

FY 2024-25 GENERAL OMNIBUS BUDGET
Summary: Conference Report
Senate Bill 747 (S-1) CR-1



Mary Ann Cleary, Director

TOTAL APPROPRIATIONS BY BUDGET AREA

Budget Area (Bill Page) [Summary Page]	FY 2024-25	
	Gross	GF/GP
Agriculture and Rural Development (1) [2]	\$156,938,900	\$89,056,400
Corrections (41) [8]	2,147,379,000	2,097,010,100
Education (95) [20]	164,975,100	63,896,100
Environment, Great Lakes, and Energy (126) [29]	1,039,098,600	260,710,300
General Government (167) [38]		
Attorney General (169) [41]	129,746,700	57,409,100
Civil Rights (172) [45]	29,163,500	26,195,400
Executive Office (174) [47]	9,337,100	9,337,100
Legislature (175) [48]	200,728,000	194,837,800
Legislative Auditor General (177) [51]	31,237,700	21,427,000
State (179) [53]	291,839,900	11,969,100
Technology, Management, and Budget (183) [58]	1,796,425,200	539,564,000
Treasury (189) [62]	2,703,250,200	308,655,700
Subtotal: General Government	5,191,728,300	1,169,395,200
Health and Human Services (319) [75]	37,646,231,100	6,717,231,000
Insurance and Financial Services (546) [99]	78,621,400	0
Judiciary (560) [103]	373,441,400	266,113,900
Labor and Economic Opportunity (581) [110]	2,430,969,500	802,744,400
Licensing and Regulatory Affairs (739) [135]	648,739,000	308,605,700
Lifelong Education, Advancement, and Potential (787) [146]	643,994,200	136,489,300
Military and Veterans Affairs (819) [158]	275,904,100	117,694,100
Natural Resources (857) [165]	534,579,800	76,757,000
State Police (893) [173]	953,108,500	646,861,000
Transportation (941) [182]	6,807,900,300	193,000,000
TOTAL	\$59,093,609,200	\$12,945,564,500

Budget Area [Summary Page]	FY 2023-24	
	Gross	GF/GP
Supplemental (989) [193]	\$2,495,276,800	\$456,702,400
TOTAL	\$2,495,276,800	\$456,702,400

Note: Appropriation figures include all proposed appropriation amounts, including amounts designated as one-time.

FY 2024-25: AGRICULTURE AND RURAL DEVELOPMENT
Summary: Conference Report
Article 1, Senate Bill 747 (S-1) CR-1



Analyst: William E. Hamilton

	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: Conference From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$327,000	\$332,400	\$332,400	\$332,400	\$332,400	\$5,400	1.7
Federal	29,762,700	20,357,900	20,357,900	20,357,900	20,357,900	(9,404,800)	(31.6)
Local	0	0	0	0	0	0	--
Private	21,300	21,300	21,300	21,300	21,300	0	0.0
Restricted	45,719,900	46,450,900	47,170,900	61,950,900	47,170,900	1,451,000	3.2
GF/GP	92,781,800	77,056,400	82,056,400	80,556,500	89,056,400	(3,725,400)	(4.0)
Gross	\$168,612,700	\$144,218,900	\$149,938,900	\$163,219,000	\$156,938,900	(\$11,673,800)	(6.9)
FTEs	550.0	579.0	555.0	552.0	556.0	6.0	1.1

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time." "House" means House Bill 5511 (H-1); "Senate" means Senate Bill 758 (S-3); "Conference" means Senate Bill 747 (S-1).

Overview

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

Note: The Governor's proposed budget reflects MDARD's internal reorganization effective January 1, 2024. However, the analysis of major budget changes below compares like programs and line items in current year and FY 2024-25 and does not show changes associated with MDARD's reorganization or related proposed changes in budget structure.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Unclassified Salaries		
The department indicates that the current budget does not provide sufficient funding to support all 6.0 authorized unclassified FTE positions. <u>Executive</u> includes increase of \$335,100 Gross (\$0 GF/GP) to support all 6.0 authorized unclassified FTE positions. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	FTE 6.0 Gross \$664,900	0.0 \$335,100
	Restricted 0	335,100
	GF/GP \$664,900	\$0
2. Emerging Contaminates in Food and Agriculture		
<u>Executive</u> retains \$2.1 million GF/GP in ongoing funding for program intended to identify, respond to, and mitigate emerging contaminants, including PFAS, affecting agriculture and related food industries, but does not retain one-time \$2.0 million. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	FTE 6.0 Gross \$4,079,900	0.0 (\$1,999,800)
	GF/GP \$4,079,900	(\$1,999,800)
3. Federal USDA Emergency Management Grant		
<u>Executive</u> includes \$600,000 federal funds increase in Emergency Management to recognize United State Department of Agriculture (USDA) Animal and Plant and Health Inspection Service (APHIS) grant awarded to the department for incident command training and other services. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	FTE 8.0 Gross \$2,918,000	0.0 \$600,000
	Federal 432,300	600,000
	GF/GP \$2,485,700	\$0

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations		
4. Environmental Stewardship/MAEAP – Staffing	FTE 26.0	0.0
<u>Executive</u> requests increase of 24.0 FTE positions for the Michigan Agriculture Environmental Assurance Program (MAEAP). The increase would allow the department to shift program delivery from Local Conservation District contract technicians to classified MDARD employees. There is no funding impact associated with this change in program delivery. <u>House</u> concurs with Executive with respect to funding but does not include the 24.0 FTE position increase. <u>Senate</u> concurs with Executive with respect to funding but does not include the 24.0 FTE position increase. <u>Conference</u> concurs with House and Senate and does not include proposed FTE increase.	Gross \$11,744,500	\$0
	Federal 1,982,600	0
	Restricted 8,328,900	0
	GF/GP \$1,433,000	\$0
5. Agricultural Climate Resiliency	Gross \$7,000,000	(\$900,000)
<u>Executive</u> retains \$1.0 million GF/GP in ongoing funding for grant program to promote the principles of regenerative agriculture as defined in boilerplate section 503, but does not retain \$6.0 million in one-time funding. <u>House</u> includes \$6.0 million GF/GP in part 1 funding (\$1.0 million ongoing and \$5.0 million one-time) – \$1.0 million less than current year. House also provides additional \$3.0 million GF/GP through boilerplate appropriation (Section 901) repurposing a work project balance. <u>Senate</u> concurs with Executive. <u>Conference</u> includes \$6.1 million GF/GP (\$1.0 million ongoing, \$5.1 million one-time), a reduction of \$900,000 from current year.	GF/GP \$7,000,000	(\$900,000)
6. Soil Health and Regenerative Agriculture	FTE 5.0	0.0
<u>Executive</u> retains \$1.0 million GF/GP in ongoing funding but does not retain \$5.0 million shown as one-time, a net decrease of \$5.0 million. Program is intended to promote the principles of regenerative agriculture. <u>House</u> concurs with Executive and retains \$1.0 million GF/GP in ongoing funding only. <u>Senate</u> concurs with Executive and retains only \$1.0 million GF/GP ongoing. Note the Senate also includes \$249,900 GF/GP in one-time funding for Soil Health Workshops and Education – shown Item #19 below. <u>Conference</u> concurs with Executive and retains \$1.0 million ongoing funding only.	Gross \$6,000,000	(\$5,000,000)
	GF/GP \$6,000,000	(\$5,000,000)
7. Local Conservation Districts	Gross \$3,000,000	\$0
<u>Executive</u> retains \$2.0 million GF/GP in ongoing funding but does not retain \$1.0 million in one-time support, a net decrease of \$1.0 million. <u>House</u> retains current year funding of \$3.0 million GF/GP, all shown as ongoing. <u>Senate</u> includes \$6.0 million GF/GP, all shown as ongoing, a \$3.0 million increase from current year. <u>Conference</u> concurs with House and retains current year \$3.0 million funding, all as ongoing, but changes boilerplate Sec. 507 directives.	GF/GP \$3,000,000	\$0
8. Farm to Family Program – NEW	FTE 0.0	6.0
<u>Executive</u> recommends \$4.0 million GF/GP, and 6.0 FTE authorization, for a new ongoing program to support regenerative farming, agriculture supply chains, and the promotion of Michigan food products. <u>House</u> includes \$1.0 million GF/GP; shifts \$1.0 million to Local conservation districts and \$2.0 million to Fair Food Network – Double up food bucks. <u>Senate</u> includes \$2.0 million GF/GP, with 3.0 FTE positions. <u>Conference</u> includes \$3.0 million GF/GP and 6.0 FTEs.	Gross \$0	\$3,000,000
	GF/GP \$0	\$3,000,000
9. Fair Food Network – Double Up Food Bucks	Gross \$2,000,000	\$3,000,000
<u>Executive</u> retains \$2.0 million GF/GP in ongoing support for program that provides a supplemental benefit for SNAP recipients to purchase fresh fruits and vegetables. <u>House</u> includes an additional \$2.0 million GF/GP by shifting from Farm to Family Program. House also includes \$1.0 million through a boilerplate appropriation (Section 901) repurposing a work project balance. <u>Senate</u> concurs with Executive. <u>Conference</u> includes \$5.0 million, an increase of \$3.0 million from current year.	GF/GP \$2,000,000	\$3,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
10. Food and Agriculture Supply Chain Investment	FTE	1.0	0.0
<u>Executive</u> retains \$800,000 GF/GP in ongoing funding, but does not retain \$1.0 million GF/GP in one-time funding. Program is intended to address issues related to agriculture and food industry supply chain, including accessibility of cold storage, distribution and processing facilities, and implementation of advanced technologies. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive and retains \$800,000 ongoing funding only.	Gross	\$1,800,000	(\$1,000,000)
	GF/GP	\$1,800,000	(\$1,000,000)
11. Office of Rural Development Transfer	FTE	1.0	(1.0)
<u>Executive</u> reflects Executive Order 2023-6 transfer of the Office of Rural Development to the Department of Labor and Economic Opportunity (LEO). <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	Gross	\$678,000	(\$678,000)
	GF/GP	\$678,000	(\$678,000)
12. County Fairs, Shows, and Expositions	Gross	\$2,500,000	(\$2,000,000)
<u>Executive</u> retains \$500,000 GF/GP in ongoing support for grant program but does not retain \$2.0 million in one-time funding. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	GF/GP	\$2,500,000	(\$2,000,000)
13. Standardbred Racing Program	Gross	\$3,794,200	\$720,000
<u>Executive</u> retains current year funding of \$3.8 million from the restricted Agriculture Equine Industry Development Fund (AEIDF) for standardbred horse racing programs. <u>House</u> includes additional \$720,000 (AEIDF) for a new line item, Michigan sired championship stakes, defined in Sec. 803, to allow for a standardbred sire stakes race at a county fair. This line item would only be used if there is no licensed race meeting/track to host the event. <u>Senate</u> concurs with Executive. <u>Conference</u> adds \$720,000 AEIDF to line that support county fair racing to provide for a county fair "sire stakes" program if there is no licensed track in Michigan.	Restricted	3,794,200	720,000
	GF/GP	\$0	\$0
14. Minority-Owned Food and Agriculture Ventures (One-Time)	Gross	\$2,900,000	(\$2,400,000)
<u>Executive</u> does not retain \$2.9 million GF/GP for program, new in the current year budget. <u>House</u> concurs with Executive. <u>Senate</u> retains \$500,000, a reduction of \$2.4 million from current year. <u>Conference</u> concurs with Senate but renames the line as "Underserved-owned ..."	GF/GP	\$2,900,000	(\$2,400,000)
15a. Laboratory Animal Welfare (One-Time)	Gross	\$500,000	(\$500,000)
<u>Executive</u> does not retain \$500,000 GF/GP for one-time line item associated with Senate Bills 148 and 149 ("Teddy's Law") related to the adoption of animals used in medical research. <u>House</u> concurs with Executive. <u>House</u> , <u>Senate</u> and <u>Conference</u> concur with Executive and do not include.	GF/GP	\$500,000	(\$500,000)
15b. Animal Welfare Grants (One-Time)	Gross	\$0	\$500,000
<u>Senate</u> includes new \$500,000 GF/GP animal welfare grant program. <u>Conference</u> concurs with Senate.	GF/GP	\$0	\$500,000
16. Farmer's Market Upgrades (One-Time/ New in Senate Bill)	Gross	\$0	\$150,000
<u>Senate</u> includes \$100 placeholder. <u>Conference</u> includes at \$150,000 GF/GP.	GF/GP	\$0	\$150,000
17. Fruit and Vegetable Prescription Program (One-Time/ New in Senate Bill)	Gross	\$0	\$500,000
<u>Senate</u> includes \$100 placeholder. [Note that because of a drafting error, this item is shown in the Fairs and Racing unit in the bill.] <u>Conference</u> includes \$500,000 GF/GP, defined in Sec. 902.	GF/GP	\$0	\$500,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
18. Study on Agriculture Stewardship	Gross	\$0	\$250,000
<u>Senate</u> includes \$249,900 GF/GP for study of local conservation districts; defined in Sec. 903. <u>Conference</u> includes \$250,000 GF/GP, for study of agriculture stewardship generally.	GF/GP	\$0	\$250,000
19. Animal Disease Prevention and Response	Gross	\$0	\$2,000,000
<u>Conference</u> includes \$2.0 million GF/GP intended for response to Highly pathogenic avian influenza (HPAI).	GF/GP	\$0	\$2,000,000
20. Removal of FY 2023-24 One-Time Appropriations #	Gross	\$10,200,200	(\$10,200,200)
<u>Executive</u> removes the following one-time items, totaling \$10.2 million Gross (\$100,200 GF/GP), that had been included in the FY 2023-24 budget:	Federal	10,100,000	(10,100,000)
	GF/GP	\$100,200	(\$100,200)

- ARP - Resilient Food Systems Infrastructure, \$10.1 million federal.
- Northern Michigan Herd Protection, \$100 GF/GP.
- Rural Venture Capital Program, \$100 GF/GP.
- Washtenaw conservation district - MiFarmLink pilot project, \$100,000 GF/GP.

House, Senate, and Conference concur with Executive and remove the above FY 2023-24 items.

Note that the FY 2023-24 budget included One-time items totaling \$30.6 million Gross (\$20.5 million GF/GP). However, some of those items are reviewed elsewhere in this summary.

21. Economic Adjustments	Gross	NA	\$1,968,500
<u>Executive</u> reflects increased costs of \$2.0 million Gross (\$1.5 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> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	IDG/IDT	NA	5,400
	Federal	NA	95,200
	Restricted	NA	395,900
	GF/GP	NA	\$1,472,000

Major Boilerplate Changes from FY 2023-24

Sec. 207. Communication with the Legislature – REVISED

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. House, Senate, and Conference retain with technical changes to reflect new standard language; renumbered as Sec. 206.

Sec. 212. Transparency Website – REVISED

Executive deletes section that requires the department to cooperate with the Department of Technology, Management and Budget to maintain a searchable website, accessible by the public, that provides expenditure and staffing information. House, Senate, and Conference retain with technical changes that reflect standard language; renumbered as Sec. 211.

Sec. 213. Restricted Fund Report – REVISED

Executive deletes section that requires the department to work with the State Budget Office to provide a report on restricted fund revenues, expenditures, and fund balances; renumbered as Sec. 212. [This report is currently included in the annual Budget Presentation.] House, Senate, and Conference retain with changes to reflect new standard language.

Sec. 214. Key Metrics – DELETED

Executive deletes section that requires the department to maintain on a publicly accessible website information on key metrics and performance measures. House does not include. Senate retains; renumbered as Sec. 213. Conference concurs with Executive and deletes.

Major Boilerplate Changes from FY 2023-24

Sec. 218. Remote Work Policy – DELETED

Executive deletes section that indicates legislative intent that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website. House and Senate retain with technical changes to reflect new standard language; renumbered as Sec. 216. Conference concurs with Executive and deletes.

Sec. 219. State Administrative Board Transfers – DELETED

Executive deletes section that authorizes the legislature to intertransfer funds within budget if the State Administrative Board transfers funds from an appropriation within this budget. House deletes section. Senate retains; renumbered as Sec. 217. Conference concurs with Executive and deletes.

Sec. 221. Record Retention Policy – REVISED

Executive deletes section that prescribes the department's record retention policy. House, Senate, and Conference retain with technical changes to reflect new standard language; renumbered as Sec. 218.

Sec. 222. Impact of New Legislation – REVISED

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. House, Senate, and Conference retain with technical changes to reflect new standard language; renumbered as Sec. 219.

Sec. 223. Severance Pay Report – DELETED

Executive deletes section that established reporting requirements related to severance pay paid to department personnel upon the termination of employment. House concurs with Executive and does not include. Senate retains; renumbered as Sec. 220. Conference concurs with Executive and deletes.

Sec. 225. Work Project Expenditures – REVISED

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. House, Senate, and Conference retain with technical changes to reflect new standard language; renumbered as Sec. 221.

Sec. 223. Fiscal Recovery Funds – NEW

Conference includes new section prescribing use of federal fiscal recovery funds.

Sec. 250. Report on Grant Sponsors and Grant Recipients – NEW

Conference includes section that establishes detailed reporting requirements for grants made to single recipients or local units of government.

Secs. 503 and 504. Agricultural Climate Resiliency/Soil Health and Regenerative Agriculture – REVISED

Executive combines the two sections that define the part 1 line items but generally retains current year language. House maintains both sections but revises Sec. 503 to direct that the department to use not less than \$9.0 million to partner with a state land-grant university (Michigan State University) for program activities. Senate reworks into three sections, Secs 502, 503, 504, dealing with Agricultural Climate Resiliency/Soil Health and Regenerative Agriculture. Conference includes new consolidated section. Sec. 502; directs the department to use not less than \$6.1 million to partner with the state land-grant university (Michigan State University) for program activities.

Sec. 609. Local Conservation Districts – REVISED

Executive retains, with minor technical changes, section requires equal distribution of Local conservation district appropriation. House retains with minor technical changes. Senate includes new language to designate \$3.0 million for equal distribution to local conservation districts and \$3.0 million for distribution under memoranda of understanding describing specific delivery of services as well as new reporting requirements. Conference revises to make \$3.0 million appropriation into a grant program, rather than distribution program; renumbered as Sec. 507.

Sec. 802. Agriculture Equine Industry Development Fund Reductions – RETAINED

Executive retains section that defines priority of AEIDF appropriations. House makes technical changes. Senate concurs with Executive and retains with changes only to date references. Conference retains.

Sec. 803. Standardbred Sire Stakes at County Fairs – NEW

House includes new section to define the new Michigan sired champion stakes item to allow for a standardbred sire stakes awards in the event there is no licensed race meeting/track to host the event. Conference includes to define use of \$720,000 from the AEIDF for sire stakes race at a county fair is there is not licensed track on January 1, 2025.

Sec. 901. Underserved-owned Food and Agriculture Ventures – NEW

Conference includes section defining use of part 1 one-time appropriation.

Sec. 902. Fruit and Vegetable Prescription Program – NEW

Conference includes section defining use of part 1 one-time appropriation.

Major Boilerplate Changes from FY 2023-24

Sec. 903. Study of Agriculture Stewardship – NEW

Senate designates \$249,900 part 1 Local conservation district study appropriation as a work project.
Conference defines of \$250,000 part 1 one-time appropriation as a work project.

FY 2024-25: CORRECTIONS
Summary: Conference Report
Article 2, Senate Bill 747 (S-1) CR-1



Analyst: Robin R. Risko

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: Conference From FY 2023-24	
						Enacted Amount	%
Federal	\$0	\$0	\$0	\$0	\$0	\$0	--
Local	17,143,500	5,180,500	5,180,500	5,180,500	5,180,500	(11,963,000)	(69.8)
Private	9,805,100	11,694,000	11,694,000	11,694,000	11,694,000	1,888,900	19.3
Restricted	0	0	0	0	0	0	--
GF/GP	29,805,500	33,494,400	33,494,400	33,494,400	33,494,400	3,688,900	12.4
Gross	2,029,495,900	2,094,010,100	2,115,460,100	2,094,788,200	2,097,010,100	67,514,200	3.3
FTEs	\$2,086,250,000	\$2,144,379,000	\$2,165,829,000	\$2,145,157,100	\$2,147,379,000	\$61,129,000	2.9
	13,206.0	13,226.0	13,226.0	13,227.0	13,227.0	21.0	0.2

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

Overview

The Michigan Department of Corrections (MDOC) is responsible for operation and maintenance of the state's 26 correctional facilities that house felony offenders sentenced to prison. This includes provision of physical and mental health care, education, food service, transportation, and reintegration programming. The department is also responsible for supervision of all parolees and probationers under the department's jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of May 1, 2024, the department was responsible for 88,166 offenders: 32,949 prisoners; 44,973 probationers; and 10,244 parolees. From 1 year prior, the total number of offenders increased by 13,251, or by 17.7%. The number of prisoners increased by 295, or 0.9%. The number of probationers increased by 11,882, or 35.9%. The number of parolees increased by 1,074, or 11.7%.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Prisoner Health Care Services Contract Adjustment

Executive includes \$16.2 million GF/GP to cover increased costs of the prisoner health care services contract. In addition to standard inflationary adjustments and increased medical costs, funding would support the increase in usage resulting from an increase in the prisoner population. The contract covers onsite medical and behavioral health care, specialty care, and pharmaceutical services. House concurs. Senate includes \$4.4 million for the prisoner health care contract. Conference concurs with executive.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Gross	NA	\$16,228,600
GF/GP	NA	\$16,228,600

2. Nursing Cost Variance from Civil Service to Contracted Nursing

Executive includes \$10.4 million GF/GP to cover increased costs associated with utilizing contracted nursing staff. Due to the number of vacant civil service nursing positions, the department has been forced to contract for nursing providers. Contracted RNs are about 31% more expensive than the average civil service RN, and contracted LPNs are about 17% more expensive. House concurs. Senate includes \$2.9 million for nursing staff contracts. Conference concurs with executive.

Gross	NA	\$10,443,300
GF/GP	NA	\$10,443,300

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
3. Thumb Correctional Facility Education Center	FTE	0.0	15.0
<u>Executive</u> includes authorization for 15.0 new FTE positions, includes an additional \$3.4 million in state restricted funding, and reinvests \$483,600 of existing GF/GP to support costs of expanding educational programming and vocational training at the Thumb Correctional Facility. The \$3.4 million would be one-time funding, appropriated from the Program and Special Equipment Fund, to be used to support construction costs for converting an old MSI factory located on the property into additional classroom space. The \$483,600 would be reallocated from the Offender Success Services line item to cover costs of additional staff and operations. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$3,400,000
	Restricted	0	3,400,000
	GF/GP	\$0	\$0
4. Peer-Led Reentry Services	Gross	\$0	\$500,000
<u>Executive</u> reinvests \$1.5 million of existing GF/GP from the Offender Success Services line item to support peer-led reentry services. Regional offender success services providers would utilize former offenders to work with eligible parolees. Peer-led services would include mentoring, peer recovery coaching, navigating resources, and assisting with transportation. <u>House</u> concurs with executive and includes an additional \$2.0 million in one-time GF/GP. <u>Senate</u> concurs with executive. <u>Conference</u> concurs with executive and includes an additional \$500,000 in one-time GF/GP.	GF/GP	\$0	\$500,000
5. In-Reach Services Expansion	FTE	0.0	6.0
<u>Executive</u> reinvests \$900,000 of existing GF/GP from the Offender Success Services line item and authorizes an additional 6.0 FTE positions to expand the department's ability to provide in-reach parole planning services to more parolees prior to release from prison. Planning for parole includes addressing housing needs and other needs such as clothing, bus passes, scheduling medical appointments, etc. <u>House</u> concurs with executive and includes an additional \$2.0 million in one-time GF/GP. <u>Senate</u> concurs with executive. <u>Conference</u> concurs with executive and includes an additional \$500,000 in one-time GF/GP	Gross	\$0	\$500,000
	GF/GP	\$0	\$500,000
6. City of Jackson Water and Sewer Rate Increases	Gross	NA	\$232,700
<u>Executive</u> includes \$232,700 GF/GP to cover costs of an 8% increase in water rates and a 6% increase in sewer rates at the 4 correctional facilities located in Jackson effective October 2024. The City of Jackson indicates that much of the cost is attributable to lead service line replacements along with capital improvement projects and general upkeep. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$232,700
7. Detroit Detention Center Increased Authorization	Gross	\$9,530,100	\$1,600,000
<u>Executive</u> includes authorization to receive an additional \$1.6 million in local revenue from the City of Detroit to support higher than anticipated costs for operations of the Detroit Detention Center. Various costs have increased including contracted nursing costs and contracted janitorial costs. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Local	9,530,100	1,600,000
	GF/GP	\$0	\$0
8. Technical Adjustments	FTE	NA	0.0
<u>Executive</u> makes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to reflect employee counts more accurately and to align funding authorization with revenue received and department operations and activities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	NA	\$0
	GF/GP	NA	\$0

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations		
9. Removal of FY 2023-24 One-Time Appropriations	FTE	1.0
<u>Executive</u> removes \$20.7 million Gross (\$8.7 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Gross	\$20,700,000
	Federal	12,000,000
	GF/GP	\$8,700,000
		(1.0)
		(\$20,700,000)
		(12,000,000)
		(\$8,700,000)
<ul style="list-style-type: none"> • Body-worn Cameras (\$3.3 million GF/GP) • Breast Milk Program (\$1.0 million GF/GP) • Come Out Stay Out (\$400,000 GF/GP) • Corrections Officer Signing/Retention Bonuses (\$12.0 million federal) • Eastern Michigan University Pilot Program (\$250,000 GF/GP) • Goodwill Flip the Script (\$1.4 million GF/GP) • Nation Outside (\$2.0 million GF/GP) • Silent Cry (\$400,000 GF/GP) 		
<u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.		
10. Economic Adjustments	Gross	NA
<u>Executive</u> reflects a net increase in costs of \$46.9 million Gross (\$46.3 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), overtime costs, insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, food, fuel, and utilities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	NA
	Local	NA
	Restricted	NA
	GF/GP	NA
		\$46,924,400
		37,000
		288,900
		288,900
		\$46,309,600
11. Retirement Changes for Department Employees	Gross	NA
<u>House</u> includes \$16.5 million in one-time GF/GP for implementation costs associated with House Bills 4665, 4666, and 4667. The bills would authorize certain employees in the defined contribution plan to terminate membership in the DC plan and instead become members of the State Police Retirement System hybrid pension plan. <u>Senate</u> concurs on including \$16.5 million but includes it as an ongoing appropriation instead of as a one-time appropriation. <u>Conference</u> does not include funding for this purpose.	GF/GP	NA
		\$0
		\$0
12. Higher Education in Prison	Gross	NA
<u>House</u> includes \$1.0 million in one-time GF/GP for the department to expand their collaboration with 4-year state universities and colleges to provide prisoners with the opportunity to participate in bachelor's degree programs. Funding would be used for eligible expenses including staffing, supplies, and tuition. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 in one-time GF/GP.	GF/GP	NA
		\$500,000
		\$500,000
13. Corrections Officer Retention and Signing Bonuses	Gross	NA
<u>House</u> does not include a line item appropriation but includes boilerplate section 805 which directs the department to expend \$12.0 million of unexpended work project account balances to fund corrections officer signing and retention bonuses. Funding would be used to grant up to \$1,500 signing bonuses for new corrections officers and up to \$1,500 retention bonuses for corrections officers currently employed by the department. <u>Senate</u> does not include. <u>Conference</u> does not include.	GF/GP	NA
		\$0
		\$0
14. Eastern Michigan University Pilot Program	Gross	NA
<u>Senate</u> includes \$250,000 in ongoing GF/GP funding for the department to continue the Eastern Michigan University Pilot Program which provides prisoners with the opportunity to participate in a comprehensive bachelor's degree program. <u>Conference</u> does not include.	GF/GP	NA
		\$0
		\$0
15. Nation Outside	Gross	NA
<u>Senate</u> includes \$1.0 million in ongoing GF/GP funding to support a statewide peer-led reentry program that assists parolees with housing, education, employment, and access to healthcare and insurance. <u>Conference</u> includes \$1.0 million in one-time GF/GP.	GF/GP	NA
		\$1,000,000
		\$1,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
16. Breast Milk Program	FTE	NA	1.0
<u>Senate</u> includes \$500,000 in ongoing GF/GP funding and authorization for 1.0 FTE position for the department to continue working with the Mama's Mobile Milk program to get post-partum prisoners' breast milk transported to their newborns. <u>Conference</u> includes \$500,000 in one-time GF/GP.	Gross GF/GP	NA NA	\$500,000 \$500,000
17. Medication Assisted Treatment	Gross GF/GP	NA NA	\$0 \$0
<u>Senate</u> includes \$1.0 million in ongoing GF/GP funding for expansion of the Medication Assisted Treatment program. <u>Conference</u> does not include.			
18. Mental Health Crisis Intervention Training	Gross GF/GP	NA NA	\$0 \$0
<u>Senate</u> includes \$750,000 in one-time GF/GP funding for expansion of mental health crisis intervention training for corrections officers. <u>Conference</u> does not include.			
19. Chance for Life	Gross GF/GP	\$0 \$0	\$0 \$0
<u>Senate</u> includes \$250,000 in one-time GF/GP funding for the Chance for Life program which is an evidence-based mentoring program for prisoners that emphasizes job training, life skills, and family reintegration. <u>Conference</u> does not include.			

Major Boilerplate Changes from FY 2023-24

Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Section numbers listed for retained/revised/new sections are as they appear in the conference report. Section numbers may be different from section numbers listed in current law and in the House and Senate passed versions of the Corrections bill.

GENERAL SECTIONS

Sec. 206. Disciplinary Action Against State Employees and Prisoners – RETAINED

Prohibits MDOC from taking disciplinary action against classified civil service employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and MDOC is exercising its authority. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 210. Contingency Authorization – REVISED

Authorizes up to \$2.5 million in federal and up to \$1.0 million in local contingency funds to be appropriated should funds become available; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises local contingency authorization amount from \$1.0 million to \$2.0 million and includes up to \$10.0 million in state restricted contingency authorization. House revises local contingency authorization amount from \$1.0 million to \$2.0 million. Senate concurs with executive revisions. Conference concurs with House revisions.

Sec. 211. Transparency Website – RETAINED

Requires MDOC to maintain a searchable website that is accessible by the public at no cost that includes expenditures made by MDOC, payments to vendors, number of active employees by job classification, job specifications, and wage rates. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 212. Report on State Restricted Funds – RETAINED

Requires MDOC to work with the state budget office to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 214. Website for Information – DELETED

Requires MDOC to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics used to monitor and improve the department's performance. Executive deletes. House deletes. Senate deletes. Conference deletes.

Major Boilerplate Changes from FY 2023-24

Sec. 217. Receipt and Retention of Reports – RETAINED

Requires MDOC to follow federal and state guidelines for short- and long-term retention of records; authorizes MDOC to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 218. In-Person Work Priority – DELETED

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

Sec. 218. Report on Policy Changes Made to Implement Public Acts – REVISED

Requires MDOC to report on each specific policy change made by the department to implement a public act affecting the department. Executive deletes. House revises to require that report also be submitted to the House Standing Committee on Criminal Justice and the Senate Standing Committee on Civil Rights, Judiciary, and Public Safety. Senate retains. Conference concurs with House revisions.

Sec. 219. Expending Available Work Project Authorization – RETAINED

Prohibits appropriations that have unexpended work project authorization associated with them, to the extent possible, from being expended until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 220. State Fiscal Recovery Fund (SFRF) – NEW

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation. Executive does not include. House does not include. Senate does not include. Conference includes new language.

Sec. 221. Timely Reimbursement to Attorney General – NOT INCLUDED

Requires MDOC to make timely reimbursement to the Department of Attorney General for legal services provided by the AG to MDOC; authorizes the AG to increase the amount billed to include a penalty for late reimbursement; defines timely reimbursement as not later than 60 days after MDOC receives a bill from the AG. Executive does not include. House does not include. Senate includes new language. Conference does not include.

Sec. 222. Severance Pay for Department Officials – DELETED

Requires MDOC to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires the report to include the name of the official and the amount of severance pay; requires a report on the total amount of severance pay remitted and the total number of former employees that were remitted severance pay during the prior fiscal year; defines "severance pay" to mean compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits. Executive deletes. House deletes. Senate retains. Conference deletes.

Sec. 223. State Administrative Board Transfers – DELETED

Authorizes the legislature, by a concurrent resolution adopted by a majority of members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds. Executive deletes. House deletes. Senate deletes. Conference deletes.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 302. Allowing Staff to Reach Highest Pay Levels in Shorter Amount of Time – REVISED

Requires MDOC to submit a report that assesses the cost of allowing corrections officers and corrections medical officers to reach their highest level of pay within 3 years of service instead of reaching it within 5 years of service. Executive deletes. House revises to require a report on effects on staffing since corrections officers and corrections medical officers were allowed to reach their highest level of pay in a shorter amount of time. Senate retains current language. Conference revises to require a report on costs and on the effects of the policy on staffing.

Sec. 303. Staff Retention Strategies – RETAINED

Requires MDOC to report on staff retention strategies, including how to improve employee engagement, how to improve employee wellness, how to offer additional training and professional development, mechanisms by which to receive employee feedback, how MDOC considers suggestions made by employees, and steps taken and future plans MDOC has for retention and improving employee wellness. Executive revises to require a report only on staff retention strategies, with no other specific information required. House retains current language. Senate retains current language. Conference retains current language.

Major Boilerplate Changes from FY 2023-24

Sec. 304. Staff Departures – RETAINED

Requires MDOC to report on employee departures, including the number of corrections officers and the number of years they worked for the department; requires report to include a chart that shows the distribution of employee departures based on specified ranges of years of service, a summary of primary reasons for departures by ranges of years of service, and the distinction between employee departures by recruits in-training at the academy, recruits in-training at facilities, and employees having been on the job. Executive retains. House retains. Senate revises to require MDOC to conduct a survey of all employees departing within 1 to 3 years; requires the survey to include questions regarding primary reasons for departure; requires the survey to be summarized in the report required by this section. Conference retains current language.

