

FY 2024-25: TOTAL GENERAL GOVERNMENT
Summary: As Reported by House Appropriations Committee
House Bill 5516 (H-2)



Analysts: Michael Crossen and Austin Scott

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$1,156,861,300	\$1,190,502,300	\$1,197,837,100	\$	\$	\$40,975,800	3.5
Federal	44,035,500	44,147,200	44,147,200			111,700	0.3
Local	17,372,800	17,541,100	17,541,100			168,300	1.0
Private	684,800	762,300	762,300			77,500	11.3
Restricted	2,629,280,600	2,695,500,600	2,684,972,500			55,691,900	2.1
GF/GP	1,559,208,500	1,237,310,700	1,248,099,700			(311,108,800)	(20.0)
Gross	\$5,407,443,500	\$5,185,764,200	\$5,193,359,900	\$	\$	(\$214,083,600)	(4.0)
FTEs	7,732.1	7,813.4	7,791.6			59.5	0.8

Note: Appropriation figures for FY 2024-25 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 former Departments of Civil Service and Information Technology, and State Building Authority rent costs), and Treasury (including the Bureau of State Lottery, Michigan Gaming Control Board, State Building Authority, Revenue Sharing, and Debt Service). **Budget issues are listed by department on the following pages.**

Major Boilerplate Changes from FY 2023-24

Sec. 206. Disciplinary Action Against State Employees – RETAINED

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 deemed this section unenforceable in FY 2023-24.) Executive revises. House retains.

Sec. 210. Budget Stabilization Fund – REVISED

Provides budget stabilization fund calculations for pay-in and pay-out as required by Section 352 of the Management and Budget Act; states that \$100.0 million is appropriated for deposit in the Countercyclical Budget and Economic Stabilization Fund in FY 2023-24. Executive includes \$100.0 million for deposit. House does not include a deposit.

Sec. 211. Transparency Website – RETAINED

Requires department to provide data necessary for DTMB to maintain a searchable website that is accessible by the public at no cost that includes expenditure data, data on payments made to vendors, and data on number of active employees, job specifications, and wage rates. Executive deletes. House retains.

Sec. 212. State Restricted Funds Report – RETAINED

Requires department and State Budget Office to report on state restricted fund balances, projected state restricted fund revenues, and state restricted fund expenditures. Executive deletes. House retains.

Sec. 214. Performance Metrics Website – DELETED

Requires department to maintain a publicly accessible website that identifies and tracks its performance against key metrics used to monitor and improve its performance. Executive deletes. House concurs.

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires department to provide quarterly report on FTE counts by classification and actual FTE position counts compared to authorized FTE position counts; requires detailed accounting of vacant positions. Executive revises to delete all reporting requirements except for a comparison of FTE positions authorized and positions filled. House retains.

Major Boilerplate Changes from FY 2023-24

Sec. 217. Prioritization of In-person Work for State Workforce – RETAINED

States intent of legislature is to maximize efficiency of state workforce and, where possible, prioritize in-person work; requires department to post its in-person, remote, or hybrid work policy on its website. Executive deletes. House retains.

Sec. 219. State Administrative Board Transfers – DELETED

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 deemed this section unenforceable in FY 2023-24.)* Executive deletes. House concurs.

Sec. 219. Receipt and Retention of Required Reports – RETAINED

Requires department to receive and retain copies of all reports required; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes department to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House retains.

Sec. 220. Reporting Requirement on Policy Changes – RETAINED

Requires department to report on policy changes made in order to implement enacted legislation. Executive deletes. House retains.

Sec. 220. Severance Pay Report – DELETED

Requires department and agencies to report name and any amount of severance pay given to high-ranking department officials; requires department and agencies to submit annual report on total amount of severance pay remitted to former employees during prior fiscal year and total number of those employees; defines "severance pay". Executive deletes. House concurs.

Sec. 222. Work Project Expenditures – RETAINED

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures. *(Governor deemed this section unenforceable in FY 2023-24.)* Executive deletes. House retains.

Sec. 223. Fund Sourcing Priorities – RETAINED

Requires federal or private grant funding to be used prior to general fund appropriations when available for the same expenditure. Executive deletes. House retains.

Sec. 225. Initiatives and Recommendations Related to Savings Identified in Audit Reports – RETAINED

Requires departments and agencies 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 deemed this section unenforceable in FY 2023-24.)* Executive deletes. House retains.

Sec. 227. Posting Budget Boilerplate Reports Online – NEW

Requires departments and agencies to post all reports required by budget boilerplate on their website by the required due date. House adds.

Sec. 228. Registered Apprenticeship for State Construction Projects – NEW

Requires all construction, repair, or remodeling projects to be performed by individuals who have completed or are enrolled in a registered apprenticeship program. House adds.

Sec. 229. Grant and Project Funding Transparency – DELETED

Requires departments and agencies to follow procurement statutes for any grant program or project, created for a public purpose, unless it can fully validate specific organization or local unit of government that will receive funds and how funds will be administered and expended; provides list of required verifying and application activities departments must perform to administer public grants or projects; requires identification of sponsoring legislator or department of a grant and certain activities for approval of grant agreement; requires all grant funding to be expended by close of FY 2027-28; requires information on each grant or project to be posted on public website, including receiving entity and grant sponsor. Executive deletes. House concurs.

FY 2024-25: ATTORNEY GENERAL

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Michael Clossen

IDG/IDT	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24	
						Enacted Amount	%
	\$36,235,500	\$39,465,600	\$39,465,600	\$	\$	\$3,230,100	8.9
Federal	10,063,800	10,391,600	10,391,600			327,800	3.3
Local	0	0	0			0	--
Private	0	0	0			0	--
Restricted	20,773,100	22,283,400	23,283,400			2,510,300	12.1
GF/GP	75,726,000	56,409,100	61,409,100			(14,316,900)	(18.9)
Gross	\$142,798,400	\$128,549,700	\$134,549,700	\$	\$	(\$8,248,700)	(5.8)
FTEs	611.4	626.4	626.4			15.0	2.5

Note: Appropriation figures for FY 2024-25 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 2023-24 Enacted Appropriations

1. County Prosecutor Grants (One-Time)

House includes \$3.0 million GF/GP for grants to county prosecutor offices that are understaffed relative to their caseload. Grantees would use the grants to bring staffing closer to optimal levels to reduce the average caseload per attorney. Executive does not include.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Gross	NA	\$3,000,000
GF/GP	NA	\$3,000,000

2. Payroll Fraud Enforcement Unit

House includes \$2.0 million GF/GP to support increased legal actions against employers who fraudulently underpay their employees and activities to strengthen whistleblower protections to shield employees who report wrongdoing. Executive does not include.

Gross	\$25,500	\$2,000,000
GF/GP	\$25,500	\$2,000,000

3. Operation Survivor Justice (One-Time)

House includes \$1.0 million of state restricted funding from the Attorney General's Operations Fund to supplant GF/GP revenue for ongoing operations and use it towards supporting prosecutorial costs of extraditing individuals with outstanding warrants for sexual assault related offenses. Funds would be used as a state match for federal grants. Executive does not include.

Gross	\$0	\$1,000,000
Restricted	0	1,000,000
GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. Utility Consumer Representation Fund	FTE	NA	1.0
<u>Executive</u> includes \$900,000 of state restricted revenue and authorization for 1.0 FTE position for participation in administrative and judicial proceedings in various utility rate oversight cases. The increased amount reflects the department's share of the increased assessment to certain electric and gas utilities, authorized under 2023 PA 231, and deposited into the Utility Consumer Representation Fund. The total assessment increased from \$900,000 to \$1.8 million under the act. <u>House</u> concurs.	Gross	\$900,000	\$900,000
	Restricted	900,000	900,000
	GF/GP	\$0	\$0
5. Michigan State Housing Development Authority (MSHDA) COVID Funds Fraud Recovery (One-Time)	Gross	NA	\$850,000
<u>Executive</u> includes \$850,000 in IDG funding to provide legal support to MSHDA in prosecuting cases of fraudulently obtained COVID relief funds and to recover those funds. Efforts will focus on funding received through the COVID Emergency Rental Assistance program (CERA) which received over 300,000 applications and provided nearly \$1.0 billion to assist individuals and landlords with unpaid back rent due to financial hardship. <u>House</u> concurs.	IDG	NA	850,000
	GF/GP	NA	\$0
6. Cannabis Regulatory Agency Legal Services	FTE	NA	5.0
<u>Executive</u> includes \$780,500 in IDG funding and authorization for 5.0 FTE positions to provide additional legal services to the Cannabis Regulatory Agency within the Department of Licensing and Regulatory Affairs in response to increased caseloads related to marijuana sales. <u>House</u> concurs.	Gross	\$1,681,400	\$780,500
	IDG	1,681,400	780,500
	GF/GP	\$0	\$0
7. Department of Lifelong Education, Advancement, and Potential (MiLEAP) Legal Services	FTE	NA	4.0
<u>Executive</u> includes \$740,000 in IDG funding and authorization for 4.0 FTE positions to provide legal services to the newly created department MiLEAP as part of the Department of Attorney General's role of serving as legal counsel for state departments. <u>House</u> concurs.	Gross	\$253,000	\$740,000
	IDG	253,000	740,000
	GF/GP	\$0	\$0
8. Criminal Trials Services	FTE	NA	3.0
<u>Executive</u> includes \$515,000 GF/GP and authorization for 3.0 FTE positions for additional staffing resources for various criminal law programs and units, including the address confidentiality program, special prosecutor assignments, unemployment benefits fraud, the hate crimes unit, and cold case homicide investigations and prosecutions. <u>House</u> concurs.	Gross	NA	\$515,000
	GF/GP	NA	\$515,000
9. Child Support Enforcement	FTE	25.0	1.0
<u>Executive</u> includes \$200,000 Gross (\$67,900 GF/GP) and authorization for 1.0 FTE position for the investigation and prosecution of non-payment of court ordered child support from parents who are financially able. <u>House</u> concurs.	Gross	\$3,733,400	\$200,000
	Federal	2,803,100	132,100
	GF/GP	\$930,300	\$67,900
10. Prisoner Reimbursements	FTE	NA	1.0
<u>Executive</u> includes \$200,000 in state restricted revenue and authorization for 1.0 FTE position to investigate whether prisoners have assets that can be secured to reimburse the state for costs of care while at a correctional facility and for the cost of investigating. <u>House</u> concurs.	Gross	\$562,400	\$200,000
	Restricted	562,400	200,000
	GF/GP	\$0	\$0

