

# FY 2025-26 LABOR AND ECONOMIC OPPORTUNITY BUDGET

S.B. 179 (S-2): SENATE-PASSED

(as passed by the Senate)

Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2024-25 YEAR-TO-DATE*	FY 2025-26 SENATE-PASSED	CHANGES FROM FY 2024-25 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	2,637.0	2,661.0	24.0	0.9
<b>GROSS .....</b>	<b>2,669,494,500</b>	<b>2,112,782,300</b>	<b>(556,712,200)</b>	<b>(20.9)</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	0.0
<b>ADJUSTED GROSS .....</b>	<b>2,669,494,500</b>	<b>2,112,782,300</b>	<b>(556,712,200)</b>	<b>(20.9)</b>
Less:				
Federal Funds .....	1,191,165,800	1,227,473,300	36,307,500	3.0
Local and Private .....	23,284,600	23,288,200	3,600	0.0
<b>TOTAL STATE SPENDING .....</b>	<b>1,455,044,100</b>	<b>862,020,800</b>	<b>(593,023,300)</b>	<b>(40.8)</b>
Less:				
Other State Restricted Funds .....	661,474,700	292,874,300	(368,600,400)	(55.7)
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>793,569,400</b>	<b>569,146,500</b>	<b>(224,422,900)</b>	<b>(28.3)</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>75,654,900</b>	<b>71,443,700</b>	<b>(4,211,200)</b>	<b>(5.6)</b>

\*As of February 5, 2025.

## Major Boilerplate Changes from FY 2024-25 Year-to-Date:

- Deleted Sections.** The Senate deleted FY 2024-25 One-Time Appropriation sections. (**Secs 1001-1054**)
- Modified Sections.** The Senate made substantial changes to several sections, which includes: **205** (Buy American), **221** (SFRF Funds), **222** (Grant Transparency), **304** (Private Grants), **305** (Registration Fees), **306** (Publication Fees), **351** (SOAR), **401** (MSHDA Report), **403** (MSHDA FTEs), **503** (Pure Michigan), **509** (Land Purchases), **513** (MEDC Private Fundraising), **517** (Arts and Cultural Grants), **526** (Michigan Defense Center), **528** (RAP Spending), **601** (Wage and Hour), **702** (Youth Entrepreneurship), **703** (Veterans Outreach), **706** (Going Pro Administration), **709** (Helmets to Hardhats), **710** (Graduation Alliance/Michigan future force/Schools to Tools), **711** (Jobs for Michigan Graduates), **715** (High School Equivalency Program), **802** (UIA Claimant Report), **803** (UIA Fraud Report), **902** (MRS Report), and **951** (Office of Global Michigan Report).
- New Sections.** The Senate included several new sections, which includes: **223** (General Fund Prioritization), **224** (Unenforceable Notification), **225** (Federal Policy Change Report), **309** (Yield, Earnings, and Savings Fund), **310** (Underserved Community Support), **404** (MSHDA Section 8 Housing), **405** (Blight Reappropriation), **529** (Talent Partnership), **530** (Grant Recipient Database), **531** (Disadvantages Business Grants), **532** (Community Development Financial Institutions), **533** (Global Talent Initiative), **601a** (Prevailing Wage Fund), **602** (First Responder Presumed Coverage Fund), **700** (Michigan Works Coordination with MRS), **718** (Center for Employment Opportunity), **719** (Removing Barriers to Employment Services), **952** (Office of Global Michigan FTE), **954** (Black Leadership Council), **955** (Tribal Commission), and the One-Time sections (**1001 to 1021**).