Sec. 307. Vendor Contracts – RETAINED

Requires MDOC to report on all vendor contracts with a value of \$500,000 or more, including contract start and expiration dates, contract compliance monitoring site visits completed by the department, and number and amount of fines for service-level agreement noncompliance, broken down by area of noncompliance. Executive revises to require that report include only contracts with a value of \$500,000 or more, the contract start and expiration dates, and the number of available option years. House retains current reporting requirements; requires report to include the number of available option years; adds a report due date. Senate retains current language. Conference retains current reporting requirement and adds a report due date.

Sec. 309. Mental Health Awareness Training – RETAINED

Requires MDOC to provide training for all custody staff who manage prisoners with mental illness; requires mental health awareness training to be incorporated into training of new custody staff. Executive retains. House revises to require training on crisis intervention to be included in MDOC's mandatory annual training for all staff. Senate revises to require training for all custody staff, including new custody staff, on how to respond to challenges faced when working with prisoners experiencing a mental health crisis. Conference retains current language.

Sec. 310. Maintenance and Utility Costs at Facilities – RETAINED

Requires MDOC to report on maintenance and utility costs, plans for capital improvement and associated costs, status of capital outlay project accounts, and expected future useful life for each correctional facility. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 311a. Accounts for Prisoners Working for MSI – NOT INCLUDED

Requires MDOC to create accounts for prisoners working at MSI sites and to credit pay for hours worked at MSI sites to the accounts; requires funds in accounts to be used to pay court-ordered restitution and associated costs; authorizes remaining funds to go to prisoners. Executive does not include. House does not include. Senate includes new language. Conference does not include.

Sec. 314. Staff Overtime Hours – REVISED

Requires MDOC to report on number of overtime hours worked by all custody staff, by facility, including number of mandatory overtime hours worked, number of voluntary overtime hours worked, reasons for overtime hours worked, and average number of overtime hours worked by active employees. Executive revises by striking requirement to report on number of mandatory overtime hours worked and number of voluntary overtime hours worked. House retains current reporting requirements; requires MDOC to complete and submit reports as required in order to receive full amount of appropriations. Senate revises to require MDOC to submit monthly reports on each shift of more than 4 hours worked; requires report on funds used for employee travel to conferences and award granting events. Conference concurs with executive revisions.

Sec. 316. Corrections Officer Training Academy – DELETED

Requires MDOC to report on the status of the corrections officer training academy, including a history of appropriations, anticipated costs of the project, by phase, actual expenditures, and any other information MDOC considers necessary. Executive deletes. House revises to require a final report on the corrections officer training academy, including a history of all appropriations, final costs by phase and purpose, a listing of all buildings and amenities included, and the effect the new academy has had on staffing levels, including the ability for the department to attract new candidates. Senate deletes. Conference deletes.

Major Boilerplate Changes from FY 2023-24

Sec. 320. County Jail Reimbursement Program – REVISED

Requires MDOC to administer the County Jail Reimbursement program, which offers counties per diem payments for housing certain offenders in jail; specifies reimbursement criteria and rates; requires counties receiving funding to report on annual average jail capacity and annual average jail occupancy; requires MDOC to report on number of inmates sentenced to custody of the sheriff and eligible for the County Jail Reimbursement program, amount paid to counties, number of days inmates were in custody, number of inmates sentenced by specified category, amount paid by specified category of inmate, number of days inmates were in custody by specified category, and estimated cost of housing inmates sentenced to custody of the sheriff and eligible for the County Jail Reimbursement program as inmates of a state prison. Executive retains. House revises to include a \$5.00 rate increase to each per diem rate specified in the language (i.e., \$40 rate increased to \$45; \$55 rate increased to \$60; \$65 rate increased to \$70). Senate retains. Conference concurs with House revisions.

Sec. 321. Offender Population Data Reports – REVISED

Requires MDOC to provide monthly electronic mail reports on prisoner populations by security levels by facility; net operating capacities of facilities; number of closed housing units; prisoners serving life sentences and classified as past their earliest release dates; prisoner intakes, returns, and exits; populations for community residential services, electronic monitoring, parole, and probation; requires MDOC to provide notification immediately upon knowing it will not meet reporting requirements, including reasons for not meeting reporting requirements. Executive revises by striking reporting on prisoners serving life sentences and classified as past their earliest release dates, prisoner intakes, returns, and exits, and populations for community residential services; strikes requirement that MDOC provide notification immediately upon knowing it will not meet reporting requirements, including reasons for not meeting reporting requirements. House retains current language; requires MDOC to complete and submit reports as required in order to receive full amount of appropriations. Senate retains. Conference revises to specify information that is to be reported monthly and information that is to be reported quarterly.

Sec. 323. Authority to Charge Fees and Collect Revenues – RETAINED

Authorizes MDOC to charge fees and collect revenues to cover associated expenses for offender services and programming, employee meals, parolee loans, academic and vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services; appropriates revenues and fees collected. Executive retains. House revises to require MDOC to report on amount of revenues collected and fees charged, and the purpose for which revenues were expended. Senate retains. Conference retains current language.

Sec. 324. Management-to-Staff Ratio – RETAINED

Expresses legislative intent that MDOC maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the central office in Lansing and at the northern and southern region administration offices. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 326. Contraband Prevention – NOT INCLUDED

Requires MDOC to report on contraband prevention efforts, including a history of all appropriations for contraband prevention, a history of all expenditures made for contraband prevention efforts, and the amount, type, and source of contraband prevented, by facility. Executive does not include. House includes new language. Senate does not include. Conference does not include.

OFFENDER SUCCESS ADMINISTRATION

Sec. 401. Offender Success Expenditures and Allocations – REVISED

Requires MDOC to report on actual prior-year offender success expenditures and allocations; authorizes MDOC to collect cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete academic- and job skills-related programs. Executive revises to authorize unexpended or unencumbered donations to be carried forward. House retains current language. Senate concurs with executive revisions; requires reporting on outcomes and performance measures for all offender success programs. Conference revises to require regions to report on specified performance factors; authorizes unexpended or unencumbered donations to be carried forward.

Sec. 402. Partnering for Providing Offender Success Services – DELETED

Requires MDOC to partner with nonprofit faith-based, business and professional, civic, and community organizations for purpose of providing offender success services, including counseling, information on housing and job placement, and money management assistance. Executive deletes. House retains. Senate revises to strike reference to "faith-based". Conference deletes.

Sec. 403. Matching Parolees with Potential Employers – RETAINED

Requires MDOC to ensure, when possible, that all prisoners have potential employer matches in communities to which they will return, prior to each prisoner's initial parole hearing. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2023-24

Sec. 404. Workforce Development Program – RETAINED

Requires MDOC to work with the Department of Labor and Economic Opportunity and local entities to design services for offender success and vocational education programs that provide relevant professional development opportunities to prisoners upon release from prison; requires programs to be high quality, demand driven, locally receptive, and responsive to the needs of communities where prisoners are expected to reside upon release; requires report on results of workforce development program. Executive retains. House retains. Senate revises to require report on length of time of employment and reasons for parolee's separation from service for each parolee hired; requires MDOC to suspend collaboration with any local entity with a return to prison rate greater than 20% until the local entity has submitted a proposed plan to maintain a return to prison rate of less than 20%. Conference retains current language.

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

Limits probation residential services per diem reimbursement rate to \$65. Executive revises per diem reimbursement rate from \$65 to \$68 and includes an initial client assessment reimbursement of \$200. House revises per diem reimbursement rate from \$65 to \$70 and includes an initial client assessment reimbursement of \$200. Senate concurs with executive revisions. Conference concurs with House revisions.

Sec. 410. Higher Education in Prison – RETAINED

Requires funding to be used for MDOC to collaborate with accredited universities and colleges to provide prisoners with the opportunity to participate in comprehensive bachelor's degree programs at no cost to the students; requires funding to be used for eligible expenses including staffing, supplies, and tuition; requires report on expenditure of funds, number of participants served, enrollments by race and gender, and number of participants completing the program. Executive retains. House retains. Senate revises to require report to include number of job placements, the rate of 30-day, 90-day, and 2-year employment retention post release, number of individuals successfully completing a court-ordered sentence, 1-, 2-, and 3-year return to prison rates, and outcomes and performance measures; strikes reporting on enrollments by race and gender. Conference retains current language.

Sec. 415. Academic and Vocational Programs for Prisoners – REVISED

Requires MDOC to report on academic and vocational programs, including number of instructors and instructor vacancies; number of prisoners enrolled in, completing, transferring from, and repeating each program; number of prisoners on waiting lists for programs; racial demographics of prisoners enrolled in each program; number of prisoners paroled without a high school diploma; program outcomes for each program; number of prisoners not paroled at their earliest release dates due to lack of high school equivalency. Executive revises by striking reporting on prisoners not subsequently reenrolled, reason for not completing the program, number of prisoners transferred to another facility while enrolled in a program and not subsequently reenrolled, number of prisoners enrolled who are repeating the program, reporting information itemized by facility, and identifying program outcomes for each academic and vocational program. House revises by striking only that MDOC identify program outcomes for each academic and vocational program. Senate concurs with executive revisions. Conference concurs with executive revisions.

Sec. 418. Program and Special Equipment Fund – NEW

Requires Program and Special Equipment Fund revenues to be used for prisoner programming, special equipment, and security projects; authorizes unexpended funds to be carried forward and made available for expenditure in subsequent fiscal years. Executive includes new language. House includes new language. Senate includes new language. Conference includes new language.

Sec. 419. Reporting on Elimination of Prisoner Programming – RETAINED

Requires MDOC to report on plans to eliminate programming for prisoners at least 30 days prior to program elimination; defines "programming for prisoners" to mean a department core program or career and technical education program. Executive deletes. House retains current language; requires MDOC to complete and submit reports as required in order to receive full amount of appropriations. Senate retains current language. Conference retains current language.

FIELD OPERATIONS ADMINISTRATION

Sec. 501. Annual Program Reports – RETAINED

Requires MDOC to report on residential reentry, electronic monitoring, and special alternative incarceration programs; requires reporting on successful and unsuccessful terminations, end of month populations, length of placements, returns to prison, descriptions of programs, comparison with prior year statistics, impact on prison admissions and jail utilization, and cost effectiveness of programs. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2023-24

Sec. 502. Violators of Parole and Probation – RETAINED

Requires MDOC to review and revise proposals for alternatives to prison for technical violators of parole and probation; requires a report on the number of probationers and parolees returned to or sent to prison for new crimes, number of probationers and parolees returned to or sent to prison for technical violations, educational history of offenders, number of offenders that participated in reentry programs, and number of offenders that participated in substance use disorder treatment programs, mental health programs, or both. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 503. Residential Alternative to Prison Program – RETAINED

Requires MDOC to provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the West Michigan probation violator population. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 504. Prisoners Reviewed for Parole – RETAINED

Requires MDOC to report on outcomes of prisoners reviewed for parole, including number of prisoners reviewed; number granted or denied parole; number of decisions deferred; number of times prisoners were reviewed before being granted or denied parole; number of paroles granted, denied, or deferred for each of the parole guideline scores of low, average, and high; reasons for parole denial or deferment. Executive deletes. House retains. Senate retains. Conference retains.

HEALTH CARE

Sec. 602. Standard Medical Release Form – REVISED

Requires MDOC to give all prisoners the opportunity to sign a medical release of information form, effective for one year, designating a family member or other individual to whom MDOC is authorized to release information; requires MDOC to assure forms follow prisoners if and when they are transferred to other facilities or released from prison. Executive retains. House revises by adding requirement that MDOC provide prisoners with a brochure that explains the purpose and importance of signing a medical release of information form; strikes that the release form is effective for only one year. Senate retains. Conference concurs with House revisions.

Sec. 603. Health Care Utilization Reports – RETAINED

Requires MDOC to report on prisoner health care utilization, including the number of inpatient hospital days, outpatient visits, emergency room visits, prisoners receiving off-site inpatient medical care, and the 10 most common chronic care conditions. Executive deletes. House retains current language and requires reporting on the top 10 reasons for inpatient hospital days, top 10 reasons for outpatient visits, top 10 reasons for emergency room visits, and top 10 reasons for prisoners receiving off-site inpatient medical care. Senate retains. Conference retains.

Sec. 606. Medication Assisted Therapies – REVISED

Requires MDOC to report on number of prisoners that received medication assisted therapies, length of time on therapies, and number of prisoners who discontinued treatment while incarcerated. Executive retains. House retains. Senate revises to require report on medications used and number of prisoners prescribed each medication. Conference concurs with Senate revisions.

Sec. 607. Medication Assisted Treatment Clinics – REVISED

Requires appropriation to be used for establishing at least 3 clinics at facilities that will allow for treatment of the highest number of prisoners; requires participating prisoners to be treated while incarcerated and to be given an injection immediately before being released from prison; requires status reports on staffing levels, expenditures, and number of prisoners treated. Executive revises to reflect "maintaining" clinics instead of "establishing" clinics. House concurs with executive revisions; requires MDOC to explore all opportunities for increasing availability and usage of long acting injectables at the most affordable price for the department. Senate concurs with executive revisions; requires MDOC to allocate not less than \$1.0 million in additional funding to maintain 3 MAT clinics; authorizes unexpended funds to be carried forward. Conference concurs with executive revisions.

Sec. 608. Screening and Treatment of Prisoners with PTSD and Substance Use Disorders – NOT INCLUDED

Requires MDOC to screen and provide treatment to prisoners for PTSD and substance use disorders; requires prisoners to be screened at intake, annually, and prior to release; requires treatment to be provided if medical professional determines prisoner meets criteria for having PTSD and/or substance use disorder. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 609. Nursing Staff Attraction and Retention – NOT INCLUDED

Requires MDOC to work with nursing staff, nursing collective bargaining units, and nursing organizations to develop strategies to attract and retain nurses; lists specific strategies to be included; requires report on strategies and plans for implementing strategies. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Major Boilerplate Changes from FY 2023-24

CORRECTIONAL FACILITIES AND ADMINISTRATION

Sec. 701. Food Service Reporting – RETAINED

Requires MDOC to report, by facility, on average per-meal costs, including actual food costs, total compensation for all food service workers, including benefits and legacy costs, inspection and compliance costs, and contract and sanitation violation information. Executive retains. House retains. Senate revises to require MDOC to ensure that not less than \$0.50 of the per-meal cost consists of Michigan-grown and produced products. Conference retains current language.

Sec. 705. Reporting Critical Incidents in Prisons – REVISED

Requires MDOC to report within 72 hours of occurrence, any critical incident occurring at a correctional facility; requires MDOC to report annually on number of critical incidents occurring each month by type and severity; defines "critical incidents" to mean prisoner assaults on staff that result in serious physical injury to staff, escapes and attempted escapes, prisoner disturbances that cause facility operation concerns, and unexpected deaths of prisoners. Executive retains. House revises to include "drug overdose" and "suspected overdose" as part of the definition of critical incident; requires reporting on results of autopsies and investigations of unexpected deaths, including video surveillance footage. Senate retains current language. Conference revises to include "drug overdose or suspected overdose that results in inpatient hospitalization" as part of the definition of critical incident.

Sec. 708. Prisoner Labor and Delivery – RETAINED

Requires MDOC to allow prisoners to have one visitor present during labor and delivery, in addition to a doula being present if the prisoner wants to work with a doula; requires visitors to be immediate family members, legal guardians, spouses, or domestic partners; authorizes MDOC to deny access to visitors if there are safety concerns; authorizes MDOC to conduct criminal background checks on visitors. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 710. Administrative Segregation Report – REVISED

Requires MDOC to report on use of administrative segregation for prisoners with serious mental illness or developmental disorders, including number of days each prisoner was confined to administrative segregation. Executive retains. House retains. Senate revises reporting from annually to quarterly; requires reporting on number of prisoners confined to specialized housing units or cells; requires reporting on number of cumulative days each prisoner was confined to administrative segregation, temporary segregation, punitive segregation, inpatient mental health – enumerated by program, close observation, adaptive skills residential program, protective custody; requires reporting on number of individuals held on Notice of Intent or Security Threat Group status, or both, by facility, including cumulative days held, security classification, security level, race, and earliest release date. Conference revises to require that report include a chart listing numbers of prisoners housed in administrative segregation for specified time periods and an explanation of the circumstances surrounding placement of prisoners in segregation for 12 months or longer.

Sec. 713. Report on Restricted Visiting Privileges – REVISED

Requires MDOC to report on number of prisoners that lose visiting privileges, number of prisoners that apply to have visiting privileges restored, number of prisoners that have had visiting privileges restored, and number of prisoners that have had visiting restrictions extended. Executive retains. House retains. Senate revises to add reporting on the length of visitation time lost by violation type. Conference revises to add reporting on the race of prisoners losing visiting privileges and the number of cumulative days visitation days were lost.

Sec. 714. Intelligence Unit – REVISED

Requires MDOC to establish an intelligence unit to conduct investigatory and intelligence operations; requires intelligence unit to provide telephone intelligence activities previously provided by contractor; requires savings resulting from in-house telephone intelligence activities to be passed on to prisoners through reduced phone call rates. Executive revises to reflect "maintaining" unit instead of "establishing"; revises by striking requirement to renegotiate phone contract and pass savings on to prisoners through reduced phone call rates. House revises to reflect "maintaining" unit instead of "establishing"; revises by striking requirement to renegotiate phone contract; revises by adding that MDOC continue to pursue all opportunities for reducing further the cost of phone calls for prisoners and their families. Senate concurs with executive revisions. Conference concurs with House revisions.

Sec. 715. Economic Impact and Savings from Prison Closures – RETAINED

Requires MDOC to provide notice of plans to close, consolidate, or relocate any correctional facility in the state at least 30 days prior to the effective date of the closure, consolidation, or relocation; requires MDOC to report on the projected savings from closure, consolidation, or relocation and the projected impact on staff positions; following closure, consolidation, or relocation, requires a report on actual savings achieved and the impact on staff; requires MDOC, when planning to close a correctional facility, to complete an analysis of the potential economic impact of the prison closure on the local community. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2023-24

Sec. 717. Information Packet for Families of Prisoners – REVISED

Requires MDOC to make an information packet for families of incoming prisoners available on MDOC website; specifies information to be included in packet (e.g., prisoner accounts, phone calls, email accounts, visiting, filing complaints or grievances, accessing physical and mental health care, parole process); requires information packet to be reviewed annually and updated as necessary. Executive retains. House revises to require MDOC to also provide information on the purpose and importance of prisoners signing a medical release of information form. Senate retains current language. Conference concurs with House revisions.

Sec. 718. Reduce Fees and Copays – NEW

Requires MDOC to pursue all opportunities to reduce costs for prisoners and their families of financial deposit fees, commissary fees, and medical copays when the department negotiates or renews contracts for these services. Executive does not include. House includes new language. Senate does not include. Conference includes new language but does not include the requirement to pursue reduced costs for medical copays.

Sec. 719. Family Participation Program – NOT INCLUDED

Requires MDOC to ensure prisoners are provided information regarding the family participation program; requires MDOC to create and display information posters in facilities; requires posters to include perforated and detachable strips that include contact information for the family participation program. Executive does not include. House does not include. Senate includes new language. Conference does not include.

ONE-TIME APPROPRIATIONS

Sec. 801. Mental Health Crisis Intervention Training – NOT INCLUDED

Requires funding for mental health crisis intervention training to be used for all custody staff, including new custody staff, for training on responding to challenges faced when working with prisoners experiencing mental health crises. Executive does not include. House does not include. Senate includes new language. Conference does not include.

Sec. 801. Breast Milk Program – RETAINED

Requires funding to be used for a program that provides breast milk to newborns of post-partum prisoners; requires MDOC to collaborate with Mama's Mobile Milk to ensure prisoners who have given birth within the last 18 months have the opportunity to breastfeed, including expressing milk and providing necessary supplies; grants immunity from criminal and civil liability to MDOC; requires Mama's Mobile Milk to report quarterly; designates unexpended funding as a work project appropriation. Executive deletes. House deletes. Senate retains. Conference retains.

Sec. 802. Come Out Stay Out – DELETED

Requires funding to be granted to Come Out Stay Out for providing education, employment, and housing services to offenders upon release from prison; requires a report on expenditure of funds, program performance measures, number of participants served, and outcomes of participants completing the program. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 802. In-Reach Services Expansion – NEW

Requires MDOC to allocate \$2.0 million in one-time funding, in addition to \$900,000 in ongoing funding, to expand provision of in-reach parole planning services to all parolees prior to release from prison. Executive does not include. House includes new language. Senate does not include. Conference includes new language but revises dollar amount from \$2.0 million to \$500,000 to reflect revised appropriation.

Sec. 803. Corrections Officer Signing and Retention Bonuses – DELETED

Requires funding to be used to grant signing bonuses for new corrections officers and retention bonuses for current corrections officers; lists criteria to be followed for paying bonuses; requires expenditure of funds to be agreed to by the Office of the State Employer and the Michigan Corrections Organization and approved by the Civil Service Commission. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 803. State Employees' Retirement System – NOT INCLUDED

Requires funding to be expended to cover additional pension-related costs associated with House Bills 4665, 4666, and 4667 if they are enacted into law. Executive does not include. House includes new language. Senate includes new language but refers to Senate Bills 165, 166, and 167 instead of House Bills 4665, 4666, and 4667. Conference does not include.

Sec. 803. Nation Outside – RETAINED

Requires funding to be used to support a contract with the goal of supporting peer-led reentry programming; requires Nation Outside to enlist Wayne State University to perform an independent program evaluation; requires a report on program outcomes; subjects the program to metrics. Executive deletes. House deletes. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2023-24

Sec. 804. Eastern Michigan University Pilot Program – DELETED

Requires funding to be used for MDOC to collaborate with EMU to provide prisoners with the opportunity to participate in a comprehensive bachelor's degree program; requires funding to be used for eligible expenses including staffing, supplies, and tuition; requires a report on expenditure of funds, number of participants served, enrollments by race and gender, number of participants completing the program, and program outcomes; subjects the program to metrics. Executive deletes. House deletes. Senate retains. Conference deletes.

Sec. 804. Peer-Led Reentry Services – NEW

Requires MDOC to allocate \$2.0 million in one-time funding, in addition to \$1.5 million in ongoing funding, to expand provision of peer-led reentry services to parolees. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language with revised dollar amount (\$500,000).

Sec. 805. Goodwill Flip the Script – DELETED

Requires the one-time appropriation to be used only for expanding the program and serving participants outside of participants currently being served by the ongoing appropriation; requires alternative sentencing programs, educational recovery programs, and career development and continuing education programs; requires a report on the expanded areas of the program and on program outcomes; subjects the program to metrics. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 805. Repurpose Unexpended Work Project Account Balances – NOT INCLUDED

Directs MDOC to expend \$12.0 million of unexpended work project account balances to fund corrections officer signing and retention bonuses; requires funding to be used to grant up to \$1,500 signing bonuses for new corrections officers and up to \$1,500 retention bonuses for corrections officers currently employed by the department; requires approval by the Civil Service Commission, the Office of the State Employer, and the Michigan Corrections Organization; designates funding as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 805. Thumb Correctional Facility Education Center – NEW

Designates funding for the Thumb education center as a work project appropriation; the purpose of the project is to provide educational programming and vocational training at the facility. Executive includes new language. House includes new language. Senate includes new language. Conference includes new language.

Sec. 807. Outcomes and Performance Metrics for Various Programs – DELETED

Lists specific outcomes and performance measures for Eastern Michigan University, one-time Goodwill Flip the Script, and Nation Outside programs; requires data collected to be provided to the legislature and to accredited universities for research purposes. Executive deletes. House deletes. Senate retains. Conference deletes.

Sec. 808. Silent Cry – DELETED

Requires funding to be used to support a contract with Silent Cry to provide trauma services to referred parolees upon release from prison; requires a report on expenditure of funds, program performance measures, number of participants served, and outcomes of participants completing the program. Executive deletes. House deletes. Senate deletes. Conference deletes.

FY 2024-25: DEPARTMENT OF EDUCATION
Summary: Conference Report
Article 3, Senate Bill 747 (S-1) CR-1



Analyst: Noel Benson

IDG/IDT	FY 2023-24	FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25	Difference: Conference From FY 2023-24	
	Enacted as of 2/7/24	Executive	House	Senate	Conference	Enacted Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	458,009,100	82,550,500	82,550,500	82,550,500	82,550,500	(375,458,600)	(82.0)
Local	5,856,000	5,868,500	5,868,500	5,868,500	5,868,500	12,500	0.2
Private	2,791,300	2,542,200	2,542,200	2,542,200	2,542,200	(249,100)	(8.9)
Restricted	50,072,000	10,117,800	10,117,800	10,117,800	10,117,800	(39,954,200)	(79.8)
GF/GP	130,652,500	61,746,100	66,746,100	62,371,100	63,896,100	(66,756,400)	(51.1)
Gross	\$647,380,900	\$162,825,100	\$167,825,100	\$163,450,100	\$164,975,100	(\$482,405,800)	(74.5)
FTEs	640.5	572.5	566.2	573.5	574.5	(66.0)	(10.3)

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

Overview

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

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Transfer of Office of Great Start	FTE 77.0	(77.0)
<u>Executive</u> transfers out \$430.4 million Gross (including \$54.4 million GF/GP) and authorizations for 77.0 FTE positions for the Office of Great Start to the new Department of Lifelong Education, Advancement, and Potential (MiLEAP). Transfer includes changes for defined calculations.	Gross \$430,162,400	(\$430,364,700)
<u>House</u> concurs with Executive.	Federal 375,480,600	(375,606,500)
<u>Senate</u> concurs with Executive.	Private 250,000	(250,000)
<u>Conference</u> concurs with Executive.	Restricted 64,600	(64,600)
	GF/GP \$54,367,200	(\$54,443,600)
2. Transfer of Information Technology	Gross \$5,020,800	(\$390,300)
<u>Executive</u> transfers \$390,300 Gross (\$167,800 GF/GP) from Information Technology to MiLEAP. Transfer includes changes for defined calculations.	Federal 2,634,400	(222,500)
<u>House</u> concurs with Executive.	Restricted 948,500	0
<u>Senate</u> concurs with Executive.	GF/GP \$1,437,900	(\$167,800)
<u>Conference</u> concurs with Executive.		
3. Transfer of Departmental Administration and Support	Gross \$3,972,900	(\$161,200)
<u>Executive</u> transfers \$161,200 Federal for property management from Departmental Administration and Support to MiLEAP. Transfer includes changes for defined calculations.	Federal 1,251,700	(161,200)
<u>House</u> concurs with Executive.	Restricted 274,500	0
<u>Senate</u> concurs with Executive.	GF/GP \$2,446,700	\$0
<u>Conference</u> concurs with Executive.		

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
4. State Aid to Libraries		Gross	\$15,567,700	\$1,000,000
<u>Executive</u> does not include.		GF/GP	\$15,567,700	\$1,000,000
<u>House</u> increases by \$500,000 GF/GP to provide increased per-capita reimbursements to libraries.				
<u>Senate</u> concurs with Executive.				
<u>Conference</u> increases by \$1,000,000 GF/GP.				
5. Summer EBT Food Benefits		FTE	78.6	2.0
<u>Executive</u> provides \$500,000 GF/GP and authorizes 2.0 FTE positions to administer a summer food benefit program for low-income children and to meet the state's administrative match requirement for an associated federal grant program, which would provide an estimated \$108.0 million in federally funded benefits. Additional administration and food assistance appropriations are included in the Department of Health and Human Services.		Gross	\$14,826,400	\$500,000
<u>House</u> concurs with Executive.		Federal	12,829,300	0
<u>Senate</u> concurs with Executive.		Restricted	150,000	0
<u>Conference</u> concurs with Executive.		GF/GP	\$1,847,100	\$500,000
6. Grants Management		FTE	48.6	3.0
<u>Executive</u> provides \$520,000 GF/GP and authorizes 3.0 FTE positions to support the administration of grant funds to districts and to ensure that all state and federal requirements are met. Includes \$200,000 and 1.0 FTE position for central support operations and \$320,000 and 2.0 FTE positions for school support services operations.		Gross	\$8,159,400	\$500,000
<u>House</u> provides \$500,000 GF/GP and authorizes 3.0 FTE positions.		Federal	4,421,700	0
<u>Senate</u> provides \$450,000 GF/GP and authorizes 3.0 FTE positions.		Restricted	294,400	0
<u>Conference</u> concurs with House.		GF/GP	\$3,443,300	\$500,000
7. Community Health Worker Career Center		Gross	\$0	\$325,000
<u>Executive</u> does not include.		GF/GP	\$0	\$325,000
<u>House</u> concurs with Executive.				
<u>Senate</u> provides \$500,000 GF/GP in one-time funding to districts or intermediate districts to develop an ongoing community health worker certification program.				
<u>Conference</u> provides \$325,000 GF/GP in one-time funding.				
8. Comprehensive Mental Health Administration		FTE	78.6	2.0
<u>Executive</u> provides \$500,000 GF/GP and authorizes 2.0 FTE positions to expand behavioral health supports and assist schools with mental health programs.		Gross	\$14,826,400	\$318,900
<u>House</u> does not include.		Federal	12,829,300	0
<u>Senate</u> concurs with Executive.		Restricted	150,000	0
<u>Conference</u> provides \$318,900 GF/GP and authorizes 2.0 FTE positions.		GF/GP	\$1,847,100	\$318,900
9. Office of Financial Management Support		FTE	38.6	2.0
<u>Executive</u> does not include.		Gross	\$6,142,700	\$291,600
<u>House</u> provides \$291,600 GF/GP and authorization for 1.0 FTE position to support the Office of Financial Management.		Federal	3,281,500	0
<u>Senate</u> concurs with Executive.		Restricted	283,800	0
<u>Conference</u> concurs with House.		GF/GP	\$2,577,400	\$291,600
10. Mental Health Training		Gross	\$0	\$275,000
<u>Executive</u> does not include.		GF/GP	\$0	\$275,000
<u>House</u> concurs with Executive.				
<u>Senate</u> provides \$350,000 GF/GP in one-time funding to provide training to mental health providers, administrators, and superintendents in eligible districts.				
<u>Conference</u> provides \$275,000 GF/GP in one-time funding.				