<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change	
11. Removal of FY 2023-24 One-Time Appropriations	Gross	\$21,400,000	(\$21,400,000)
<u>Executive</u> removes \$21.4 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:	GF/GP	\$21,400,000	(\$21,400,000)
<ul style="list-style-type: none"> • \$10.0 million GF/GP for prosecutorial assistance to Detroit and Wayne County for gun case backlogs • \$10.0 million GF/GP for local prosecutors NextGen case management system • \$1.4 million GF/GP for sexual assault cases and victim advocacy. 			
<u>House</u> concurs.			
12. Economic Adjustments	Gross	NA	\$2,965,800
<u>Executive</u> includes adjustments to reflect increased costs of \$3.0 million	IDG	NA	859,600
Gross (\$1.5 GF/GP) for negotiated salary and wage increases (5.0% on	Federal	NA	195,700
October 1, 2024), actuarially required retirement contributions, worker's	Restricted	NA	410,300
compensation, building occupancy charges, rent, and other economic	GF/GP	NA	\$1,500,200
adjustments. <u>House</u> concurs.			

Major Boilerplate Changes from FY 2023-24

Sec. 305. Third Circuit Court Food Stamp Fraud Cases – DELETED

Requires AG to reimburse third circuit court of Wayne County up to \$400,000 for food stamp fraud cases initiated by AG and heard by the court. Executive maintains current language. House deletes.

Sec. 306. Appropriation of Proceeds from Tobacco Litigation – REVISED

Subjects proceeds of state-initiated tobacco litigation to appropriations process. Executive maintains current language. House revises to add proceeds of litigation against a manufacturer or distributor of opioid products; transfers section to section 320 as subsection (2).

Sec. 309. Prisoner Reimbursement Revenue – RETAINED

Authorizes AG to spend prisoner reimbursement revenue on activities related to State Correctional Facilities Reimbursement Act; allows up to \$1.0 million of collections in excess of \$1.131 million to be spent on representation of Department of Corrections; requires report on dollar amount of reimbursements and descriptions of expenditures made from reimbursements. Executive revises to delete reporting requirement but requires information to be made available upon request. House retains.

Sec. 311. Center for Civil Justice – RETAINED

Requires department to provide \$500,000 to the Center for Civil Justice to provide legal and technical assistance to low-income individuals and to pursue impact litigation that protects low-income and marginalized populations. Executive deletes. House retains.

Sec. 314. Lawsuit Settlement Proceeds Fund – RETAINED

Allows department to use up to \$2.6 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 deemed capping hourly rate of attorneys retained for investigation unenforceable in FY 2023-24.*) Executive deletes. House retains.

Sec. 319. Wrongful Imprisonment Compensation Fund – REVISED

Requires quarterly report on Wrongful Imprisonment Compensation Fund that includes information on outgoing payments from the fund in previous quarter, settlements that have not yet received a payment, pending cases that may require a settlement from the fund, dollar amount for these potential settlements, and balance of the fund at end of quarter. Executive maintains current language. House revises to require reporting on claims for settlements that were not awarded.

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

Requires notification of lawsuit settlements with a fiscal impact for the state of \$200,000 or more; prohibits department from entering into a lawsuit that is contrary to state laws. Executive deletes. House retains and transfers revised section 306 to section 320 as subsection (2).

Major Boilerplate Changes from FY 2023-24

Sec. 321. Opioid Settlement Website and Funding Distribution Reporting – NEW

Requires the department to maintain a publicly available internet website dedicated to opioid settlement distributions; requires the website to include reporting on funding payable to and received by local units of government by case settlement agreement. House adds.

Sec. 322. Department Initiatives Quarterly Expenditure Report – REVISED

Requires department to submit quarterly expenditure reports by line item and fund source for the following initiatives and activities: Catholic Church Investigation, Elder Abuse Task Force, Conviction Integrity Unit, Opioid Litigation, Hate Crimes Unit, Payroll Fraud Enforcement Unit, PFAS contamination, Human Trafficking, Robocall Enforcement, Job Court, Organized Retail Crime Unit, reducing utility rate increases, and Boy Scouts of America investigation. Executive deletes. House revises to add reporting on the Address Confidentiality Program, restorative practices, and expungement assistance.

Sec. 324. Payroll Fraud Enforcement Unit Report – RETAINED

Requires department to report on its website activities and findings of Payroll Fraud Enforcement Unit, including a listing of each complaint received, the unit's finding on validity of each complaint, any enforcement action taken, and what complaints were not subject to action by the department; requires department to request findings of investigations conducted by other departments and agencies to comply with this section. Executive deletes. House retains.

Sec. 330. Detroit and Wayne County Gun Case Backlog – DELETED

Requires department to provide \$3.0 million to Detroit and \$7.0 million to Wayne County to assist prosecutors' offices with reducing backlogs of criminal gun cases. Executive deletes. House concurs.

Sec. 330. County Prosecutor Grants – NEW

Requires the department to distribute grants to county prosecutor offices based on office attorney shortfalls as determined by the Prosecuting Attorneys Association of Michigan, with the goal of achieving the staffing level of 1,855 hours worked annually per attorney; provides criteria for grant eligibility including maintenance of local funding and reporting to the state; requires a report on staffing, caseload, and local funding by grantee. House adds.

FY 2024-25: CIVIL RIGHTS

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Michael Cossen

IDG/IDT	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24 Enacted	
						Amount	%
	\$0	\$0	\$0	\$	\$	\$0	--
Federal	2,890,900	2,890,900	2,890,900			0	0.0
Local	0	0	0			0	--
Private	18,700	18,700	18,700			0	0.0
Restricted	58,500	58,500	58,500			0	0.0
GF/GP	28,741,900	29,352,400	26,352,400			(2,389,500)	(8.3)
Gross	\$31,710,000	\$32,320,500	\$29,320,500	\$	\$	(\$2,389,500)	(7.5)
FTEs	166.0	195.0	176.0			10.0	6.0

Note: Appropriation figures for FY 2024-25 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, sexual orientation, gender identity or expression, 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.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Complaint Investigation and Enforcement Staffing

Executive provides \$5.0 million GF/GP and authorization for 29.0 FTE positions to establish 3 additional enforcement teams to assist in reducing a backlog of discrimination complaint cases that accrued following the pandemic, to keep up with increasing new complaint cases from expansion of the Elliott-Larsen Civil Rights Act in 2023, and to reduce the average complaint investigation completion time to 6 to 9 months on an ongoing basis. From these amounts, \$534,600 and 2.0 FTE positions would go to the Executive Office. House provides \$2.0 million and authorization for 10.0 FTE positions.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
FTE	113.0	10.0
Gross	\$16,872,200	\$2,000,000
Federal	2,875,900	0
Restricted	58,500	0
GF/GP	\$13,937,800	\$2,000,000

2. Removal of FY 2023-24 One-Time Appropriations

Removes \$5.0 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:

- \$2.8 million GF/GP for digital accessibility compliance training
- \$2.0 million GF/GP for expenses related to expansion of the Elliott-Larsen Civil Rights Act in 2023.
- \$250,000 for outreach, community engagement, and training.

House concurs.

Gross	\$5,000,000	(\$5,000,000)
GF/GP	\$5,000,000	(\$5,000,000)

<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
3. Economic Adjustments	Gross	NA
<u>Executive</u> includes adjustments to reflect increased costs of \$610,500 GF/GP for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> concurs.	GF/GP	\$610,500 \$610,500

Major Boilerplate Changes from FY 2023-24

Sec. 402. Training and Information Dissemination – RETAINED

Authorizes department to receive and expend local and private funds, up to a combined total of \$600,000 pertaining to employer training, publication and sale of informational material, copy and witness fees, mediation activities, workshops and seminars, and related staffing costs. Executive revises to increase funding authorization to \$1.0 million. House retains.

Sec. 404. Complaint Investigations Reporting – REVISED

Requires department to report on various details of complaint investigations and staffing. Executive maintains current language. House revises existing requirements for clarity and adds new details to report including numbers of cases by basis of complaint, number of backlogged cases, final disposition of cases, and details on filled FTE positions.

Sec. 405. Federal Complaint Report – REVISED

Requires department to notify legislature and State Budget Office prior to submitting report or complaint to the U.S. Commission on Civil Rights or other federal department. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. House revises to require the department to submit to the legislature any report submitted to the federal government the business day after submitting the report to the federal government.

Sec. 406. Native American Boarding School Study – RETAINED

Requires status update report on Native American boarding school study funded in the Department of Civil Rights in 2022 PA 166 to provide information on activities, costs, and anticipated completion date of study. Executive deletes. House retains.

Sec. 420. Elliot-Larsen Civil Rights Act Expansion – DELETED

Requires funds for ELCRA expansion to be used to cover expenses incurred in implementing 2023 PA 6 and lists eligible uses including information technology system or software updates, complaints investigation, complaint defendant hearings and litigation, and community outreach, education, and training; authorizes up to an additional 12.0 limited-term employees; authorizes unexpended one-time funding as a work project. Executive deletes. House concurs.