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FY 2024-25 Year-to-Date Appropriation .....		\$2,669,494,500	\$793,569,400		
		CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
		Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>					
<b>1. Technical Increases.</b> The Senate included an additional \$5.4 million in available Federal dollars to support ongoing MRS IT costs, \$4.0 million in additional State Brownfield Redevelopment funds, and \$1.5 million Federal and \$100,000 Private funds for the Office of Rural Prosperity.		10,991,000	0	N/A	N/A
<b>2. Technical Removals.</b> The Senate removed \$50.0 million for Revitalization and Placemaking to align with statute.		(50,000,000)	0	0	0
<b>3. Technical Adjustments.</b> The Senate included numerous technical adjustments to align Federal and Restricted funds with projections.		(2,184,300)	0	N/A	N/A
<b>4. Economic Adjustments.</b> Includes an increase of \$9,899,500 Gross and \$1,535,000 GF/GP for total economic adjustments.		9,899,500	1,535,000	N/A	N/A
<b><u>New Programs/Program Increases</u></b>					
<b>5. Talent Partnership.</b> The Senate included \$40.0 million ongoing for Talent Partnerships.		40,000,000	40,000,000	40,000,000	40,000,000
<b>6. Pre-Employment Transition Services for Students with Disabilities.</b> The Senate included \$33.5 million Gross, \$32.0 million Federal, \$536,600 Restrict, and \$1.0 million GF/GP to assist students with disabilities to attain employment. Of the total, \$31.6 million was appropriated to MRS and \$1.9 million to the Bureau of Services for Blind Persons.		33,521,700	1,000,000	226,856,700	31,189,900
<b>7. Small Business Development Initiative.</b> The Senate included \$10.0 million ongoing to provide business support to small businesses.		10,000,000	10,000,000	10,000,000	10,000,000
<b>8. MRS - Federal Match.</b> The Senate included \$9.2 million Gross, \$7.3 million Federal, and \$2.0 million Restricted to MRS for Federal matching.		9,217,800	0	194,706,800	24,308,800
<b>9. Prevailing Wage Fund.</b> The Senate included 24.0 FTEs and \$8.0 million Restricted for Wage and Hour to support Prevailing Wage.		8,000,000	0	13,682,200	1,000,000
<b>10. Land Banks.</b> The Senate included \$3.0 million for grants to local land banks and \$2.5 million to the State Land Bank for Operations.		5,500,000	5,500,000	11,912,400	7,527,400

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b>11. Removing Barriers to Employment Services.</b> The Senate included an additional \$3.0 million to Michigan Works to support removing barriers to employment services.	3,000,000	3,000,000	3,000,000	3,000,000
<b>12. First Responders Presumed Coverage Fund.</b> The Senate included an additional \$2.5 million from gaming revenue to the First Responders Presumed Coverage Fund. This aligns with a proposed statutory change.	2,500,000	0	6,500,000	0
<b>13. Community Development Financial Institutions.</b> The Senate included \$2.0 million ongoing for Community Development Financial Institutions.	2,000,000	2,000,000	2,000,000	2,000,000
<b>14. Wage and Hours.</b> The Senate included an additional \$1.5 million GF/GP and 10.0 FTEs to Wage and Hours to support educating workers and employers on changes to workers' pay, benefits, and youth employment.	1,500,000	1,500,000	14,182,200	1,500,000
<b>15. Center for Employment Opportunity.</b> The Senate included \$1.0 million for the Center for Employment Opportunities for workforce development.	1,000,000	1,000,000	1,000,000	1,000,000
<b>16. Michigan Future Force.</b> The Senate rolled the 21+ Program (\$3.0 million), At-Risk Youth Grants (\$5.7 million), and High School Equivalency Program (\$250,000) into the Michigan Future Force line item and included an additional \$1.0 million for the Schools to Tools program.	1,000,000	1,000,000	9,950,000	9,950,000
<b>17. Volunteer Income Tax Assistance.</b> The Senate included an additional \$1.0 million for Volunteer Income Tax Assistance	1,000,000	1,000,000	2,000,000	2,000,000
<b>18. Commissions/Initiatives.</b> The Senate included 4.0 FTEs and \$690,000 to support the Black Leadership Council (1.0 FTE and \$220,000), a Tribal Commission (1.0 FTE and \$220,000), the Office of Global Michigan (1.0 FTE and \$150,000), the Global Talent Initiative (\$100,000), and 1.0 FTE for the Office of Rural Prosperity.	690,000	690,000	690,000	690,000
<b><u>Eliminations/Reductions</u></b>				
<b>19. 21<sup>st</sup> Century Jobs Trust Fund.</b> The Senate removed \$75.0 million in ongoing funding from the 21 <sup>st</sup> Century Jobs Trust Fund. Of the total, \$59,350,000 was removed from Business Attraction line item and the Entrepreneurship ecosystem (\$15,650,000) line item was eliminated.	(75,000,000)	0	40,650,000	40,650,000
<b>20. Pure Michigan.</b> The Senate reduced Pure Michigan by \$5.0 million.	(5,000,000)	(5,000,000)	21,000,000	11,000,000
<b>21. Job Creation Services.</b> The Senate reduced Jobs Creation Services by 14.0 FTE positions and \$590,000 GF/GP.	(590,000)	(590,000)	35,308,200	17,876,000