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. Career and Technical Education Administration			
FTE		24.0	1.0
Gross		\$5,440,300	\$159,500
Federal		4,052,300	0
GF/GP		\$1,388,000	\$159,500
<p><u>Executive</u> provides \$350,000 GF/GP and authorizes 2.0 FTE positions for additional support for career and technical programs. <u>House</u> does not include. <u>Senate</u> concurs with Executive. <u>Conference</u> provides \$159,500 GF/GP and authorizes 1.0 FTE position.</p>			
12. Infrastructure and Consolidation Administration			
FTE		2.0	0.0
Gross		\$750,000	(\$600,000)
GF/GP		\$750,000	(\$600,000)
<p><u>Executive</u> maintains and revises \$750,000 one-time GF/GP and authorizations for 2.0 FTE positions in the current year to be ongoing to administer funding for school consolidation, infrastructure, and the Healthy Schools Program that was appropriated in the School Aid budget in FY 2023-24. Allocates \$375,000 to partner with the Department of Technology, Management, and Budget (DTMB). <u>House</u> eliminates one-time funding and removes authorizations for 2.0 FTE positions. <u>Senate</u> maintains and revises \$375,000 one-time GF/GP and authorizations for 2.0 FTE positions in the current year to be ongoing to administer funding for school consolidation, infrastructure, and the Healthy Schools Program that was appropriated in the School Aid budget in FY 2023-24. Eliminates remaining \$375,000 one-time GF/GP. <u>Conference</u> maintains one-time funding but reduces by \$600,000 GF/GP for a total of \$150,000 one-time GF/GP and authorization for 2.0 positions.</p>			
13. Charter School Transparency Database			
FTE		0.0	1.0
Gross		\$0	\$150,000
GF/GP		\$0	\$150,000
<p><u>Executive</u> does not include. <u>House</u> concurs with Executive. <u>Senate</u> provides \$150,000 one-time GF/GP to administer a charter school transparency database for parents to learn about their school. <u>Conference</u> provides \$150,000 one-time GF/GP and authorizes 1.0 FTE position.</p>			
14. Michigan Test for Teacher Certification Reimbursement			
Gross		\$1,000,000	\$100,000
GF/GP		\$1,000,000	\$100,000
<p><u>Executive</u> eliminates one-time funding to reimburse the costs of subject area tests for first-time test takers seeking certification. <u>House</u> maintains and revises \$1.0 million one-time GF/GP in the current year to be ongoing and provides an additional \$150,000 GF/GP for a total of \$1.2 million GF/GP. <u>Senate</u> concurs with Executive. <u>Conference</u> maintains one-time funding and increases by \$100,000 GF/GP for a total of \$1.1 million one-time GF/GP.</p>			
15. Poet Laureate			
Gross		\$100,000	\$0
GF/GP		\$100,000	\$0
<p><u>Executive</u> maintains and revises \$100,000 one-time GF/GP in the current year to be ongoing to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.</p>			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
16. Department Reorganization	FTE	167.6	0.0
<u>Executive</u> transfers \$783,900 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations from Departmental Administration and Support and \$39,600 Federal from the Office of Great Start as follows:	Gross	\$33,841,400	\$0
<ul style="list-style-type: none"> \$781,800 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations to Systems, Evaluation, and Technology \$41,700 Federal to School Support Services 	Federal	27,883,100	0
	Private	250,000	0
<u>House</u> transfers \$393,000 Gross (\$69,700 GF/GP) and 3.0 FTE authorizations from Departmental Administration and Support and \$39,600 Federal from the Office of Great Start as follows:	Restricted	318,900	0
<ul style="list-style-type: none"> \$390,900 Gross (\$69,700 GF/GP) and 3.0 FTE authorizations to Systems, Evaluation, and Technology \$41,700 Federal to School Support Services 	GF/GP	\$5,389,400	\$0
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			
17. Toolkit Development	Gross	\$150,000	(\$150,000)
<u>Executive</u> eliminates one-time funding to create a professional development toolkit to teach American history.	GF/GP	\$150,000	(\$150,000)
<u>House</u> maintains one-time funding and provides an additional one-time appropriation of \$150,000 GF/GP for a total of \$300,000 GF/GP to be spent over two years.			
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			
18. Information Technology Additional Investments	Gross	\$5,020,800	\$0
<u>Executive</u> does not include.	Federal	2,634,400	0
<u>House</u> provides \$970,000 GF/GP for additional investments in information technology.	Restricted	948,500	0
<u>Senate</u> concurs with Executive.	GF/GP	\$1,437,900	\$0
<u>Conference</u> concurs with Executive.			
19. State Board/Superintendent Operations FTE Support	FTE	11.0	0.0
<u>Executive</u> does not include.	Gross	\$2,505,400	\$0
<u>House</u> provides \$570,000 GF/GP and authorization for 3.8 FTE positions to support state board and superintendent operations.	Federal	163,500	0
<u>Senate</u> concurs with Executive.	Private	80,000	0
<u>Conference</u> concurs with Executive.	Restricted	681,000	0
	GF/GP	\$1,580,900	\$0
20. Library of Michigan Operations Support	FTE	31.0	0.0
<u>Executive</u> does not include.	Gross	\$5,018,100	\$0
<u>House</u> provides \$450,000 GF/GP and authorization for 3.0 FTE positions for Library of Michigan operations support.	Restricted	300,000	0
<u>Senate</u> concurs with Executive.	GF/GP	\$4,718,100	\$0
<u>Conference</u> concurs with Executive.			
21. English Language Learner Support and Administration	FTE	78.6	0.0
<u>Executive</u> does not include.	Gross	\$14,826,400	\$0
<u>House</u> provides \$450,000 GF/GP and authorization for 2.0 FTE positions for English language learner support and administration.	Federal	12,829,300	0
<u>Senate</u> concurs with Executive.	Restricted	150,000	0
<u>Conference</u> concurs with Executive.	GF/GP	\$1,847,100	\$0
22. State-Level Pupil Transportation Support	FTE	38.6	0.0
<u>Executive</u> does not include.	Gross	\$6,142,700	\$0
<u>House</u> provides \$305,000 GF/GP and authorization for 2.0 FTE positions for state-level pupil transportation support.	Federal	3,281,500	0
<u>Senate</u> concurs with Executive.	Restricted	283,800	0
<u>Conference</u> concurs with Executive.	GF/GP	\$2,577,400	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
23. Michigan Test for Teacher Certification Development		Gross	\$10,365,100
<u>Executive</u> does not include.		Federal	3,167,100
<u>House</u> provides \$198,400 GF/GP to support development and maintenance of the Michigan Test for Teacher Certification.		Restricted	4,355,400
<u>Senate</u> concurs with Executive.		GF/GP	\$2,842,600
<u>Conference</u> concurs with Executive.			\$0
24. Early Middle College Program Administration		FTE	24.0
<u>Executive</u> does not include.		Gross	\$5,440,300
<u>House</u> provides \$175,000 GF/GP and authorization for 2.0 FTE positions for early middle college program administration.		Federal	4,052,300
<u>Senate</u> concurs with Executive.		GF/GP	\$1,388,000
<u>Conference</u> concurs with Executive.			\$0
25. Administrative Law Operations Support		FTE	2.0
<u>Executive</u> does not include.		Gross	\$1,416,800
<u>House</u> provides \$150,000 GF/GP and authorization for 1.0 FTE position to support administrative law operations.		Federal	572,900
<u>Senate</u> concurs with Executive.		Restricted	739,300
<u>Conference</u> concurs with Executive.		GF/GP	\$104,600
			\$0
26. School Nurse Administration		FTE	78.6
<u>Executive</u> does not include.		Gross	\$14,826,400
<u>House</u> provides \$150,000 GF/GP and authorization for 1.0 FTE position for school nurse administration.		Federal	12,829,300
<u>Senate</u> concurs with Executive.		Restricted	150,000
<u>Conference</u> concurs with Executive.		GF/GP	\$1,847,100
			\$0
27. Task Force Administration		FTE	84.7
<u>Executive</u> does not include.		Gross	\$17,394,200
<u>House</u> provides \$150,000 GF/GP and authorization for 1.0 FTE position for task force administration.		Federal	12,941,000
<u>Senate</u> concurs with Executive.		Restricted	602,400
<u>Conference</u> concurs with Executive.		GF/GP	\$3,850,800
			\$0
28. School Board Member Training		FTE	78.6
<u>Executive</u> does not include.		Gross	\$14,826,400
<u>House</u> concurs with Executive.		Federal	12,829,300
<u>Senate</u> provides \$70,000 GF/GP for school board member training and designates rater reliability training as an eligible expense.		Restricted	150,000
<u>Conference</u> concurs with Executive.		GF/GP	\$1,847,100
			\$0
29. School Support Services Operations		FTE	78.6
<u>Executive</u> does not include.		Gross	\$14,826,400
<u>House</u> provides \$60,000 GF/GP and authorization for 0.4 FTE positions for school support services operations.		Federal	12,829,300
<u>Senate</u> concurs with Executive.		Restricted	150,000
<u>Conference</u> concurs with Executive.		GF/GP	\$1,847,100
			\$0
30. FTE Authorization Removal		FTE	235.2
<u>Executive</u> does not include.		Gross	\$0
<u>House</u> removes authorization for a total of 21.5 FTE positions, including 1.9 FTE positions in Central Support Operations, 8.0 FTE authorizations in Michigan Schools for the Deaf and Blind Operations, 6.0 FTE authorizations in Educator Excellence Operations, and 5.6 FTE authorizations in Accountability Services Operations.		GF/GP	\$0
<u>Senate</u> concurs with Executive.			\$0
<u>Conference</u> concurs with Executive.			\$0

<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 Conference Change</u>	
31. School Support Services Technical Assistance	FTE	78.6	0.0
<u>Executive</u> does not include.	Gross	\$14,826,400	\$0
<u>House</u> concurs with Executive.	Federal	12,829,300	0
<u>Senate</u> authorizes 1.0 FTE position for technical assistance.	Restricted	150,000	0
<u>Conference</u> does not include.	GF/GP	\$1,847,100	\$0
32. Removal of FY 2023-24 One-Time Appropriations	Gross	\$56,575,000	(\$56,575,000)
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> remove \$56.6 million Gross (\$16.5 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Federal	100,000	(100,000)
<ul style="list-style-type: none"> • E-rate Special Construction Matching Fund (\$4.8 million GF/GP) • Family and Community Engagement (\$200,000 GF/GP) • Head Start Background Checks (\$100,000 Federal) • Michigan School for the Deaf Dorm (\$40.0 million School Aid Fund) • PRIME Schools (\$6.0 million GF/GP) • Wonderschool (\$5.5 million GF/GP) 	Restricted	40,000,000	(40,000,000)
	GF/GP	\$16,475,000	(\$16,475,000)
33. Economic Adjustments	Gross	NA	\$2,145,400
<u>Executive</u> reflects increased costs of \$2.1 million Gross (\$710,000 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.	Federal	NA	1,311,600
<u>House</u> concurs with Executive.	Local	NA	12,500
<u>Senate</u> concurs with Executive.	Private	NA	900
<u>Conference</u> concurs with Executive.	Restricted	NA	110,400
	GF/GP	NA	\$710,000

Major Boilerplate Changes from FY 2023-24

Boilerplate Deletions

Executive, House, Senate, and Conference budgets delete boilerplate included in the FY 2023-24 budget. The list below includes major changes to boilerplate but is not a comprehensive list of all sections proposed to be deleted.

- Department Information (Sec. 215)
- PRIME Schools (Sec. 1105)
- Wonderschool (Sec. 1106)
- Michigan School for the Deaf Dorm (Sec. 1107)

Major Boilerplate Changes from FY 2023-24

Boilerplate Restructuring

House and Conference restructure boilerplate sections to match standard department boilerplate numbering conventions and remove department-specific boilerplate from the general boilerplate sections. The list below includes changes to boilerplate but is not a comprehensive list of all sections revised to new section numbers. Executive and Senate do not include.

- Purchase of foreign goods (Sec. 206; moved to Sec. 205)
- Out-of-state travel (Sec. 208; moved to Sec. 207)
- Hire of outside legal counsel (Sec. 209; moved to Sec. 208)
- Lapse report (Sec. 210; moved to Sec. 209)
- Contingency Funds (Sec. 211; moved to Sec. 210)
- Access to state and local government services (Sec. 212; moved to Sec. 214)
- State board information (Sec. 216; moved to Sec. 301)
- FTE vacancies (Sec. 217; moved to Sec. 216)
- Federal Medicaid program (Sec. 218; moved to Sec. 302)
- Early literacy best practices clearinghouse (Sec. 220; moved to Sec. 303)
- Education initiatives regarding trauma, human trafficking, and sexual abuse prevention (Sec. 228; moved to Sec. 305)
- In-demand occupation report (Sec. 232; moved to Sec. 306)
- Per Diem Payments (Sec. 301; moved to Sec. 351)
- Special education reform task force guidelines (Sec. 350; moved to Sec. 401)
- Michigan Schools for the Deaf and Blind employees (Sec. 401; moved to Sec. 451)
- Payment for Instruction at the Michigan Schools for the Deaf and Blind (Sec. 402; moved to Sec. 452)
- Residential programs at the Michigan Schools for the Deaf and Blind (Sec. 406; moved to Sec. 456)
- Gifts, bequests, and donations (Sec. 407; moved to Sec. 457)
- Carry forward of programmatic service funds (Sec. 408; moved to Sec. 458)
- Due process hearings (Sec. 409; moved to Sec. 459)
- ASL literacy (Sec. 410; moved to Sec. 460)

Sec. 203. Definitions – REVISED

Executive retains this section. House defines "standard report recipients" as the Senate and House Appropriation Subcommittees on the department budget, the Senate and House Fiscal Agencies, the Senate and House Policy Office, and the State Budget Office. Senate concurs with House. Conference concurs with House.

Sec. 205. Submission of Reports – DELETED

Requires MDE to submit reports to the Senate and House Appropriation Subcommittees on the department budget, the Senate and House Fiscal Agencies, the Senate and House Policy Office, and the State Budget Office. Executive retains this section and revises to Sec. 213. House deletes this section. Senate concurs with House. Conference concurs with House.

Sec. 207. Geographically Disadvantaged Business Enterprises – REVISED

Executive revises definition of geographically disadvantaged business enterprises to definition included in Executive Directive 2023-1. Revises to Sec. 206. House retains current law and revises to Sec. 215. Senate retains current law. Conference concurs with Executive but revises to Sec. 215.

Sec. 213. Department Financial Information – RETAINED

Requires MDE to work with DTMB to maintain a searchable website accessible to the public at no cost, which includes department financial information. Executive deletes this section. House retains and revises to Sec. 211. Senate retains current law. Conference concurs with House.

Sec. 214. Restricted Funds Report – RETAINED

Requires MDE to work with SBO to provide a report to the legislature on estimated restricted fund revenues, expenditures, and fund balances for the prior two fiscal years. Executive deletes this section. House retains and revises to Sec. 212. Senate retains current law. Conference concurs with House.

Sec. 215. Strategic Plan – NOT INCLUDED

Executive, House and Conference do not include. Senate requires MDE to develop a five-year strategic plan to create an integrated vision and SMART goals for all institutions of public education.

Sec. 221. Report on Policy Changes Made to Implement Public Acts Affecting Department – RETAINED

Requires MDE to report by April 1 on each specific policy change made to implement a public act affecting MDE that took effect during the prior calendar year. Executive deletes this section. House retains and revises to Sec. 219. Senate retains current law. Conference concurs with House.

Major Boilerplate Changes from FY 2023-24

Sec. 222. Communication with the Legislature – RETAINED

Prohibits MDE from taking disciplinary action against an employee for communicating truthfully and factually with a legislator or his/her staff. Executive deletes this section. House retains and revises to Sec. 206. Senate retains current law. Conference concurs with House.

Sec. 223. Records Retention – RETAINED

Requires MDE to retain all reports funded from appropriations according to federal and state guidelines for short-term and long-term retention of records. Executive deletes this section. House retains and revises to Sec. 218. Senate retains current law. Conference concurs with House.

Sec. 224. Expending Available Work Project Authorization – RETAINED

Prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. Executive deletes this section. House retains and revises to Sec. 222. Senate retains current law. Conference concurs with House.

Sec. 225. Severance Pay Reporting – RETAINED

Requires MDE to report on any amounts of severance pay for high-ranking department officials within 14 days of the severance agreement signing, maintain a website that posts severance pay in excess of 6 weeks of wages, and reports the total amount of severance pay for FY 2022-23. Executive deletes this section. House concurs with Executive. Senate retains current law. Conference concurs with Senate.

Sec. 226. Interdepartmental Coordination of Services – REVISED

Executive revises to require MDE to coordinate with MiLEAP instead of the Department of Licensing and Regulatory Affairs (LARA). Removes requirement to coordinate overseeing child care providers. House concurs with Executive and revises to Sec. 304. Senate concurs with Executive and adds requirement to work with the Department of Labor and Economic Opportunity (LEO) on career and technical education programs. Conference concurs with House.

Sec. 231. Prioritize In-Person Work – DELETED

States that it is the intent of the legislature that MDE prioritize in-person work and requires each department, agency, board, or commission that receives funding to post its in-person, remote work, or hybrid policy on its website. Executive deletes this section. House retains and revises to Sec. 217. Senate retains current law. Conference concurs with Executive.

Sec. 240. Department Transparency – DELETED

Requires MDE to develop a standard application and review process for grants to ensure transparency. Executive deletes this section. House concurs with Executive. Senate retains current law. Conference concurs with Executive.

Sec. 602. School Board Member Training – REVISED

Requires MDE to approve and reimburse districts for one or more eligible training programs for school board members, covering conflicts of interest, labor relations, education law, school finance, board governance, and implicit bias training. Executive retains this section. House concurs with Executive. Senate adds rater reliability training as an eligible expense. Conference concurs with Senate.

Sec. 604. Medicaid Technical Assistance – NEW

Executive does not include. House concurs with Executive. Senate requires funds appropriated for school support services to be used to provide technical assistance to eligible districts and superintendents to make them more effective at using Medicaid dollars for mental health. Conference concurs with Senate.

Sec. 703. Michigan Core Curriculum – REVISED

Executive revises to require MDE to continuously design, implement, and evaluate professional learning and optional curriculum modules. House concurs with Executive. Senate retains current law. Conference concurs with Executive.

Sec. 1002. CDC Provider Reimbursement Rate – DELETED

Requires MDE to publish reimbursement rates on its webpage. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1003. Early Childhood Investment Corporation Annual Report – DELETED

Requires MDE to submit an annual report on all funding appropriated to contracts for the early childhood comprehensive systems learning. Executive moves to MiLEAP boilerplate and consolidates with Sec. 1007. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1007. CDC Joint Annual Report – DELETED

Requires MDE to collaborate with LARA and the Michigan Department of Health and Human Services (DHHS) to create a joint annual report for the program's external support. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Major Boilerplate Changes from FY 2023-24

Sec. 1008. Home Visit Program Coordination – DELETED

Requires MDE to provide services to families for home visits. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1009. CDC Increase to Eligibility Entrance Threshold – DELETED

Requires MDE to set the entrance income threshold for the CDC program to 200% of the federal poverty guidelines. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1011. CDC Payments Based on Enrollment – DELETED

Requires MDE to implement payments to providers based on enrollment rather than attendance. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1012. Child Mental Health – DELETED

Requires MDE to collaborate with DHHS to continue the network of infant and early childhood mental health consultation. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1014. Family and Community Engagement – DELETED

Requires MDE to partner with family engagement centers to increase parent and guardian involvement in their child's education. Executive moves to MiLEAP boilerplate. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1100. Charter School Transparency Database – NEW

Executive does not include. House concurs with Executive. Senate requires MDE to develop and maintain a website containing information about charter schools, including members of the charter board, managing organization, managing organizational leadership, authorizer, authorizer's board members, and the organizational structure. Conference concurs with Senate.

Sec. 1101. Poet Laureate – REVISED

Executive revises to Sec. 805 to reflect ongoing nature of funding. House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1101. Mental Health Training – NEW

Executive does not include. House concurs with Executive. Senate requires MDE to allocate funds to DHHS to deliver training to mental health providers, administrators, and superintendents in eligible districts. Remaining funding for mental health training shall be used to support the activities included in Sec. 604. Provides for a work project appropriation through September 30, 2029. Conference concurs with Senate.

Sec. 1102. Toolkit Development – DELETED

Requires MDE to develop a toolkit to provide professional development regarding the teaching of the full and complex American history across subject areas. Executive deletes this section. House retains and provides for a work project appropriation through September 30, 2026. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1102. Community Health Worker Career Center Program – NEW

Executive does not include. House concurs with Executive. Senate requires funds appropriated for the community health worker career center program to be distributed to districts or intermediate districts to develop an ongoing community health worker program. Conference concurs with Senate.

Sec. 1103. School Consolidation and Infrastructure Administration – REVISED

Requires MDE to administer funding for school consolidation, infrastructure, and the MI Healthy Climate plan. Executive revises to allocate \$375,000 to administer school consolidation, infrastructure, and the Healthy Schools Program, and allocates \$375,000 to partner with DTMB, and revises to Sec. 604 to reflect ongoing nature of funding. House deletes this section. Senate revises to allocate \$375,000 for school consolidation, infrastructure, and the MI Health climate plan, and revises to Sec. 603 to reflect ongoing nature of funding. Conference allocates \$150,000 to administer school consolidation, infrastructure, and the Healthy Schools Program.

Sec. 1104. Michigan Test for Teacher Certification Reimbursement – REVISED

Requires MDE to reimburse first-time test takers of the Michigan Test for Teacher Certification and develop an application process for reimbursement. Executive deletes this section. House revises to Sec. 508 to reflect the ongoing nature of funding and provides for a work project appropriation through September 30, 2029. Senate concurs with Executive. Conference provides for a work project appropriation through September 30, 2029.

FY 2024-25: ENVIRONMENT, GREAT LAKES, AND ENERGY
Summary: Conference Report
Article 4, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
	\$4,035,100	\$4,085,900	\$4,085,900	\$4,085,900	\$4,085,900	\$50,800	1.3
Federal	441,297,200	463,788,900	463,788,900	463,788,900	463,788,900	22,491,700	5.1
Local	0	0	0	0	0	0	--
Private	1,360,700	1,364,200	1,364,200	1,364,200	1,364,200	3,500	0.3
Restricted	358,966,800	387,149,300	347,149,300	307,149,300	309,149,300	(49,817,500)	(13.9)
GF/GP	245,952,100	247,810,800	257,860,800	253,160,100	260,710,300	14,758,200	6.0
Gross	\$1,051,611,900	\$1,104,199,100	\$1,074,249,100	\$1,029,548,400	\$1,039,098,600	(\$12,513,300)	(1.2)
FTEs	1,616.0	1,704.0	1,655.0	1,627.0	1,652.0	36.0	2.2

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

Overview

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

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Fee Increase – Landfill Tipping Fee (Renew Michigan Program)	FTE	131.0	15.0
<u>Executive</u> appropriates \$80.0 million from the Renew Michigan Fund and 36.0 FTE positions to integrate a proposed increase in the landfill tipping fee from \$0.36 per ton to \$5.00 per ton. New revenue would be expended in accordance with the Renew Michigan Program's statutory purposes: environmental remediation and brownfield redevelopment, recycling, and solid waste programs. An additional 15.0 FTE positions are also added to increase staff for contaminated site remediation.	Gross	\$70,211,500	\$0
<u>House</u> does not appropriate \$80.0 million from the Renew Michigan Fund and 36.0 FTE positions; House does appropriate additional 15.0 FTE positions.	Restricted	70,211,500	0
<u>Senate</u> does not appropriate.	GF/GP	\$0	\$0
<u>Conference</u> does not appropriate \$80.0 million from the Renew Michigan Fund and 36.0 FTE positions; House does appropriate additional 15.0 FTE positions.			

2. GF/GP Match for Federal Lead Line Replacement Funding	Gross	NA	\$40,300,000
<u>Executive</u> provides \$40.0 million GF/GP (\$5.0 million ongoing, \$35.0 million one-time) to access available federal funding for lead service line replacement projects.	Restricted	NA	0
<u>House</u> provides \$50.0 million Gross funding (\$5.0 million ongoing, \$45.0 million one-time). Non-GF/GP funding is from the Make it in Michigan Competitiveness Fund.	GF/GP	NA	\$40,300,000
<u>Senate</u> provides \$29.7 million GF/GP (\$4.7 million ongoing, \$25.0 million one-time).			
<u>Conference</u> provides \$40.3 million GF/GP (\$5.0 million ongoing, \$35.3 million one-time).			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
3. Clean Fuel and Charging Infrastructure (One-Time)	Gross	\$0	\$30,000,000
<u>Executive</u> includes \$25.0 million GF/GP for electric vehicle charging stations and hydrogen fueling facilities.	GF/GP	\$0	\$30,000,000
<u>House</u> includes \$15.0 million GF/GP.			
<u>Senate</u> includes \$15.0 million GF/GP.			
<u>Conference</u> includes \$30.0 million GF/GP.			
4. Clean Fleets (One-Time)	Gross	\$0	\$0
<u>Executive</u> appropriates \$20.0 million GF/GP for grants to local governments, transit authorities, colleges, universities, ports, and airports for the purchase of electric and hydrogen vehicles.	GF/GP	\$0	\$0
<u>House</u> appropriates \$10.0 million GF/GP.			
<u>Senate</u> appropriates \$10.0 million GF/GP.			
<u>Conference</u> does not appropriate.			
5. Water State Revolving Funds – Federal Infrastructure Act IJA	FTE	NA	2.0
<u>Executive</u> provides \$25.0 million Gross (\$3.5 million GF/GP) and 2.0 FTE positions for local water infrastructure projects. The GF/GP funding is to be used as match to access federal Infrastructure Act funding.	Gross	NA	\$24,956,000
<u>House</u> provides \$82.2 million Gross (\$60.7 million GF/GP) and 2.0 FTE positions.	Federal	NA	21,456,000
<u>Senate</u> provides \$40.0 million Gross (\$18.5 million GF/GP) and 2.0 FTE positions; \$15.0 million GF/GP is one-time funding.	GF/GP	NA	\$3,500,000
<u>Conference</u> provides \$25.0 million Gross (\$3.5 million GF/GP) and 2.0 FTE positions.			
6. Stormwater Grants	FTE	0.0	2.0
<u>Executive</u> includes \$15.3 million GF/GP (\$5.3 million ongoing, \$10.0 million one-time) and 2.0 FTE positions for grants to local governments for stormwater projects that mitigate climate change.	Gross	\$0	\$10,300,200
<u>House</u> concurs.	GF/GP	\$0	\$10,300,200
<u>Senate</u> concurs.			
<u>Conference</u> includes \$10.3 million GF/GP (\$300,200 ongoing, \$10.0 million one-time) and 2.0 FTE positions.			
7. Permitting Outreach Staff	FTE	NA	0.0
<u>Executive</u> appropriates \$4.4 million GF/GP and 26.0 FTE positions for staff to improve permit applications.	Gross	NA	\$3,300,000
<u>House</u> appropriates \$2.2 million GF/GP and 13.0 FTE positions. <u>Senate</u> does not appropriate.	GF/GP	NA	\$3,300,000
<u>Conference</u> appropriates \$3.3 million GF/GP.			
8. Information Technology Services and Projects	Gross	\$9,240,100	\$1,008,100
<u>Executive</u> provides \$1.0 million Gross (\$226,100 GF/GP) for increasing costs related to computer operations, systems development, and design projects.	IDG	49,900	4,900
<u>House</u> concurs.	Federal	1,793,000	241,500
<u>Senate</u> concurs.	Restricted	5,308,100	535,600
<u>Conference</u> concurs.	GF/GP	\$2,089,100	\$226,100
9. Drinking Water and Environmental Health – Healthy Hydration	FTE	157.0	3.0
<u>Executive</u> includes \$450,300 GF/GP and 3.0 FTE positions to support the acquisition of drinking water filtration devices in schools and childcare centers located in areas of need.	Gross	\$36,803,500	\$450,300
<u>House</u> concurs.	Federal	13,619,200	0
<u>Senate</u> concurs.	Restricted	7,763,500	0
<u>Conference</u> concurs.	GF/GP	\$15,420,800	\$450,300

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
10. Environmental Investigations	FTE	12.0	0.0
<u>Executive</u> appropriates \$384,000 GF/GP for pay increases to conservation officers to approach compensation rates of comparable law enforcement personnel, including the Michigan State Police.	Gross	\$1,990,700	\$384,000
<u>House</u> concurs.	IDG	13,300	0
<u>Senate</u> concurs.	Restricted	1,415,400	0
<u>Conference</u> concurs.	GF/GP	\$562,000	\$384,000
11. Spending Authorization Alignment	Gross	NA	(\$104,500)
<u>Executive</u> increases IDG funding by \$4,100 and reduces restricted funding by \$108,600 across divisions to align spending authorization with available resources.	IDG	NA	4,100
<u>House</u> concurs.	Restricted	NA	(108,600)
<u>Senate</u> concurs.	GF/GP	NA	\$0
<u>Conference</u> concurs.			
12. Underground Storage Tank Cleanup Program	FTE	8.0	4.0
<u>Executive</u> provides 4.0 new FTE positions to administer the Underground Storage Tank Cleanup Program which provides funding for reimbursements to owners and operators who pay to clean up their respective leaking underground storage tanks.	Gross	\$20,095,600	\$0
<u>House</u> concurs.	Restricted	20,095,600	0
<u>Senate</u> concurs.	GF/GP	\$0	\$0
<u>Conference</u> concurs.			
13. Composting Acceleration Program (One-Time)	Gross	\$0	\$0
<u>House</u> appropriates \$2.5 million GF/GP to accelerate elective statewide composting programs managed by local governments.	GF/GP	\$0	\$0
<u>Senate</u> does not appropriate.			
<u>Conference</u> does not appropriate.			
14. Drinking Water Intake Monitoring Program (One-Time)	Gross	\$0	\$1,500,000
<u>House</u> provides \$1.5 million GF/GP a drinking water intake monitoring program to protect drinking water from potential spills and discharges.	GF/GP	\$0	\$1,500,000
<u>Senate</u> does not appropriate.			
<u>Conference</u> provides \$1.5 million GF/GP.			
15. State Employees' Retirement System Implementation Costs (One-Time)	Gross	\$0	\$0
<u>House</u> includes \$50,000 in one-time GF/GP to cover additional pension-related costs if HB 4665, 4666, and 4667 are enacted into law.	GF/GP	\$0	\$0
<u>Senate</u> includes \$50,000 in ongoing GF/GP to cover additional pension-related costs if SB 165, 166, and 167 are enacted into law.			
<u>Conference</u> does not include.			
16. Wetlands Mapping (One-Time)	Gross	\$0	\$1,000,000
<u>House</u> appropriates \$1.0 million GF/GP to improve or expand wetlands identification and mapping.	GF/GP	\$0	\$1,000,000
<u>Senate</u> does not appropriate.			
<u>Conference</u> appropriates \$1.0 million GF/GP.			
17. Sediment Removal Project (One-Time)	Gross	\$0	\$0
<u>Senate</u> provides to provide matching funds for the remediation of contaminated sediment from the Detroit River Area of Concern.	GF/GP	\$0	\$0
<u>Conference</u> does not provide.			
18. Air Quality Programs – Asbestos Inspection Program	FTE	218.0	10.0
<u>Conference</u> includes \$2.0 million in Asbestos Inspection Fund revenue and 10.0 FTE positions for new asbestos inspection program created in 2024 PA 56.	Gross	\$36,111,100	\$2,000,000
	Federal	7,651,000	0
	Restricted	13,321,700	0
	GF/GP	\$15,138,400	\$2,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
19. Lead Service Line Replacement One-time	Gross	\$0	\$6,000,000
<u>Conference</u> appropriates \$6.0 million GF/GP for lead service line replacement in Wyandotte (\$4.7 million) and Douglas (\$1.3 million).	GF/GP	\$0	\$6,000,000
20. Solar Array Project (One-Time)	Gross	\$0	\$3,000,000
<u>Conference</u> provides \$3.0 million GF/GP to Grand Rapids for the installation of a solar array at the former Butterworth Landfill.	GF/GP	\$0	\$3,000,000
21. Microplastics Research (One-Time)	Gross	\$0	\$2,000,000
<u>Conference</u> includes \$2.0 million GF/GP for research and recommendations to address microplastics contamination.	GF/GP	\$0	\$2,000,000
21. Water Use Advisory Council Recommendations (One-Time)	Gross	\$0	\$1,200,000
<u>Conference</u> appropriates \$1.2 million GF/GP to support the 2022 report recommendations of the Water Use Advisory Council.	GF/GP	\$0	\$1,200,000
22. Water Infrastructure Projects (One-Time)	Gross	\$0	\$17,000,000
<u>Conference</u> provides \$17.0 million GF/GP for the following water infrastructure projects:	GF/GP	\$0	\$17,000,000
a) Bingham Township (\$1.0 million) watermain extension project			
b) Northville (\$1.0 million) underground storage tank replacement project			
c) Redford Charter Township (\$3.0 million) wastewater project			
d) Grand Ledge (\$5.0 million) wastewater and sanitary sewer infrastructure project			
e) Pottersville (\$4.0 million) replace failing iron removal plant for drinking water			
f) Vermontville (\$2.0 million) watermain replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements			
g) Clawson (\$1.0 million) watermain replacement			
23. Removal of FY 2023-24 One-Time Appropriations	Gross	\$164,585,200	(\$164,585,200)
<u>Executive</u> removes \$164.6 million Gross (\$109.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Restricted	55,000,000	(55,000,000)
	GF/GP	\$109,585,200	(\$109,585,200)
• Carbon emissions tracking software and services (\$1.7 million Gross)			
• Contaminated site remediation and redevelopment (\$55.0 million Gross)			
• Critical mineral recycling research hub (\$5.0 million Gross)			
• Dam risk reduction program (\$1.8 million Gross)			
• Delineation of critical sand dunes (\$2.5 million Gross)			
• Environmental justice contaminated site cleanup (\$20.0 million Gross)			
• Geologic core facility (\$3.0 million Gross)			
• Groundwater data collection (\$15.0 million Gross)			
• Renewable-ready communities program (\$30.0 million Gross)			
• Reverse vending machine technology (\$2.0 million Gross)			
• Sustainable business park (\$5.0 million Gross)			
• Transfer facility (\$1.0 million Gross)			
• Water and energy nexus research (\$2.5 million Gross)			
• Water career and workforce development pilot (\$100,000 Gross)			
• Water infrastructure reserve fund (\$5.0 million Gross)			
• Water project inflation (\$15.0 million Gross).			
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			

<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 Conference Change</u>	
24. Economic Adjustments	Gross	NA	\$5,777,800
<u>Executive</u> reflects increased costs of \$5.8 million Gross (\$2.2 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.	IDG	NA	41,800
<u>House</u> concurs.	Federal	NA	794,200
<u>Senate</u> concurs.	Private	NA	3,500
<u>Conference</u> concurs.	Restricted	NA	2,755,500
	GF/GP	NA	\$2,182,800

Major Boilerplate Changes from FY 2023-24

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs unless communication is prohibited by law. (*Governor deemed this section unenforceable in FY 2023-24.*)

Executive deletes, House, Senate, and Conference retain.

Sec. 210. Contingency Fund Transfer Authority – REVISED

Allows for the legislative transfer process to increase state restricted authorization by up to \$3.0 million and private authorization by up to \$10.0 million. Revises to increase federal authorization by up to \$100.0 million.

Executive revises, House and Conference concur, Senate further revises to increase state restricted authorization by up to \$83.0 million.

Sec. 211. Expenditure Posting on Internet – RETAINED

Requires expenditures to be reported on the internet on a searchable website, including specific expenditure information.

Executive deletes, House, Senate, and Conference retain.

Sec. 212. Restricted Fund Revenues, Expenditures, and Fund Balances – RETAINED

Requires annual report on fund balances, revenues, and expenditures for state restricted funds for previous and current fiscal years.

Executive deletes, House, Senate, and Conference retain.

Sec. 214. Website Scorecard – DELETED

Requires department to maintain on a publicly accessible website a department scorecard with key metrics concerning the department's performance.

Executive deletes, House, Senate, and Conference concur.

Sec. 217. Remote Working – DELETED

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

Executive, Senate, and Conference delete, House retains.

Sec. 219. State Administrative Board Transfers – DELETED

Allows legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. (*Governor deemed this section unenforceable in FY 2023-24.*)

Executive deletes, House, Senate, and Conference concur.

Sec. 219. Receipt and Retention of Reports – RETAINED

Requires department to receive and retain copies of all reports.

Executive deletes, House, Senate, and Conference retain.

Sec. 220. Report on Policy Changes Made to Implement Public Acts Affecting Department – RETAINED

Requires department to report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year by April 1.

Executive deletes, House, Senate, and Conference retain.

Sec. 222. Expending Available Work Project Authorization – RETAINED

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. (*Governor deemed this section unenforceable in FY 2023-24.*)

Executive deletes, House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 223. Severance Reporting – DELETED

Requires department to report details of severance pay for certain departmental employees.
Executive, House, and Conference delete, Conference retains.

Sec. 238. Permitting Report – RETAINED

Requires report on department's permitting programs including applications, approvals, denials, and backlogs.
Executive deletes, House, Senate, and Conference retain.