FY 2024-25: EXECUTIVE OFFICE

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Austin Scott

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$	\$	\$0	--
Federal	0	0	0			0	--
Local	0	0	0			0	--
Private	0	0	0			0	--
Restricted	0	0	0			0	--
GF/GP	8,905,400	9,337,100	9,337,100			431,700	4.8
Gross	\$8,905,400	\$9,337,100	\$9,337,100	\$	\$	\$431,700	4.8
FTEs	96.2	96.2	96.2			0.0	0.0

Note: Appropriation figures for FY 2024-25 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.

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
1. Executive Office Operations	Gross	NA	\$431,700
<u>Executive</u> reflects increased costs of \$431,700 GF/GP for Executive Office staff and for other operations.	GF/GP	NA	\$431,700
<u>House</u> concurs.			

Major Boilerplate Changes from FY 2023-24

There is no boilerplate for the Executive Office.

FY 2024-25: LEGISLATURE

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Austin Scott

IDG/IDT	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24 Enacted	
						Amount	%
	\$0	\$0	\$0	\$	\$	\$0	--
Federal	0	0	0			0	--
Local	0	0	0			0	--
Private	445,400	467,700	467,700			22,300	5.0
Restricted	5,164,300	5,422,500	5,422,500			258,200	5.0
GF/GP	186,734,100	194,613,400	195,113,400			8,379,300	4.5
Gross	\$192,343,800	\$200,503,600	\$201,003,600	\$	\$	\$8,659,800	4.5
FTEs	0.0	0.0	0.0			0.0	--

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The 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 support of public institutions and 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 the 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.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Legislature Operations Adjustment

Executive reflects increased costs of \$9.4 million Gross (\$9.1 million GF/GP) for legislative employees, operations, and property management. The following is detail by budget area:

- Legislature \$6.7 million GF/GP
- Legislative Council \$1.1 million GF/GP
- Legislative Retirement \$299,200 Gross (\$229,600 GF/GP)
- Property Management \$794,800 GF/GP
- State Capitol Historic Site \$501,700 Gross (\$290,800 GF/GP)

House concurs.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Gross	NA	\$9,388,300
Private	NA	22,300
Restricted	NA	258,200
GF/GP	NA	\$9,107,800

2. House/Senate Census Tracking/Reapportionment

Executive eliminates funding for House (\$125,000 GF/GP) and Senate (\$125,000 GF/GP) census tracking/reapportionment.

House concurs.

Gross	\$250,000	(\$250,000)
GF/GP	\$250,000	(\$250,000)

3. Sentencing Commission

Executive reduces funding for the Sentencing Commission by \$999,900 GF/GP, leaving a \$100 placeholder.

House concurs

Gross	\$1,000,000	(\$999,900)
GF/GP	\$1,000,000	(\$999,900)

<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>		<u>FY 2023-24 Enacted (as of 2/7/24)</u>	<u>FY 2024-25 House Change</u>
4. Independent Citizens Redistricting Commission (ICRC)	Gross	\$3,331,200	\$21,400
<u>Executive</u> includes \$21,400 GF/GP to cover additional costs of the ICRC.	GF/GP	\$3,331,200	\$21,400
<u>House</u> concurs.			
5. Office of Tribal Legislative Liaison	Gross	\$0	\$500,000
House includes \$500,000 GF/GP to establish a Tribal Liaison within the Michigan Legislature.	GF/GP	\$0	\$500,000

Major Boilerplate Changes from FY 2023-24

Sec. 609. Senate Census Tracking/Reapportionment – DELETED

Requires unexpended funding for Senate census tracking/reapportionment to be designated as a work project appropriation; the purpose of the project is to purchase equipment, services, and supplies needed for tracking and reporting census and reapportionment information for the state.

Executive deletes, House concurs.

Sec. 610. House Census Tracking/Reapportionment – DELETED

Requires unexpended funding for House census tracking/reapportionment to be designated as a work project appropriation; the purpose of the project is to purchase equipment, services, and supplies needed for tracking and reporting census and reapportionment information for the state.

Executive deletes, House concurs.

Sec. 612. Independent Citizens Redistricting Commission (ICRC) – RETAINED

Expresses legislative intent that the appropriation for ICRC is to comply with the legislature's obligation to fulfill the ICRC's request to cover additional legal costs; expresses legislative intent that the appropriation is contingent upon the ICRC submitting quarterly expenditure reports; requires unexpended funding to be returned to the state treasury within 6 months after the end of FY 2023-24.

Executive deletes, House retains.

FY 2024-25: LEGISLATURE AUDITOR GENERAL
Summary: As Reported by House Appropriations Committee
House Bill 5516 (H-2)



Analyst: Austin Scott

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$6,921,900	\$0	\$7,334,800	\$	\$	\$412,900	6.0
Federal	0	0	0			0	--
Local	0	0	0			0	--
Private	0	0	0			0	--
Restricted	2,421,600	100	2,475,900			54,300	2.2
GF/GP	20,406,700	21,427,000	21,427,000			1,020,300	5.0
Gross	\$29,750,200	\$21,427,100	\$31,237,700	\$	\$	\$1,487,500	5.0
FTEs	0.0	0.0	0.0			0.0	--

Note: Appropriation figures for FY 2024-25 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 to 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 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
1. Legislative Auditor General Operations	Gross	NA
<u>Executive</u> reflects increased costs of \$1.0 million GF/GP for staff of the Office of Auditor General and for other operations.	IDG	412,900
<u>House</u> reflects increased costs of \$1.5 million Gross (\$1.0 million GF/GP).	Restricted	54,300
	GF/GP	\$1,020,300
2. Auditor General Fund Source Adjustment	Gross	NA
<u>Executive</u> reduces Gross funding by \$9.3 million, IDG funding by \$6.9 million, and state restricted funding by \$2.4 million.	IDG/IDT	0
<u>House</u> does not reduce funding.	Restricted	0
	GF/GP	\$0

Major Boilerplate Changes from FY 2023-24

Sec. 623. Legislative Requests for Audits – RETAINED

Requires audits, reviews, or investigations requested of the auditor general by the legislature to include an estimate of additional costs; requires the legislature to provide supplemental funding when costs exceed \$50,000; authorizes the auditor general to decide whether to perform such activities in keeping with Operations Manual Policy No. 2-26. Executive deletes, House retains.

Sec. 625. Access to Confidential Information – RETAINED

States the auditor general is not to be denied access to examine confidential information of any branch, department, office, board, commission, agency, authority, or institution of the state. (Governor deemed this section unenforceable in FY 2023-24.) Executive deletes, House retains.

Major Boilerplate Changes from FY 2023-24

Sec. 627. Operations Work Project Language – RETAINED

Designates unexpended Field Operations funds as a work project appropriation; the purpose of the project is to conduct the State of Michigan Comprehensive Annual Financial Report.

Executive deletes, House retains.

FY 2024-25: STATE

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Michael Cossen

IDG/IDT	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24 Enacted	
						Amount	%
	\$20,000,000	\$20,000,000	\$20,000,000	\$	\$	\$0	0.0
Federal	1,460,000	1,460,000	1,460,000			0	0.0
Local	0	0	0			0	--
Private	50,100	50,100	50,100			0	0.0
Restricted	269,374,700	256,919,700	256,919,700			(12,455,000)	(4.6)
GF/GP	13,324,700	13,410,100	13,410,100			85,400	0.6
Gross	\$304,209,500	\$291,839,900	\$291,839,900	\$	\$	(\$12,369,600)	(4.1)
FTEs	1,625.0	1,635.0	1,635.0			10.0	0.6

Note: Appropriation figures for FY 2024-25 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.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
1. Legal Services Operations Staffing		
Executive provides \$2.5 million in state restricted funding and authorization for 18.0 FTE positions for the following:	FTE 161.0	18.0
<ul style="list-style-type: none"> 7.0 FTE positions for the Office of Hearings and Administrative Oversight to improve response times to customer case-related inquiries 5.0 FTE positions for the Business Compliance and Regulation Division to reduce case review times of auto-related business licensing to address findings of a December 2022 OAG audit 6.0 FTE positions for the Enforcement Division to improve detection and prevention of fraud cases. 	Gross \$22,120,900	\$2,520,000
	Restricted 20,713,300	2,520,000
	GF/GP \$1,407,600	\$0
House concurs.		
2. Branch Operations Staffing		
Executive provides \$1.5 million in state restricted funding and reduces GF/GP by \$669,300 for a net \$841,200 Gross increase. Reduces FTE position authorization by 23.0 positions to reflect transfer to other line items. Funding would be used to hire 8.0 staff at secretary of state branch offices to improve in-person services at certain locations. House concurs.	FTE 926.0	(23.0)
	Gross \$94,328,400	\$841,200
	IDG 20,000,000	0
	Restricted 72,881,900	1,510,500
	GF/GP \$1,446,500	(\$669,300)
3. Election Administration and Support Staffing		
Executive provides \$669,300 GF/GP and authorization for 5.0 FTE positions to help respond to a nearly 800% increase in Freedom of Information Act requests since 2021 and to help with election help desk tasks and more timely review and processing of petitions. House concurs.	FTE 65.0	5.0
	Gross \$26,331,500	\$669,300
	Restricted 19,108,900	0
	GF/GP \$7,222,600	\$669,300