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b>22. Arts and Cultural Grants.</b> The Senate removed \$1,250,000 for individual grants and an additional \$1.0 million to cultural and music celebrations.	(250,000)	(250,000)	12,135,200	12,135,200
<b><u>One-Time Appropriations</u></b>				
<b>23. Housing.</b> The Senate included \$75.0 million for various Housing Relief programs and \$50.0 million for Emergency Housing programs.	125,000,000	125,000,000	125,000,000	114,000,000
<b>24. Economic Relief.</b> The Senate included \$100.0 million for various economic relief programs and \$500,000 for an Economic Stress Test.	100,500,000	100,500,000	100,500,000	100,500,000
<b>25. Small Business Support.</b> The Senate included \$30.0 million (\$5.0 million GF/GP and \$25.0 million in Corporation Fees) for Community Support Hubs, \$20.0 million in YES funds for the MiCAP program, \$2,750,000 for Emerging Community Support, \$2.0 million for ADA Small Business Grants, and \$1.0 million for the My Pay Today pilot program.	55,750,000	10,750,000	55,750,000	10,750,000
<b>26. Workforce Support.</b> The Senate included \$15.0 million for Michigan Future Force, \$10.0 million for Re-Emerging Workforce, \$5.0 million for Apprenticeship programs, \$3.0 million for Veteran Wraparound Services, \$1.0 million for Michigan Works support, and \$250,000 for Women in the Workplace.	34,250,000	34,250,000	34,250,000	34,250,000
<b>27. Grants.</b> The Senate included \$3.0 million for fire station grants, \$2.5 million for Short Term Loan Assistance, \$2.0 million for Arts and Culture facility grants, and \$4,100 for various Community Grant placeholders.	7,504,100	7,504,100	7,504,100	7,504,100
<b>28. Removal of FY 2024-25 One-Time Appropriations and Transfers.</b> The Senate removed \$638.8 million Gross and \$564.8 million GF/GP in One-Time appropriations and \$247.7 million in Legislative Transfers.	(886,512,000)	(564,812,000)	0	0
Total Changes.....	(\$556,712,200)	(\$224,422,900)		
<b>FY 2025-26 SENATE-PASSED.....</b>	<b>\$2,112,782,300</b>	<b>\$569,146,500</b>		

Date Completed: 5-13-25

Fiscal Analyst: Cory Savino

**FY 2025-26 Gross and GF/GP Changes to FY 2024-25**

Item #	Budget Area/Line Items	Gov Changes to FY 2024-25			Senate Changes to FY 2024-25		
		FTE	GROSS	GF/GP	FTE	GROSS	GF/GP
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY							
	Y-T-D	2,637.0	2,669,494,500	793,569,400	2,637.0	2,669,494,500	793,569,400
	Ongoing Changes						
1	Talent partnership					40,000,000	40,000,000
2	Pre-employment transition services for students with disabilities		40,375,600	8,390,900		33,521,700	1,000,000
3	Small business development initiative					10,000,000	10,000,000
4	Michigan rehabilitation services - federal match		9,217,800	1,963,400		9,217,800	0
5	Prevailing wage fund					8,000,000	0
6	Michigan rehabilitation services - federal adjustment		5,391,000	0		5,391,000	0
7	State brownfield redevelopment fund		4,000,000	0		4,000,000	0
8	Land bank stabilization					3,000,000	3,000,000
9	Barrier removal employment services					3,000,000	3,000,000
10	Land Bank Authority increase					2,500,000	2,500,000
11	First responders presumed coverage fund		2,500,000	0		2,500,000	0
12	CDFI					2,000,000	2,000,000
13	Office of rural prosperity federal and private funds		1,600,000	0		1,600,000	0
14	Center for Employment Opportunity					1,000,000	1,000,000
15	Michigan Future Force Grants					1,000,000	1,000,000
16	Volunteer income tax assistances grants		(1,000,000)	(1,000,000)		1,000,000	1,000,000
17	Wage and hour	10.0	1,500,000	1,500,000	10.0	1,000,000	1,000,000
18	Black Leadership Council				1.0	220,000	220,000
19	Tribal Commission				1.0	220,000	220,000
20	Office of Global Michigan				1.0	150,000	150,000
21	Global Talent Initiative					100,000	100,000
22	Office of rural prosperity	3.0	0	0	1.0	0	0
23	Personal assistance services reimbursement for employment program		(400,000)	(400,000)		0	0
24	Removal of FY 25 one-time and transfers		(886,512,000)	(564,812,000)		(886,512,000)	(564,812,000)
25	Business attraction (remove 21st century funds)					(59,350,000)	0
26	Revitalization and placemaking removal		(50,000,000)	0		(50,000,000)	0
27	Entrepreneurship ecosystem (remove 21st century funds)					(15,650,000)	0
28	Pure Michigan					(5,000,000)	(5,000,000)
29	Technical adjustments		(2,184,300)	0		(2,184,300)	0
30	Job Creation Services				(14.0)	(590,000)	(590,000)
31	Arts and cultural grant removal		(1,250,000)	(1,250,000)		(250,000)	(250,000)
32	Unclassified salaries		142,200	12,500		142,200	12,500
33	Economic adjustments		9,757,300	1,522,500		9,757,300	1,522,500
	Subtotal - Ongoing change	13.0	(866,862,400)	(554,072,700)	0.0	(880,216,300)	(502,927,000)
	Ongoing Total	2,650.0	1,802,632,100	239,496,700	2,637.0	1,789,278,200	290,642,400