Sec. 242. Legislator Notification – REVISED

Requires the department to inform local state legislators within 12 hours when responding to significant incidents to protect life and property. Revises response time to "as soon as possible and within 24 hours."
Executive revises, House, Senate, and Conference concur.

Sec. 245. Single Grant Recipients – RETAINED

Provides process requirements for grants or projects awarded to single recipient organizations or local governments.
Executive and House delete, Senate and Conference retain.

Sec. 302. Work Projects – Remediation and Redevelopment Division – REVISED

Authorizes unexpended funds appropriated for brownfield grants, contaminated site cleanup, emergency cleanup actions, environmental cleanup and redevelopment program, environmental cleanup support, and the refined petroleum product cleanup program to be considered work project appropriations and carried forward into succeeding fiscal year; programs will perform contaminated site cleanups. Revises to add contaminated site investigations, cleanup, and revitalization and remove brownfield grants, contaminated site cleanup, environmental cleanup support, and the refined petroleum product cleanup program.

Executive, House, and Conference revise, Senate retains.

Sec. 902. Municipal Assistance (Stormwater Grants Earmark) – DELETED

Earmarks \$5.0 million from Municipal Assistance for grants to local governments for stormwater projects that mitigate climate change; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department.

Executive and House add new section, Senate concurs and requires coordination with DNR on wetland projects, Conference deletes.

Sec. 1001. Work Project – Critical Mineral Recycling Research Hub – DELETED

Authorizes unexpended funds for Critical Mineral Recycling Research Hub totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to award grants of no more than \$5.0 million each to Michigan based companies or consortiums partnered with a Michigan based university to create a critical mineral recycling research hub to research the reuse of critical materials for clean energy production.

Executive deletes, House, Senate, and Conference concur.

Sec. 1001. Work Project – Clean Fleets – DELETED

Earmarks funds from Clean Fleets for grants to local governments, transit authorities, colleges, universities, ports, and airports for the purchase of electric and hydrogen vehicles; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department; authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year.

Executive and Senate add new section; House concurs and requires department to partner with DTMB for RFP process, requires 50% of funds be expended by September 30, 2027, and requires 100% of funds be expended by September 30, 2029; Conference deletes.

Sec. 1001. Work Project – Clean Fuel and Charging Infrastructure – NEW

Earmarks funds from Clean Fuel and Charging Infrastructure for electric vehicle charging stations and hydrogen fueling facilities; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department; authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year.

Executive and Senate add new section; House concurs and requires department to partner with DTMB for RFP process, requires 50% of funds be expended by September 30, 2027, and requires 100% of funds be expended by September 30, 2029.

Sec. 1002. Work Project – Dam Risk Reduction Program – DELETED

Authorizes unexpended funds for Dam Risk Reduction Program totaling \$1.8 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to develop fish-passable rapids in Republic Township.

Executive deletes, House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2023-24

Sec. 1002. Work Project – Drinking Water Infrastructure – NEW

Authorizes unexpended funds for Drinking Water Infrastructure totaling \$35.3 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the upgrade or replacement of water infrastructure.

Executive, Senate, and Conference add new section, House concurs and makes technical adjustments.

Sec. 1003. Delineation of Critical Sand Dunes – DELETED

Requires the department to conduct a delineation of Michigan's sand dunes and assess critical dune areas.

Executive deletes, House, Senate, and Conference concur.

Sec. 1003. Work Project – Composting Acceleration Program – DELETED

Authorizes unexpended funds for Composting Acceleration Program totaling \$2.5 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support and accelerate composting operations.

House adds new section, Senate and Conference do not add.

Sec. 1003. Drinking Water Intake Monitoring Program – NEW

Awards drinking water intake monitoring program funding (\$1.5 million) to the Southeast Michigan Council of Governments for equipment, software, ongoing maintenance costs, and real-time detection and communication of drinking water threats.

House and Conference add new section, Senate does not add.

Sec. 1004. Earmarks and Work Project – Environmental Justice Contaminated Site Clean-up – DELETED

Requires at least 40% of funding to be used in overburdened or significantly overburdened communities as defined in NREPA; earmarks the Environmental Justice Contaminated Site Clean-up appropriation to reduce health burdens in communities with elevated exposure to pollutants due to proximity to emitting sources as identified by the Office of Environmental Justice Public Advocate; earmarks the Environmental Justice Contaminated Site Clean-up appropriation for the remediation and redevelopment of contaminated sites identified in environmental justice communities as determined by the Office of Environmental Justice Public Advocate; authorizes unexpended funds for Environmental Justice Contaminated Site Clean-up to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to remediate and redevelop sites of contamination and improve public health impacts related to environmental pollution in environmental justice communities.

Executive deletes, House, Senate, and Conference concur.

Sec. 1004. Work Project – Lead Service Line Replacement One-time – NEW

Authorizes unexpended funds for lead service line replacement one-time to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be granted to Wyandotte (\$4.7 million), Douglas (\$1.3 million), and Redford Charter Township (\$2.0 million) for lead service line replacement.

Conference adds new section.

Sec. 1005. Work Project – Groundwater Data Collection – DELETED

Authorizes unexpended funds for Groundwater Data Collection to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire data and perform research on groundwater resources of the State of Michigan.

Executive deletes, House, Senate, and Conference concur.

Sec. 1005. Sediment Removal Project – DELETED

Requires funds for sediment removal project be expended to provide matching funds for the remediation of contaminated sediment from the Detroit River Area of Concern.

Senate adds new section, Conference does not add.

Sec. 1005. Work Project – Microplastics Research – NEW

Authorizes unexpended funds for Microplastics Research to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for research and recommendations to address microplastics contamination.

Conference adds news section.

Sec. 1006. Work Project – Renewable Ready Communities – DELETED

Authorizes unexpended funds for Renewable Ready Communities totaling \$40.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to provide grants to local communities to incentivize communities to host renewable energy projects that may incorporate energy storage components.

Executive deletes, House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2023-24

Sec. 1006. State Employees' Retirement System Implementation Costs – DELETED

Requires funds for state employees' retirement system implementation costs be expended to cover additional pension-related costs if HB 4665, 4666, and 4667 are enacted into law.

House adds new section, Senate concurs and renumbers to Sec. 246, Conference does not add.

Sec. 1006. Solar Array Project – NEW

Requires funds for solar array project be expended for infrastructure improvements necessary to transport solar-produced electricity and install a solar array at the Butterworth Landfill site.

Conference adds new section.

Sec. 1007. Transfer Facility – DELETED

Requires funding for Transfer Facility to be used to establish a waste and recycling transfer station in Benton Harbor, Berrien County.

Executive deletes, House, Senate, and Conference concur.

Sec. 1007. Work Project – Water Infrastructure Initiative (Stormwater Grants Earmark) – NEW

Earmarks funds from Water Infrastructure Initiative for grants to local governments for stormwater projects that mitigate climate change; at least 40% of grants must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities as defined by the department; authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year.

Executive adds new section, House, Senate, and Conference concur.

Sec. 1008. Work Project – Water Infrastructure Projects – NEW

Authorizes unexpended funds for Water Infrastructure Projects totaling \$17.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be granted as follows:

- h) Bingham Township (\$1.0 million) watermain extension project
- i) Northville (\$1.0 million) underground storage tank replacement project
- j) Redford Charter Township (\$3.0 million) wastewater project
- k) Grand Ledge (\$5.0 million) wastewater and sanitary sewer infrastructure project
- l) Pottersville (\$4.0 million) replace failing iron removal plant for drinking water
- m) Vermontville (\$2.0 million) watermain replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements
- n) Clawson (\$1.0 million) watermain replacement

Conference adds new section.

Sec. 1008. Water and Energy Nexus Research – DELETED

Provides matching grants to Michigan universities studying emerging responsible clean energy technologies that maximize this state's water resources including geothermal, heat pumps, pump storage, offshore wind, and small-scale hydroelectric power.

Executive deletes, House, Senate, and Conference concur.

Sec. 1009. Work Project – Water Use Advisory Council Recommendations – NEW

Authorizes unexpended funds for Water Use Advisory Council Recommendations totaling \$1.2 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the 2022 report recommendations of the Water Use Advisory Council.

Conference adds new section.

Sec. 1009. Water Career and Workforce Development Pilot – DELETED

Requires funding for Water Career and Workforce Development Pilot to be used to establish a water career and workforce development pilot program to train water treatment plant operators in Benton Harbor, Berrien County.

Executive deletes, House, Senate, and Conference concur.

Sec. 1009. Wetland Mapping – NEW

Requires funds for wetlands mapping be used to improve or expand wetlands identification and mapping.

House and Conference add new section, Senate does not add.

Sec. 1010. Reverse Vending Machine Technology – DELETED

Requires funding for Reverse Vending Machine Technology to be expended to strengthen Michigan's beverage container redemption program.

Executive deletes, House, Senate, and Conference concur.

Sec. 1011. Carbon Emissions Tracking Software and Services – DELETED

Requires funding for Carbon Emissions Tracking Software and Services to be expended in collaboration with DTMB to develop a carbon management platform.

Executive deletes, House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2023-24

Sec. 1012. Sustainable Business Park – DELETED

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

Executive deletes, House, Senate, and Conference concur.

Sec. 1013. Water Infrastructure Reserve Fund – DELETED

Directs expenditure of funding for Water Infrastructure Reserve Fund to be used for municipal water infrastructure needs upon legislative transfer.

Executive deletes, House, Senate, and Conference concur.

FY 2024-25: TOTAL GENERAL GOVERNMENT
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



Analysts: Michael Clossen 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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$1,156,861,300	\$1,190,502,300	\$1,197,837,100	\$1,199,278,300	\$1,197,837,100	\$40,975,800	3.5
Federal	44,035,500	44,147,200	44,147,200	44,147,200	44,147,200	111,700	0.3
Local	17,372,800	17,541,100	17,541,100	17,541,800	17,541,100	168,300	1.0
Private	684,800	762,300	762,300	762,300	762,300	77,500	11.3
Restricted	2,629,280,600	2,695,500,600	2,684,972,500	2,754,468,100	2,762,045,400	132,764,800	5.0
GF/GP	1,559,208,500	1,237,310,700	1,248,099,700	1,217,090,600	1,169,395,200	(389,813,300)	(25.0)
Gross	\$5,407,443,500	\$5,185,764,200	\$5,193,359,900	\$5,233,287,600	\$5,191,728,300	(\$215,715,200)	(4.0)
FTEs	7,732.1	7,813.4	7,791.6	7,805.6	7,796.0	63.9	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, Senate, and Conference retain.

Sec. 208. Hiring of External Counsel – REVISED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or to services authorized by attorney general. Senate revises to require the department to make timely reimbursements to the attorney general; authorizes the attorney general to increase the amount billed to the department for reimbursements made later than 60 days after receiving the bill for legal services. Executive, House, and Conference maintain current language.

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. Senate concurs with Executive. Conference revises to deposit \$50.0 million of the unassigned GF/GP fund balance at the close of the fiscal year.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

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, Senate, and Conference concur.

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, Senate, and Conference retain.

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

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. Senate and Conference concur with Executive.

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, Senate, and Conference concur.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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. Senate retains. House and Conference delete.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

Sec. 226. Grant and Project Funding Transparency – REVISED

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. House and Senate retain. Conference revises to list eligibility requirements to receive a grant; provide timeframes for receiving grant money; require interest earned from grant money in excess of \$1,000 to be returned to the Treasury; include additional reporting requirements.

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. Executive does not include. House, Senate, and Conference add.

Major Boilerplate Changes from FY 2023-24

Sec. 228. Authorization to Reallocate State Fiscal Recovery Funds – NEW

Requires the State Budget Director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the State Budget Director to reallocate funds to fully utilize SFRF that are in jeopardy of not meeting the expenditure deadline; requires the State Budget Director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations. Executive, House, and Senate do not include. Conference adds.

FY 2024-25: DEPARTMENT OF ATTORNEY GENERAL
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$36,235,500	\$39,465,600	\$39,465,600	\$39,465,600	\$39,465,600	\$3,230,100	8.9
Federal	10,063,800	10,391,600	10,391,600	10,391,600	10,391,600	327,800	3.3
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	20,773,100	22,283,400	23,283,400	22,633,400	22,480,400	1,707,300	8.2
GF/GP	75,726,000	56,409,100	61,409,100	57,409,200	57,409,100	(18,316,900)	(24.2)
Gross	\$142,798,400	\$128,549,700	\$134,549,700	\$129,899,800	\$129,746,700	(\$13,051,700)	(9.1)
FTEs	611.4	626.4	626.4	628.4	627.4	16.0	2.6

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, Senate, and Conference do not include.

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

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. Senate includes \$100 as a placeholder. Conference does not include.

Gross	\$25,500	\$0
GF/GP	\$25,500	\$0

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. Senate includes \$1.0 million GF/GP. Conference concurs with Senate.

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

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference 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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$515,000
	GF/GP	NA	\$515,000
9. Opioid Recovery Fund Administration	FTE	0.0	1.0
<u>Senate</u> provides \$350,000 of state restricted revenues from the Michigan Opioid Healing and Recovery Fund and authorization for 2.0 FTE positions to support administration of the fund and disbursements of settlement revenue to eligible local units of government. <u>Executive</u> and <u>House</u> do not include. <u>Conference</u> includes \$197,000 of state restricted revenues and 1.0 FTE position.	Gross	\$0	\$197,000
	Restricted	0	197,000
	GF/GP	\$0	\$0
10. 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> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$3,733,400	\$200,000
	Federal	2,803,100	132,100
	GF/GP	\$930,300	\$67,900

<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
11. 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> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$562,400	\$200,000
	Restricted	562,400	200,000
	GF/GP	\$0	\$0
12. 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> , <u>Senate</u> , and <u>Conference</u> concur.			
13. Economic Adjustments	Gross	NA	\$2,965,800
<u>Executive</u> includes adjustments to reflect increased costs of \$3.0 million Gross (\$1.5 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> , <u>Senate</u> , and <u>Conference</u> concur.	IDG	NA	859,600
	Federal	NA	195,700
	Restricted	NA	410,300
	GF/GP	NA	\$1,500,200

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. Senate retains. Conference 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, Senate, and Conference revise 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, Senate, and Conference retain.

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, Senate, and Conference retain.

Sec. 314. Lawsuit Settlement Proceeds Fund – REVISED

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, Senate, and Conference revises to delete cap of hourly rate of attorneys retained for investigation at \$250 if reporting requirements are not fulfilled.

Major Boilerplate Changes from FY 2023-24

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, Senate, and Conference revise 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, Senate, and Conference retain and transfer revised section 306 to section 320 as subsection (2).

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, Senate, and Conference add.

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 and Senate revise to add reporting on the Address Confidentiality Program, restorative practices, and expungement assistance. Conference revises to add reporting on the Address Confidentiality Program.

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, Senate, and Conference retain.

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, Senate, and Conference concur.

Sec. 330. County Prosecutor Grants – NOT INCLUDED

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. Executive, Senate, and Conference do not include.

FY 2024-25: DEPARTMENT OF CIVIL RIGHTS
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



Analyst: Michael Crossen

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: Conference From FY 2023-24 Enacted	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	2,890,900	2,890,900	2,890,900	2,890,900	2,890,900	0	0.0
Local	0	0	0	0	0	0	--
Private	18,700	18,700	18,700	18,700	18,700	0	0.0
Restricted	58,500	58,500	58,500	58,500	58,500	0	0.0
GF/GP	28,741,900	29,352,400	26,352,400	29,352,400	26,195,400	(2,546,500)	(8.9)
Gross	\$31,710,000	\$32,320,500	\$29,320,500	\$32,320,500	\$29,163,500	(\$2,546,500)	(8.0)
FTEs	166.0	195.0	176.0	195.0	175.0	9.0	5.4

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. Senate concurs with Executive. Conference concurs with House.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference 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. Transfer of Michigan Indian Tuition Waiver to MiLEAP

Executive removes \$157,000 GF/GP and authorization for 1.0 FTE position under Executive Recommendation Revision 2025-1 to reflect the transfer of all authority, powers, duties, functions, and responsibilities related to the Michigan Indian Tuition Waiver from the Michigan Department of Civil Rights to the Michigan Department of Lifelong Education, Advancement, and Potential. House and Senate do not include. Conference concurs with Executive.

FTE	1.0	(1.0)
Gross	\$5,000,000	(\$157,000)
GF/GP	\$5,000,000	(\$157,000)

<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 Conference Change</u>
3. Removal of FY 2023-24 One-Time Appropriations	Gross	\$5,000,000	(\$5,000,000)
Removes \$5.0 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:	GF/GP	\$5,000,000	(\$5,000,000)
<ul style="list-style-type: none"> • \$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. 			
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
4. Economic Adjustments	Gross	NA	\$610,500
<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> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	NA	\$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, Senate, and Conference retain.

Sec. 404. Complaint Investigations Reporting – REVISED

Requires department to report on various details of complaint investigations and staffing. Executive maintains current language. House, Senate, and Conference revise 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, Senate, and Conference revise 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, Senate, and Conference retain.

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, Senate, and Conference concur.

FY 2024-25: EXECUTIVE OFFICE
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	0	0	0	0	0	0	--
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	0	0	0	0	0	0	--
GF/GP	8,905,400	9,337,100	9,337,100	9,337,100	9,337,100	431,700	4.8
Gross	\$8,905,400	\$9,337,100	\$9,337,100	\$9,337,100	\$9,337,100	\$431,700	4.8
FTEs	96.2	96.2	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.

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

Major Boilerplate Changes from FY 2023-24

There is no boilerplate for the Executive Office.

FY 2024-25: LEGISLATURE
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	0	0	0	0	0	0	--
Local	0	0	0	0	0	0	--
Private	445,400	467,700	467,000	467,700	467,700	22,300	5.0
Restricted	5,164,300	5,422,500	5,422,500	5,422,500	5,422,500	258,200	5.0
GF/GP	186,734,100	194,613,400	195,113,400	214,253,200	194,837,800	8,103,700	4.3
Gross	\$192,343,800	\$200,503,600	\$201,002,900	\$220,143,400	\$200,728,000	\$8,384,200	4.4
FTEs	0.0	0.0	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 Binsfeld 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.
 Senate concurs.
 Conference concurs.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference 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.
 Senate concurs.
 Conference concurs.

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

<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 Conference Change</u>
3. Sentencing Commission	Gross	\$1,000,000	(\$999,900)
<u>Executive</u> reduces funding for the Sentencing Commission by \$999,900 GF/GP, leaving a \$100 placeholder.	GF/GP	\$1,000,000	(\$999,900)
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
4. Independent Citizens Redistricting Commission (ICRC)	Gross	\$3,331,200	(\$338,900)
<u>Executive</u> includes \$21,400 GF/GP to cover additional costs of the ICRC.	GF/GP	\$3,331,200	(\$338,900)
<u>House</u> concurs with Executive.			
<u>Senate</u> reduces funding by \$338,900 GF/GP.			
<u>Conference</u> concurs with Senate.			
5. Office of Tribal Legislative Liaison	Gross	\$0	\$500,000
<u>House</u> includes \$500,000 GF/GP to establish a Tribal Liaison within the Michigan Legislature.	GF/GP	\$0	\$500,000
<u>Senate</u> includes a \$100 placeholder.			
<u>Conference</u> includes \$500,000 GF/GP.			
6. Park Michigan	Gross	\$0	\$0
<u>Senate</u> appropriates \$20.0 million GF/GP to develop a public park on or adjacent to the state capitol complex for the American semiquincentennial.	GF/GP	\$0	\$0
<u>Conference</u> does not appropriate.			
7. FOIA Legislation Implementation Costs	Gross	\$0	\$0
<u>Senate</u> includes a \$100 placeholder for FOIA legislation implementation costs.	GF/GP	\$0	\$0
<u>Conference</u> does not include.			
8. Cora Anderson Building	Gross	\$6,500,000	\$0
<u>Senate</u> reduces funding for the Cora Anderson House Office Building by \$100.	GF/GP	\$6,500,000	\$0
<u>Conference</u> does not reduce.			

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, Senate, and Conference concur.

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, Senate, and Conference concur.

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

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, Senate, and Conference delete, House retains.

Sec. 612. Capitol Saturday Hours – NEW

Expresses legislative intent that Capitol Commission open the Capitol for at least three hours on non-holiday Saturdays.

Senate adds new section, Conference concurs.

Major Boilerplate Changes from FY 2023-24

Sec. 613. Independent Citizens Redistricting Commission Compensation – NEW

Requires the council administrator to administer compensation, benefits, and other personnel support for the members, employees, staff, and consultants of the ICRC.

Senate adds new section, Conference concurs.

Sec. 614. Independent Citizens Redistricting Commission Compensation – NEW

Requires the ICRC to issue a report providing a detailed listing of commission expenditures.

Senate adds new section, Conference concurs.

Sec. 615. Work Project – Park Michigan – DELETED

Authorizes unexpended funds for Park Michigan totaling \$20.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to develop a park on or adjacent to the capitol complex to commemorate America's semiquincentennial.

Senate adds new section, Conference does not add.

FY 2024-25: LEGISLATIVE AUDITOR GENERAL
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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

1. Legislative Auditor General Operations

Executive reflects increased costs of \$1.0 million GF/GP for staff of the Office of Auditor General and for other operations.

House reflects increased costs of \$1.5 million Gross (\$1.0 million GF/GP).

Senate reflects increased costs of \$1.5 million Gross (\$1.0 million GF/GP).

Conference reflects increased costs of \$1.5 million Gross (\$1.0 million GF/GP).

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Gross	NA	\$1,487,500
IDG	NA	412,900
Restricted	NA	54,300
GF/GP	NA	\$1,020,300

2. Auditor General Fund Source Adjustment

Executive reduces Gross funding by \$9.3 million, IDG funding by \$6.9 million, and state restricted funding by \$2.4 million.

House does not reduce funding.

Senate does not reduce funding.

Conference does not reduce funding.

	Gross	NA	\$0
IDG/IDT	NA	NA	0
Restricted	NA	NA	0
GF/GP	NA	NA	\$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, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

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, Senate, and Conference retain.

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, Senate, and Conference retain.

FY 2024-25: DEPARTMENT OF STATE
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$20,000,000	\$21,441,200	\$20,000,000	\$0	0.0
Federal	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	0	0.0
Local	0	0	0	0	0	0	--
Private	50,100	50,100	50,100	50,100	50,100	0	0.0
Restricted	269,374,700	256,919,700	256,919,700	256,919,700	258,360,700	(11,014,000)	(4.1)
GF/GP	13,324,700	13,410,100	13,410,100	11,969,100	11,969,100	(1,355,600)	(10.2)
Gross	\$304,209,500	\$291,839,900	\$291,839,900	\$291,840,100	\$291,839,900	(\$12,369,600)	(4.1)
FTEs	1,625.0	1,635.0	1,635.0	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

1. Legal Services Operations Staffing

Executive provides \$2.5 million in state restricted funding and authorization for 18.0 FTE positions for the following:

- 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.

House, Senate, and Conference concur.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
FTE	161.0	18.0
Gross	\$22,120,900	\$2,520,000
Restricted	20,713,300	2,520,000
GF/GP	\$1,407,600	\$0

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, Senate, and Conference concur.

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, Senate, and Conference concur.

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 Conference 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
House, Senate, and Conference concur.	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. House, Senate, and Conference concur.	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. House, Senate, and Conference concur.	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. House, Senate, and Conference concur.	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. House concurs. Senate provides the executive recommended amount from IDG funding. Conference provides the executive recommended amount from the state restricted Election Administration Support Fund.	Gross\	\$26,331,500	\$1,145,000
	IDG	0	0
	Restricted	19,108,900	1,145,000
	GF/GP	\$7,222,600	\$0
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. House concurs. Senate provides the executive recommended amount from IDG funding. Conference provides the executive recommended amount from the state restricted Election Administration Support Fund.	Gross	NA	\$296,000
	IDG	NA	0
	Restricted	NA	296,000
	GF/GP		\$0
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. House, Senate, and Conference concur.	Restricted	NA	1,441,000
	GF/GP	NA	(\$1,441,000)

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	650,000
	GF/GP	NA	\$0
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> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	(6,100)
	Restricted	NA	6,100
	GF/GP	NA	\$0
14. Public Driver Education Assistance	Gross	NA	\$0
<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. <u>Senate</u> provides \$100 in IDG funding as a placeholder. <u>Conference</u> does not include.	IDG	NA	0
	GF/GP	NA	\$0
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> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$4,813,600	\$0
	Restricted	4,793,600	0
	GF/GP	\$20,000	\$0
16. Expanding Voter Access	Gross	NA	\$0
<u>Senate</u> provides a \$100 of IDG funding for expanding voter access. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	IDG	NA	0
	GF/GP	NA	\$0
17. 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)
<ul style="list-style-type: none"> \$27.2 million GF/GP for implementation of Ballot Proposal 22-2 \$100,000 GF/GP for organ donor registration. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$100,000	(\$100,000)
18. 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> , <u>Senate</u> , and <u>Conference</u> concur.	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 – REVISED

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. Senate revises to increase maximum amounts of contingency authorizations up to \$1.5 million in federal, \$1.5 million in state restricted. Conference concurs with Senate.

Major Boilerplate Changes from FY 2023-24

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. Senate retains. Conference revises to delete all but the reporting requirement.

Sec. 704. Manufacture of License Plates – DELETED

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. Senate and Conference concur with Executive.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference concur.

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, Senate, and Conference add.

Sec. 722. Legacy Mainframes System Modernization – RETAINED

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, Senate, and Conference retain.

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. Senate and Conference concur with Executive.

Sec. 724. Timely Reimbursements to Local Governments – NEW

Requires the department to reimburse cities, townships, and counties for eligible expenses not later than 60 days after receiving a bill from the local government; requires the department to include a penalty of \$25 per day for each day after the 60 days. Executive and House do not include. Conference concurs with Senate but eliminates penalty and begins 60 period from when the department receives all necessary documentation from the local government.

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, Senate, and Conference concur.

Major Boilerplate Changes from FY 2023-24

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, Senate, and Conference concur.

FY 2024-25: TECHNOLOGY, MANAGEMENT, AND BUDGET
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$1,082,606,600	\$1,119,848,200	\$1,119,848,200	\$1,119,848,200	\$1,119,848,200	\$37,241,600	3.4
Federal	4,699,000	4,393,300	4,393,300	4,393,300	4,393,300	(305,700)	(6.5)
Local	2,334,700	2,334,000	2,334,000	2,334,000	2,334,000	(700)	0.0
Private	137,400	189,200	189,200	189,200	189,200	51,800	37.7
Restricted	134,180,400	130,096,500	130,096,500	128,496,500	130,096,500	(4,083,900)	(3.0)
GF/GP	832,699,500	600,315,000	523,454,000	501,253,100	539,564,000	(293,135,500)	(35.2)
Gross	\$2,056,657,600	\$1,857,176,200	\$1,780,315,200	\$1,756,514,300	\$1,796,425,200	(\$260,232,400)	(12.6)
FTEs	3,220.0	3,249.5	3,246.5	3,239.5	3,249.5	29.5	0.6

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 Conference 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, Senate, and Conference do 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, Senate, and Conference do not include.

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference 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> , <u>Senate</u> , and <u>Conference</u> concur.	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> , <u>Senate</u> , and <u>Conference</u> concur.	IDG	NA	20,022,000
	GF/GP	NA	\$0
5. Information Technology Investment Fund (One-Time)	Gross	\$0	\$0
<u>Senate</u> provides \$13.9 million GF/GP for information technology modernization projects recommended under the Information Technology Investment Fund. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
6. Ongoing Information Technology Investment Fund Removal	Gross	\$35,000,000	\$0
<u>Senate</u> removes \$35.0 million GF/GP for ongoing information technology modernization projects recommended under the Information Technology Investment Fund. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$35,000,000	\$0
7. 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. <u>Senate</u> provides \$7.5 million GF/GP. <u>Conference</u> concurs with House.	GF/GP	\$0	\$0
8. MPSCS Lifecycle Replacement Maintenance (One-Time)	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. <u>Senate</u> does not include. <u>Conference</u> provides \$25.0 million GF/GP as a one-time appropriation.	Gross	\$48,894,800	\$25,000,000
	Local	2,277,800	0
	GF/GP	\$46,617,000	\$25,000,000
9. 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> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$236,570,600	\$9,600,000
10. 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> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$25,000,000	(\$25,000,000)

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. 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> , <u>Senate</u> , and <u>Conference</u> concur.	IDG	87,709,000	7,900,000
	GF/GP	\$0	\$0
12. 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> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	5,618,300
	GF/GP	NA	\$0
13. Michigan.gov Language Accessibility	FTE	NA	3.0
<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. <u>Senate</u> and <u>Conference</u> concur with Executive.	Gross	NA	\$2,360,000
	GF/GP	NA	\$2,360,000
14. State Fleet Electric Vehicle Transition (One-Time)	Gross	\$1,000,000	\$0
<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. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$1,000,000	\$0
15. 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> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$1,915,300
	GF/GP	NA	\$1,915,300
16. Office of Retirement Services Customer Relations	FTE	167.0	0.0
<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. <u>Senate</u> does not include. <u>Conference</u> includes Executive recommended amount but supplants \$160,000 of Pension Trust Funds with state restricted deferred compensation revenues.	Gross	\$26,139,500	\$1,600,000
	Restricted	26,046,500	1,600,000
	GF/GP	\$93,000	\$0
17. Menstrual Product Pilot Program (One-Time)	Gross	\$0	\$1,400,000
<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> and <u>Senate</u> do not include. <u>Conference</u> concurs with House.	GF/GP	\$0	\$1,400,000
18. 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> , <u>Senate</u> , and <u>Conference</u> concur.	IDG	NA	1,301,000
	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 Conference Change
19. Geographically-Disadvantaged Business Procurement		Gross	NA
<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> , <u>Senate</u> , and <u>Conference</u> concur.		Restricted	NA
		GF/GP	NA
			\$1,300,000
			1,300,000
			\$0
20. Office-to-Housing Conversion Study (One-Time)		Gross	\$0
<u>Senate</u> provides \$1.0 million GF/GP for a study on the feasibility and costs of converting state-owned office spaces to housing. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.		GF/GP	\$0
			\$0
			\$0
21. State Police Secondary Complex Expansion		Gross	NA
<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> , <u>Senate</u> , and <u>Conference</u> concur.		IDG	NA
		GF/GP	NA
			\$758,000
			758,000
			\$0
22. Vendor Risk Management Information System		FTE	0.0
<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> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	\$0
		Restricted	0
		GF/GP	\$0
			\$279,900
			279,900
			\$0
23. Automated External Defibrillator Accessibility (One-Time)		Gross	NA
<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. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> does not include.		GF/GP	NA
			\$0
			NA
			\$0
24. SWCAP Adjustment		Gross	NA
<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> , <u>Senate</u> , and <u>Conference</u> concur.		IDG	NA
		Restricted	NA
		GF/GP	NA
			\$521,800
			521,800
			(2,866,700)
			\$2,344,900
25. DMVA Accounting Services		Gross	NA
<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> , <u>Senate</u> , and <u>Conference</u> concur.		IDG	NA
		GF/GP	NA
			\$146,100
			146,100
			\$0
26. Central Procurement Staff Development		Gross	NA
<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> , <u>Senate</u> , and <u>Conference</u> concur.		Private	NA
		GF/GP	NA
			\$50,000
			50,000
			\$0
27. Center for Data and Analytics Federal Funding		FTE	44.0
<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> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	\$7,480,200
		Federal	4,505,400
		Local	35,000
		Private	100
		GF/GP	\$2,939,700
			(\$400,000)
			(400,000)
			0
			0
			\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
28. 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)
	GF/GP	\$34,392,000	(\$26,892,000)
<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. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
29. 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> , <u>Senate</u> , and <u>Conference</u> concur.	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. 803a. Registered Apprenticeship for State Construction Projects – NOT INCLUDED

Requires all construction, repair, or remodeling projects to be performed by individuals who have completed or are enrolled in a registered apprenticeship program. Senate adds. Executive, House, and Conference do not include.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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". Senate retains. Conference revises to replace "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, Senate, and Conference retain.

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, Senate, and Conference retain.

Sec. 822g. 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. Senate deletes. Conference revises cap to \$200,000.

Sec. 822j. Testing Laboratories Consolidation Prohibition – DELETED

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 and Senate retain. Conference concurs with Executive.

Major Boilerplate Changes from FY 2023-24

Sec. 822j. *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, Senate, and Conference concur with Executive but do not include a deposit into the fund.

Sec. 822m. *Intent for Lapses and Claw-Backs of Work Projects* – NOT INCLUDED

States legislative intent that the State Budget Director use their authority to lapse remaining work project balances and to seek claw-back provisions related to two FY 2022-23 appropriations: \$20.0 million to Global Link International to attract international businesses to Michigan and \$25.0 million for a community health campus pilot project in Clare County. House adds. Executive, Senate, and Conference do not include.

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, Senate, and Conference retain.

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 and Senate revise to move to section 202, for general definitions, and adds server support and management, and information technology planning and budget management to the definition. Conference concurs with language change and does not transfer to general section.

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

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. Senate and Conference concur with Executive.

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

Requires detailed annual report on funding and expenditures for IT services and projects. Executive deletes. House, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference revise 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, Senate, and Conference do not include.

Sec. 853. *State Employment Education and Experience Requirements* – NEW

Requires the Civil Service Commission to review employee classifications and educational requirements necessary for state employment; requires the Civil Service Commission to substitute relevant experience for the default educational requirement of a bachelor's degree. Senate adds. Executive and House do not include. Conference concurs with Senate.

Major Boilerplate Changes from FY 2023-24

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, Senate, and Conference retain.

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, Senate, and Conference revise 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, Senate, and Conference do 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, Senate, and Conference concur.

Sec. 890. Appropriation of Work Project Funds – NOT INCLUDED

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. Executive, Senate, and Conference do not include.

Sec. 890. Free Menstrual 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. Executive and Senate do not include. Conference concurs with House but revises to require in state-owned and managed building and leased building where possible.