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. Department Services Operations Staffing	FTE	100.0	0.0
<u>Executive</u> provides \$599,100 in state restricted funding for 4.0 FTE positions to be allocated as follows:	Gross	\$25,028,300	\$599,100
<ul style="list-style-type: none"> 3.0 for the Bureau of Financial Services to help process reimbursement requests from local units of government as well as to expand inclusive contracting efforts of the procurement division 1.0 for a Human resources training specialist to develop and deliver training in a timelier manner. 	Restricted	25,028,000	599,100
<u>House</u> concurs.	GF/GP	\$300	\$0
5. Central Operations Staffing	FTE	335.0	0.0
<u>Executive</u> provides \$439,800 in state restricted funding for 4.0 FTE positions to reduce Information Center caller wait time and to implement computer programming changes to the CARS vehicle and driver information system in a timelier manner. <u>House</u> concurs.	Gross	\$50,501,100	\$439,800
	Federal	1,160,000	0
	Restricted	48,993,800	439,800
	GF/GP	\$347,300	\$0
6. Executive Direction Staffing	FTE	30.0	0.0
<u>Executive</u> provides \$264,600 in state restricted funding for 2.0 FTE positions to support timelier community outreach and customer service with partnering organizations. <u>House</u> concurs.	Gross	\$4,813,600	\$264,600
	Restricted	4,793,600	264,600
	GF/GP	\$20,000	\$0
7. Licensing Plate Purchasing Agreement	Gross	NA	\$1,146,500
<u>Executive</u> provides \$1.1 million in state restricted funding for increased costs to continue the purchasing agreement with the Department of Corrections for manufacturing vehicle license plates and reflect increased costs to produce the Water Wonderland license plates. <u>House</u> concurs.	Restricted	NA	1,146,500
	GF/GP	NA	\$0
8. Proposal 22-1 Financial Disclosure Reporting Implementation	FTE	65.0	8.0
<u>Executive</u> provides \$1.1 million GF/GP and authorization for 8.0 FTE positions to oversee and implement the Public Officers Financial Disclosure Act, 2023 PA 281, and the Candidate for Office Financial Disclosure Act, 2023 PA 282. These acts codify the Michigan Constitution as amended by Ballot Proposal 22-1 and require financial disclosure reporting by current elected officials and candidates for elected office. <u>House</u> concurs.	Gross	\$26,331,500	\$1,145,000
	Restricted	19,108,900	0
	GF/GP	\$7,222,600	\$1,145,000
9. Automatic Voter Registration	FTE	NA	2.0
<u>Executive</u> provides \$296,000 GF/GP and authorization for 2.0 FTE positions to implement modifications to automatic voter registration procedures as enacted by 2023 PAs 206-262, and 268. New responsibilities include contacting individuals to confirm their voter registration preference, compiling and submitting monthly reports, and other data management responsibilities. <u>House</u> concurs.	Gross	NA	\$296,000
	GF/GP	NA	\$296,000
10. Restricted Fund Replacement of GF/GP	Gross	NA	\$0
<u>Executive</u> replaces \$1.4 million GF/GP with a corresponding increase of state restricted revenue from the Transportation Administration Collection Fund for a net \$0 Gross change. The reduction in GF/GP corresponds to the GF/GP increases to Election Administration and Support in item numbers 8 and 9 for a \$0 net GF/GP increase for the department. <u>House</u> concurs.	Restricted	NA	1,441,000
	GF/GP	NA	(\$1,441,000)
11. Postal and Mailing Service Rate Increase	Gross	NA	\$1,115,000
<u>Executive</u> provides \$1.1 million of state restricted revenue from the Transportation Administration Support Fund to cover anticipated postage and mailing rate increases. <u>House</u> concurs.	Restricted	NA	1,115,000
	GF/GP	NA	\$0
12. Central Operations Contractual Increase	Gross	NA	\$650,000
<u>Executive</u> provides \$650,000 in state restricted funding to cover increased contract costs to produce vehicle tabs, decals, and forms. <u>House</u> concurs.	Restricted	NA	650,000
	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
13. Federal and State Restricted Fund Source Alignment	Gross	NA	\$0
<u>Executive</u> shifts \$1.5 million in federal and state restricted funding authorization across 4 line items based on expected expenditures and available revenues attributable to impacts such as the Clean Slate Driving Laws and increasing demand for the benefits that enhanced driver's license and personal identification cards offer residents for a net \$0 Gross change. Total fund shifts result in a reduction of \$6,100 in federal funding and a corresponding increase to state restricted funding. <u>House</u> concurs.	Federal	NA	(6,100)
	Restricted	NA	6,100
	GF/GP	NA	\$0
14. Public Driver Education Assistance	Gross	NA	\$100
<u>House</u> provides a \$100 GF/GP placeholder for financial support to schools and families for costs related to providing and taking driver education courses. <u>Executive</u> does not include.	GF/GP	NA	\$100
15. Executive Direction	FTE	30.0	0.0
<u>House</u> removes \$100 GF/GP from the Executive Direction line for executive offices and staff to provide a placeholder for Public Driver Education Assistance. <u>Executive</u> does not include.	Gross	\$4,813,600	(\$100)
	Restricted	4,793,600	0
	GF/GP	\$20,000	(\$100)
16. Removal of FY 2023-24 One-Time Appropriations	Gross	\$27,309,200	(\$27,309,200)
<u>Executive</u> removes \$27.3 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:	Restricted	27,209,200	(27,209,200)
• \$27.2 million GF/GP for implementation of Ballot Proposal 22-2	GF/GP	\$100,000	(\$100,000)
• \$100,000 GF/GP for organ donor registration.			
<u>House</u> concurs.			
17. Economic Adjustments	Gross	NA	\$5,253,100
<u>Executive</u> includes adjustments to reflect increased costs of \$5.3 million Gross (\$185,400 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> concurs.	Federal	NA	6,100
	Restricted	NA	5,061,600
	GF/GP	NA	\$185,400

Major Boilerplate Changes from FY 2023-24

Sec. 701. Legislative Contingency Transfer Authorization – RETAINED

Allows for the legislative transfer process to increase federal authorization by up to \$500,000, state restricted authorization by up to \$500,000, local authorization by up to \$25,000, and private authorization by up to \$50,000. Executive revises to increase maximum amounts of contingency authorizations up to \$2.0 million in federal, \$7.5 million in state restricted, \$50,000 in local, and \$100,000 in private. House retains.

Sec. 703. Commercial Look-Up Fees – REVISED

Authorizes DOS to sell copies of records for various conveyances and to use revenue to finance expenses; sets fee for record look-up services to \$15 per record sold; requires revenue balance at fiscal year-end to be credited to Transportation Administration Collection Fund; requires department to provide quarterly report on number of records sold and revenue collected. Executive deletes. House revises to delete setting fee to \$15 per record sold.

Sec. 704. Manufacture of License Plates – RETAINED

Authorizes DOS to enter into agreements with Department of Corrections to manufacture vehicle registration plates 15 months before registration year in which plates will be used. Executive deletes. House retains.

Sec. 705. Department Publications – RETAINED

Authorizes DOS to accept gifts and grants to underwrite publications pertaining to the vehicle code, and authorizes DOS to approve paid advertising in such publications; authorizes unexpended funds to be carried forward into the next fiscal year; requires annual report on details of gifts received under this subsection, expenditures made from those gifts, and other details. Executive revises to delete reporting requirement. House retains.

Major Boilerplate Changes from FY 2023-24

Sec. 713. Organ Donor Program Public Information Campaign – RETAINED

Provides for receipt and expenditure of funds for a public information campaign for organ donor program; authorizes revenues from gifts and grants to be carried forward; requires annual report on amount of revenue collected, purpose of each expenditure, and amount of revenue carried forward. Executive revises to delete reporting requirement. House retains.

Sec. 714. Branch Office Closings or Consolidations – RETAINED

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 deemed this section unenforceable in FY 2023-24.*) Executive deletes. House retains.

Sec. 717. Gifts to Support Department Activities – RETAINED

Authorizes DOS to accept non-monetary gifts of a de minimus value to support licensing, regulation, and safety functions; prohibits acceptance if conditioned on future state spending; requires report. Executive revises to delete reporting requirement. House retains.

Sec. 719. State HAVA Grant Report – DELETED

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

Sec. 719. Local Election Funding Report – NEW

Requires the department to report on distributions of funding for elections allocated to counties, cities, and townships. House adds.

Sec. 722. Legacy Mainframes System Modernization – DELETED

Requires expense report by fund source on Customer and Automotive Records System (CARS) including projected expenses in current and next fiscal years. Executive deletes. House retains.

Sec. 723. County Clerk Training – DELETED

Requires funds appropriated for county clerk education and training to be used only for costs associated with training local clerks in preparation for elections. Executive deletes. House retains.

Sec. 750. Proposals 22-1 and 22-2 Implementation – DELETED

Requires funds to be used to support costs related to implementing Proposal 22-1 and 22-2 and lists eligible costs; requires up to \$30.0 million to be used for incentive grants to counties to coordinate implementation of early voting by local governments within their jurisdiction and to incentivize multijurisdictional coordination that provides for efficient election administration; authorizes unexpended funds as work project. Executive deletes. House concurs.

Sec. 751. Organ Donor Registry – DELETED

Requires department to facilitate growth of donor registry of state anatomical gift donor registry program in accordance with methods of giving authorized under the Revised Uniform Anatomical Gift Law of the Public Health Code, 1978 PA 368. Executive deletes. House concurs.

FY 2024-25: TECHNOLOGY, MANAGEMENT, AND BUDGET
Summary: As Reported by House Appropriations Committee
House Bill 5516 (H-2)



Analyst: Michael Crossen

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: House From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$1,082,606,600	\$1,119,848,200	\$1,119,848,200	\$	\$	\$37,241,600	3.4
Federal	4,699,000	4,393,300	4,393,300			(305,700)	(6.5)
Local	2,334,700	2,334,000	2,334,000			(700)	0.0
Private	137,400	189,200	189,200			51,800	37.7
Restricted	134,180,400	130,096,500	130,096,500			(4,083,900)	(3.0)
GF/GP	832,699,500	600,315,000	523,454,000			(309,245,500)	(37.1)
Gross	\$2,056,657,600	\$1,857,176,200	\$1,780,315,200	\$	\$	(\$276,342,400)	(13.4)
FTEs	3,220.0	3,249.5	3,246.5			26.5	0.8

Note: Appropriation figures for FY 2024-25 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.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. State Employee Flexible Spending Account Dependent Care Match (One-Time)

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Gross	\$0	\$0
GF/GP	\$0	\$0

Executive provides \$31.5 million GF/GP to provide state employees a one-to-one match, up to \$2,500, with employee contributions of payroll deducted pre-tax dollars to pay for dependent care through flexible spending accounts (FSAs). The program would be established to help recruit and retain state employees and would run from January 2025 through December 2027. Approximately 1,200 state employees currently use a dependent care FSA. House does not include.