**FY 2025-26 Gross and GF/GP Changes to FY 2024-25**

Item #	Budget Area/Line Items	Gov Changes to FY 2024-25			Senate Changes to FY 2024-25		
		FTE	GROSS	GF/GP	FTE	GROSS	GF/GP
	<b><u>One-Time Changes</u></b>						
1	Economic relief and tariff impact fund					100,000,000	100,000,000
2	Housing relief fund					75,000,000	75,000,000
3	Emergency housing					50,000,000	50,000,000
4	Community support hubs		10,000,000	10,000,000		30,000,000	5,000,000
5	MiCAP					20,000,000	0
6	Michigan Future Force					15,000,000	15,000,000
7	Re-Emerging workforce					10,000,000	10,000,000
8	Statewide registered apprenticeships		19,000,000	19,000,000		5,000,000	5,000,000
9	Michigan Veteran Wraparound Services					3,000,000	3,000,000
10	Fire station infrastructure upgrades					3,000,000	3,000,000
11	Emerging community grants					2,750,000	2,750,000
12	Short term loan assistance					2,500,000	2,500,000
13	ADA small business compliance					2,000,000	2,000,000
14	Arts and culture facility upgrades					2,000,000	2,000,000
15	Michigan Works					1,000,000	1,000,000
16	My Pay Today pilot program					1,000,000	1,000,000
17	Economic impact study					500,000	500,000
18	Women in the workplace					250,000	250,000
19	Community infrastructure grants					1,400	1,400
20	Community health and services grants					1,200	1,200
21	Community public safety grants					900	900
22	Community workforce development grants					600	600
23	Employer assisted housing financing program		25,000,000	25,000,000			
24	Talent action teams		10,000,000	10,000,000			
25	Growth Programming and Initiatives		10,000,000	10,000,000			
26	Removing barriers to work		7,500,000	7,500,000			
27	Focus: HOPE		1,000,000	1,000,000			
28	Office of rural prosperity		1,000,000	1,000,000			
	<b>One-Time Total</b>	<b>0.0</b>	<b>83,500,000</b>	<b>83,500,000</b>	<b>0.0</b>	<b>323,004,100</b>	<b>278,004,100</b>
	<b>TOTAL CHANGES</b>	<b>13.0</b>	<b>(783,362,400)</b>	<b>(470,572,700)</b>	<b>0.0</b>	<b>(557,212,200)</b>	<b>(224,922,900)</b>
	<b>TOTAL LABOR AND ECONOMIC OPPORTUNITY</b>	<b>2,650.0</b>	<b>1,886,132,100</b>	<b>322,996,700</b>	<b>2,637.0</b>	<b>2,112,282,300</b>	<b>568,646,500</b>