Sec. 891. MPSCS Lifecycle Replacement – NEW

Requires the MPSCS to perform lifecycle replacement work, including, but not limited to, equipment upgrades, security, and maintenance; designates unexpended funds as a work project. Executive, House, and Senate do not include. Conference 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. Senate concurs with Executive. House and Conference do 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, Senate, and Conference do not include.

Sec. 893. Office-to-Housing Conversion Study – NOT INCLUDED

Requires the department to coordinate with other state entities to complete a study on the feasibility of converting state-owned office spaces to housing; requires the department to submit a report on details of the study. Senate adds. Executive, House, and Conference do not include.

Sec. 894. Actuarial Cost of Living Study – NEW

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. House adds. Senate adds under one-time appropriations. Executive does not include. Conference eliminates appropriation of work project funds and revises details of proposed cost of living adjustments.

FY 2024-25: DEPARTMENT OF TREASURY
Summary: Conference Report
Article 5, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$11,097,300	\$11,188,500	\$11,188,500	\$11,188,500	\$11,188,500	\$91,200	0.8
Federal	24,921,800	25,011,400	25,011,400	25,011,400	25,011,400	89,600	0.4
Local	15,038,100	15,207,100	15,207,100	15,207,100	15,207,100	169,000	1.1
Private	33,200	36,600	36,600	36,600	36,600	3,400	10.2
Restricted	2,197,308,000	2,280,719,900	2,266,716,000	2,338,461,600	2,343,150,900	145,842,900	6.6
GF/GP	392,670,200	312,446,600	397,596,600	372,089,500	308,655,700	(84,014,500)	(21.4)
Gross	\$2,641,068,600	\$2,644,610,100	\$2,715,756,200	\$2,761,994,700	\$2,703,250,200	\$62,181,600	2.4
FTEs	2,013.5	2,011.5	2,011.5	2,011.5	2,012.5	(1.0)	(0.0)

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 Conference Change
1. Constitutional Revenue Sharing	Gross \$1,100,663,100	(\$27,331,700)
<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	(27,331,700)
<u>House</u> concurs.	GF/GP \$0	\$0
<u>Senate</u> concurs.		
<u>Conference</u> includes a decrease of \$27.3 million in state restricted Sales Tax revenue.		
2. Revenue Sharing Trust Fund	Gross \$0	\$0
<u>House</u> includes \$591.7 million in state restricted Sales Tax revenue to establish a revenue sharing trust fund with 53.87% of funding available to cities, village, and townships and 46.13% of funding available to counties.	Restricted 0	0
<u>Senate</u> does not include.	GF/GP \$0	\$0
<u>Conference</u> does not include.		

Major Budget Changes from FY 2023-24 Enacted Appropriations

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
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3. City, Village, and Township (CVT) Revenue Sharing

Executive 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:

- 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.

House replaces with Revenue Sharing Trust Fund.

Senate includes a net increase of \$54.6 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.

Conference includes a net increase of \$34.2 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.

	Gross	\$299,126,400	\$34,420,900
	Restricted	299,126,400	34,420,900
	GF/GP	\$0	\$0

4. County Revenue Sharing

Executive 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:

- 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.

House replaces with Revenue Sharing Trust Fund.

Senate includes a net increase of \$47.7 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.

Conference includes a net increase of \$30.0 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.

	Gross	\$217,489,800	\$30,041,700
	Restricted	217,489,800	30,041,700
	GF/GP	\$0	\$0

5. County Incentive Program

House replaces County Incentive Program with Revenue Sharing Trust Fund.

Senate replaces County Incentive Program with County Revenue Sharing above.

Conference rolls County Incentive Program into County Revenue Sharing above.

	Gross	\$43,579,900	\$0
	Restricted	43,579,900	0
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
6. Public Safety and Violence Prevention Fund	Gross	\$0	\$75,000,000
<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.	Restricted	0	75,000,000
<u>Senate</u> does not include.	GF/GP	\$0	\$0
<u>Conference</u> includes \$75.0 million in restricted revenue from a new Public Safety and Violence Prevention Fund.			
7. MI Vehicle Rebate Program	Gross	\$0	\$0
<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.	GF/GP	\$0	\$0
<u>House</u> does not include.			
<u>Senate</u> does not include.			
<u>Conference</u> does not include.			
8. Recreational Marihuana Grants to Locals	Gross	\$71,670,000	\$24,710,000
<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.	Restricted	71,670,000	24,710,000
<u>House</u> concurs.	GF/GP	\$0	\$0
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
9. Marihuana Retailers Excise Tax Form Process Change	FTE	NA	2.0
<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.	Gross	NA	\$261,700
<u>House</u> concurs.	Restricted	NA	261,700
<u>Senate</u> concurs.	GF/GP	NA	\$0
<u>Conference</u> concurs.			
10. Transfers to MiLEAP	FTE	NA	(33.0)
<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.	Gross	NA	(\$8,924,600)
<u>House</u> concurs.	Restricted	NA	(1,253,100)
<u>Senate</u> concurs.	GF/GP	NA	(\$7,671,500)
<u>Conference</u> concurs.			
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.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			

<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 Conference Change</u>
12. Secure Retirement for Small Businesses	Gross	\$0	\$3,000,000
<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	\$3,000,000
<u>House</u> includes \$1.5 million in one-time GF/GP.			
<u>Senate</u> concurs with House.			
<u>Conference</u> concurs with Executive.			
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.			
<u>Senate</u> concurs.			
<u>Conference</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
	GF/GP	\$25,607,000	\$2,200,400
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
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
	GF/GP	\$0	\$0
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
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
	GF/GP	\$0	\$0
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
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.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
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
	GF/GP	NA	\$0
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
19. Gaming Control – Increased Funding Authorization	Gross	NA	\$795,100
<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	NA	795,100
	GF/GP	NA	\$0
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
20. iLottery Website and Application Design	FTE	NA	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	NA	\$1,102,000
	Restricted	NA	1,102,000
	GF/GP	NA	\$0
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
21. Michigan State Lottery	Gross	NA	\$1,000,000
<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.	Restricted	NA	1,000,000
	GF/GP	NA	\$0
<u>House</u> does not include.			
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			
22. Election Administration Support Fund	Gross	\$27,209,200	(\$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	(\$27,209,200)
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</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	\$1,490,100
	GF/GP	\$18,765,400	\$1,490,100
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> includes \$1.5 million GF/GP to support counties with implementation costs associated with Proposals 1 and 2 of 2022 and for financial disclosure investment grants.			
23. Living Donor Tax Credit	Gross	\$0	\$750,000
<u>House</u> includes \$750,000 GF/GP to support on ongoing living donor tax credit program.	GF/GP	\$0	\$750,000
<u>Senate</u> does not include.			
<u>Conference</u> concurs with House.			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
24. Local Prosecutor Support Grants (One-Time)	Gross	\$0	\$17,000,000
<u>Senate</u> includes \$34.8 million GF/GP for grants to the offices of county prosecutors to reduce the average caseload per attorney. <u>Conference</u> includes \$17.0 million GF/GP.	GF/GP	\$0	\$17,000,000
25. Local Unit Municipal Retirement Health Care Benefit Premium Payment Grants (One-Time)	Gross	\$35,000,000	(\$35,000,000)
<u>Executive</u> eliminates FY 2023-24 one-time funding for local unit municipal retirement health care benefit payment grants. <u>House</u> concurs with Executive. <u>Senate</u> continues program but reduces funding by \$10.0 million GF/GP. <u>Conference</u> concurs with Executive.	GF/GP	\$35,000,000	(\$35,000,000)
26. Public Safety Recruitment and Best Practices (One-Time)	Gross	\$0	\$0
<u>Senate</u> includes \$15.0 million GF/GP for grants to cities, villages, townships, and counties for eligible activities related to public safety. <u>Conference</u> does not include.	GF/GP	\$0	\$0
27. 38th District Court Project (One-Time)	Gross	\$0	\$1,000,000
<u>Senate</u> includes \$9.9 million GF/GP to build a district court and police station in Eastpointe. <u>Conference</u> includes \$1.0 million GF/GP.	GF/GP	\$0	\$1,000,000
28. Financial Disclosure Investments	Gross	\$0	\$0
<u>Senate</u> includes \$1.4 million GF/GP for financial disclosure investment grants. <u>Conference</u> does not include.	GF/GP	\$0	\$0
29. Drivers Education (One-Time)	Gross	\$0	\$0
<u>Senate</u> includes a placeholder of \$100 GF/GP for drivers education. <u>Conference</u> does not include.	GF/GP	\$0	\$0
30. Expand Voting Access in Michigan (One-Time)	Gross	\$0	\$0
<u>Senate</u> includes a placeholder of \$100 GF/GP to expand voting access in Michigan. <u>Conference</u> does not include.	GF/GP	\$0	\$0
31. Removal of Other FY 2023-24 One-Time Appropriations	Gross	\$42,150,000	(\$42,150,000)
<u>Executive</u> removes \$42.2 million Gross (\$40.2 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	(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) Organ Donor Registry (\$150,000 GF/GP) Presidential Primary (\$20.0 million GF/GP) (Additional one-time appropriations are discussed elsewhere in this summary.) <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	\$40,150,000	(\$40,150,000)
32. Economic Adjustments	Gross	NA	\$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. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG/IDT	NA	91,200
	Federal	NA	89,600
	Local	NA	169,000
	Restricted	NA	4,923,600
	GF/GP	NA	\$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, Senate, and Conference retain.

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, Senate, and Conference retain 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, Senate, and Conference concur.

Sec. 935. Student Loan Ombudsman – NEW

Creates student loan ombudsman to advocate for borrowers.

Conference adds new section.

Sec. 936. State Forensic Laboratory Fund – NEW

Revenue collected in the state forensic laboratory fund is appropriated and shall be distributed in accordance with the forensic laboratory funding act.

Conference adds new section.

Sec. 939. Public Safety Trust Fund – DELETED

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, Senate and Conference do not add.

Sec. 939. Local Government Reimbursement Fund – NEW

Revenue deposited in the Local Government Reimbursement fund is appropriated and must be distributed in accordance with statute.

Conference 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, Senate, and Conference retain.

Sec. 949n. Fostering Futures Scholarship – NEW

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

Executive, House, and Conference add new section, Senate does not add.

REVENUE SHARING

Sec. 951. Revenue Sharing Trust Fund – DELETED

Distributes revenue sharing trust funding as follows: 53.87% of funding available to cities, village, and townships and 46.13% of funding available to counties.

House adds new section, Senate and Conference do not add.

Major Boilerplate Changes from FY 2023-24

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

Specifies distribution to all CVTs that received a payment under Section 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. (CVTs 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, Senate and Conference revise distribution formula with one-third based on inverse taxable value per capita, one-third based on population, and one-third based on yield equalization.

Sec. 954. Revenue Sharing Conditions – NEW

Outlines conditions under which cities, villages, and townships (Sec. 952) and counties (Sec. 955) receive revenue sharing payments.

Senate and Conference add new section.

Sec. 955. County Revenue Sharing Payments – REVISED

Requires the county revenue sharing appropriation to be distributed so that each eligible county receives a payment (when coupled with the County Incentive Program payment) equal to 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, Senate and Conference revise distribution formula based on taxable value per capita.

Sec. 959. Public Safety and Violence Prevention Fund – NEW

Appropriates revenue collected in the Public Safety and Violence Prevention Fund if House Bills 4605 and 4606 of the 102nd Legislature are enacted.

Conference adds new section.

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, Senate, and Conference concur.

Sec. 973. Local Revenue Sharing Boards – RETAINED

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, House, Senate, and Conference retain without revision.

Sec. 978. Racing Commission Regulatory Changes – REVISED

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 and Conference concur with Executive; Senate retains without revision.

Major Boilerplate Changes from FY 2023-24

Sec. 979. Millionaire Party Regulation – RETAINED

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, Senate, and Conference retain without revision.

Sec. 979a. Local Unit Municipal Pension Principal Payment Grant Lapse Directive – DELETED

State legislative intent for the state budget director to issue a directive to lapse the unspent work project balance for local unit municipal pension principal payment grant authorized in 2022 PA 166.

Senate adds new section, Conference does not add.

ONE-TIME APPROPRIATIONS

Sec. 990. 12th District Court Project – NEW

Requires funding to be used for security upgrades at a district court in Jackson.

Conference adds new section.

Sec. 991. Local Unit Municipal Retirement Pension and Health Care Benefit Premium Payment Grants – RETAINED

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, House, and Conference delete, Senate retains.

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 and Senate concur.

Sec. 991. 38th District Court Project – NEW

Requires funding to be used to build a district court and police station in Eastpointe.

Senate and Conference add new section.

Sec. 992. Public Safety Recruitment and Best Practices – DELETED

Requires funding to be used for grants to eligible cities, villages, townships, and counties for public safety academy grants that support the costs of police cadet recruits who are enrolled in a police academy, other MCOLES-approved recruitment and retention initiatives or training costs, public safety capital improvements, nonlethal equipment upgrades, violence reduction or community engagement activities, and officer wellness initiatives.

Senate adds new section, Conference does not add.

Sec. 992. Additional Local Prosecutor Support – NEW

Requires funding to be used to reduce the average caseload per attorney in the office of the Eaton County prosecutor.

Conference adds new section.

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 and Senate concurs.

Sec. 993. Local Prosecutor Support Grants – NEW

Requires Treasury to award grants to the offices of county prosecutors to reduce the average caseload per attorney and describes program requirements.

Senate and Conference add new section.

Sec. 994. MI Vehicle Rebate Program – NEW

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 and Conference add new section, House and Senate do not add.

Major Boilerplate Changes from FY 2023-24

Sec. 995. 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, Senate, and Conference concur and tie bars to House Bill 5461.

FY 2024-25: HEALTH AND HUMAN SERVICES
Summary: Conference Report
Article 6, Senate Bill 747 (S-1) CR-1



Analysts: Sydney Brown, Kent Dell, and Kevin Koorstra

	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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$14,676,900	\$14,707,900	\$14,707,900	\$14,707,900	\$14,707,900	\$31,000	0.2
Federal	25,806,821,200	26,755,591,000	26,703,147,900	26,724,399,200	26,644,177,600	837,356,400	3.2
Local	162,620,500	162,870,000	160,445,300	154,189,500	170,492,500	7,872,000	4.8
Private	179,694,600	179,764,200	179,764,200	179,764,200	177,599,600	(2,095,000)	(1.2)
Restricted	3,106,634,400	3,883,861,200	3,937,264,500	3,954,505,700	3,922,022,500	815,388,100	26.2
GF/GP	6,464,135,400	6,705,498,500	6,768,198,600	6,683,117,500	6,717,231,000	253,095,600	3.9
Gross	\$35,734,583,000	\$37,702,292,800	\$37,763,528,400	\$37,710,684,000	\$37,646,231,100	\$1,911,648,100	5.3
FTEs	15,861.5	15,929.5	15,897.5	15,889.5	15,941.5	80.0	0.5

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

Overview

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs and by enforcing child support laws, and funding for behavioral health (mental health and substance use disorder), public health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
MEDICAID – GENERAL		
1. Traditional Medicaid Cost Adjustments	Gross \$18,219,346,600	\$289,403,100
<u>Executive</u> includes an increase of \$360.2 million Gross (\$174.6 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments, and traditional FMAP cost-sharing adjustments from FMAP increasing from 64.94% to 65.13%, less 1 quarter of 1.5% enhanced FMAP provided under the federal Consolidated Appropriations Act, 2023, for medical and behavioral health services in the traditional Medicaid program. <u>House</u> includes an increase of \$330.3 million Gross (\$164.2 million GF/GP). <u>Senate</u> concurs with the Executive. <u>Conference</u> revises base on May caseload consensus estimates.	Federal 11,973,142,000	100,514,500
	Local 45,460,600	(774,600)
	Private 10,547,100	(3,382,000)
	Restricted 2,418,234,100	78,355,100
	GF/GP \$3,771,962,800	\$114,690,100
2. Healthy Michigan Plan Cost Adjustments	Gross \$5,915,913,200	(\$360,235,900)
<u>Executive</u> includes a reduction of \$69.2 million Gross (\$6.0 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments for medical and behavioral health services in the Healthy Michigan Plan (HMP). <u>House</u> and <u>Senate</u> concur. <u>Conference</u> revises base on May caseload consensus estimates.	Federal 5,311,479,200	(317,858,900)
	Local 1,714,800	56,900
	Private 168,800	954,000
	Restricted 487,171,700	(7,228,900)
	GF/GP \$115,378,700	(\$36,159,000)

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
3. Actuarial Soundness		Gross	NA
<u>Executive</u> includes \$496.7 million Gross (\$134.5 million GF/GP) to support an estimated 3.0% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), 3.5% for Medicaid Health plans, 5.6% for Program of All-inclusive Care for the Elderly (PACE), 4.0% for home- and community-based services, 1.0% for Integrated Care Organizations (MI Health Link), and 2.5% for Healthy Kids Dental. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA
		GF/GP	NA
			\$496,691,300
			362,212,000
			\$134,479,300
4. Federal Managed Care Rule – Hospital Rate Adjustment		Gross	\$2,309,438,000
<u>Executive</u> includes an increase of \$2,320.9 million Gross (reduction of \$167.1 million GF/GP) from increased Hospital Quality Assurance Assessment Program (QAAP)-funded Hospital Rate Adjustments (HRA) payments that are able to be increased under recent federal rule changes. The corresponding GF/GP adjustments are associated with a statutory state retainer that is tied to the federal share of these QAAP-funded hospital payments. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> revises base on May caseload consensus estimates.		Federal	1,723,448,100
		Restricted	878,132,900
		GF/GP	(\$292,143,000)
			\$2,548,158,300
			1,905,041,200
			823,738,600
			(\$180,621,500)
5. Federal Managed Care Rule – DSH Payment Adjustments		Gross	\$233,500,000
<u>Executive</u> includes a net reduction of \$230.0 million Gross (net increase of \$70.2 million GF/GP) based on the removal of Disproportionate Share Hospital (DSH) payments that hospitals would no longer be eligible for as a result of the HRA increase. Changes include:		Federal	213,100,000
<ul style="list-style-type: none"> Eliminating Hospital QAAP-funded Outpatient DSH (\$185.0 million Gross (\$21.0 million GF/GP cost)). Removing Certified Public Expenditure DSH GF/GP savings (\$61.5 million GF/GP). Eliminating Regular DSH (\$45.0 million Gross (\$11.2 million GF/GP)) and using \$4.6 million restricted Health and Safety Fund repurposed to offset GF/GP. Changing University DSH (\$3.5 million) to 100% GF/GP grant. 		Restricted	91,703,600
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		GF/GP	(\$71,303,600)
			(\$230,000,000)
			(213,100,000)
			(87,078,600)
			\$70,178,600
6. Medicare Buy-In Compliance Adjustments		Gross	NA
<u>Executive</u> includes a net reduction of \$25.7 million Gross (increase of \$8.8 million GF/GP) to increase \$27.3 million GF/GP associated with state costs to cover Medicare Part B premiums for individuals whose income is above 120% of federal poverty. eligible for both Medicare and Medicaid (dually-eligibles) and reduce \$53.0 million Gross (\$18.5 million GF/GP) based on assumed Medicaid savings from additional individuals being covered under Medicare Part B. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA
		GF/GP	NA
			(\$25,709,700)
			(34,522,400)
			\$8,812,700
7. Direct Care Wage Increase		Gross	NA
<u>Conference</u> includes \$28.7 million Gross (\$10.0 million GF/GP) to provide a \$0.20 per hour direct care wage increase.		Federal	NA
		GF/GP	NA
			\$28,677,900
			18,677,900
			\$10,000,000
DEPARTMENT	ADMINISTRATION	/	INFORMATION
TECHNOLOGY			
		FTE	197.0
		Gross	\$25,869,800
8. Office of the Inspector General - Fraud Framework Grant		IDG/IDT	198,200
<u>Executive</u> includes \$750,000 in additional federal authorization to realize a grant awarded to the DHHS Office of Inspector General (OIG) to improve recipient fraud prevention for Supplemental Nutrition Assistance Program (SNAP) benefits. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	13,851,000
		GF/GP	\$11,820,600
			\$750,000
			0
			750,000
			\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
9. MiHIN Maintenance	Gross	NA	\$0
<u>House</u> includes \$3.2 million GF/GP to provide additional system maintenance funding for the Michigan Health Information Network. <u>Senate</u> includes \$1.5 million GF/GP. <u>Conference</u> does not include.	GF/GP	NA	\$0
10. State Employees' Retirement System	Gross	NA	\$0
<u>House</u> includes \$700,000 GF/GP, on a one-time basis for implementation costs for House Bills 4665-4667. <u>Senate</u> includes \$12.7 million GF/GP on an ongoing basis for implementation costs and for limited defined benefit for additional frontline DHHS workers. <u>Conference</u> does not include.	GF/GP	NA	\$0
11. PPE Warehouse Operations	Gross	\$1,400,000	(\$1,400,000)
<u>Conference</u> removes funding for stockpiling personal protective equipment (PPE) and other medical supplies.	GF/GP	\$1,400,000	(\$1,400,000)
12. Economic Adjustments	Gross	NA	\$57,791,200
<u>Executive</u> reflects increased costs of \$57.8 million Gross (\$39.1 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. <u>Senate</u> does not include adjustments for unclassified salaries. <u>Conference</u> concurs with the Executive and House.	IDG/IDT	NA	31,000
	Federal	NA	17,663,600
	Local	NA	309,700
	Private	NA	329,700
	Restricted	NA	359,900
	GF/GP	NA	\$39,097,300
COMMUNITY SERVICES AND OUTREACH			
13. TANF Housing Assistance	Gross	NA	\$8,500,000
<u>Executive</u> includes \$3.5 million federal TANF to support families involved in the child welfare system that face housing insecurity. <u>House</u> concurs. <u>Senate</u> includes \$10.8 million federal TANF and includes short-term hoteling and shelter construction in funding. <u>Conference</u> includes \$8.5 million federal TANF and includes short-term hoteling and funding to create additional spaces at family homeless shelters.	TANF	NA	8,500,000
	GF/GP	NA	\$0
14. Michigan 2-1-1 Increase (One-Time)	Gross	\$2,950,000	\$1,000,000
<u>Executive</u> includes \$1.0 million GF/GP to provide an increase the United Way's 2-1-1 service. <u>House</u> concurs. <u>Senate</u> includes \$5.0 million GF/GP. <u>Conference</u> includes \$1.0 million GF/GP on a one-time basis.	GF/GP	\$2,950,000	\$1,000,000
15. Kids Food Basket Increase (One-Time)	Gross	\$525,000	\$0
<u>House</u> includes \$500,000 GF/GP to provide an increase to the Kids Food Basket program. In FY 2023-24, the program received an additional \$1.0 million GF/GP in the one-time unit. <u>Senate</u> includes \$2.0 million GF/GP on a one-time basis. <u>Conference</u> does not include.	GF/GP	\$525,000	\$0
16. Statewide Emergency Shelter Support (One-Time)	Gross	NA	\$0
<u>Executive</u> includes \$7.3 million GF/GP to support statewide emergency shelter operations. Amount includes \$4.5 million GF/GP to support families involved in the child welfare system with housing security, \$2.0 million GF/GP to support construction of family shelters, and \$750,000 GF/GP for short term hoteling. <u>House</u> includes \$2.0 million GF/GP to support construction of family shelters and \$750,000 GF/GP for short term hoteling. <u>Senate</u> and <u>Conference</u> do not include. Note: Funding for shelter operations and housing support for families with children is included in the TANF Housing Assistance item noted above.	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
17. Prewetherization Services (One-Time)	Gross	NA	\$5,000,000
<u>Executive</u> includes \$5.0 million GF/GP to draw down the federal Infrastructure, Investment, and Jobs Act (IIJA) grant matching funds for weatherization assistance. The 5-year annual IIJA grant amount is \$41.8 million. <u>House</u> includes funding as preweatherization services and provides additional \$5.0 million GF/GP. <u>Senate</u> does not include. <u>Conference</u> includes \$5.0 million GF/GP.	GF/GP	NA	\$5,000,000
18. Housing Supports (One-Time)	Gross	\$0	\$3,098,000
<u>House</u> includes \$2.5 million GF/GP for the following:	GF/GP	\$0	\$3,098,000
<ul style="list-style-type: none"> Amity Foundation - renovations to transitional housing (\$1.8 million). Lodge of Hope - tribal homeless shelter operations (\$750,000). 			
<u>Senate</u> includes \$5.0 million GF/GP for the following:			
<ul style="list-style-type: none"> Grants to faith-based organizations that provide housing services and activities (\$5.0 million). Holy Cross Services- building purchase and renovations (\$100 GF/GP placeholder). MiSIDE- combined housing and childcare project in Detroit (\$100 GF/GP placeholder). 			
<u>Conference</u> includes \$3.1 million GF/GP for the following:			
<ul style="list-style-type: none"> MiSIDE- combined housing and childcare project in Detroit (\$2.2 million GF/GP placeholder). Lodge of Hope - tribal homeless shelter operations (\$500,000). Oaks Village- homeless shelter operations (\$400,000). 			
19. Diaper Assistance Grants	Gross	\$4,404,400	\$2,000,000
<u>Senate</u> includes \$10.0 million federal TANF to expand diaper assistance grants and allow for diapering supplies to be distributed in bulk and includes local county offices to the list of eligible recipients. <u>Conference</u> includes \$2.0 million federal TANF.	TANF	2,202,200	2,000,000
	GF/GP	\$2,202,200	\$0
20. Housing First Initiatives- Tiny Villages/Non congregate Shelter	Gross	NA	\$2,000,000
<u>Senate</u> includes \$20.0 million federal TANF to fund the construction of two tiny home villages and non-congregate shelter for homeless individuals and families. <u>Conference</u> includes \$2.0 million federal TANF to fund non-congregate shelter but does not include funding for tiny home villages.	TANF	NA	2,000,000
	GF/GP	NA	\$0
21. Cody Rouge Senior University	Gross	NA	\$400,000
<u>Senate</u> includes \$400,000 GF/GP to Cody Rouge Senior University to improve connectivity and computer skills for seniors. In FY 2023-24, the program received \$400,000 GF/GP on a one-time basis. <u>Conference</u> concurs.	GF/GP	NA	\$400,000
22. CEDAM Free Tax Preparation Placeholder	Gross	NA	\$0
<u>Senate</u> includes \$100 GF/GP placeholder to Community Economic Development Association of Michigan to expand Volunteer Income Tax Assistance program into counties that do not have a current site. <u>Conference</u> does not include.	GF/GP	NA	\$0
23. Community Impact Center (One-Time)	Gross	\$0	\$2,500,000
<u>Senate</u> includes \$5.0 million in restricted revenue to Wayne Metro Community Action Agency to establish a community center and campus at the site of an old elementary school. <u>Conference</u> includes \$2.5 million GF/GP.	Restricted	0	2,500,000
	GF/GP	\$0	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations

**FY 2023-24
Enacted
(as of 2/7/24)** **FY 2024-25
Conference
Change**

CHILDREN'S SERVICES AGENCY – CHILD WELFARE

24. Child Welfare Caseload Adjustments

Executive reduces funding for child welfare programs by \$2.1 million Gross (increases \$16.2 million GF/GP) House and Senate concur. Conference increases funding by \$30.1 million Gross (\$37.5 million GF/GP) based on May caseload estimates as follows:

- Adoption Subsidies is increased by \$3.8 million Gross (\$9.1 million GF/GP).
- Child Care Fund is increased by \$9.1 million Gross (\$12.2 million GF/GP).
- Foster Care Payments is increased by \$16.9 million Gross (\$15.4 million GF/GP).
- Guardianship Assistance Program is reduced by \$282,500 Gross (\$448,200 GF/GP).

Amount includes \$291,900 GF/GP increase from changes in the FY 2024-25 FMAP up to 65.13% and a backout of the final quarter of pandemic-related E-FMAP.

Gross	\$791,319,100	\$30,133,500
TANF	72,896,400	(285,500)
Federal	210,841,500	(8,558,600)
Local	33,295,400	(107,600)
Private	1,500,000	3,300
Restricted	2,000,000	1,615,800
GF/GP	\$470,785,800	\$37,466,100

25. Child Caring Institution Rate Restructure

Executive includes \$38.0 million Gross (\$30.3 million GF/GP) to restructure contracts to private residential child placing agencies to provide upfront funding based on available beds rather than a per child per day payment. Amount includes \$464,600 Gross (\$343,100 GF/GP) to fund additional 6.0 FTE positions provided within the Department Administration and Management unit to administer the rate restructure. House includes \$25.4 million Gross (\$20.3 million GF/GP) to fund 600 residential beds, a 9% increase to current per diem rates to support employee retention and recruitment, and a rate for unfilled residential beds that is 90% of the filled bed rate. Amount does not include funding for 6.0 additional FTE positions. Senate includes a \$100 GF/GP placeholder. Conference concurs with the Executive amount. Note: Due to an error in the Executive Recommendation, the actual number of additional FTEs being funded is 3.0.

FTE	NA	3.0
Gross	NA	\$37,964,600
Federal	NA	121,500
Local	NA	7,500,000
GF/GP	NA	\$30,343,100

26. TANF Swap

Executive includes \$40.0 million GF/GP increase to offset a \$40.0 million TANF reduction within child welfare staffing lines. Funding will be reappropriated to fund new supports to low-income families. House, Senate, and Conference concur.

Gross	NA	\$0
TANF	NA	(40,000,000)
GF/GP	NA	\$40,000,000

27. Raise the Age Fund Elimination

Executive reduces funding by \$13.2 million GF/GP through the elimination of the Raise the Age Fund. House, Senate, and Conference concur.

Gross	\$13,150,000	(\$13,150,000)
GF/GP	\$13,150,000	(\$13,150,000)

28. Family Preservation Program Increase

House includes \$12.2 million TANF revenue to support community - based family preservation and prevention programming to keep children in their homes and out of foster care. Senate does not include. Conference includes \$8.5 million TANF.

FTE	34.0	0.0
Gross	\$56,987,700	\$8,500,000
TANF	43,228,500	8,500,000
Federal	5,053,600	0
GF/GP	\$8,705,600	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
29. Foster Care Administrative Rate/Maintenance Payment Increase	Gross	NA	\$11,847,000
	TANF	NA	2,355,000
	Federal	NA	4,003,400
	GF/GP	NA	\$5,488,600
<u>House</u> includes \$11.8 million Gross (\$5.5 million GF/GP) to provide a \$5.00 increase to the administrative rate for private foster care agencies. The administrative rate would increase from \$55.20 to \$60.20. <u>Senate</u> includes \$15.0 million GF/GP to increase maintenance payments to foster parents, adoptive parents, and juvenile guardians (\$7.5 million GF/GP). Amount also includes funding to increase administrative rates to private agencies (\$7.5 million GF/GP). <u>Conference</u> concurs with the House.			
30. Raise the Age Reimbursement Rate Reduction	Gross	NA	(\$9,000,000)
	GF/GP	NA	(\$9,000,000)
<u>Executive</u> reduces funding by \$9.0 million GF/GP through the lowering of the state reimbursement rate to counties for 17-year-old juvenile offenders from 100% to 50% resulting from the statutory change implemented in PA 297 of 2023. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
31. Juvenile Justice Investments (One-Time)	FTE	NA	16.0
	Gross	NA	\$10,409,500
	Local	NA	869,100
	GF/GP	NA	\$9,540,400
<u>Executive</u> includes \$11.9 million Gross (\$10.7 million GF/GP) and authorizes an additional 21.0 FTE positions to implement recommendations from the Governor's Task Force on Juvenile Justice Reform. Funding will be used in part to support staffing at the two state residential facilities, Bay Pines and Shawono Center. Amount also includes \$5.0 million GF/GP on a one-time basis for capital improvements at the two state residential facilities. <u>House</u> concurs but does not include the \$5.0 million GF/GP in the one-time unit. <u>Senate</u> includes \$100 GF/GP placeholder and does not include the \$5.0 million GF/GP in the one-time unit. <u>Conference</u> includes \$10.4 million Gross (\$9.5 million GF/GP) and includes an additional 16.0 FTEs. Amount includes \$5.0 million GF/GP in the one-time unit.			
32. Title IV-E Payments to Unlicensed Relatives	Gross	NA	\$0
	Federal	NA	10,000,000
	GF/GP	NA	(\$10,000,000)
<u>Executive</u> includes \$10.0 million GF/GP savings due to a recent federal rule change that allows federal Title IV-E funds to now be used to provide payments to unlicensed relatives. Previously, the state only received IV-E reimbursement for placements with licensed caregivers. Payments to unlicensed relatives were exclusively funded by GF/GP. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
33. Modified Implementation, Sustainability, and Exit Plan (MISEP) Strategy and Improvements (One-Time)	Gross	NA	\$10,000,000
	GF/GP	NA	\$10,000,000
<u>Executive</u> includes \$10.0 million GF/GP for provide program and staffing supports in order to meet identified MISEP benchmarks. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$10.0 million GF/GP in the one-time unit.			
34. Court-Appointed Special Advocates Increase	Gross	\$1,000,000	\$1,250,000
	GF/GP	\$1,000,000	\$1,250,000
<u>House</u> includes \$1.5 million GF/GP to support the court-appointed special advocates program that provides abused or neglected children with advocates who represent their best interests during legal proceedings. In FY 2023-24, the program received an additional \$1.5 million GF/GP in the one-time unit. <u>Senate</u> includes \$750,000 GF/GP on a one-time basis. <u>Conference</u> includes \$1.3 million GF/GP on an ongoing basis.			
35. Foster Care Clothing Allowance Increase	Gross	NA	\$1,549,000
	Federal	NA	344,300
	GF/GP	NA	\$1,204,700
<u>Executive</u> includes \$1.5 million Gross (\$1.1 million GF/GP) to increase the semiannual clothing allowance and holiday allowance for foster youth by \$50. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> includes \$1.5 million Gross (\$1.2 million GF/GP).			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
36. Foster Care Disability Navigator	Gross	NA	\$0
<u>House</u> includes \$1.0 million GF/GP to Arc Michigan to provide education supports for youth with disabilities currently in foster care or who have been adopted from foster care in the past year. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	NA	\$0
37. Parent-to-Parent Increase	Gross	\$250,000	\$250,000
<u>House</u> includes \$500,000 GF/GP to support the Parent-to-Parent program (also known as Adoptive Parent Support Network). <u>Senate</u> does not include. <u>Conference</u> includes \$250,000 GF/GP.	GF/GP	\$250,000	\$250,000
38. Foster Care Suitcase	Gross	NA	\$500,000
<u>Senate</u> includes \$1.0 million GF/GP to provide suitcases to children entering foster or who are already in foster care to keep their personal belongings in as they move to a new placement. <u>Conference</u> includes \$500,000 TANF revenue.	TANF	NA	\$500,000
	GF/GP	NA	\$0
39. Child Welfare Lapse Reductions	Gross	NA	(\$2,912,300)
<u>Conference</u> includes a savings of \$2.9 million GF/GP related to historical lapses of funding at the end of the fiscal year.	GF/GP	NA	(\$2,912,300)
40. Children's Services Administration Training (One-Time)	Gross	\$0	\$0
<u>Executive</u> includes \$2.0 million GF/GP to fund a training program for administration staff. <u>House</u> concurs. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
41. Juvenile Justice Deferred Maintenance (One-Time)	Gross	\$0	\$5,000,000
<u>House</u> includes \$1.0 million GF/GP to Spectrum Human Services for renovations and security upgrades needed to reopen a secure residential juvenile justice facility. <u>Senate</u> and <u>Conference</u> do not include. <u>Senate</u> includes \$14.0 million GF/GP to be allocated as grants to support capital improvements at all state-owned and non-state-owned juvenile justice facilities with at least \$9.0 million GF/GP being allocated specifically for non-state-owned facilities. <u>Conference</u> includes \$5.0 million GF/GP. Amount includes \$1.0 million GF/GP for Spectrum Human Services, \$2.0 million for Vista Maria, and \$2.0 million allocated as grants for non-state-owned juvenile justice facilities.	GF/GP	\$0	\$5,000,000

PUBLIC ASSISTANCE / LOCAL OFFICE OPERATIONS

42. Public Assistance Caseloads	Gross	\$5,404,101,000	(\$1,257,118,200)
<u>Executive</u> includes a net reduction of \$1,253.3 million Gross (increase of \$2.3 million GF/GP) for current year and FY 2024-25 caseload adjustments for the Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI). The reduction primarily results from a decrease in FAP caseloads. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> includes a net reduction of \$1.257 billion Gross (increase of \$5.5 million GF/GP) to update caseloads for May CREC. Caseload changes include:	TANF	60,988,000	(7,617,800)
	Federal	5,268,764,400	(1,255,104,400)
	Restricted	14,659,600	122,400
	GF/GP	\$59,689,000	\$5,481,600
<ul style="list-style-type: none"> FIP – net reduction of \$2.1 million Gross (increase of \$5.5 million GF/GP). FAP – reduction of \$1.255 million federal. SDA – increase of \$1.1 million Gross (\$902,400 GF/GP). SSI – reduction of \$968,500 GF/GP. 			