2. Make it in Michigan Competitive Fund (One-Time)

Gross	\$286,805,700	(\$286,805,700)
GF/GP	\$286,805,700	(\$286,805,700)

Executive provides \$25.0 million GF/GP for deposit into the Make it in Michigan Competitiveness Fund to set aside funds to leverage major funding opportunities available from recent federal legislation including, but not limited to, the Infrastructure Investment and Jobs Act (IIJA), CHIPS and Science Act, and the Inflation Reduction Act. This is a decrease of \$261.8 million from a FY 2023-24 one-time appropriation of \$286.8 million for the same purpose. An interagency evaluation committee formed by the Michigan Infrastructure Office in collaboration with the state budget director recommends how to distribute funds to the legislature. Funds in the Make it in Michigan Competitive Fund are subject to appropriation or administrative transfer for expenditure. House does not include.

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
3. Make it in Michigan Transfer Placeholders	Gross	NA	\$400
<u>Executive</u> includes 4 \$100 placeholders to facilitate the potential administrative transfer of federal, state restricted, local, and private funds, should they become available for Make it in Michigan Competitiveness Fund projects as described in item number two. <u>House</u> concurs.	Federal	NA	100
	Local	NA	100
	Private	NA	100
	Restricted	NA	100
	GF/GP	NA	\$0
4. Annual IT IDG Baseline Adjustment	Gross	NA	\$20,022,000
<u>Executive</u> increases IDG funding from Technology User Fee revenue by \$20.0 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. Technology Service appropriation lines are prorated by department based on their total IT budget. <u>House</u> concurs.	IDG	NA	20,022,000
	GF/GP	NA	\$0
5. State Property Self Insurance Fund (One-Time)	Gross	\$0	\$0
<u>Executive</u> provides \$10.0 million GF/GP to create a self-sustaining fund to self-insure property and building contents at state-owned facilities against damages. The fund would provide the state with reserve funding to draw from to help counter rising insurance premiums. Savings from decreased property insurance rates charged to state agencies would be deposited into the fund. <u>House</u> does not include.	GF/GP	\$0	\$0
6. MPSCS Lifecycle Replacement Maintenance	FTE	137.0	0.0
<u>Executive</u> provides \$10.0 million GF/GP to provide ongoing funding for lifecycle replacements and maintenance of the quickly growing statewide emergency communication system that serves over 2,200 public safety agencies. <u>House</u> concurs.	Gross	\$48,894,800	\$10,000,000
	Local	2,277,800	0
	GF/GP	\$46,617,000	\$10,000,000
7. State Building Authority Capital Outlay Debt Financing	Gross	\$236,570,600	\$9,600,000
<u>Executive</u> provides \$9.6 million GF/GP to the annual amount set aside for payments on debt for capital construction projects financed through the State Building Authority to reflect a projected increase in payments due on bonds following recent increases in state capital outlay projects. <u>House</u> concurs.	GF/GP	\$236,570,600	\$9,600,000
8. State Facilities Maintenance (One-Time)	Gross	\$25,000,000	(\$25,000,000)
<u>Executive</u> provides \$8.0 million GF/GP for maintenance, demolition, and infrastructure projects for 800 buildings and 5,000 state-owned structures. This is a decrease of \$17.0 million from a FY 2023-24 one-time appropriation of \$25.0 million for the same purpose. With \$28.0 million GF/GP in ongoing base, a total of \$36.0 million will be available for deferred special maintenance projects. <u>House</u> does not include.	GF/GP	\$25,000,000	(\$25,000,000)
9. Fleet Vehicle Travel Services Rate Increase	Gross	\$87,709,000	\$7,900,000
<u>Executive</u> provides \$7.9 million in IDG funding from the Motor Transport Fund to align IDG authorization with increased travel services rates charged to departments to reflect higher projected gasoline prices. <u>House</u> concurs.	IDG	87,709,000	7,900,000
	GF/GP	\$0	\$0
10. Office of Retirement Services IT and Administrative Costs	Gross	NA	\$5,618,300
<u>Executive</u> provides \$5.6 million in state restricted Pension Trust Fund revenues to support higher information technology (IT) and administrative costs that support Defined Contribution retirement plants. Of the total, \$3.8 million would support IT costs and \$1.8 million would support administrative costs. <u>House</u> concurs.	Restricted	NA	5,618,300
	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. Michigan.gov Language Accessibility	FTE	NA	0.0
<u>Executive</u> provides \$2.4 million GF/GP and authorization for 3.0 FTE positions to upgrade the Michigan.gov website to translate content in multiple languages to reduce barriers to accessing state services and information. An additional \$820,000 GF/GP is recommended for this project within the ongoing Information Technology Investment Fund (ITIF) to implement a statewide multi-lingual chatbot technology. <u>House</u> reappropriates \$2.4 million GF/GP from the 2022 work project balance for Information Technology Investment Fund and does not include funding in a line item.	Gross	NA	\$0
	GF/GP	NA	\$0
12. State Fleet Electric Vehicle Transition (One-Time)	Gross	\$1,000,000	\$2,000,000
<u>Executive</u> provides \$2.0 million GF/GP towards ongoing efforts to transition the state's motor vehicle fleet to electric vehicles (EV) by 2040 in accordance with Executive Directive 2023-5. Funding would supplement \$1.0 million in recommended ongoing FY 2024-25 funding and would support the purchase of EVs as well as changes to motor pool operations and updated mechanic repair training. <u>House</u> concurs.	GF/GP	\$1,000,000	\$2,000,000
13. MiLEAP Reorganization – State Archives of Michigan	FTE	NA	14.5
<u>Executive</u> transfers \$1.9 million GF/GP and authorization for 14.5 FTE positions from the Department of Natural Resources to reflect the move of the State Archives of Michigan program for a net \$0 enterprise change. The transfer is in accordance with Executive Order 2023-6 which created the Department of Lifelong Education, Advancement, and Potential (MiLEAP). <u>House</u> concurs.	Gross	NA	\$1,915,300
	GF/GP	NA	\$1,915,300
14. Office of Retirement Services Customer Relations	FTE	167.0	10.0
<u>Executive</u> provides \$1.6 million in state restricted Pension Trust Funds and authorization for 10.0 FTE positions to improve employer reporting functions and customer relations through customer meeting, training, and outreach. <u>House</u> concurs.	Gross	\$26,139,500	\$1,600,000
	Restricted	26,046,500	1,600,000
	GF/GP	\$93,000	\$0
15. Free Feminine Hygiene Pilot Program (One-Time)	Gross	\$0	\$0
<u>House</u> reappropriates \$1.4 million GF/GP from the 2022 work project balance for Information Technology Investment Fund to provide free feminine hygiene products in bathrooms of state-owned and leased buildings. <u>Executive</u> does not include.	GF/GP	\$0	\$0
16. Utility Rate Increase	Gross	NA	\$1,301,000
<u>Executive</u> provides \$1.3 million in IDG funding from building occupancy charges to agencies to reflect increasing utility rate costs. <u>House</u> concurs.	IDG	NA	1,301,000
	GF/GP	NA	\$0
17. Geographically-Disadvantaged Business Procurement	Gross	NA	\$1,300,000
<u>Executive</u> provides \$1.3 million in state restricted revenue to maintain current procurement service levels in Central Procurement Services and support inclusive state contracting and geographically-disadvantaged business enterprises in accordance with Executive Directives 2023-1. <u>House</u> concurs.	Restricted	NA	1,300,000
	GF/GP	NA	\$0
18. State Police Secondary Complex Expansion	Gross	NA	\$758,000
<u>Executive</u> provides \$758,000 in IDG funding for the Building Operations Division to renovate the Michigan State Police Secondary Complex in Dimondale. <u>House</u> concurs.	IDG	NA	758,000
	GF/GP	NA	\$0
19. Vendor Risk Management Information System	FTE	0.0	2.0
<u>Executive</u> provides \$279,900 in state restricted revenues and authorization for 2.0 FTE positions to administer a Risk Management Information System to assess vendor insurance risk and compliance for contracts that are delegated to state agencies. <u>House</u> concurs.	Gross	\$0	\$279,900
	Restricted	0	279,900
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
20. Automated External Defibrillator Accessibility (One-Time)	Gross	NA	\$250,000
<u>Executive</u> provides \$251,000 GF/GP to expand the accessibility of Automated External Defibrillator (AED) machines in department-owned and managed facilities. <u>House</u> provides \$250,000 and reappropriates \$1,000 from the 2022 work project balance for Information Technology Investment Fund for a total of \$251,000.	GF/GP	NA	\$250,000
21. SWCAP Adjustment	Gross	NA	\$0
<u>Executive</u> allocates fund sourcing associated with the annual Statewide Cost Allocation Plan (SWCAP) for a net change of \$0 Gross and increase of \$2.3 million GF/GP. <u>House</u> concurs.	IDG	NA	521,800
	Restricted	NA	(2,866,700)
	GF/GP	NA	\$2,344,900
22. DMVA Accounting Services	Gross	NA	\$146,100
<u>Executive</u> provides \$146,100 in IDG funding to align departmental accounting service center funding support with funding from the Department of Military and Veterans Affairs and the Michigan Veterans' Facility Authority. <u>House</u> concurs.	IDG	NA	146,100
	GF/GP	NA	\$0
23. Central Procurement Staff Development	Gross	NA	\$50,000
<u>Executive</u> provides \$50,000 in private funding to recognize support for staff development, training, and student intern opportunities in CPS. <u>House</u> concurs.	Private	NA	50,000
	GF/GP	NA	\$0
24. Center for Data and Analytics Federal Funding	FTE	44.0	0.0
<u>Executive</u> removes \$400,000 in federal funding to align authorization with available revenue for the Michigan Center for Data and Analytics. <u>House</u> concurs.	Gross	\$7,480,200	(\$400,000)
	Federal	4,505,400	(400,000)
	Local	35,000	0
	Private	100	0
	GF/GP	\$2,939,700	\$0
25. Removal of FY 2023-24 One-Time Appropriations	Gross	\$46,192,100	(\$38,692,100)
<u>Executive</u> removes \$38.7 million Gross (\$26.9 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Restricted	11,800,100	(11,800,100)
<ul style="list-style-type: none"> \$17.9 million GF/GP for Information Technology Investment Fund \$11.8 million state restricted for retirement IT system modernization \$5.0 million GF/GP for Civil Service management training \$4.0 million GF/GP for state vendor cybersecurity \$100 state restricted for Make it in Michigan placeholder. 	GF/GP	\$34,392,000	(\$26,892,000)
<u>House</u> concurs.			
26. Economic Adjustments	Gross	NA	\$11,814,400
<u>Executive</u> includes adjustments to reflect increased costs of \$11.8 million Gross (\$3.3 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> concurs.	IDG	NA	6,592,700
	Federal	NA	94,200
	Local	NA	(800)
	Private	NA	1,700
	Restricted	NA	1,784,600
	GF/GP	NA	\$3,342,000