One Time Appropriation		323,004,100
Sec #	Line Item Name (Grant Item)	Amount
1000	<b>ADA Small Business Compliance</b>	<b>2,000,000</b>
1001	<b>Arts and Culture Facility Upgrades</b>	<b>2,000,000</b>
1002	<b>Community Health and Services Grants</b>	<b>1,200</b>
	1 North Rosedale Park Accessibility Improvements	100
	2 Starfish family services	100
	3 Haskell Community Center	100
	4 Genesis Hope	100
	5 Shiawassee Family YMCA	100
	6 Brightmoor Connection Food insecurity	100
	7 Oakland County Health Network Upgrades	100
	8 Gleaners Community Food Bank	100
	9 Lighthouse Michigan	100
	10 Douglass Community Association	100
	11 SER Metro	100
	12 Wayne Metro	100
1003	<b>Community Infrastructure Grants</b>	<b>1,400</b>
	1 City of Rockwood Fire Engine	100
	2 City of Huntington City Hall HVAC replacement	100
	3 City of Warren Drain Project	100
	4 Redford Township CSO Basin	100
	5 City of Lincoln Park Water Metering System.	100
	6 Oakland County Downtown Grants	100
	7 Allen Park Community Center Generator	100
	8 City of Algonac Boardwalk Revamp	100
	9 City of St. Clair Shores Nautical Mile Enhancement.	100
	10 City of Grosse Pointe Park Water Main	100
	11 Macomb County Muck Removal Study	100
	12 Livonia Bike Walk	100
	13 Treeline Conservancy Trail Expansion	100
	14 Delta Twp. Water Infrastructure	100
1004	<b>Community Public Safety Grants</b>	<b>900</b>
	1 Redford Township Police Radio	100
	2 City of Flat Rock Fire engine	100
	3 Kalamazoo Firefight Gear	100
	4 City of Sterling Heights Police Training Center	100
	5 Allen Park Fire Truck	100
	6 Waterford Twp. Fire Station Construction	100
	7 City of Eastpointe Police Department Infrastructure Improvement	100
	8 Eaton County Fire Department Infrastructure Grants	100
	9 Ingham County Fire Department Infrastructure Grants	100
1005	<b>Community Workforce Development Grants</b>	<b>600</b>
	1 Schoolcraft College Masonry Trades Center	100
	2 Living and Learning Center of Northville	100
	3 Reignite Program	100
	4 Michigan Homecare and Hospice Workers Safety	100
	5 Michigan Adult Community Alternative Education Association	100
	6 Automation Alley Project Diamond	100

1006	<b>Economic Stress Test</b>	<b>500,000</b>
1007	<b>Economic Relief</b>	<b>100,000,000</b>
(a)	Grants and Loans to businesses impacted by tariffs	20,000,000
(b)	Relief and emergency preparedness grants	20,000,000
(c)	Worker training and retooling grants	30,000,000
(d)	Food bank grants	10,000,000
(e)	Fire truck domestic manufacturing study	1,000,000
(f)	Re-shoring supply chain grants	9,000,000
(g)	Apprenticeship and adult education grants	10,000,000
1008	<b>Emergency Housing</b>	<b>50,000,000</b>
(1)(a)	Tribal housing support grants	2,500,000
(1)(b)	ADA home improvement grants	2,000,000
(1)(c)	Weatherization and home repair grants	15,000,000
(1)(d)	Habitat for Humanity	1,000,000
(1)(e)	Affordable housing development grants	9,500,000
(1)(f)	Sault Tribal Housing Grant	100
(2)(a)(i)	Eviction Diversion Assistance	3,000,000
(2)(a)(ii)	Detroit Right to Counsel	1,500,000
(2)(b)	Landlord Incentive Fund	2,000,000
(2)(c)	Housing Navigation Fund	1,000,000
(2)(d)	Pay as You Stay Program	4,000,000
(2)(e)	Emergency Housing Solutions Grants	2,500,000
(2)(f)	Shelter Diversion Program	2,500,000
(2)(g)	Empowerment Plan	100
(2)(h)	Homelessness and eviction diversion and assistance grants	3,500,000
1009	<b>Emerging Community Grants</b>	<b>2,750,000</b>
1010	<b>Fire station infrastructure grants</b>	<b>3,000,000</b>
1011	<b>Housing relief grants</b>	<b>75,000,000</b>
1	Faith-based housing grants	2,500,000
1012	<b>MiCAP</b>	<b>20,000,000</b>
1013	<b>Michigan Future Force</b>	<b>15,000,000</b>
2	Wee-Write Initiative	100
3	Flint Center for Educational Excellence	100
4	Big Brother/Big Sister Statewide Expansion	100
5	Women of Tomorrow	100
6	L!fe Leaders	100
7	Racquet Up Detroit	100
1014	<b>Michigan veteran wraparound services</b>	<b>3,000,000</b>
1015	<b>Michigan Works!</b>	<b>1,000,000</b>
1016	<b>My Pay Today Pilot Program</b>	<b>1,000,000</b>
1017	<b>Re-Emerging Workforce</b>	<b>10,000,000</b>
1018	<b>Short-term loan grants</b>	<b>2,500,000</b>
1019	<b>Community Support Hubs</b>	<b>30,000,000</b>
1020	<b>Statewide Apprenticeship Expansion</b>	<b>5,000,000</b>
1021	<b>Women in the Workplace</b>	<b>250,000</b>