Major Budget Changes from FY 2023-24 Enacted Appropriations

43. Assistance Programs – Increase TANF Support

Executive includes \$100.0 million Temporary Assistance for Needy Families (TANF) block grant revenues to support a new program and supplement various other public assistance programs. House includes \$78.0 million Gross (\$11.6 million GF/GP). Senate includes \$37.3 million TANF (\$0 GF/GP). Conference includes \$62.5 million TANF (\$0 GF/GP), and adjusts appropriations to include:

- \$20.0 million TANF to increase FIP standards and extend lifetime limits.
- \$20.0 million TANF for a Prenatal and Infant Support program.
- \$10.0 million TANF to increase the Family Independence Program – Young Child Supplement pool for annual, lump-sum payments for each child under the age of 6.
- \$7.0 million TANF to include a new FIP supplement for children between the ages of 6 and 14, similar to the young-child supplement.
- \$5.5 million TANF to increase the pool for local office emergency relief grants.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Gross	\$5,661,734,400	\$62,500,000
TANF	67,196,600	62,500,000
Federal	5,451,670,200	0
Restricted	64,659,600	0
GF/GP	\$78,208,000	\$0

44. Michigan Energy Assistance Program (MEAP)

Executives includes \$15.0 million GF/GP to increase the pool for State Emergency Relief (SER) energy assistance grants to low-income residents by approximately 30%. MEAP is primarily funded through the Low-Income Energy Assistance Fund (LIEAF), which is supported by a per-customer utility surcharge. House includes \$7.5 million GF/GP. Senate includes \$24.8 million in lapsed work project funds, and allocates as one-time appropriations, to provide energy-related assistance to eligible households at or below 150% of the Federal Poverty Level. Conference does not include.

Gross	\$50,000,000	\$0
Restricted	50,000,000	0
GF/GP	\$0	\$0

45. Water Affordability (One-Time)

House includes \$10.0 million GF/GP, on a one-time basis, for water affordability efforts, including paying water arrearages, shut off notices, and subsidizing other water affordability programs. Senate includes \$24.8 million in lapsed work project funds on a one-time basis. Conference concurs with the House.

Gross	\$0	\$10,000,000
GF/GP	\$0	\$10,000,000

46. Indigent Burial Payment Increase

House includes \$431,900 Gross (\$428,300 GF/GP) to increase indigent burial SER grants by 12%. Senate includes \$1.0 million GF/GP and allows for up to \$6,000 in private donations. Conference includes \$500,000 GF/GP and allows for up to \$6,000 in private donations.

Gross	\$3,869,100	\$500,000
TANF	300,000	0
GF/GP	\$3,569,100	\$500,000

47. Food Assistance Error Penalty

Senate includes a reduction of \$3.7 million GF/GP for the federally required corrective action and fine funding for Supplemental Nutrition Assistance Program administrative errors in distribution. Conference concurs with the Senate.

Gross	\$7,438,300	(\$3,719,200)
GF/GP	\$7,438,300	(\$3,719,200)

48. Double-Up Food Bucks (Transferred to MDARD)

House includes \$3.0 million GF/GP to support the implementation of EBT-capable equipment for farmers' markets to participate in the Double-Up Food Bucks program, which provides additional funds to Food Assistance Program recipients for the purchase of fresh produce. Senate does not include. Conference concurs with the House, and transfers \$3.0 million GF/GP to the Department of Agriculture and Rural Development (MDARD), which administers the program.

Gross	\$0	\$0
GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
49. SSI Advocacy Grant Increase	Gross	\$375,000	\$600,000
<u>Senate</u> includes \$600,000 GF/GP to increase the annual grant amount to the Legal Services Association of Michigan to support Supplemental Security Income (SSI) application services for low-income residents. <u>Conference</u> concurs with the Senate.	GF/GP	\$375,000	\$600,000
50. Centers for Independent Living (CIL)	Gross	\$0	\$0
<u>Senate</u> includes \$2.0 million GF/GP (\$500,000 allocated as one-time funding to support CIL relocation services. <u>Conference</u> does not include.	GF/GP	\$0	\$0
51. Elder Law Services Grant Increase	Gross	\$350,000	\$100,000
<u>Senate</u> includes \$100,000 Gross (\$50,000 GF/GP) to increase the MiCAFE annual grant amount to support legal services for low-income older adults. <u>Conference</u> concurs with the Senate.	Federal	175,000	50,000
	GF/GP	\$175,000	\$50,000
52. Food Desert Project (One-Time)	Gross	\$0	\$3,000,000
<u>Senate</u> includes \$5.0 million GF/GP to the Michigan Independent Retailer Association to aid grocers and retail merchants to combat food deserts. <u>Conference</u> includes \$3.0 million GF/GP.	GF/GP	\$0	\$3,000,000
BEHAVIORAL HEALTH			
53. Certified Community Behavioral Health Clinics	FTE	NA	12.0
<u>Executive</u> includes \$193.3 million Gross (a net increase of \$35.6 million GF/GP) and authorizes 12.0 FTE positions to expand Certified Community Behavioral Health Clinics (CCBHCs) into additional counties to provide services to an estimated 50,000 additional individuals. Amount assumes \$12.4 million of GF/GP savings from current Medicaid mental health programming that would be provided through CCBHCs and would be eligible for enhanced FMAP reimbursements of 75.59% rather than 65.13% Amount also includes \$1.8 million Gross (\$1.0 million GF/GP) for DHHS administration and actuarial costs. Sec. 1002 is related, new boilerplate. <u>House</u> includes \$153.2 million Gross (\$27.7 million GF/GP) to expand CCBHCs to an estimated 40,000 additional individuals, does not increase FTE positions, and revises Sec. 1002 including to prioritize new CCBHCs in counties without an existing CCBHC. <u>Senate</u> includes \$135.9 million Gross (\$25.0 million GF/GP) to expand CCBHCs, does not increase FTE positions, and includes \$250,000 state restricted for a study. <u>Conference</u> includes \$161.8 million Gross (\$30.1 million GF/GP) and authorizes 12.0 FTE positions, and includes a study.	Gross	\$386,381,700	\$161,768,800
	Federal	300,479,500	131,639,800
	Restricted	0	0
	GF/GP	\$85,902,200	\$30,129,000
54. Autism Services	Gross	\$279,257,100	\$17,206,800
<u>House</u> includes \$12.5 million Gross (\$4.4 million GF/GP) to increase autism behavioral technician hourly rates up to \$62.00 per hour. <u>Senate</u> includes \$34.4 million Gross (\$12.0 million GF/GP) to increase rates up to \$70.00 per hour. <u>Conference</u> includes \$17.2 million Gross (\$6.0 million GF/GP) to increase rates up to \$66.00 per hour.	Federal	183,813,700	11,206,800
	GF/GP	\$95,443,400	\$6,000,000
55. Michigan Crisis and Access Line (MICAL)	Gross	\$16,348,000	\$2,250,000
<u>Executive</u> includes \$2.3 million Gross (\$3.3 million GF/GP) to support increased costs of the 988 Suicide and Crisis Lifeline and to backfill reduction of federal grant funding. Amount would also move a \$5.0 million FY 2023-24 one-time grant into the ongoing allocation. <u>House</u> concurs. <u>Senate</u> backfills federal grant funding and removes \$5.0 million one-time grant. <u>Conference</u> concurs with the Executive and House with \$2.2 million Gross (\$1.9 million GF/GP) instead allocated on a one-time basis for marketing and outreach.	Federal	8,348,000	(1,036,400)
	GF/GP	\$8,000,000	\$3,286,400

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
56. Behavioral Health Workforce	Gross	NA	\$0
<u>Executive</u> includes \$3.5 million Gross (\$500,000 GF/GP) for (1) ongoing GF/GP support to assist with examination fees and supervision costs of behavioral health professionals and (2) \$3.0 million federal State Fiscal Recovery Funds (SFRF) to support internship and scholarship opportunities for behavioral health professionals. <u>House</u> does not include. <u>Senate</u> includes \$100 placeholder. <u>Conference</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0
57. Opioid Healing and Recovery Fund	Gross	\$23,200,000	\$25,000,000
<u>House</u> adds \$53.4 million of state restricted Opioid Healing and Recovery Fund to provide grants to regional community mental health entities (PIHPs) (\$30.0 million), non-Medicaid hospital peer recovery coach services (\$8.3 million), tribal communities (\$5.0 million), peer recovery coach training (\$250,000), Great Lakes Recovery women's recovery center (\$3.6 million one-time), recovery community organizations (\$3.2 million one-time), Andy's Place (\$3.0 million one-time). <u>Senate</u> adds one-time funding for Great Lakes Recovery women's recovery center (\$3.6 million GF/GP one-time), Andy's Place (\$3.0 million) and ARC Michigan Sober Living (\$2.0 million). <u>Conference</u> requires \$4.0 million going be allocated for peer recovery support services and adds \$25.0 million on a one-time basis for regional community mental health entities (PIHPs) (\$10.0 million), Great Lakes Recovery women's recovery center (\$3.6 million one-time), Andy's Place (\$3.0 million one-time), Families Against Narcotics (\$2.5 million), ARC Michigan Sober Living (\$2.0 million), tribal communities (\$2.0 million), and recovery community organizations (\$1.9 million one-time).	Restricted	23,200,000	25,000,000
	GF/GP	\$0	\$0
58. PIHP Peer Supports Increase	Gross	NA	\$0
<u>Senate</u> includes \$6.0 million Gross (\$1.6 million Opioid Healing and Recovery Fund as federal Medicaid match) to increase non-hospital peers supports provided through the PIHPs. <u>Conference</u> includes \$4.0 million state restricted Opioid Healing and Recovery Fund noted above.	Federal	NA	0
	Restricted	NA	0
	GF/GP	NA	\$0
59. Behavioral Health Access	Gross	NA	\$1,600,000
<u>House</u> includes \$1.6 million GF/GP to Altarum for primary care training and protected health information tool. <u>Senate</u> does not include. <u>Conference</u> includes \$1.6 million GF/GP, with \$1.0 million allocated on a one-time basis.	GF/GP	NA	\$1,600,000
60. Addiction Workforce Medicine Curriculum	Gross	NA	\$1,500,000
<u>House</u> includes \$1.5 million GF/GP for addiction medicine training programming, including anti-stigma education, fellowship GME, and addiction specialists. <u>Senate</u> does not include. <u>Conference</u> includes \$1.5 million GF/GP, on a one-time basis.	GF/GP	NA	\$1,500,000
61. Autism Navigator Program	Gross	\$1,025,000	\$1,000,000
<u>House</u> adds \$1.0 million GF/GP to the ongoing autism navigator program. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	GF/GP	\$1,025,000	\$1,000,000
62. Conference of Western Wayne	Gross	\$1,000,000	\$0
<u>House</u> adds \$500,000 GF/GP to the Conference of Western Wayne specialized substance use disorder detoxification project. <u>Senate</u> replaces GF/GP with Opioid Healing and Recovery Fund. <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$1,000,000	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
63. National Association of Yemeni Americans	Gross	NA	\$400,000
<u>Senate</u> includes \$500,000 GF/GP to the National Association of Yemeni Americans to provide community services that are suited to the community regardless of religion, culture, or ethnic background. <u>Conference</u> includes \$400,000.	GF/GP	NA	\$400,000
64. Mosaic Counseling	Gross	NA	\$200,000
<u>House</u> includes \$100,000 GF/GP for Mosaic Counseling to provide counseling services regardless of the client's ability to pay. <u>Senate</u> includes \$200,000 GF/GP. <u>Conference</u> includes \$200,000 GF/GP, with \$100,000 GF/GP allocated on a one-time basis.	GF/GP	NA	\$200,000
65. Family Support Subsidy	Gross	\$12,654,900	\$3,016,000
<u>Executive</u> adds \$3.0 million federal TANF based on estimated costs of the family support subsidy program, which provides \$300.36 per month to eligible families with a child who is severely mentally impaired, severely developmentally impaired, or autistic. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	TANF	12,654,900	3,016,000
	GF/GP	\$0	\$0
66. Gambling Addiction	FTE	1.0	3.0
<u>Executive</u> adds \$4.0 million Compulsive Gaming Prevention Fund and authorizes 3.0 FTE positions to provide additional gambling prevention and treatment services. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$5,517,400	\$4,000,000
	Restricted	5,517,400	4,000,000
	GF/GP	\$0	\$0
67. Waskul Settlement	Gross	NA	\$11,471,200
<u>Executive</u> includes \$11.5 million Gross (\$4.0 million GF/GP) for estimated costs related to Waskul v. Washtenaw County Community Mental Health and DHHS that would raise the community living support services for Habilitation Supports Waiver recipients that use self-determination up to \$31.00 per hour. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	7,471,200
	GF/GP	NA	\$4,000,000
68. Nursing Home PAS/ARR-OBRA	FTE	7.0	0.0
<u>Executive</u> adds \$2.0 million Gross (\$500,000 GF/GP) to the nursing home pre-admission screening and evaluation program for individuals who have a serious mental illness and are being admitted to a nursing facility. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$13,970,100	\$2,000,000
	Federal	10,491,700	1,500,000
	GF/GP	\$3,478,400	\$500,000
69. Multicultural Integration (One-Time)	Gross	\$8,600,000	\$0
<u>Executive</u> continues \$8.6 million GF/GP on a one-time basis to multicultural integration agencies that provide physical and behavioral health services to multicultural populations. Program received \$8.6 million GF/GP in FY 2023-24, on a one-time basis. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$8,600,000	\$0
70. First Responder Mental Health Service (One-Time)	Gross	\$5,000,000	(\$2,500,000)
<u>Executive</u> continues \$2.5 million GF/GP on a one-time basis for first responder mental health services to support first responders suffering from post-traumatic stress and other mental health conditions. Program received \$5.0 million GF/GP in FY 2023-24, on a one-time basis. <u>House</u> continues \$5.0 million GF/GP. <u>Senate</u> does not continue funding. <u>Conference</u> concurs with the Executive.	GF/GP	\$5,000,000	(\$2,500,000)

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
71. One-Time Behavioral Health Services Funding	Gross	\$0	\$19,592,000
<u>House</u> includes \$27.2 million GF/GP for 11 one-time projects, <u>Senate</u> includes \$11.0 million GF/GP for 5 one-time projects. <u>Conference</u> includes \$19.6 million GF/GP for the following behavioral health-related one-time funding:	GF/GP	\$0	\$19,592,000
<ul style="list-style-type: none"> • \$3.5 million Team Wellness Community Clinic. • \$3.5 million GF/GP for KEYS. • \$3.0 million Kooth adolescent behavioral health tool. • \$2.4 million Hegira walk-in crisis center. • \$2.0 million ACCESS substance use treatment center. • \$1.7 million GF/GP for Common Ground. • \$1.5 million Paladin Community mental health and community outreach. • \$1.0 million Tecumseh FQHC. • \$500,000 Vital data platform. • \$250,000 GF/GP for Living and Learning Center. • \$250,000 GF/GP for Six Feet Over – Lemon-aid. 			
PUBLIC HEALTH			
72. Racial Disparity Task Force Initiatives	Gross	\$46,000,000	(\$28,500,000)
<u>Executive</u> continues \$45.0 million Gross (\$20.0 million GF/GP) to support community health services targeted to assist high health disparity regions within the state, including community-based health clinics, mobile health units, and Healthy Community Zone sites. Amount includes \$25.0 million in federal State Fiscal Recovery Fund (SFRF) revenue on a one-time basis. Of the FY 2023-24 amount, \$36.0 million Gross (\$31.0 million GF/GP) was allocated on a one-time basis. <u>House</u> includes \$2.5 million GF/GP to support mobile health units, \$2.5 million GF/GP is allocated for Sickle Cell Center programming in the one-time unit, and removes \$36.0 million of FY 2023-24 one-time funding. <u>Senate</u> includes \$200 GF/GP placeholders, which includes a \$100 GF/GP placeholder in the one-time unit. <u>Conference</u> includes \$7.5 million GF/GP but does not include one-time funding.	Federal	5,000,000	(5,000,000)
	GF/GP	\$41,000,000	(\$23,500,000)
73. Smoking Prevention and Cessation Increase	FTE	15.0	0.0
<u>Executive</u> includes \$5.0 million GF/GP to expand tobacco cessation and prevention programming across the state. <u>House</u> includes \$2.5 million in Healthy Michigan Fund revenue. <u>Senate</u> includes \$1.0 million GF/GP. <u>Conference</u> includes \$2.5 million GF/GP.	Gross	\$4,621,900	\$2,500,000
	Federal	2,531,100	0
	Restricted	1,646,800	0
	GF/GP	\$444,000	\$2,500,000
74. Oral Health Assessment for Children	Gross	NA	\$2,500,000
<u>Executive</u> includes \$2.5 million GF/GP to fulfill the statutorily required expansion of the oral health assessment program for school children. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	NA	\$2,500,000
75. Sexual Assault Victim Services	FTE	0.5	0.0
<u>Executive</u> includes \$2.0 million GF/GP to expand sexual assault treatment services and maintain sexual assault examiner program. Funding includes \$1.0 million GF/GP to restore one-time funding from FY 2019-20 for comprehensive sexual assault services and \$1.0 million GF/GP to backfill the sexual assault victim's prevention fund. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$5,097,300	\$2,000,000
	TANF	1,094,000	0
	Federal	978,300	0
	Restricted	3,000,000	0
	GF/GP	\$25,000	\$2,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
76. Ground Emergency Medical Transport (One-Time)	FTE	27.0	0.0
<u>House</u> includes \$2.0 million GF/GP to create a system of recording and accepting Medicaid reimbursement for emergency medical transport services. Amount includes \$500,000 GF/GP one-time funding for start-up costs. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 GF/GP on a one-time basis.	Gross	\$8,974,200	\$500,000
	Federal	1,098,900	0
	Restricted	823,600	0
	GF/GP	\$7,051,700	\$500,000
77. Family Planning and Local Agreements (One-Time)	Gross	NA	\$5,600,000
<u>Executive</u> includes \$14.2 million GF/GP, in a one-time basis, to support statewide family planning services such as planning births, preventing unplanned pregnancies, and preventive health screenings. Ongoing appropriation is \$15.8 million Gross (\$7.3 million GF/GP) for FY 2023-24. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$5.6 million GF/GP.	GF/GP	NA	\$5,600,000
78. Nursing Loan Repayment Program (One-Time)	Gross	\$0	\$9,165,000
<u>Executive</u> includes \$10.0 million GF/GP, on a one-time basis, to provide student loan repayment for eligible nurses employed by public and private health facilities in the state. <u>House</u> includes \$2.5 million GF/GP. <u>Senate</u> does not include. <u>Conference</u> includes \$9.2 million GF/GP.	GF/GP	\$0	\$9,165,000
79. Perinatal Quality Collaboratives Increase	Gross	\$5,000,000	\$0
<u>Executive</u> continues \$5.0 million GF/GP for the continuation of Perinatal Quality Collaboratives one-time basis grant in order to improve maternal and infant health. <u>House</u> concurs and includes funding on an ongoing basis in the Family Health Services unit. <u>Senate</u> does not continue one-time funding. <u>Conference</u> concurs with the Executive.	GF/GP	\$5,000,000	\$0
80. Community Violence Prevention-Community Grant Program	FTE	8.9	0.0
<u>Executive</u> includes \$5.0 million in State Fiscal Recovery Fund (SFRF) revenue to continue one-time basis funding to support community providers of violence prevention programming and their efforts to reduce gun violence. <u>House</u> concurs and includes funding on an ongoing basis as GF/GP. Amount includes \$500,000 GF/GP to support the community violence intervention central office. <u>Senate</u> includes \$5.7 million GF/GP. Amount includes continuation of \$5.0 million GF/GP on a one-time basis. <u>Conference</u> includes \$500,000 GF/GP to support the community violence intervention central office.	Gross	\$18,518,800	\$500,000
	Federal	12,585,900	0
	GF/GP	\$5,932,900	\$500,000
81. Medically Underserved Pharmaceutical Access Stabilization Program	Gross	NA	\$0
<u>Senate</u> includes \$2.0 million GF/GP to create or maintain access to retail pharmacies in communities around Detroit where community members lack access to medication. <u>Conference</u> does not include.	GF/GP	NA	\$0
82. Suicide Prevention Office	Gross	NA	\$0
<u>Senate</u> includes \$1.5 million GF/GP to support the establishment of a central state office for suicide prevention efforts. <u>Conference</u> does not include.	GF/GP	NA	\$0
83. Mi Coalition to End Domestic Violence/United Three Fires	Gross	NA	\$1,000,000
<u>Senate</u> includes \$1.0 million GF/GP to Michigan Coalition to End Sexual and Domestic Violence and Uniting Three Fires Against Domestic Violence to support domestic violence and sexual assault programming. <u>Conference</u> concurs.	GF/GP	NA	\$1,000,000
84. MIHP Newborn Car Seats	Gross	NA	\$500,000
<u>Senate</u> includes \$1.0 million TANF revenue to purchase and distribute newborn infant car seats as part of the Maternal Infant Health Program. <u>Conference</u> includes \$500,000 TANF revenue.	TANF	NA	500,000
	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
85. Public Health Lapse Reduction	Gross	NA	(\$1,000,000)
<u>Conference</u> includes a savings of \$1.0 million GF/GP related to historical lapses of funding in the PFAS and Environmental Contamination Response line at the end of the fiscal year.	GF/GP	NA	(\$1,000,000)
86. Public Health Program Reduction	Gross	NA	(\$3,000,000)
<u>Conference</u> includes a savings of 3.0 million GF/GP related to the elimination of ongoing funding for the following programs:	GF/GP	NA	(\$3,000,000)
<ul style="list-style-type: none"> Cherry Health FQHC (\$1.5 million GF/GP). Strong Beginnings Grant (\$1.0 million GF/GP). Healthy Exercise Pilot (\$500,000 GF/GP). 			
87. Nurse Family Partnership Increase (One-Time)	Gross	NA	\$420,000
<u>Senate</u> includes \$420,000 GF/GP to increase funding for the Nurse Family Partnership Program. In FY 2023-24, the program received \$420,000 GF/GP on a one-time basis. <u>Conference</u> includes funding on a one-time basis.	GF/GP	NA	\$420,000
88. Firearm Injury and Violence Prevention Grant (One-Time)	Gross	\$0	\$5,500,000
<u>Executive</u> includes \$4.3 million GF/GP allocated as grants to University of Michigan violence prevention supports. <u>House</u> concurs and includes additional \$3.2 million GF/GP. <u>Senate</u> does not include. <u>Conference</u> includes \$5.5 million GF/GP for the following:	GF/GP	\$0	\$5,500,000
<ul style="list-style-type: none"> \$2.7 million GF/GP for technical training, assistance, and program evaluation associated with safe storage laws. 2.1 million GF/GP for technical training, assistance, and program evaluation the implementation of statutory changes to extreme risk protection orders. \$750,000 GF/GP to support data collection about fatal and non-fatal firearm injuries in the state. 			
89. Firearm Safety and Violence Prevention (One-Time)	Gross	\$0	\$1,800,000
<u>House</u> includes \$1.8 million GF/GP to community-based organizations that provide training and programming on statutory changes to extreme risk protection orders and new safe storage laws. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	GF/GP	\$0	\$1,800,000
90. Firefighter Health Care (One-Time)	Gross	\$0	\$3,500,000
<u>Executive</u> includes \$3.5 million GF/GP to provide health screenings for firefighters. <u>House</u> concurs. <u>Senate</u> includes \$100 GF/GP placeholder. <u>Conference</u> concurs with the Executive.	GF/GP	\$0	\$3,500,000
91. Nursing Workforce Initiative (One-Time)	Gross	\$0	\$4,000,000
<u>House</u> includes \$10.0 million GF/GP to Wayne State University to support efforts to reduce nurse turnover and improve retention. <u>Senate</u> and <u>Conference</u> includes \$4.0 million GF/GP.	GF/GP	\$0	\$4,000,000
92. Level 1 Trauma Recovery Center (One-Time)	Gross	\$0	\$4,000,000
<u>Senate</u> includes \$8.0 million GF/GP, on a one-time basis, to fund a three-year Level 1 trauma recovery center pilot program with sites in Grand Rapids and Detroit. In FY 2023-24 the program received \$4.0 million GF/GP in the ongoing Health Policy unit. <u>Conference</u> includes \$4.0 million GF/GP.	GF/GP	\$0	\$4,000,000
93. Domestic Violence/Sexual Assault Services (One-Time)	Gross	\$0	\$2,000,000
<u>House</u> includes \$7.3 million GF/GP for the following sexual assault and domestic violence programs:	GF/GP	\$0	\$2,000,000
<ul style="list-style-type: none"> \$3.5 million GF/GP for child advocacy centers. \$3.5 million GF/GP to address VOCA shortage. \$300,000 GF/GP for Caring Connections Empowerment Center. <u>Senate</u> does not include. <u>Conference</u> includes \$2.0 million GF/GP for child advocacy centers.			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
94. One-Time Public Health Funding	Gross	\$0	\$1,625,000
<u>House</u> includes \$8.1 million GF/GP for the public health related one-time items. <u>Senate</u> includes \$8.0 million GF/GP. <u>Conference</u> includes \$1.6 million GF/GP for the following public health related one-time items:	GF/GP	\$0	\$1,625,000
<ul style="list-style-type: none"> • \$1.0 million GF/GP to HYPE Athletics. • \$500,000 million GF/GP for YWCA WISH program. • \$125,000 GF/GP for Maggie's Wigs for Kids. 			
AGING SERVICES			
95. Non-GF/GP Authorization Increases	Gross	\$110,029,800	\$4,950,000
<u>Executive</u> includes \$5.0 million Gross (\$0 GF/GP) to increase community services federal authorization by \$2.2 million, nutrition services by \$2.0 million, and senior care respite fund by \$800,000. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	60,137,400	4,150,000
	Private	300,000	0
	Restricted	6,068,700	800,000
	GF/GP	\$43,523,700	\$0
96. Long-Term Care Ombudsman Program	Gross	NA	\$3,000,000
<u>House</u> adds \$3.0 million GF/GP to the long-term care ombudsman program to investigate resident concerns, respond to involuntary discharges, and provide trainings on long-term care topics. <u>Senate</u> includes \$1.5 million GF/GP and 16.0 FTE positions. <u>Conference</u> concurs with the House.	GF/GP	NA	\$3,000,000
HEALTH SERVICES			
97. Medicaid Behavioral Health Provider Rate Increase	Gross	NA	\$22,695,200
<u>Executive</u> includes \$36.1 million Gross (\$10.2 million GF/GP) to increase Medicaid behavioral health reimbursement rates by approximately 33% for both health plans and fee-for-service (FFS). <u>House</u> concurs. <u>Senate</u> includes a \$100 placeholder. <u>Conference</u> includes \$22.7 million Gross (\$6.4 million GF/GP).	Federal	NA	16,285,500
	GF/GP	NA	\$6,409,700
98. Hospital Peer Support Substance Use Disorder Services	Gross	NA	\$8,333,300
<u>Executive</u> includes \$8.3 million Gross (\$2.5 million GF/GP) to provide Medicaid reimbursements for services provided by hospital-based, peer-support recovery services for individuals with substance use disorders. <u>House</u> concurs. <u>Senate</u> includes \$16.7 million Gross (\$0 GF/GP) and utilizes Michigan Opioid Healing and Recovery funds. <u>Conference</u> concurs with the Executive and House.	Federal	NA	5,833,300
	GF/GP	NA	\$2,500,000
99. Federally Qualified Health Centers – Scope Change	Gross	NA	\$40,000,000
<u>House</u> includes \$40.0 million Gross (\$11.3 million GF/GP) for costs estimates related to a Medicaid scope change/expansion for FQHCs. <u>Senate</u> includes \$54.7 million Gross (\$14.5 million GF/GP) to increase Medicaid reimbursement rates for FQHC services, and consolidates FQHC appropriations into a separate, new line item. <u>Conference</u> concurs with the House and consolidates appropriations into a separate line item.	Federal	NA	28,700,000
	GF/GP	NA	\$11,300,000
100. Federally Qualified Health Centers – Recruitment and Training	Gross	NA	\$0
<u>House</u> includes \$1.7 million GF/GP to provide additional training and internship opportunities, and increase recruitment, for existing and potential employees of FQHCs in this state. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
101. Medicaid Coverage for Incarcerated Individuals	FTE	NA	0.0
<u>Executive</u> includes \$30.5 million Gross (\$5.6 million GF/GP) and authorizes 3.0 FTE positions to provide Medicaid-funded health care supports for incarcerated individuals in preparation for reentry into society. Services would be provided in the final 90 days of incarceration. A federal waiver approval is required for this Medicaid change. <u>House</u> concurs. <u>Senate</u> includes a \$100 placeholder. <u>Conference</u> does not include.	Gross	NA	\$0
	Federal	NA	0
	GF/GP	NA	\$0
102. Medicaid Health Plan Procurement Reforms	FTE	NA	32.0
<u>Executive</u> includes \$20.0 million Gross (\$7.6 million GF/GP) and authorizes 14.0 FTE positions to implement a new Medicaid Health Plan Procurement program including various services. These services include:	Gross	NA	\$12,248,000
<ul style="list-style-type: none"> \$10.0 million Gross (\$3.5 million GF/GP) in-lieu-of-services funding to create a pool for health plans to draw from to provide food insecurity services. \$7.0 million Gross (\$2.5 million GF/GP) to increase reimbursements to providers participating in the Vaccines for Children program to \$23.03 per vaccine. \$3.0 million Gross (\$1.6 million GF/GP) for DHHS administrative costs. 	Federal	NA	7,049,000
<u>House</u> concurs but does not include funding for administrative costs and FTE positions. <u>Senate</u> concurs with the vaccine reimbursement increase and includes \$100 placeholders for the other 2 requests. <u>Conference</u> includes \$12.2 million Gross (\$5.2 million GF/GP and authorizes 32.0 FTEs for administrative costs and vaccine reimbursement increases.	GF/GP	NA	\$5,199,000
103. Medicaid Birth Expense Recovery Program Elimination	Gross	(\$13,700,000)	\$13,700,000
<u>Executive</u> adds \$13.7 million Gross (\$4.8 million GF/GP) to eliminate the requirement that a father of a child born out of wedlock, and to a mother who is a Medicaid beneficiary, must pay for a portion of the birth expenses. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	(8,922,800)	8,922,800
	GF/GP	(\$4,777,200)	\$4,777,200
104. Maternal Infant Health Program	FTE	NA	1.0
<u>Executive</u> includes \$3.3 million Gross (\$918,700 GF/GP) and authorizes 1.0 FTE position to created additional, specialized reimbursement rates for providers participating in the Maternal Infant Health Program. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$3,335,000
	Federal	NA	2,416,300
	GF/GP	NA	\$918,700
105. Medicaid Doula Care	Gross	NA	\$6,848,700
<u>Executive</u> includes \$4.9 million Gross (\$2.0 million GF/GP), of which \$2.9 million Gross (\$1.5 million GF/GP) are one-time basis, to increase Medicaid reimbursement rates for doula services, increase number of to doula care visits from 6 to 12, and provide educational and training services to doulas. <u>House</u> concurs and increases ongoing funding to \$4.2 million Gross (\$1.2 million GF/GP). <u>Senate</u> includes \$2.0 million Gross (\$545,200 GF/GP) as ongoing support for doula services but includes a placeholder for one-time educational and training services. <u>Conference</u> includes \$6.8 million Gross (\$2.6 million GF/GP), of which \$2.9 million Gross (\$1.5 million GF/GP) is one-time.	Federal	NA	4,293,800
	GF/GP	NA	\$2,554,900
106. CenteringPregnancy (One-Time)	Gross	\$10,000,000	(\$2,500,000)
<u>Executive</u> continues \$2.5 million GF/GP, on a one-time basis, for CenteringPregnancy. FY 2023-24 included \$10.0 million Gross (\$5.0 million GF/GP, with half appropriated on a one-time basis. <u>House</u> moves the one-time \$2.5 million GF/GP to ongoing. <u>Senate</u> does not concur with the Executive and retains \$2.5 million GF/GP. <u>Conference</u> concurs with the Executive.	Federal	5,000,000	(2,500,000)
	GF/GP	\$5,000,000	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
107. MIChild Premiums	Gross	\$2,600,000	(\$800,000)
<u>Executive</u> includes \$1.8 million GF/GP to eliminate the \$10 monthly MIChild premium for MIChild beneficiaries under the age of 19. A gross reduction of \$800,000 results from associated reduction of restricted authorization for premium revenue. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	2,600,000	(2,600,000)
	GF/GP	\$0	\$1,800,000
108. Long-Term Care Direct Care Wages	Gross	NA	\$0
<u>Executive</u> includes \$14.0 million Gross (\$49.0 million GF/GP) from the federal reimbursement rate reduction related to long-term care direct care worker wages (\$35.0 million GF/GP) and increases non-direct care worker wages by \$0.85 per hour (\$14.0 million GF/GP). <u>House</u> concurs. <u>Senate</u> concurs with backfilling lost federal funds and includes a \$100 placeholder for non-clinical long-term care workers. <u>Conference</u> concurs with backfilling lost federal revenue.	Federal	NA	(35,028,100)
	GF/GP	NA	\$35,028,100
109. MI Choice Structured Family Caregiving	Gross	\$464,832,100	\$5,000,000
<u>Executive</u> includes \$5.0 million Gross (\$1.7 million GF/GP) for training supports and stipends for live-in family members that provide caregiving supports to Home and Community-Based Services waiver beneficiaries. <u>House</u> concurs. <u>Senate</u> includes \$3.9 million Gross (\$1.4 million GF/GP). <u>Conference</u> concurs with the Executive and House.	Federal	303,112,700	3,256,500
	Private	500,000	0
	GF/GP	\$161,219,400	\$1,743,500
110. MiDOCS Enhancement (One-Time)	Gross	\$20,200,000	\$9,200,000
<u>House</u> includes \$9.2 million Gross (\$4.6 million GF/GP) to increase grant base to support medical doctors through tuition loan relief for services provided in underserved and impoverished communities in this state. <u>Senate</u> does not include. <u>Conference</u> includes on a one-time basis.	Federal	10,100,000	4,600,000
	Restricted	3,700,000	0
	GF/GP	\$6,400,000	\$4,600,000
111. Private Duty Nursing Rate Increase	Gross	NA	\$8,115,900
<u>House</u> includes \$8.1 million Gross (\$2.8 million GF/GP) to increase Medicaid reimbursement rates for private duty nursing services by 25%. <u>Senate</u> and <u>Conference</u> concur, with technical edits to amount.	Federal	NA	5,285,900
	GF/GP	NA	\$2,830,000
112. PACE Program Site Expansion	Gross	\$247,864,500	\$3,153,300
<u>Executive</u> includes \$3.2 million Gross (\$1.1 million GF/GP) to expand PACE sites in Huron Valley, Traverse City, Genesee and Wayne Counties, and the Central Michigan location. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	161,899,100	2,053,700
	GF/GP	\$85,965,400	\$1,099,600
113. Office of Inspector General Double Billing Savings	FTE	NA	14.0
<u>Executive</u> recognizes a net savings of \$17.1 million Gross (\$3.5 million GF/GP) related to OIG actions to reduce Medicaid double-billings. Amount includes \$1.8 million Gross (\$900,000 GF/GP) and authorizes 14.0 FTE positions to expand OIG Medicaid program oversight capacity. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	(\$17,094,600)
	Federal	NA	(13,594,600)
	GF/GP	NA	(\$3,500,000)
114. Medicaid Orthodontic Benefit	Gross	NA	\$4,301,700
<u>Senate</u> includes \$10.8 million Gross (\$3.8 million GF/GP) to establish a Medicaid orthodontic services benefit for persons under the age of 21 in Wayne and Kent counties. <u>Conference</u> includes \$4.3 million Gross (\$1.5 million GF/GP).	Federal	NA	2,801,700
	GF/GP	NA	\$1,500,000
115. Medicaid Anesthesia Rates	Gross	NA	\$0
<u>Senate</u> includes \$18.6 million Gross (\$4.5 million GF/GP) to provide for increases to Medicaid reimbursement rates for anesthesia services. <u>Conference</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
116. Medicaid Office Visit Rates	Gross	NA	\$0
<u>Senate</u> includes \$40.2 million Gross (\$10.0 million GF/GP) to provide for increases to Medicaid reimbursement rates for office visits. <u>Conference</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0
117. Medicaid Speech Therapy Rates	Gross	NA	\$5,472,800
<u>Senate</u> includes \$5.5 million Gross (\$1.5 million GF/GP) to provide for increases to Medicaid reimbursement rates for speech therapy services. <u>Conference</u> concurs.	Federal	NA	3,972,800
	GF/GP	NA	\$1,500,000
118. Orthotic and Prosthetic Provider Rate Increase	Gross	NA	\$605,400
<u>House</u> includes \$605,400 Gross (\$181,600) to bring select Medicaid provider code reimbursement rates for orthotic and prosthetic services up to approximately 74% of comparable Medicare reimbursement rates. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Federal	NA	423,800
	GF/GP	NA	\$181,600
119. Poison Control	Gross	\$1,500,000	\$1,120,000
<u>House</u> includes \$1.1 million GF/GP to increase boilerplate appropriations to the Poison Control Center at Wayne State University to \$2.6 million. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	GF/GP	\$1,500,000	\$1,120,000
120. Rural Obstetric Pool – Memorial Health	Gross	\$7,995,200	\$475,000
<u>House</u> includes \$475,000 GF/GP to support the inclusion of Memorial Health within the rural obstetric support grants pool. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	GF/GP	\$7,995,200	\$475,000
121. One-Time Health Services Funding	Gross	NA	\$23,020,100
<u>Executive</u> includes \$1.0 million GF/GP for Home Health Care Authority and medical outreach (\$250,000). <u>House</u> includes \$8.8 million GF/GP for 8 one-time health services projects. <u>Senate</u> includes \$17.3 million Gross for 9 one-time health services projects. <u>Conference</u> includes \$23.0 million Gross (\$14.0 million GF/GP) for the following:	Federal	NA	9,000,000
	GF/GP	NA	\$14,020,100
<ul style="list-style-type: none"> • \$10.0 million for adult home help caregiver registry and council. • \$3.5 million for Native American FQHC infrastructure. • \$2.0 million for Hurley surgical robot. • \$2.0 million for Munising Memorial critical access hospital. • \$1.0 million for Hackley Community Care. • \$1.0 million for Hospice Caregiver Support Center. • \$745,100 for ALS Association. • \$700,000 for McLaren mobile unit. • \$500,000 for Children's Healing Center. • \$500,000 for health equity statewide curriculum. • \$500,000 for National Kidney Foundation Medicaid outreach. • \$250,000 for Midwestern Medicaid reimbursement rate study. • \$200,000 for a fitness campaign for seniors. • \$125,000 for adolescent hair loss. 			
122. Medicaid Restricted Fund Adjustments	Gross	NA	\$0
<u>Executive</u> includes net-zero Gross funding adjustments (including a net reduction of \$18.0 million GF/GP) to offset revenue shortfalls and surpluses within the Insurance Provider Assessment (IPA), Medicaid Benefits Trust Fund (MBFT), Healthy Michigan Fund (HMF), and the Merit Award Trust Fund. <u>House</u> concurs and redirects \$2.5 million HMF to smoking cessation program. <u>Senate</u> concurs with the Executive. <u>Conference</u> adjusts net-zero Gross funding adjustments for May consensus, resulting in an addition of \$22.7 million GF/GP.	Restricted	NA	(22,700,000)
	GF/GP	NA	\$22,700,000