Major Boilerplate Changes from FY 2023-24

Sec. 809. Computer Contracts – RETAINED

Requires DTMB to report revisions that increase or decrease current contracts for computer software development, hardware acquisition, or quality assurance by more than \$500,000, individually or in aggregate. Executive deletes. House retains.

Sec. 810. Request for Proposals Website – RETAINED

Requires DTMB to establish a request for proposals (RFP) website searchable by department and agency. Executive deletes. House retains and transfers to section 810.

Major Boilerplate Changes from FY 2023-24

Sec. 813. Motor Vehicle Fleet – REVISED

Provides for motor vehicle charges and management of motor vehicle fleet; requires detailed plan for operation of fleet; authorizes department to increase its rate for fuel upon the price of unleaded gasoline exceeding certain thresholds; authorizes department to adjust spending authorization and motor transport fund IDG as needed to ensure that authorization meets total fleet expenditures. Executive maintains current language. House revises to require DTMB to adjust charges rates charged for vehicles services if the price of fuel is above or below 10% of the budgeted price; replaces "unleaded gasoline" with "fuel".

Sec. 822. Report on Unclassified Salaries – RETAINED

Requires report on individual appointee and unclassified employee salaries, rounded to the nearest thousand dollars, by January 1. Executive deletes. House retains.

Sec. 822d. Fees and Rates Charged to State Agencies – RETAINED

Requires report on fees and rates charged to state agencies, along with justification for any increases from prior year. Executive deletes. House retains.

Sec. 822h. Supplier Risk Assessment Program – REVISED

Requires not more than an additional \$300,000 appropriated to Business Support Services line item to be used to maintain a comprehensive supplier risk and information subscription used for pre-contract risk assessment. Executive deletes. House revises to eliminate specification of \$300,000.

Sec. 822j. Testing Laboratories Consolidation Prohibition – RETAINED

Prohibits use of funds for consolidating testing laboratories for Department of Agriculture and Rural Development or Department of Natural Resources. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. House retains.

Sec. 822k. Make it in Michigan Competitiveness Fund – REVISED

Creates Make it in Michigan Competitiveness Fund in Treasury; deposits funding appropriated in part 1 in fund; prohibits expenditures from fund without appropriation or legislative transfer; provides guidance and restrictions regarding transfers from fund; states that fund is to be used to leverage major funding opportunities available from recent federal legislation including, but not limited to, Infrastructure Investment and Jobs Act (IIJA), CHIPS and Science Act, and Inflation Reduction Act; directs formation of interagency evaluation committee to recommend appropriations or transfers; establishes reporting requirements to legislature. Executive revises to move to ongoing boilerplate sections, adjusts appropriated amount to be deposited into the fund, and appropriates \$325.0 million for state restricted contingency funds. House concurs with Executive but does not include a deposit into the fund.

Sec. 822l. Actuarial Cost of Living Study

Requires the Office of Retirement Services to contract with the state's actuary to conduct a study to provide options related to providing cost-of-living adjustments in the State Employees' Retirement System; lists information to be included in the study; appropriates unexpended funds from the 2023 work project for Actuarial Study to support the study.

Sec. 825. Access to SIGMA and MAIN Data – RETAINED

Requires legislature and all state departments to have access to historical and current data in SIGMA and MAIN. Executive deletes. House retains.

Sec. 826. Definition of Information Technology Services – REVISED

Defines "information technology services" as services involving all aspects of managing and processing information, including certain IT management and support items and services. Executive deletes. House revises to move to section 202, for general definitions, and adds server support and management, and information technology planning and budget management to the definition.

Sec. 827. Michigan Public Safety Communications System (MPSCS) – RETAINED

Provides for assessment of fees and expenditure of revenues pertaining to MPSCS; requires approval of a spending plan by the state budget director before expenditure of funds; authorizes unencumbered funds to be carried forward. Executive revises to eliminate requirement of approval of spending plan before use of funds. House retains.

Sec. 828. IT-Related Appropriations and Expenditures – RETAINED

Requires detailed annual report on funding and expenditures for IT services and projects. Executive deletes. House retains.

Sec. 831. Information Technology Services Billing – RETAINED

Requires DTMB to submit information technology services-related invoices to departments and agencies no later than 60 days after receiving approval from departments to pay vendor invoices. Executive deletes. House retains.

Major Boilerplate Changes from FY 2023-24

Sec. 832. Child Support Enforcement System – RETAINED

Requires DTMB to notify legislature of potential or actual penalties for failure of Michigan Child Support Enforcement System to achieve federal certification; requires additional reporting in event of penalties being imposed. Executive deletes. House retains.

Sec. 838. Reporting on Information Technology Investment Projects – REVISED

Requires department to develop a funding plan for use of funds for projects, including description, cost, timeframe for completion, number of employees, and contracts entered into for each project, requires report that includes the plan and spending reductions or overages for each project. Executive maintains current language. House revises to require reporting of initial budgets of projects, actual costs, and any transfer of budgeted funds between projects.

Sec. 839. Federal and State Restricted Revenue for ITIF – NOT INCLUDED

Appropriates additional federal and state restricted revenue for the Enterprisewide Information Technology Investments line item up to amounts earned based on initiatives undertaken with the General Fund appropriation. Executive adds. House does not include.

Sec. 862. Required Reports – RETAINED

Requires DTMB to provide various detailed reports to Joint Capital Outlay Subcommittee (JCOS) and fiscal agencies with status of each planning or construction project financed by SBA. Executive deletes. House retains.

Sec. 866. Energy Efficiency Revolving Fund – REVISED

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 fund; provides carry-forward authorization for unexpended funds at close of fiscal year; requires DTMB to provide oversight for fund, coordinate call for projects, and prioritize projects to be awarded funds; limits administrative costs to 10% of total project cost; describes department's responsibilities in administering the fund. Executive maintains current language. House revises to add reporting requirements on details of projects funded under this section.

Sec. 867. Special Maintenance, Remodeling, and Additions for State Agencies – NOT INCLUDED

Appropriates federal and restricted funds earned based on initiatives undertaken with funds appropriated for Special Maintenance, Remodeling, and Additions for State Agencies; requires the state budget director to determine the appropriate manner for implementing this section. Executive adds. House does not include.

Sec. 890. Vendor Cybersecurity Monitoring – DELETED

Requires department to contract with vendor to provide software that provides cybersecurity vulnerability information about companies that state does business with and state's vendor ecosystem; lists eligibility requirements for software vendor; lists metrics that contracted software must provide. Executive deletes. House concurs.

Sec. 890. Appropriation of Work Project Funds – NEW

Appropriates unexpended funds from funds appropriated in 2022 PA 166 for Information Technology Investment Fund as follows: \$2.4 million for enterprise language accessibility, \$1.4 million for free feminine hygiene products pilot program, and \$1,000 for AED machines in DTMB-owned and managed buildings. House adds.

Sec. 891. Free Feminine Hygiene Products Pilot Program – NEW

Requires funds appropriated for free feminine hygiene products pilot program under section 890 to be used to provide free menstrual discharge absorption devices in the restrooms of state-owned and leased buildings. House adds.

Sec. 892. Risk Management Internal Service Fund – NOT INCLUDED

Creates the Risk Management Internal Service Fund to self-insure property in state-owned and managed buildings; appropriates revenues recovered from rates charged to state agencies for property insurance to pay loss or damage claims to be deposited into the fund; authorizes deposits into the fund to remain in the fund and not lapse to the general fund. Executive adds. House does not include.

Sec. 893. Dependent Care Flexible Spending Account – NOT INCLUDED

Requires funds to be available to fund an employer matching payment up to \$2,500 for the dependent care flexible spending account plan; authorizes the Civil Service Commission to take action if resources are being expended at a rate that would exhaust resources before December 31, 2027, including suspending or altering the match benefit; appropriates up to 3% of funding for administrative costs; designates unexpended funds as a work project through FY 2027-28. Executive adds. House does not include.

