complete project reviews within 120 days; requires system for monitoring review process. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.*

**Sec. 382. Finalize Local Agency Cost Sharing Agreements – RETAINED (UNENFORCEABLE)**

Requires the department to submit final bill to the local agency within two years of final payment to construction contractor. *The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 4, Section 25 of the Michigan Constitution which prohibits amending statutes by reference.*

**Sec. 395. Authority to Transfer Between Construction/Maintenance – NEW**

Authorizes the department to transfer up to \$10.0 million from the state trunkline road and bridge construction line item to state trunkline maintenance for certain specified activities.

**Sec. 399. Capital Preventive Maintenance – REVISED**

Requires the department to make capital preventive maintenance a program priority. The enacted budget modifies to indicate not less than \$100.0 million be allocated for capital preventive maintenance treatments for pavement preservation.

**Sec. 503(2). Local Bridge Fund Lapse and Carry-Forward Authority – REVISED**

Section provides for the lapse of restricted funds; revised to also provide for carry-forward spending authority for Local Bridge Fund.

**Sec. 602. Impact of Electric Vehicles Study and Alternative Funding Study – NEW**

Requires the department to study the potential impact of electric vehicles on MTF revenue including the feasibility of VMT as a basis for transportation funding in replacement of motor fuel taxes.

**Sec. 603. Mackinac Bridge Report – NEW**

Includes new reporting requirement including the following: that the department report by December 31, 2023 on the operational condition of the Mackinac bridge, its long-term viability, the costs of preventative maintenance and potential upgrades, and the cost and feasibility of constructing a separate method of transporting commercial, emergency, and passenger vehicle traffic.

**Sec. 613. Earmark for Industrial Magnetic Roadway Sweepers – NEW**

Directs the use of the \$350,000 STF appropriation for the procurement of industrial magnet roadway sweepers.

**Sec. 660. Use of Alternative Materials – RETAINED (UNENFORCEABLE)**

Encourages the department to examine the use of alternative road surface materials; establishes a state transportation innovation council. *The Governor's signing letter indicated that subsection 2, which establishes a state transportation innovation council, was unenforceable in that it violates Article 4, Section 24 of the Michigan Constitution which directs that no law may embrace more than one subject.*

**Sec. 707. Rail Strategic Plan – REVISED**

Section provides for a rail strategic plan and establishes reporting requirements. The enacted budget retains but modifies to direct that from the funds appropriated in part 1 for rail operations and infrastructure not less than \$21.5 million be allocated for support of rail-related economic development projects and rail freight system preservation projects.

**Sec. 757. Rail Passenger Corridor Investment Plan – NEW**

Directs the department to include both the New Buffalo/Traverse City and Ann Arbor/Traverse City routes in the rail passenger corridor investment plan.

**TRANSPORTATION**

**Major Boilerplate Changes from FY 2021-22**

**Sec. 1001. Priority Rail Grade Crossing/Separation Initiative – NEW**

Earmarks the \$12.0 million GF/GP priority rail grade crossing/separation initiative line item for Wayne County.

**Sec. 1002. Basic Marine Dock Project – NEW**

Defines the one-time \$700,000 line item for the Basic Marine dock project in Escanaba.

**Sec. 1003. Upper Peninsula Freight Rail Infrastructure Project (Chippewa County) – NEW**

Defines the one-time \$550,000 line item. Specifies that funding supports a Chippewa County freight economic development project.

**Sec. 1004. Technical Assistance, Planning, IIJA Match – NEW**

Defines the part-1 one-time \$25.0 million line item. Funds generally supports grants to local units to support technical assistance, planning, and IIJA match requirements.

**Sec. 1005. Airport Infrastructure Grants – NEW**

Earmarks the \$25.0 million one-time line item for Wayne County Airport Authority.

**FY 2021-22 Supplemental Appropriation Items**

**Public Act 166 of 2022 (House Bill 5783, Article 15)**

**1. Aviation Services – Private Funding for Study**

Includes \$350,000 of private funds to support a feasibility study related to the deployment of small unmanned aerial systems for just-in-time delivery, medical transport, or other small-scale uses.

	<b>Appropriation Change</b>
<b>Gross</b>	<b>\$350,000</b>
Private	350,000
GF/GP	\$0

**2. IIJA Airport Infrastructure Grants**

Includes \$12.0 million GF/GP to provide the state's share of required non-federal matching funds over the five-year life of the new capital grant program established under the Infrastructure Investment and Jobs Act (IIJA).

<b>Gross</b>	<b>\$12,000,000</b>
GF/GP	\$12,000,000



Mary Ann Cleary, Director  
 Kevin Koorstra, Deputy Director

Agriculture and Rural Development .....	William E. Hamilton
Capital Outlay .....	Perry Zielak
Community Colleges .....	Perry Zielak
Corrections .....	Robin R. Risko
Education (Department) .....	Michael Benson
Environment, Great Lakes, and Energy .....	Austin Scott
<b>General Government:</b>	
Attorney General/Civil Rights/State (Department)/	
Technology, Management, and Budget .....	Michael Crossen
Executive Office/Labor and Economic Opportunity (Michigan Strategic Fund)/	
Legislature/Legislative Auditor General/Lottery/Treasury .....	Viola Bay Wild
<b>Health and Human Services:</b>	
Child Welfare, Child Support, Community Services .....	Sydney Brown
Medicaid, Physical and Behavioral Health .....	Kevin Koorstra
Public Assistance, Field Operations, Medicaid-backup .....	Kent Dell
Public Health and Aging .....	Victoria Amponsah
Higher Education .....	Perry Zielak
Insurance and Financial Services .....	Marcus Coffin
Judiciary .....	Robin R. Risko
Licensing and Regulatory Affairs .....	Marcus Coffin
Military and Veterans Affairs .....	Michael Crossen
Natural Resources .....	Austin Scott
Natural Resources Trust Fund .....	Austin Scott
School Aid .....	Michael Benson; Jacqueline Mullen
State Police .....	Marcus Coffin
Transportation .....	William E. Hamilton
Unemployment Insurance .....	Marcus Coffin
Economic/Revenue Forecasting .....	Jim Stansell
Local Finance/Revenue Sharing/Tax Analysis .....	Jim Stansell; Benjamin Gielczyk
Legislative Analysis .....	Rick Yuille
	Edith Best; Holly Kuhn; Joshua Roesner; Alex Stegbauer; Sue Stutzky
Fiscal Oversight, Audit, and Litigation .....	Mary Ann Cleary
Retirement .....	Benjamin Gielczyk
Supplemental Coordinator .....	Robin R. Risko
Transfer Coordinator .....	Viola Bay Wild
Administrative Assistant/Publications .....	Kathryn Bateson
Budget Assistant/HFA Internet .....	Tumai Burriss



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