<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 Conference Change</u>
ONE-TIME APPROPRIATIONS		
123. Removal of FY 2023-24 One-Time Appropriations	FTE 6.0	(6.0)
<u>Executive</u> removes \$347.4 million Gross (\$317.5 million GF/GP) of one-time funding for 81 items that was included in the FY 2023-24 budget. Any funding retained into FY 2024-25 is noted elsewhere. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross \$347,413,400	(\$347,413,400)
	TANF 16,500,000	(16,500,000)
	Federal 13,463,400	(13,463,400)
	GF/GP \$317,450,000	(\$317,450,000)

Major Boilerplate Changes from FY 2023-24

Executive Boilerplate Deletions

The Executive Budget Recommendation deletes a significant amount of boilerplate language, including legislative reporting requirements, included in the FY 2023-24 budget. The list below includes major changes to boilerplate and is not a comprehensive list of all sections proposed to be deleted.

GENERAL SECTIONS

Sec. 210. Legislative Contingency Transfer Authorization – REVISED

Allows for the legislative transfer process to increase federal authorization by up to \$20 million, state restricted authorization by up to \$20 million, local authorization by up to \$5 million, and private authorization by up to \$12 million; prohibits increasing TANF authorization through the legislative contingency transfer process. Executive revises to \$200.0 million federal, \$50.0 million state restricted, \$30.0 million local, and \$45.0 million private. House retains. Senate and Conference revise to \$100.0 million federal, \$50.0 million state restricted, \$30.0 million local, and \$45.0 million private.

Sec. 213. Work Project Lapse Language – NOT INCLUDED

Senate states legislative intent that the State Budget Director lapse work project balances from 3 listed projects, makes those funds available for expenditure in part 1, and the funds be used on an allowable use. Conference does not include.

Sec. 239. Medicaid Reimbursement for Telemedicine – RETAINED

Requires DHHS to reimburse Medicaid telemedicine services the same as if the services involved face-to-face contact between the provider and patient; this applies to the non-facility component of the reimbursement rate. Executive deletes. House, Senate, and Conference retain.

Sec. 250. Single Recipient Grants – REVISED

Requires that for any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this section and outline departmental process for review and execution of grants outlined. Executive and House delete. Senate revises to make technical updates, add a second reporting date, and permits SBO to compile and submit reports. Conference concurs with the Senate and lists out types of eligible recipients.

Sec. 264. DHHS Employee Communication with Legislature – RETAINED

Prohibits DHHS from taking disciplinary action against an employee for communicating with a member of the Legislature or his/her staff, unless the communication is prohibited by law and disciplinary action is lawful. (*Governor's signing letter states section is unenforceable*). Executive deletes. House, Senate, and Conference retain.

Sec. 296. Employee Legal Costs Related to Flint Water System – RETAINED

Requires that DHHS, as permissible under the Governmental Immunity Act, be responsible for legal costs of private attorneys defending current and former DHHS employees in a legal action or investigation related to the City of Flint or other community in which a declaration of emergency was issued because of drinking water contamination. Executive deletes. House, Senate, and Conference retain.

Sec. 298. State Fiscal Recovery Fund (SFRF) – NEW

Conference requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation.

Major Boilerplate Changes from FY 2023-24

Sec. 298. Federal Funds Receive and Expend Authority – NOT INCLUDED

Executive permits DHHS to receive and expend federal funds for the purpose for which they were received in excess of part 1 appropriations; requires DHHS to notify the legislature 10 days after receiving authorization approval from the state budget office; and limits total authority to exceed 1% of part 1 appropriations (or approximately \$350 million). House, Senate, and Conference do not include.

Sec. 299. Gift, Bequests, Donations, Contributions, or Grant Receive and Expend Authority – NOT INCLUDED

Executive permits DHHS to accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support a departmental function or program; requires those funds to be expended in a manner designated, if specified; requires any unexpended or unencumbered funds to not lapse into the general fund; permits any private revenues that exceed part 1 appropriations to be available for expenditure; and requires DHHS to notify the legislature 10 days after receiving authorization approval from the state budget office. House, Senate, and Conference do not include.

DEPARTMENT ADMINISTRATION AND SUPPORT

Sec. 301. Child Welfare Training Institute – RETAINED

Requires DHHS to provide all necessary training and materials to private agencies so that trained private agency staff can deliver pre-service training to any private agency staff. Executive and House delete. Senate, and Conference retain.

COMMUNITY SERVICES AND OUTREACH

Sec. 458. Homeless Shelter Data – NEW

Senate and Conference direct the department to require entities receiving state funds to provide report data to a Homeless Management Information System that satisfies the baseline data collection requirements.

Sec. 458. Homeless Shelter Data – REVISED

Allocates \$4.4 million as grants to diaper assistance programs, maternity homes, and other nonprofit agencies that distribute diapers free of charge; states requirements of eligibility; states requirements of distribution; requires report; designates unexpended funds as work project appropriation. Senate and Conference revise by making DHHS the buyer and distributor of diapering supplies and adds local county offices as an eligible recipient of diapering supplies.

Sec. 466. Runaway and Homeless Youth Grants – REVISED

Allocates \$5.3 million to support program expansion; distributes \$3.2 million to 18 counties that are currently unserved by a runaway and homeless youth program, \$1.1 million to 19 counties for infrastructure expansion, \$1.1 million to 19 counties to upgrade technology and facilities. Executive deletes. House retains and requires report on funding allocations to local agencies. Senate retains current law. Conference revises to update distribution methodology, makes technical changes, and concurs with the House's reporting requirement.

CHILDREN'S SERVICES AGENCY – CHILD WELFARE / JUVENILE JUSTICE

Sec. 503. Child Welfare Performance-Based Funding – REVISED

Requires DHHS to continue partnership with the West Michigan Partnership for Children (WMPC) and continue to review and update contracted rates; requires report. Executive deletes. House retains. Senate and Conference revise by striking report requirement.

Sec. 504. West Michigan Partnership for Children Consortium – RETAINED

Allows DHHS to continue a master agreement with the West Michigan Partnership for Children Consortium and requires the Consortium to maintain a revised agreement that supports the transition to a global capitated payment model and maintain a risk reserve of at least \$1.5 million; requires report. Executive replaces current year language with new language requiring DHHS to complete an examination of the effectiveness of the performance-based funding model that was piloted in Kent County. House retains current year language and moves Executive language to new Sec. 512. Senate retains current law. Conference retains current law and moves Executive language to new Sec. 519.

Sec. 509. Adoption Placement Rate Increase – REVISED

Requires DHHS to maintain the increase of adoption placement rates, including the \$23.00 per diem for all foster youth; per diem rate is to be separate from the outcome-based reimbursement and may not be deducted from total reimbursement an agency receives. Conference revises by requiring DHHS to implement a rate structure that pays for cases based on average length of time it takes to reach adoption finalization.

Major Boilerplate Changes from FY 2023-24

Sec. 510. Alternative Payment Methods – REVISED

Requires the department to allocate funds for a capacity model to fund beds based on projected program needs for private residential facilities; establishes conditions for payments to private providers; requires report. Executive deletes subsection (1) and revises report in subsection (2) to make it quarterly instead of monthly. House revises by replacing current year language in subsection (1) with new language requiring DHHS to fund 600 residential foster care and juvenile justice beds, a 9% increase to current rates, and an unoccupied bed rate of 90% of the filled bed rate; subsection (2) prohibits DHHS from proposing certain requirements in their contracts with providers; subsection (3) retains current law report language. Senate retains current law with technical revisions. Conference deletes subsection (1) and revises (2) to include reporting requirements for incentive payments to child caring institutions.

Sec. 512/519. West Michigan Partnership for Children Consortium Evaluation – NEW

Executive requires DHHS to complete an evaluation of the effectiveness of the performance-based funding model that was piloted in Kent County. House concurs and revises by moving to new Sec. 512 and adding report requiring DHHS to share results of the evaluation with the legislature within 30 days of evaluation completion. Senate does not include. Conference includes House language as new Sec. 519.

Sec. 535. Federal IV-E Claims for Foster Care Payments to Unlicensed Relatives – DELETED

Requires DHHS to allocate \$1.5 million to fund a competent kinship placement, support, and licensing program to increase kinship licensure rate and reduce the average length of stay for children in foster care; DHHS shall reallocate any savings or revenue. Note: the three-year pilot program is set to end in FY 2023-24. Executive, House, Senate, and Conference delete.

Sec. 548. Foster Care Rate Reimbursements – NOT INCLUDED

Senate allocates \$15.0 million GF/GP to increase the foster family maintenance payment per diem and administrative rate paid to private foster care agencies; directs \$7.5 million to be used for maintenance payments and \$7.5 million to be used for administrative rates. Conference does not include.

Sec. 595-1982. Modified Implementation, Sustainability, and Exit Plan (MISEP) Strategy and Improvements – NEW

Executive requires the department to identify necessary investments in new programs and supports for children in care as a means of improving the child welfare system in the state in order to exit the Children's Rights Settlement Agreement; requires report. House and Senate do not include. Conference includes in the one-time unit.

Sec. 599. Residential Rates Based on Consumer Price Index – NOT INCLUDED

Executive requires DHHS to annually adjust rates paid to contracted child caring institutions based on cumulative percentage changes in the most recent one-year period of the consumer price index. House does not include. Senate revises language by allowing for rates to be increased if allowable within appropriations and allows rates to be raised *up* to current CPI rather than requiring them to be *equal*. Conference does not include.

PUBLIC ASSISTANCE

Sec. 603. Public Assistance Benefits Notification – RETAINED

Requires the department to provide timely notification to public assistance program beneficiaries if there will be a decrease in their benefits. Executive deletes. House, Senate, and Conference retain.

Sec. 613. Indigent Burial – REVISED

Provides reimbursements for final disposition of indigent persons; establishes maximum allowable reimbursements; accounts for religious preferences that prohibits cremation; and requires a report. Executive deletes reporting requirement. House revises to increase grant amounts. Senate and Conference revise to increase grant amounts and includes a provision allowing for private donations to funeral homes to supplement state emergency relief.

Sec. 678. FIP Child Supplemental Payments – REVISED

Provides for a supplement per-child under the age of 6 to applicable FIP cases; requires annual supplement total to be no less than \$400 per-child. Executive revises to remove specified appropriation amount; standardize monthly stipends to \$150 per eligible child, per case; and removes annual gross distribution requirement. House concurs. Senate increases specified appropriation amount; specifies TANF as the fund source; increases the gross annual distribution requirement; and includes a similar stipend for children aged 6 to 13. Conference increases specified appropriation amount; specifies TANF as the fund source; removes gross annual distribution requirement; allows for the department to distribute per case based on point-in-time eligible population and available appropriations; includes additional Senate supplement for children aged 6-13; and includes a February 1 reporting requirement.

Major Boilerplate Changes from FY 2023-24

BEHAVIORAL HEALTH

Sec. 907. Community Substance Use Disorder Prevention, Education, and Treatment – REVISED

Requires that appropriations for community substance use disorder prevention, education, and treatment be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses; requires DHHS to approve the managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay; requires the managing entity to continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner. Executive, House, Senate, and Conference revise by deleting requirement that DHHS approve managing entity fee schedules.

Sec. 912. Salvation Army Harbor Light Program – RETAINED

Requires DHHS to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services, if program meets standard of care. Executive deletes. House, Senate, and Conference retain.

Sec. 917. Michigan Opioid Healing and Recovery Fund and Report – REVISED

Allocates \$23.2 million from the Michigan Opioid Healing and Recovery Fund, MCL 12.253, to supplement other opioid-related programs and services and requires a semiannual report. Executive revises by requiring DHHS to provide a portion of the funds to create incentive pool to local recipients for goals and recommendations of the Opioid Advisory Commission. House revises by increasing the amount and by listing out specific grant programs and recipients. Senate revises dollar amount. Conference revises to require \$4.0 million be allocated for peer recovery supports.

Sec. 924. Autism Services Fee Schedule – REVISED

Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$53.20 per hour and not more than \$58.20 per hour. Executive deletes. House revises by increase the behavioral technician rate to not less than \$62.00 per hour. Senate revises to \$70.00 per hour. Conference revises to \$66.00 per hour.

Sec. 960. Autism Services Provision and Cost Containment – REVISED

Requires DHHS to continue to cover all autism services that were covered on January 1, 2019; to restrain costs required DHHS to develop written guidance for standardization; and requires 3-year reevaluations, unless a clinician recommended an earlier reevaluation, and require maintenance of statewide provider trainings, limits practitioners who can perform a diagnostic evaluation and requires evaluations performed by a master's level practitioner to be reviewed by a second practitioner, provide fidelity reviews and secondary approvals, and prohibit specific providers from providing both evaluation and treatment; requires a report. Executive deletes. House revises by removing specific listing of qualified licensed practitioners and for master's level evaluations to be reviewed by another practitioner. Senate retains. Conference concurs with the House with technical revisions.

Sec. 965. Methadone Medication Assisted Treatment – RETAINED

Requires DHHS to reimburse methadone administration, bundled rate H0020, to at least \$19.00. Executive and House delete. Senate and Conference retain.

Sec. 1002. Certified Community Behavioral Health Clinic (CCBHC) Demonstration Criteria – NEW

Executive establishes criteria organizations need to meet to be part of the CCBHC expansion including: be a CMHSP or other eligible organization as outlined in federal law, be able to achieve CCBHC certification by September 1, 2024, and have implemented evidence-based practices by July 1, 2024 including Air Traffic Control Crisis Model with MICAL, assertive community treatment, cognitive behavioral therapy, trauma-focused cognitive behavioral therapy, medication assisted treatment, and motivational interviewing. House does not include listing of specific evidence-based practices, adds requirement that funds are prioritized for organizations in counties without a CCBHC, and includes a legislative report. Senate concurs with the Executive with technical edits. Conference does not include listing of specific evidence-based practices and requires administrative funds be used for outreach to encourage CCBHC expansion into new counties.

Sec. 1059. State Psychiatric Hospital and Center for Forensic Psychiatry Performance Report – REVISED

Establishes outcomes and performance measures for the Center for Forensic Psychiatry and state psychiatric hospitals, and requires a report. House, Senate, and Conference revise to include outcome measures by adults and children, total number of admission requests, and number and reasons for individuals removed from the waiting lists.

Major Boilerplate Changes from FY 2023-24

PUBLIC HEALTH

Sec. 1157. Child Advocacy Centers – Supplemental Grants – REVISED

Requires \$2.0 million funding for child advocacy centers be allocated as supplemental grants for operations and to increase services to victims and their families. Executive revises by removing requirement that each child advocacy center is allocated funding proportionally based on number of children served. House concurs and includes language requiring that funds be allocated consistent with the regular funding allocation formula for the child advocacy centers. Senate revises by setting allocation amounts to be based on population of children served at each child advocacy center during in the fiscal year that ended September 30,2023. Conference revises by requiring that the formula for funding allocation is set in consultation with Children's Advocacy Centers of Michigan (CAC-MI), requires base funding, and considers factors such as the number of children in the service area, square miles of the service area, and prior service levels.

Sec. 1158. Crime Victims' Rights Sustaining Grants – REVISED

Allocates \$25.9 million to supplement the loss of federal victims of crime act and state crime victim rights funding; directs DHHS to distribute funds consistent with the regular allocation formula used for crime victim justice assistance grants and crime victim rights service grants. House revises allocation amount to \$29.9 million. Senate retains current law. Conference concurs with the House.

Sec. 1159. Community Health Access and Outcome Disparity Programming – REVISED

Allocates funding for the creation and operation of community-based health clinics to provide preventative health services and healthy community zones to address access to healthy food, affordable housing, and safety networks; requires report. Executive revises by adding the operation of mobile health units to list of eligible expenditures. House concurs. Senate and Conference concur with Executive and makes additional technical edits.

Sec. 4462-1967. Trauma Recovery Pilot Programs – REVISED

Allocates \$4 million for a 3-year trauma recovery pilot program to increase access to adult level I Michigan designated trauma centers; defines program requirements; allows DHHS to award funding to an adult level I trauma center that does not currently meet guidelines for implementing and operating trauma centers but demonstrates the ability to comply in the future; defines specific allocation amounts; designates unexpended funds as work project appropriation. Executive and House delete. Senate moves language to Sec. 1967 in the one-time unit and revises to allocate \$8.0 million along with technical edits. Conference concurs with the Senate and revises to allocate \$4.0 million.

Sec. 1301. Pregnancy Planning, Prenatal, and Maternal and Child Health Programs Report – RETAINED

Requires DHHS to report by April 1 on funding allocations, breakdown of expenditures by urban and rural, and previous fiscal year service and expenditure data by population groups for the local maternal and child health, prenatal care, family planning, and pregnancy prevention programs. DHHS shall ensure that needs of rural communities are considered in distribution of funds for these programs. Defines "rural" as having a population of 30,000 or less. Executive deletes. House, Senate, and Conference retain current law.

Sec. 1312. Prenatal Care and Premature Birth Avoidance Grant Allocation – DELETED

Allocates \$1.0 million as competitive grants after fulfilling DHHS contract obligations with Strong Beginnings, a federal Healthy Start program in Kent County, for the purpose of support to underserved populations for prenatal care and premature birth avoidance; requires report. Executive revises by removing requirement that DHHS fulfill contract obligations with Strong Beginnings; eliminates report requirement. House retains current law. Senate and Conference delete.

Sec. 1325. Local Perinatal Quality Collaboratives – RETAINED

Allocates \$5 million to support grants to local collaboratives to enhance ability to coordinate and improve maternal and infant health outcomes; requires local collaboratives to provide screening and treatment for substance use disorder. Executive revises by removing requirement that local collaboratives must provide screening and treatment for substance use disorder in order to receive funding. House retains current law and includes an additional \$5.0 million GF/GP. Senate and Conference retain.

HEALTH SERVICES

Sec. 1508. Reproductive Health Information – NOT INCLUDED

Senate includes a provision to restrict health care providers from releasing medical information regarding reproductive health to agencies of another state, including if sought through subpoena. Conference does not include.

Sec. 1616. Community Health Workers – DELETED

Requires DHHS to seek federal authority to enroll and recognized Community Health Workers as Medicaid providers; seek federal matching funds for services; requires any expansion be geographically broad-based, evidence-based, and commensurate with applicable training; details the extent of the authority request; and requires a report. Executive, House, Senate, and Conference delete.

Major Boilerplate Changes from FY 2023-24

Sec. 1620. Pharmacy Dispensing Fee and Prescription Drug Co-Payments – REVISED

Establishes the pharmacy dispensing fees based on the medication's standing on the DHHS preferred drug list; requires prescription co-payments for Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level of \$1 for generic drugs and \$3 for brand-name drugs; requires prescription co-payments for Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level of \$4 for generic drugs and \$8 for brand-name drugs. Executive, House, Senate, and Conference revise to remove higher co-payments Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level.

Sec. 1625. Medicaid Managed Care Pharmacy Benefits Managers – DELETED

Prohibits DHHS from entering into any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: (1) utilize a pharmacy reimbursement methodology of the National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees for pharmacies with not more than 7 retail outlets (and lists reimbursements when an ingredient does not have a National Average Drug Acquisition Cost listed); (2) reimburse for valid claims at the rate in effect at the time of original claim; (3) agree to transparent "pass-through" pricing, (4) agree to not create new fees or increase fees above inflation, and (5) agree to not terminate existing contracts for the sole reason of the additional professional dispensing fee Executive, House, Senate, and Conference delete.

Sec. 1631. Medical Services Co-Payments – REVISED

Requires co-payments on dental, podiatric, and vision services; requires copayments for Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level of \$2 for a physician office visit, \$6 for a hospital emergency room visit, \$50 for the first day of an in-patient hospital stay, and \$2 for an out-patient hospital visit; requires co-payments for Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level of \$4 for a physician office visit, \$8 for a hospital emergency room visit, \$100 for the first day of an in-patient hospital stay, and \$4 for an out-patient hospital visit. Executive, House, Senate, and Conference revise to remove higher co-payments Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level and includes a \$1.00 price for generic drugs.

Sec. 1673. MI Child Premiums – DELETED

Allows DHHS to establish premiums of \$10 per month for eligible individuals in families with income at or below of 212% of poverty level. Executive, House, Senate, and Conference delete.

Sec. 1699. Disproportionate Share Hospital and Graduate Medical Education Payments – DELETED

Authorizes separate payments of \$45.0 million for hospitals serving a disproportionate share of indigent patients and hospitals providing GME training programs; requires distribution to be based on methodology used in FY 2003-04. Executive, House, Senate, and Conference delete.

Sec. 1786. Vaccine Reimbursements – REVISED

Requires DHHS to maintain the Medicaid reimbursement increase for injectable and oral vaccines and provides intent. Executive revises to increase reimbursements to \$23.03. House, Senate, and Conference concur.

Sec. 1805. Long-Term Care Dual Certification – NEW

House, Senate, and Conference require the department to seek authorization for a Medicaid state plan amendment that allows for the dual certification of Medicare-eligible beds as Medicaid-eligible concurrently, and details stipulations of the certification requirements.

Sec. 1832. HRA Receive and Expend – DELETED

Authorizes the department to expend funds without prior appropriation for specific, federally required program changes to CHIP detailed in 2023 42 CFR. Executive, House, Senate, and Conference delete.

Sec. 1854. PACE Enrollment Cap – REVISED

Requires the department to maintain an enrollment cap of 7,553 for the Program for All-Inclusive Care for the Elderly (PACE). House, Senate, and Conference revise to increase enrollment cap to 8,543.

FY 2024-25: INSURANCE AND FINANCIAL SERVICES
Summary: Conference Report
Article 7, Senate Bill 747 (S-1) CR-1



Analyst: Marcus Coffin

	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: Conference From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$732,100	\$753,500	\$753,500	\$753,500	\$753,500	\$21,400	2.9
Federal	1,017,100	700,000	700,000	700,000	700,000	(317,100)	(31.2)
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	72,398,700	76,317,900	76,317,900	77,817,900	77,167,900	4,769,200	6.6
GF/GP	0	0	0	0	0	0	--
Gross	\$74,147,900	\$77,771,400	\$77,771,400	\$79,271,400	\$78,621,400	\$4,473,500	6.0
FTEs	394.5	401.5	401.5	406.5	404.5	10.0	2.5

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

Overview

The Department of Insurance and Financial Services (DIFS) is responsible for regulating and promoting the insurance and financial services industries operating within this state. The department also provides consumer protection by managing consumer information and inquiries and investigating consumer complaints. DIFS administers and enforces state statutes pertaining to state-chartered banks and credit unions; mortgage brokers, lenders, and servicers; consumer finance entities; insurance companies, agents, and products; and health maintenance organizations.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Staffing Increase	FTE 225.0	7.0
<u>Executive</u> includes \$1.3 million Gross (\$0 GF/GP) and authorization for 7.0 FTE positions to hire additional staff to address increased work volumes due to insurance sector growth. This increase would impact two line items and the additional staff that would be hired includes 2 analyst positions, 2 management positions, 1 licensing technician, 1 enforcement attorney, and 1 communications representative. The funding would support salaries and benefits associated with the FTE positions, as well as IT licenses that would be necessary for the new positions. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross \$38,672,500	\$1,314,100
	IDG/IDT 61,600	2,800
	Federal 1,017,100	0
	Restricted 37,593,800	1,311,300
	GF/GP \$0	\$0
2. Customer Service	FTE NA	3.0
<u>Senate</u> includes \$1.5 million of state restricted funding authorization from the Insurance Bureau Fund and authorization for 5.0 FTE positions to provide customer service related to auto insurance and auto accident care claimants. <u>Conference</u> includes \$600,000 of state restricted funding authorization from the Insurance Bureau Fund and authorization for 3.0 FTE positions, with an expanded focus that includes customer service outreach or education related to financial services and insurance, in addition to auto insurance and care claims.	Gross NA	\$600,000
	Restricted NA	600,000
	GF/GP NA	\$0
3. Pharmacy Benefit Manager Licensure and Registration Act	Gross NA	\$660,000
<u>Executive</u> includes \$660,000 of state restricted funding authorization from the Insurance Bureau Fund to support regulatory activities related to pharmacy benefit managers required under 2022 PA 11. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted NA	660,000
	GF/GP NA	\$0

<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 Conference Change</u>
4. Auto Insurance Reform Study	Gross	\$0	\$250,000
<u>Senate</u> includes \$250,000 of state restricted funding authorization from Insurance Licensing and Regulation Fees (one-time) to contract with a university or research institute to study the effects of the 2019 auto no-fault insurance reforms. <u>Conference</u> concurs.	Restricted	0	250,000
	GF/GP	\$0	\$0
5. Insurance Complaints and Healthcare Appeals Outreach Campaign	Gross	\$0	\$250,000
<u>Executive</u> includes \$250,000 of state restricted funding authorization from Insurance Licensing and Regulation Fees (one-time) to support an outreach campaign to raise awareness of consumer rights regarding filing insurance complaints and seeking appeals of health insurance denials. These rights are established under the Insurance Code of 1956 (1956 PA 218) and the Patient's Right to Independent Review Act (2000 PA 251). It is anticipated that funding would be used for media purchases (billboards, TV, radio, social media, etc.) and contracted production services. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Executive</u> .	Restricted	0	250,000
	GF/GP	\$0	\$0
6. Technical Adjustments	Gross	NA	\$0
<u>Executive</u> includes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to reflect employee counts more accurately and to align funding authorization with revenue received and department operations and activities. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	(317,100)
	Restricted	NA	317,100
	GF/GP	NA	\$0
7. Economic Adjustments	Gross	NA	\$1,399,400
<u>Executive</u> reflects increased costs of \$1.4 million Gross (\$0 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	IDG/IDT	NA	18,600
	Restricted	NA	1,380,800
	GF/GP	NA	\$0

Major Boilerplate Changes from FY 2023-24

Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the conference report.