FY 2024-25: TREASURY

Summary: As Reported by House Appropriations Committee House Bill 5516 (H-2)



Analyst: Austin Scott

IDG/IDT	FY 2023-24	FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25	Difference: House From FY 2023-24	
	Enacted as of 2/7/24	Executive	House	Senate	Conference	Enacted Amount	%
	\$11,097,300	\$11,188,500	\$11,188,500	\$	\$	\$91,200	0.8
Federal	24,921,800	25,011,400	25,011,400			89,600	0.4
Local	15,038,100	15,207,100	15,207,100			169,000	1.1
Private	33,200	36,600	36,600			3,400	10.2
Restricted	2,197,308,000	2,280,719,900	2,266,716,000			69,408,000	3.2
GF/GP	392,670,200	312,446,600	397,596,600			4,926,400	1.3
Gross	\$2,641,068,600	\$2,644,610,100	\$2,715,756,200	\$	\$	\$74,687,600	2.8
FTEs	2,013.5	2,011.5	2,011.5			(2.0)	(0.1)

Note: Appropriation figures for FY 2024-25 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 the State Building Authority (SBA) are autonomous agencies housed within the department.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
1. Constitutional Revenue Sharing	Gross \$1,100,663,100	\$5,436,500
<u>Executive</u> includes an increase of \$5.4 million in additional state restricted Sales Tax revenue for constitutional revenue sharing grants.	Restricted 1,100,663,100	5,436,500
<u>House</u> concurs.	GF/GP \$0	\$0
2. Revenue Sharing Trust Fund	Gross \$0	\$591,704,000
<u>House</u> includes \$591.7 million in state restricted Sales Tax revenue to establish a revenue sharing trust fund with 52.87% of funding available to cities, village, and townships and 46.13% of funding available to counties.	Restricted 0	591,704,000
	GF/GP \$0	\$0
3. City, Village, and Township (CVT) Revenue Sharing	Gross \$299,126,400	(\$299,126,400)
<u>Executive</u> includes a net increase of \$23.8 million in additional state restricted Sales Tax revenue for CVT revenue sharing. The net increase reflects the removal of \$5.6 million that was considered one-time funding in FY 2023-24. Of the proposed FY 2024-25 appropriation of \$29.4 million, \$14.7 million would support a 5.0% ongoing increase and \$14.7 million would support a 5.0% one-time increase (10% total). The 5.0% one-time payment includes the following:	Restricted 299,126,400	(299,126,400)
	GF/GP \$0	\$0
<ul style="list-style-type: none"> 2.0% one-time payment for local public safety initiatives, such as public safety employee recruitment, retention and training, and equipment and infrastructure improvements 3.0% one-time payment for local units that certify they have fully obligated their federal ARP - local fiscal recovery funds by October 1, 2024. 		
<u>House</u> replaces with Revenue Sharing Trust Fund.		

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. County Revenue Sharing			
<u>Executive</u> includes a net increase of \$20.7 million in additional state restricted Sales Tax revenue for county revenue sharing. The net increase reflects the removal of \$4.9 million that was considered one-time funding in FY 2023-24. Of the proposed FY 2024-25 appropriation of \$25.6 million, \$12.8 million would support a 5.0% ongoing increase and \$12.8 million would support a 5.0% one-time increase (10% total). The 5.0% one-time payment includes the following:	Gross	\$217,489,800	(\$217,489,800)
<ul style="list-style-type: none"> 2.0% one-time payment for local public safety initiatives, such as public safety employee recruitment, retention and training, and equipment and infrastructure improvements 3.0% one-time payment for local units that certify they have fully obligated their federal ARP – local fiscal recovery funds by October 1, 2024. 	Restricted	217,489,800	(217,489,800)
<u>House</u> replaces with Revenue Sharing Trust Fund.	GF/GP	\$0	\$0
5. County Incentive Program			
<u>House</u> replaces County Incentive Program with Revenue Sharing Trust Fund.	Gross	\$43,579,900	(\$43,579,900)
	Restricted	43,579,900	(43,579,900)
	GF/GP	\$0	\$0
6. Public Safety Trust Fund			
<u>House</u> includes \$110.9 million GF/GP to establish a public safety trust fund with 6.5% of funding to DHHS for public health grants to cities, village, and townships; 2.0% of funding to the Crime Victim's Rights Fund; and 91.5% of funding to cities, villages, townships, and counties for public safety and violence prevention.	Gross	\$0	\$110,900,000
	GF/GP	\$0	\$110,900,000
7. MI Vehicle Rebate Program			
<u>Executive</u> includes \$25.0 million in one-time GF/GP for the MI Vehicle Rebate Program that provides point-of-sale consumer rebates for battery electric, plug-in hybrid, and internal combustion vehicles on a first come first serve basis. Rebates of \$1,000 would be provided for internal combustion vehicles and rebates of \$2,000 would be provided for electric vehicles. An additional \$500 rebate would be provided for union-assembled vehicles.	Gross	\$0	\$0
<u>House</u> does not include.	GF/GP	\$0	\$0
8. Recreational Marihuana Grants to Locals			
<u>Executive</u> includes \$24.7 million in state restricted Marihuana Regulatory Fund revenue to align grant payments to municipalities and counties with the expected increase in revenue.	Gross	\$71,670,000	\$24,710,000
<u>House</u> concurs.	Restricted	71,670,000	24,710,000
	GF/GP	\$0	\$0
9. Marihuana Retailers Excise Tax Form Process Change			
<u>Executive</u> includes \$261,700 of state restricted Marihuana Regulatory Fund revenue to support 2.0 FTE positions that would process marihuana retailer attestation forms in a timelier manner. The attestation process was modified by LARA and required reviews are now more time sensitive.	FTE	NA	2.0
<u>House</u> concurs.	Gross	NA	\$261,700
	Restricted	NA	261,700
	GF/GP	NA	\$0
10. Transfers to MiLEAP			
<u>Executive</u> reflects the transfer of \$8.9 million Gross (\$7.7 million GF/GP) and 33.0 FTE positions from Treasury to the new MiLEAP department. Of the total, \$5.9 million Gross (\$4.7 million GF/GP) and the 33.0 FTE positions are associated with the Student Financial Assistance program and \$3.0 million Gross (\$3.0 million GF/GP) is for Dual Enrollment Payments.	FTE	NA	(33.0)
<u>House</u> concurs.	Gross	NA	(\$8,924,600)
	Restricted	NA	(1,253,100)
	GF/GP	NA	(\$7,671,500)

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. Debt Service Adjustments	Gross	\$100,084,100	(\$4,997,100)
<u>Executive</u> reduces the budget by \$5.0 million GF/GP based on existing debt service schedules and projected new debt service issues for Clean Michigan Initiative, Quality of Life Bonds, and Great Lakes Water Quality Bonds.	GF/GP	\$100,084,100	(\$4,997,100)
<u>House</u> concurs.			
12. Secure Retirement for Small Businesses	Gross	\$0	\$1,500,000
<u>Executive</u> includes \$3.0 million in one-time GF/GP to establish a state-managed retirement plan marketplace that will allow small businesses with fewer than 100 employees to provide optional retirement savings plans.	GF/GP	\$0	\$1,500,000
<u>House</u> includes \$1.5 million in one-time GF/GP.			
13. Michigan's Achieving a Better Life Experience (MiABLE) Program	Gross	\$0	\$3,000,000
<u>Executive</u> includes \$3.0 million in one-time GF/GP to allow for promotion and education of the MiABLE program that allows disabled individuals to create accounts for disability-related expenses without impacting their eligibility for public benefits.	GF/GP	\$0	\$3,000,000
<u>House</u> concurs.			
14. Payment in Lieu of Taxes (PILT)	Gross	\$32,288,100	\$2,868,700
<u>Executive</u> includes \$2.9 million Gross (\$2.2 million GF/GP) for increased PILT payments to local units of government for state lands owned by the Department of Natural Resources. Funding will align payments with current property tax estimates.	Private	33,200	3,400
	Restricted	6,647,900	664,900
<u>House</u> concurs.	GF/GP	\$25,607,000	\$2,200,400
15. Tax Processing Services	FTE	355.0	7.0
<u>Executive</u> authorizes \$800,000 in state restricted Delinquent Tax Collection revenue to be used to support 7.0 new FTE positions that would be charged with increasing tax processing efficiency, increasing the efficiency of collections, improving response times, and improving communication between taxpayers and the department.	Gross	\$44,645,800	\$800,000
	Restricted	44,645,800	800,000
<u>House</u> concurs.	GF/GP	\$0	\$0
16. Unclaimed Property Compliance Responsibilities	FTE	28.0	4.0
<u>Executive</u> includes \$517,100 in state restricted Escheats Fund revenue to support 4.0 new FTE positions that would work to ensure the Unclaimed Property Division is able to process claims and responses within the 90-day statutory time frame.	Gross	\$5,070,600	\$517,100
	Restricted	5,070,600	517,100
<u>House</u> concurs.	GF/GP	\$0	\$0
17. Treasury Information Technology	Gross	NA	\$420,800
<u>Executive</u> includes \$420,800 GF/GP to support increased licensing costs associated with the department's information technology systems.	GF/GP	NA	\$420,800
<u>House</u> concurs.			
18. Gaming Control – Internet Gaming and Sports Betting	FTE	NA	14.0
<u>Executive</u> includes \$1.9 million in state restricted funding to support an additional 14.0 FTE positions that would perform auditing, licensing and investigations, and gaming laboratory functions, ultimately expanding the agency's regulatory capacity and protections against illegal activity. Additional staff are needed because of increasing work volumes from the popularity of internet gaming and sports betting.	Gross	NA	\$1,942,300
	Restricted	NA	1,942,300
<u>House</u> concurs.	GF/GP	NA	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 House Change
19. Gaming Control – Increased Funding Authorization		Gross	NA
<u>Executive</u> authorizes an additional \$795,100 in state restricted State Services Fee Fund revenue to be used for gaming-related enforcement services.		Restricted	\$795,100
<u>House</u> concurs.		GF/GP	\$0
20. iLottery Website and Application Design		FTE	4.0
<u>Executive</u> includes \$1.1 million in state restricted State Lottery Fund revenue to support 4.0 new FTE positions that would work on Lottery IT projects. Of the total, \$510,000 would be ongoing funding that would support the new positions, ongoing maintenance costs, and costs for improving the iLottery app and website; and \$592,000 would be one-time funding used for development of disaster recovery and document management programs, one-time iLottery improvements, and network switch replacement.		Gross	\$1,102,000
<u>House</u> concurs.		Restricted	1,102,000
21. Michigan State Lottery		GF/GP	\$0
<u>Executive</u> includes \$1.0 million in State Lottery Fund revenue to support efforts to sell and promote Lottery products through online and retail outlets.		Gross	NA
<u>House</u> does not include.		GF/GP	NA
22. Election Administration Support Fund		Gross	\$27,209,200
(a) <u>Executive</u> reflects removal of \$27.2 million in one-time funding that was appropriated in FY 2023-24.		GF/GP	(\$27,209,200)
<u>House</u> concurs.			
(b) <u>Executive</u> includes \$49,100 GF/GP to support counties with implementation costs associated with Proposals 1 and 2 of 2022.		Gross	\$18,765,400
<u>House</u> concurs.		GF/GP	\$49,100
23. Living Donor Tax Credit		Gross	\$0
<u>House</u> includes \$750,000 GF/GP to support on ongoing living donor tax credit program.		GF/GP	\$750,000
24. Removal of Other FY 2023-24 One-Time Appropriations		Gross	\$77,150,000
<u>Executive</u> removes \$77.2 million Gross (\$75.2 million GF/GP) of other one-time funding that was included in the FY 2023-24 budget to support the following:		Restricted	(2,000,000)
<ul style="list-style-type: none"> Beverage Container Distributor Grants (\$8.0 million GF/GP) Gaming Control Information Technology (\$2.0 million restricted) High Crime Community Support (\$12.0 million GF/GP) Local Unit Municipal Retirement Health Care (\$35.0 million GF/GP) Organ Donor Registry (\$150,000 GF/GP) Presidential Primary (\$20.0 million GF/GP) 		GF/GP	(\$75,150,000)
(Three other one-time grants are discussed elsewhere in this summary document.)			
<u>House</u> concurs.			
25. Economic Adjustments		Gross	\$6,407,300
<u>Executive</u> reflects a net increase in costs of \$6.4 million Gross (\$1.1 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), overtime, longevity, insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.		IDG/IDT	91,200
<u>House</u> concurs.		Federal	89,600
		Local	169,000
		Restricted	4,923,600
		GF/GP	\$1,133,900

Major Boilerplate Changes from FY 2023-24

TREASURY

Sec. 902a. Notification of Bond Refunding or Restructuring – RETAINED

Requires Treasury to report, not more than 30 days after a refunding or restructuring bond issue is sold, on the annual debt service changes, the change in principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Executive deletes, House retains.

Sec. 934. Expending of Authority Revenues – RETAINED

Authorizes Treasury to expend revenues under various authorities for operation expenses and grants to the Civil Service Commission and the State Employee's Retirement Fund; requires a report on expenditures over \$250,000.

Executive revises to delete reporting requirement, House retains without revision.

Sec. 935. Dual Enrollment Payments – DELETED

Requires dual enrollment payments to be distributed as provided under the Postsecondary Enrollment Options Act, 1996 PA 160, and the Career and Technical Preparation Act, 2000 PA 258, as determined by the department. (Dual Enrollment Payments program was transferred to MiLEAP.)

Executive deletes, House concurs.

Sec. 939. Public Safety Trust Fund – NEW

Distributes public safety trust funding as follows: 6.5% of funding to DHHS for public health grants to cities, village, and townships; 2.0% of funding to the Crime Victim's Rights Fund; and 91.5% of funding to cities, villages, townships, and counties for public safety and violence prevention.

House adds new section.

Sec. 947. Financial Independence Teams – RETAINED

Expresses legislative intent that financial independence teams 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 deemed this section unenforceable in FY 2023-24.*)

Executive deletes, House retains.

Sec. 949n. Fostering Futures Scholarship – NEW

Authorizes Treasury to issue payments in compliance with the Fostering Futures Scholarship Trust Fund Act.

Executive adds new section, House concurs.

REVENUE SHARING

Sec. 951. Revenue Sharing Trust Fund – NEW

Distributes revenue sharing trust funding as follows: 52.87% of funding available to cities, village, and townships and 46.13% of funding available to counties.

House adds new section.

Sec. 952. City, Village, and Township (CVT) Revenue Sharing and County Incentive Program – DELETED

Specifies distribution to all CVTs that received a payment under Section 108(11) of article 5 of 2022 PA 166; eligible payment is equal to 104.0% of its FY 2022-23 eligible payment; an additional 1.0% if the CVT has been expended, obligated, or declined by December 31, 2023 federal ARPA funding; includes 2.0% additional one-time funding for local public safety initiatives. Directs deposit of unexpended funds in the Financial Distressed CVTs program in Sec. 956, subject to approval of transfers; requires CVTs receiving a payment to allocate their FY 2022-23 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (CTVs are exempt if they received a local unit municipal pension principal payment grant in 2022 PA 166.)

Executive revises for FY 2024-25, House deletes.

Sec. 955. County Revenue Sharing Payments – DELETED

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 116.4592% of the amount determined pursuant to the Glenn Steil State Revenue Sharing Act which represents a 5.0% increase over FY 2022-23 ongoing payment; includes an additional 2.0% one-time funding increase for local public safety initiatives; requires counties receiving a payment to allocate their FY 2022-23 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 received a local unit municipal pension principal payment grant in 2022 PA 166.)

Executive revises for FY 2024-25, House deletes.

Major Boilerplate Changes from FY 2023-24

CASINO GAMING

Sec. 971. Compulsive Gaming Prevention and First Responder Presumed Coverage Fund Allocations – REVISED
Allocates \$2.0 million of annual assessment revenue collected by MGCB, \$500,000 of Internet Sports Betting Fund revenue, and \$500,000 of Internet Gaming Fund revenue to the Compulsive Gaming Prevention Fund; allocates \$2.0 million of Internet Sports Betting Fund revenue and \$2.0 million of Internet Gaming Fund revenue to the First Responder Presumed Coverage Fund.

Executive revises \$500,000 of Internet Sports Betting Fund revenue and \$500,000 of Internet Gaming Fund revenue to the Compulsive Gaming Prevention Fund to \$1.0 million and \$3.0 million, respectively; House concurs.

Sec. 973. Local Revenue Sharing Boards – REVISED

Authorizes funds for local government programs to assist local revenue sharing boards; requires boards to comply with Open Meetings and Freedom of Information acts; authorizes county treasurers to receive and administer revenue on behalf of boards; authorizes directors of State Police and MGCB to help local boards allocate funds to local public safety organizations; requires local revenue sharing boards to comply with all applicable provisions of any agreement authorized by the Indian Gaming Regulatory Act, Public Law 100-497; requires MGCB to report on revenue receipt and distribution. Executive revises to delete reporting requirement.

Sec. 978. Racing Commission Regulatory Changes – RETAINED

Requires MGCB to determine actual regulatory costs of conducting race dates; limits reimbursement to MGCB to actual expenses; requires funds received in excess of actual expenses to remain in the Equine Development Fund to be used to fund subsequent race dates; specifies that in the case of reduced revenues, race dates can be reduced, after notifying certified horsemen's organizations and providing an opportunity for those organizations to respond with alternatives; requires report. (*Governor deemed this section unenforceable in FY 2023-24.*)

Executive revises to delete requirement that funds received in excess of actual expenses are to remain in the Equine Development Fund and that in the case of reduced revenues, race dates can be reduced, after notifying certified horsemen's organizations; House retains without revision.

Sec. 979. Millionaire Party Regulation – REVISED

Authorizes receipt and expenditure of Internet Gaming Fund revenue in an amount not to exceed the amount appropriated to MGCB to support regulation and licensing of millionaire parties; requires a report.

Executive revises to delete reporting requirement, House concurs.

ONE-TIME APPROPRIATIONS

Sec. 990. Local Unit Municipal Retirement Pension and Health Care Benefit Premium Payment Grants – DELETED

Requires Treasury to establish and operate a grant program that provides relief to local governments with the greatest burden from qualified pension and retirement health benefit systems; requires Treasury to consult with relevant stakeholders to develop a method of distribution and program requirements.

Executive deletes, House concurs.

Sec. 991. High-Crime Community Support – DELETED

Requires funding to be used for grants to county prosecutors in 6 specific communities to address caseload backlogs; requires reports from county prosecutors receiving grants.

Executive deletes, House concurs.

Sec. 993. Beverage Container Distributor Grants – DELETED

Requires funding to be used for grants to licensed distributors for costs associated with the beverage container deposit program; requires grants to equal 1/2 of 1 cent per returnable container for beer, ale, other malt drinks, mixed wine drinks, or mixed spirit drinks.

Executive deletes, House concurs.

Sec. 994. Secure Retirement for Small Businesses – NEW

Requires appropriation to be used to create a state-managed retirement plan marketplace that small businesses with fewer than 100 employees may voluntarily enroll in as a means to provide retirement plan options to their employees; authorizes Treasury to receive and expend private funds for development and operation of the marketplace; requires a report on the number of participating employers, employees, and financial services firms; requires Treasury to develop guidelines and definitions for implementation of the program.

Executive adds new section, House concurs and tie bars to House Bill 5461.

Sec. 1200. MI Vehicle Rebate Program – DELETED

Requires appropriation to be used to provide rebate vouchers to participating auto dealers on new vehicle purchases for eligible individuals at point-of-sale; specifies rebate guidelines by category; requires a report on the number of rebates issued for each category; requires Treasury to develop guidelines and definitions for implementation of the program.

Executive adds new section, House does not add.