Sec. 206. Communication With the Legislature – RETAINED

Prohibits DIFS from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. Executive deletes. House, Senate, and Conference retain.

Sec. 208. Hiring of External Legal Counsel – REVISED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or services authorized by attorney general. Executive and House revise to include different stylistic changes. Senate revises to include stylistic changes and to allow the Department of Attorney General to assess penalties for late payments for legal services provided to DIFS. Conference revises to include stylistic changes.

Sec. 210. Legislative Contingency Transfer Authorization – RETAINED

Allows for the legislative transfer process to increase federal authorization by up to \$200,000 and state restricted authorization by up to \$1.0 million. Executive revises to increase maximum amounts of contingency authorizations to increase federal authorization by up to \$1.0 million and state restricted authorization by up to \$5.0 million. House, Senate, and Conference retain.

Sec. 211. Transparency Website – RETAINED

Requires DIFS to cooperate with DTMB to maintain a searchable website accessible by the public at no cost that includes information on expenditures, vendor payments, number of active employees, job specifications, and wage rates. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 212. State Restricted Funds Report – RETAINED

Requires DIFS to work with SBO to report on estimated restricted fund revenues, expenditures, and balances for the prior two fiscal years. Executive deletes. House, Senate, and Conference retain.

Sec. 214. Department Website Information – DELETED

Requires DIFS to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics used to monitor and improve department performance. Executive, House, Senate, and Conference delete.

Sec. 214. FTE Positions and Vacancies Reports – RETAINED

Requires DIFS to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts. Executive revises to delete reporting on FTE volumes. House retains. Senate revises to include detailed reporting on vacant positions. Conference retains.

Sec. 215. Work Project Usage – RETAINED

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 216. Retention of Reports – RETAINED

Requires DIFS to receive and retain copies of all reports funded by the department's budget, while complying with federal and state guidelines for records retention. Executive deletes. House, Senate, and Conference retain.

Sec. 217. Report on Policy Changes for Public Act Implementation – RETAINED

Requires DIFS to report on policy changes made to implement public acts that took effect during the prior calendar year. Executive deletes. House, Senate, and Conference retain.

Sec. 218. State Administrative Board Transfers – DELETED

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds. Executive, House, Senate, and Conference delete.

Sec. 221. Severance Pay Reporting – DELETED

Requires DIFS to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires report on total amount of severance pay remitted and number of DIFS employees receiving severance pay in FY 2022-23. Executive and House delete. Senate retains. Conference deletes.

Sec. 222. In-Person Work – DELETED

Expresses legislative intent that DIFS maximize the efficiency of the state workforce, prioritize in-person work where possible, and post its in-person, remote, or hybrid work policy on its website. Executive deletes. House retains. Senate and Conference delete.

Sec. 222. State Fiscal Recovery Fund (SFRF) – NEW

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation. Executive, House, and Senate do not include. Conference includes new language.

Sec. 225. Television and Radio Production Expenditure Report – DELETED

Requires DIFS to report any expenditure of funds to a third-party vendor for television or radio productions; delineates information to be included. Executive deletes. House retains. Senate and Conference delete.

Sec. 301. Health Insurance Rate Change Report – REVISED

Requires DIFS to electronically transmit the annual health insurance rate change report prepared pursuant to 45 CFR 154.301(b). Executive deletes. House retains. Senate revises to require a report on health insurer annual rate filings and details reporting requirements. Conference revises to include an additional reporting requirement regarding the number of objections issued by DIFS for health insurance filings.

Sec. 302. Conservatorship and Insurance Liquidation Funds – RETAINED

Requires funds collected by DIFS in connection with a conservatorship pursuant to section 32 of 1987 PA 173 and from corporations being liquidated pursuant to 1956 PA 218 to be appropriated for expenses necessary to provide required services and to not lapse to General Fund; limits appropriations to \$1.0 million. Executive and House revise to remove the \$1.0 million cap. Senate and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 303. Fees for Customized Listings – RETAINED

Permits DIFS to provide customized lists of non-confidential information to interested parties and to charge reasonable fees; requires funds to lapse to appropriate restricted fund accounts and limits amount appropriated to \$1.0 million. Revises to remove the \$1.0 million cap. Executive and House revise to remove the \$1.0 million cap. Senate and Conference retain.

Sec. 304. Annual Reports Transmission – RETAINED

Requires DIFS to electronically transmit the annual report required under the Insurance Code of 1956 and the Banking Code of 1999. Executive deletes. House, Senate, and Conference retain.

Sec. 305. Financial Institutions Marihuana Evaluation Guidance – RETAINED

Requires DIFS to update examination manuals and letters of guidance for institutions providing financial services to businesses involved in the marihuana industry to reflect how those institutions will be evaluated. Executive deletes. House, Senate, and Conference retain.

Sec. 306. Auto Insurance Rate Filings Report – NEW

Requires DIFS to report on auto insurer annual rate filings, including the number of approvals and denials, processing times, justifications for rate filing approvals, and the average change in rates. Executive and House do not include. Senate includes new language. Conference includes new language with revisions to the reporting requirements, requiring information on filing volumes, processing times, and objections.

Sec. 307. Auto Insurance and Auto Accident Care Customer Service – NEW

Requires DIFS to expend \$1.5 million and allocate 5.0 FTEs to provide customer service to auto insurance and auto accident care claimants, with at least 1.0 FTE designated to assist catastrophic auto accident survivors. Executive and House do not include. Senate includes new language. Conference includes new language with revisions to reflect \$600,000 appropriation amount and 3.0 FTE allocation.

Sec. 308. Outreach, Education, and Support Services – NEW

Requires DIFS to create a plan to increase outreach, education, and support services to the public; allows DIFS to partner with other state agencies. Executive, House, and Senate do not include. Conference includes new language.

Sec. 308. Satellite Offices – NOT INCLUDED

Requires DIFS to create a plan to establish satellite offices to provide in-person services, provides criteria DIFS must consider when choosing satellite office locations, and allows DIFS to partner with the Secretary of State. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 401. Auto Insurance Reform Study – NEW

Requires DIFS to contract with a university or research institute to conduct a study of the effects of the 2019 auto no-fault insurance reforms. Executive and House do not include. Senate includes new language. Conference includes new language with revisions to include permissive verbiage regarding contracting with a university, research institute, or other policy research entity.

Sec. 402. Insulin Market Study – NOT INCLUDED

Requires DIFS to conduct a study of the insulin market and to submit recommendations to lower the price of insulin; requires the study to include information and data regarding insurers, pharmacy benefit managers, pharmacies, insulin consumers, and any other relevant stakeholders. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 402. Insurance Complaints and Health Care Appeals Outreach Campaign – NEW

Requires DIFS to provide an outreach campaign to raise awareness with respect to filing complaints and consumer rights regarding health insurance denial appeals; allows for paid advertising and outreach; requires a report detailing expenditures for the outreach campaign. Executive, House, and Senate do not include. Conference includes new language.

FY 2024-25: JUDICIARY
Summary: Conference Report
Article 8, Senate Bill 747 (S-1) CR-1



Analyst: Robin R. Risko

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Revised Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: Conference From FY 2023-24	
						Enacted Amount	%
IDG/IDT	\$1,902,300	\$1,902,300	\$1,902,300	\$1,902,300	\$2,402,300	\$500,000	26.3
Federal	6,751,300	7,132,600	7,132,600	7,132,600	7,132,600	381,300	5.6
Local	0	0	0	0	0	0	--
Private	1,903,900	1,905,300	1,905,300	1,905,300	1,905,300	1,400	0.1
Restricted	95,152,600	95,887,300	95,887,300	95,887,300	95,887,300	734,700	0.8
GF/GP	250,218,100	265,213,900	263,388,900	264,047,900	266,113,900	15,895,800	6.4
Gross	\$355,928,200	\$372,041,400	\$370,216,400	\$370,875,400	\$373,441,400	\$17,513,200	4.9
FTEs	598.0	655.5	635.5	654.5	643.5	45.5	7.6

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

Overview

Article VI of the State Constitution of 1963 forms the basis for Michigan's judicial branch of government. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, the State Appellate Defender Office, and other judicial agencies. The budget funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the number of judgeships.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Statewide Case Management System

Executive includes \$4.6 million GF/GP and authorization for 19.0 new FTE positions for continued support of the statewide judicial case management system. Of the total, \$3.6 million would be used to support staff, operating, and maintenance costs. The other \$1.0 million would be used to purchase hardware and software for the additional FTE positions and to fund increasing cloud hosting capacity, maintenance and security services, and various licenses. House does not include funding or authorization for FTE positions. Senate includes \$2.7 million GF/GP and authorization for 19.0 FTE positions. Conference includes \$1.6 million GF/GP and authorization for 7.0 FTE positions.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
FTE	NA	7.0
Gross	NA	\$1,600,000
GF/GP	NA	\$1,600,000

2. Appellate Indigent Defense Workload Standards

Executive includes \$3.3 million GF/GP to support costs of 23.0 new attorney and support staff positions for the State Appellate Defender's Office (SADO) for a three-year, phased implementation of workload standards, based on a workload assessment from the National Center for State Courts. Standards are developed in parallel with separate workload standards for trial-level public defenders through the Michigan Indigent Defense Commission. House concurs. Senate concurs. Conference concurs.

FTE	0.0	23.0
Gross	\$0	\$3,259,000
GF/GP	\$0	\$3,259,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
3. SADO Collective Bargaining Agreement	Gross	\$0	\$856,100
<u>Executive</u> includes \$856,100 GF/GP to cover costs of negotiated pay increases for UAW-represented employees of SADO under the first-ever collective bargaining agreement between SADO and the union. Represented positions include assistant defenders, reentry specialists, mitigation specialists, investigators, administrative positions (finance and IT), and program positions (Criminal Defense Resource Center and MAACS). <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	\$0	\$856,100
4. SADO Non-Exclusively Represented Employees	Gross	\$0	\$205,600
<u>Executive</u> includes \$205,600 to cover costs of a 5% base increase for non-represented employees to bring them in line with similar civil service positions and to keep pace with adjustments provided to union-represented employees. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	\$0	\$205,600
5. MAACS Youth Defense Manager	FTE	0.0	1.0
<u>Executive</u> includes \$157,000 GF/GP and authorization for 1.0 FTE position to shift the SADO-MAACS youth defense roster manager position from a federally funded position to a state funded position. Currently, the position is funded with a one-time three-year federal grant through the DOJ, Office of Juvenile Justice and Delinquency Prevention, but the grant expires at the end of FY 2024. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$157,000
	GF/GP	\$0	\$157,000
6. Conversion of Contracted Positions to State Positions	FTE	NA	9.5
<u>Executive</u> includes \$934,700 GF/GP to cover costs of converting 9.5 positions from contracted positions to state employees, as recommended by the IRS in a recent payroll audit on the use of independent contractors. Following is detail for affected budget areas:	Gross	NA	\$934,700
<ul style="list-style-type: none"> • SADO - \$390,000 and 3.5 FTE positions • Supreme Court - \$296,600 and 3.0 FTE positions • Court of Appeals - \$142,900 and 2.0 FTE positions • Michigan Judicial Institute - \$105,200 and 1.0 FTE position. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$934,700
7. Judgeship Changes	Gross	NA	\$305,500
<u>Executive</u> includes \$305,500 Gross (\$171,700 GF/GP) to cover partial year costs of two new judgeships – one probate court judgeship in Macomb County and one district court judgeship in Kent County. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	NA	133,800
	GF/GP	NA	\$171,700
8. SOCC Recommendations for Supreme Court Justices	Gross	\$0	\$166,600
<u>Executive</u> includes \$166,600 GF/GP to support recommendations made by SOCC in May 2023 to provide 7% salary increases for Supreme Court justices in 2025 and 2026, and \$10,000 expense allowances for each Supreme Court Justice. For SOCC recommendations to take effect for 2025, recommendations need legislative approval via a concurrent resolution prior to the November 2024 general election. <u>House</u> includes a \$100 placeholder pending passage of the concurrent resolution. <u>Senate</u> includes \$166,600. <u>Conference</u> includes \$166,600.	GF/GP	\$0	\$166,600
9. Behavioral Health Administrator	FTE	0.0	1.0
<u>Revised executive</u> includes \$245,000 GF/GP to establish 1.0 behavioral health administrator position within SCAO (initial amount was \$170,000). The administrator would help analyze, develop, and implement improved court responses and services and best practices for addressing mental health issues and substance use disorder. <u>House</u> includes \$170,000 GF/GP. <u>Senate</u> includes \$170,000 GF/GP. <u>Conference</u> includes \$245,000 GF/GP.	Gross	\$0	\$245,000
	GF/GP	\$0	\$245,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
10. Commission Staffing	FTE	0.0	1.0
<u>Executive</u> includes \$170,000 GF/GP and authorization for 1.0 FTE position to support the Justice for All Commission and the newly created Commission on Well-Being in the Law. The Justice for All Commission was established to simplify the court system, court rules, processes, and forms to increase court and community engagement and access to justice. The Commission on Well-Being in the Law was created by the Supreme Court and the State Bar to address the high rates of depression, anxiety, and substance use disorder among professionals in the legal community. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$170,000
	GF/GP	\$0	\$170,000
11. Judicial Security	FTE	0.0	1.0
<u>Executive</u> includes \$475,000 GF/GP and authorization for 1.0 FTE position for judicial security. Funding would be used by SCAO to enter a contract with a vendor that would assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses). <u>House</u> does not include funding or authorization for FTE position. <u>Senate</u> concurs with executive. <u>Conference</u> concurs with executive.	Gross	\$0	\$475,000
	GF/GP	\$0	\$475,000
12. Increased Costs for Facility Security	Gross	NA	\$50,400
<u>Executive</u> includes \$50,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$50,400
13. Legal Assistant Position for the Supreme Court	FTE	0.0	1.0
<u>Executive</u> includes \$110,000 GF/GP to support 1.0 legal assistant position that would be shared by the Office of General Counsel and the Office of Administrative Counsel within the Supreme Court. The position is requested due to an increased administrative workload that is currently being managed by legal staff. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$110,000
	GF/GP	\$0	\$110,000
14. Federal Funds Adjustment for Drug Treatment Courts	Gross	NA	\$305,000
<u>Executive</u> includes authorization to receive an additional \$305,000 in federal grant funding from the Office of Highway Safety Planning. Funding would be used to support drug treatment courts. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	NA	305,000
	GF/GP	NA	\$0
15. Removal of FY 2023-24 One-Time Appropriations	Gross	\$5,500,000	(\$5,500,000)
<u>Executive</u> removes \$5.5 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:	GF/GP	\$5,500,000	(\$5,500,000)
<ul style="list-style-type: none"> Statewide Court Data Transparency Project (\$4.5 million GF/GP) Expungement Initiative (\$700,000 GF/GP) Judicial Institute (\$300,000 GF/GP). <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.			
16. Economic Adjustments	Gross	NA	\$9,623,300
<u>Executive</u> reflects a net increase in costs of \$9.6 million Gross (\$8.9 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and rent. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	NA	76,300
	Private	NA	1,400
	Restricted	NA	600,900
	GF/GP	NA	\$8,944,700

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
Major Budget Changes from FY 2023-24 Enacted Appropriations			
17. Operation Drive	Gross	\$0	\$1,000,000
<u>House</u> includes \$2.0 million of one-time GF/GP to support the Operation Drive program. Of the total, \$1.0 million would be allocated to the 52nd District Court in Oakland County and \$1.0 million would be allocated to district courts statewide that want to establish a program. The program would assist individuals with regaining driving privileges by providing guidance on how to address underlying issues that led to driver license suspension, guidance on how to maintain responsibility, and guidance on how to address traffic tickets, warrants, court appearances, and payment of fees and fines. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million of one-time GF/GP. Of the total, \$500,000 would be allocated to the 52nd District Court in Oakland County and \$500,000 would be allocated to district courts statewide that want to establish a program.	GF/GP	\$0	\$1,000,000
18. Prescription Compliance through Oral Fluid Testing	Gross	\$0	\$500,000
<u>House</u> includes \$990,900 GF/GP (\$490,900 ongoing; \$500,000 one-time) for SCAO to continue the prescription compliance through oral fluid testing program in veterans and mental health treatment courts and to expand the program to other veterans and mental health treatment courts and to drug treatment courts that want to participate. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 of one-time GF/GP for SCAO to continue the program.	GF/GP	\$0	\$500,000
19. Eviction Diversion Pilot Program	Gross	\$0	\$500,000
<u>House</u> includes \$500,000 of one-time GF/GP to support an eviction diversion pilot program in 14A District Court in Washtenaw County. Funds would be used to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 of one-time GF/GP.	GF/GP	\$0	\$500,000
20. MAACS Financial Oversight and Support Attorney	FTE	0.0	1.0
<u>House</u> includes \$150,500 GF/GP and authorization for 1.0 FTE position to support a financial oversight and support attorney for MAACS. The attorney would be responsible for developing and implementing a review and audit procedure for attorney fee vouchers. <u>Senate</u> does not include. <u>Conference</u> includes \$150,000 GF/GP and 1.0 FTE position.	Gross	\$0	\$150,000
	GF/GP	\$0	\$150,000
21. Additional Retirement Contribution for Judges	Gross	\$0	\$1,900,000
<u>House</u> includes a \$100 placeholder for potential costs associated with House Bill 5328. The bill would require an additional state-funded 2% retirement contribution for judges. <u>Senate</u> does not include. <u>Conference</u> includes \$1.9 million GF/GP for this purpose.	GF/GP	\$0	\$1,900,000
22. Juvenile Indigent Defense	Gross	\$0	\$0
<u>Senate</u> includes \$1.0 million of one-time GF/GP for juvenile indigent defense grants to address the lack of representation for juveniles charged with felony offenses. <u>Conference</u> does not include funding for this purpose.	GF/GP	\$0	\$0
23. Status Offender Pilot Program	Gross	\$0	\$500,000
<u>Conference</u> includes authorization for SCAO to receive and expend federal funding through an IDG from the Department of Health and Human Services for the Status Offender Pilot program. Funding would be awarded by the Office of Juvenile Justice Delinquency and Prevention and would be used by eligible courts to provide services for diverted youth.	IDG	0	500,000
	GF/GP	\$0	\$0

Major Boilerplate Changes from FY 2023-24

Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Section numbers listed for retained/revised/new sections are as they appear in the conference report. Section numbers may be different from section numbers listed in current law and in the House and Senate passed versions of the Judiciary bill.

Sec. 208. Transparency Website – RETAINED

Requires the judicial branch to maintain a searchable website that is accessible by the public at no cost and includes all expenditures made by the judicial branch within the fiscal year and purposes for which the expenditures were made. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 209. Report on State Restricted Funds – RETAINED

Requires the judicial branch to work with the state budget office to report annually on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 210. Appropriation of Additional Revenue – NOT INCLUDED

Appropriates an additional \$2.5 million in federal revenue, \$2.5 million in state restricted revenue, and \$500,000 in private revenue should the revenue become available. Executive includes new language. House does not include new language. Senate includes new language. Conference does not include new language.

Sec. 211. Website for Information – DELETED

Requires judiciary to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics used to monitor and improve judiciary's performance. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 211. Disciplinary Action Against State Employees – RETAINED

Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 212. Receipt and Retention of Required Reports – RETAINED

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

Sec. 213. Expending Available Work Project Authorization – NOT INCLUDED

Prohibits appropriations that have unexpended work project authorization associated with them, to the extent possible, from being expended until all existing work project authorization for the same purpose is exhausted. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Sec. 215. Linking Swift and Sure Sanctions Program to DHHS, LEO, and MDOC Programming – DELETED

Authorizes SCAO to identify programs within the Departments of Health and Human Services, Labor and Economic Opportunity, and Corrections that have programmatic connections with Swift and Sure Sanctions program participants for the purpose of leveraging collaborations and determining avenues of success for offenders who are eligible for state-provided programs; requires SCAO to provide guidance to courts participating in the Swift and Sure Sanctions program of available DHHS, LEO, and MDOC programming. Executive deletes. House retains. Senate deletes. Conference deletes.

Sec. 306. Report on Problem-Solving Courts – REVISED

Requires SCAO to provide a statistical report on drug treatment, mental health, and veterans court programs, including information on the number and types of programs established, the number of program participants in each jurisdiction, program impacts on offender criminal involvement and recidivism, and an accounting of prior year expenditures, including grant amounts requested by courts, grant amounts awarded to courts, and grant amounts expended by courts. Executive consolidates this section with Sec. 307 to reflect consolidation of problem-solving court appropriations and associated boilerplate. House retains current law structure but revises to specify that information is required to be submitted for each individual court by program and revises the reporting date. Senate consolidates this section with Sec. 307 to reflect consolidation of problem-solving court appropriations and associated boilerplate. Conference retains current law structure and concurs with House revisions.

Major Boilerplate Changes from FY 2023-24

Sec. 307. Drug Treatment Courts – RETAINED

Requires SCAO to administer appropriation for operating drug treatment court programs; requires drug treatment courts to handle cases involving nonviolent offenders having substance use disorders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives; requires allocation of sufficient funding for Michigan Judicial Institute to provide in-state training for drug treatment court staff and judges; authorizes consideration of priority to be given to courts where higher instances of substance use disorder cases are filed; specifies that \$1.5 million in federal Byrne grant revenue is to be used for expanding drug treatment courts to assist in avoiding prison bed space growth for nonviolent offenders. Executive consolidates this section with Sec. 306 to reflect consolidation of problem-solving court appropriations and associated boilerplate. House retains current law structure and language. Senate consolidates this section with Sec. 306 to reflect consolidation of problem-solving court appropriations and associated boilerplate. Conference retains current law structure and language.

Sec. 308. Swift and Sure Sanctions Program – REVISED

Requires SCAO to administer the Swift and Sure Sanctions program and distribute grants to qualifying courts; authorizes SCAO to expend \$150,000 of the appropriation to pay for employee costs associated with administration of the program; reserves \$500,000 for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year; requires SCAO to work with the Department of Corrections to report on courts receiving funding, number of offenders participating in the program, criminal history of offenders, recidivism rates, parameters of the program, courts participating in the program, and an accounting of prior year expenditures, including grant amounts requested by courts, grant amounts awarded to courts, and grant amounts expended by courts. Executive retains current language. House revises to specify that information is required to be submitted for each individual court by program and revises the reporting date. Senate retains current language. Conference concurs with House revisions.

Sec. 309. Prescription Compliance through Oral Fluid Testing Program – DELETED

Requires SCAO to continue the Prescription Compliance through Oral Fluid Testing program; requires SCAO to report on the number of programs established, the number of program participants in each jurisdiction, program testing and results, program treatment, and program outcomes, including rearrest rate of participants while participating in the program. Executive deletes. House revises to require that no less than \$490,900 be allocated for continuing the program, adds requirement for report to also include the number of tests completed and the benefits of the program to the state, and revises the reporting date. Senate deletes. Conference deletes.

Sec. 312. Allocation of Funding for Statewide Judicial Case Management System – DELETED

Requires not more than \$6.5 million to be used to offset loss of local user fee revenue previously paid by trial courts that have already transitioned to the new system and \$5.4 million to support staff and other operating costs as trial courts continue to transition to the new system. Executive deletes. House deletes. Senate retains. Conference deletes.

Sec. 312. Prohibit Charging Fees for Use of Statewide Case Management – NEW

Prohibits SCAO from imposing or collecting local user fees from trial courts that use the statewide judicial case management system. Executive includes new language. House includes new language. Senate does not include new language. Conference includes new language.

Sec. 314. Medication-Assisted Treatment Program – RETAINED

Requires judiciary to maintain a medication-assisted treatment program to provide treatment for opioid- and alcohol-addicted individuals who are referred to and who voluntarily participate in the program; requires judiciary to report on the program, including itemized spending by court, number of participants, and statistics that indicate average program participation duration and success rates; specifies that the goal of the program is for participants to be free of narcotic addiction prior to ending participation in the program. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 401. Expungement Initiative – DELETED

Requires allocation of \$650,000 to Legal Aid Defender Association, Inc. in Detroit for providing expungement services and \$50,000 to Allegan County for providing legal aid services. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 401. Eviction Diversion Pilot Program – NEW

Requires one-time appropriation to be used to support an eviction diversion pilot program in 14A District Court in Washtenaw County; requires funds to be used to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness; requires SCAO to report on the number of program participants, the number of disputes settled, the number of evictions avoided, and other program outcomes, including the benefit of the program to participants and the benefit of the program to the state; designates unexpended funding as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 402. Court Administration Bench Book – DELETED

Designates unexpended funding as a work project appropriation; states purpose of the project is to develop and maintain a court administration bench book. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 402. Status Offender Pilot Program – NEW

Requires SCAO to establish a grant program to award 5 eligible courts with grants of up to \$100,000 for innovative, community-based diversion programs and services that work solely with youth for who the court receives a complaint, referral, or petition for what is alleged to be a status offense; authorizes SCAO to partner with DHHS; designates unexpended funding as a work project account. Executive does not include new language. House does not include new language. Senate does not include new language. Conference includes new language.

Sec. 403. Statewide Court Data Transparency Project – DELETED

Designates unexpended funding as a work project appropriation; states purpose of the project is to collect and analyze court data, publish court data in a data portal, and develop data-driven criminal justice policies and goals. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 403. Operation Drive – NEW

Requires \$500,000 to be allocated to the 52nd District Court in Oakland County and \$500,000 to be allocated to district courts statewide that want to establish a program; requires courts receiving funding to work with the 44th District Court in Royal Oak on establishing a program; requires program to provide individuals with guidance on how to address underlying issues that led to driver license suspension, guidance on how to maintain the individual's responsibility, and guidance on how to address traffic tickets, warrants, court appearances, and payment of fees and fines; designates unexpended funding as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language.

Sec. 404. Prescription Compliance through Oral Fluid Testing Program – NEW

Requires \$500,000 to be used to continue the program in veterans, mental health, and drug treatment courts that want to participate; requires SCAO to report on the number of programs, the number of program participants in each jurisdiction, the number of tests completed, program testing and results, program treatment, and program outcomes, including rearrest rate of participants, and the benefit of the program to the state; designates unexpended funding as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language.

FY 2024-25: LABOR AND ECONOMIC OPPORTUNITY
Summary: Conference Report
Article 9, Senate Bill 747 (S-1) CR-1



Analyst: Marcus Coffin

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: Conference From FY 2023-24 Enacted	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	1,183,654,200	1,177,165,800	1,177,165,800	1,177,165,800	1,191,165,800	7,511,600	0.6
Local	10,700,000	10,700,000	10,700,000	10,700,000	10,700,000	0	0.0
Private	12,539,200	12,584,600	12,584,600	12,584,600	12,584,600	45,400	0.4
Restricted	358,863,400	413,774,700	352,274,700	439,024,800	413,774,700	54,911,300	15.3
GF/GP	1,301,508,000	359,007,400	525,557,400	560,257,700	802,744,400	(498,763,600)	(38.3)
Gross	\$2,867,264,800	\$1,973,232,500	\$2,078,282,500	\$2,199,732,900	\$2,430,969,500	(\$436,295,300)	(15.2)
FTEs	2,648.9	2,678.5	2,667.5	2,667.5	2,671.5	22.6	0.9

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

Overview

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

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Michigan Innovation Fund

Executive includes \$60.0 million of Venture Michigan Fund investment proceeds (one-time) for deposit into a new innovation fund that would support startups and make investments that would improve the startup and innovation ecosystem, including programming, technical assistance, and other support services. (Note: would require statutory change to authorize use of Venture Michigan Fund investment returns). House does not include. Senate concurs with executive. Conference concurs with the inclusion of state restricted funding authorization with program details to be refined after passage of pending legislation. (see boilerplate Sec. 1026).

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Gross	\$0	\$60,000,000
Restricted	0	60,000,000
GF/GP	\$0	\$0

2. Build Ready Sites Program

Executive includes \$25.0 million GF/GP (one-time) to create development-ready sites to attract and promote business investment throughout the state. House, Senate, and Conference do not include.

Gross	\$0	\$0
GF/GP	\$0	\$0

3. Business Attraction and Community Revitalization

Executive includes \$20.0 million GF/GP (one-time) to augment existing \$100.0 million in ongoing funds for business development and community revitalization programs and the expansion of small business services. House concurs. Senate and Conference do not include.

Gross	\$100,000,000	\$0
Restricted	59,350,000	0
GF/GP	\$40,650,000	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. Michigan Marketing Initiatives	Gross	\$0	\$0
<u>Executive</u> includes \$20.0 million GF/GP (\$15.0 million GF/GP considered one-time) for marketing initiatives that focus on talent attraction, labor retention, and population growth. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
5. Going Pro	Gross	\$54,750,000	\$0
<u>Executive</u> includes \$20.0 million GF/GP (one-time) to augment existing \$54.8 million Gross for Going Pro program, which would increase employer training grants in FY 2024-25. <u>House</u> includes \$15.0 million GF/GP (one-time) for this purpose. <u>Senate</u> includes \$250,000 GF/GP (ongoing) for this purpose. <u>Conference</u> does not include.	Restricted	9,540,800	0
	GF/GP	\$45,209,200	\$0
6. Talent and Growth	Gross	\$0	\$45,500,000
<u>Executive</u> includes \$20.0 million GF/GP (one-time) to support initiatives providing economic assistance to businesses locating or expanding in Michigan, specifically around workforce needs. Funding would also support development of customized talent solutions to help fill identified needs in certain industries. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$45.5 million GF/GP (one-time) for similar purposes.	GF/GP	\$0	\$45,500,000
7. New Michigander - Immigration and Legal Services	Gross	\$0	\$0
<u>Executive</u> includes \$8.0 million GF/GP (one-time) for immigrant integration services that are not provided through the federal refugee resettlement program. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
8. Federal Vocational Rehabilitation State Match	Gross	NA	\$5,852,600
<u>Executive</u> includes \$5.9 million Gross (\$1.3 million GF/GP) to increase authorization in the Bureau of Services for Blind Persons (\$272,900) and Michigan Rehabilitation Services (\$5.6 million) to expand vocational rehabilitation services. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	4,602,600
	GF/GP	NA	\$1,250,000
9. Community and Worker Economic Transition Office	FTE	0.0	10.0
<u>Executive</u> includes \$5.0 million GF/GP and authorization for 20.0 FTE positions for the Community and Worker Economic Transition Office developed in 2023 PA 232. Office goals include ensuring communities, workers, and businesses are supported in navigating the state's economic transition from internal combustion engines to electric vehicles, the shift to renewable energy, and the decarbonization of the manufacturing industry. <u>House</u> concurs on funding but includes 10.0 FTE positions. <u>Senate</u> and <u>Conference</u> include \$2.5 million GF/GP and authorization for 10.0 FTE positions for this purpose.	Gross	\$0	\$2,500,000
	GF/GP	\$0	\$2,500,000
10. Arts and Cultural Grants	Gross	\$11,050,000	\$1,300,000
<u>Executive</u> includes \$5.0 million GF/GP (one-time) to augment existing \$11.1 million GF/GP ongoing appropriation used to provide additional arts and cultural grants. An increase of \$50,000 is also reflected for private funding, to align with anticipated revenues. <u>House</u> concurs. <u>Senate</u> concurs on private funding and includes \$750,000 GF/GP (ongoing) to augment the program. <u>Conference</u> concurs on private funding and includes an additional \$1.25 million GF/GP (ongoing), with \$250,000 allocated for the Michigan Traditional Arts Program and \$1.0 million allocated for the Concert of Colors.	Federal	1,050,000	0
	Private	150,000	50,000
	GF/GP	\$9,850,000	\$1,250,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. Community and Neighborhood Initiatives	Gross	\$0	\$0
<u>Executive</u> includes \$5.0 million GF/GP (one-time) for grants to community and neighborhood organizations for programs and initiatives that would build strong communities through education programs, workforce training services, recreational activities, senior programming, and other wraparound services. Grants would support projects that are free and open to the community in which they are located or serve. <u>House</u> includes \$15.0 million GF/GP (one-time) for this purpose. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
12. Global Talent and Retention	FTE	0.0	0.0
<u>Executive</u> includes \$4.0 million GF/GP (one-time) and authorization for 1.0 FTE position to improve the integration of individuals from foreign countries seeking education and/or employment in the state. Funds would support activities that would increase direct connections between universities and employers and lower barriers to employment by improving licensing and certification processes. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
13. Michigan Growth Office	Gross	\$0	\$0
<u>Executive</u> includes \$4.0 million GF/GP (one-time) to fund efforts that would expand the work of the Growing Michigan Together Council, identify barriers to economic and population growth in the state, and support community growth opportunities statewide. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
14. Office of Rural Prosperity Grants	Gross	\$0	\$2,500,000
<u>Executive</u> includes \$2.5 million GF/GP (one-time) for grants that would improve shovel-ready projects that meet statewide priorities, including enhancing or elevating broadband, housing, infrastructure, education, and workforce development. Funds would also support building and enhancing regional and statewide coordination of services and programming in rural communities. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$0	\$2,500,000
15. Workers' Disability Compensation Agency Fee Proposal	Gross	\$8,316,100	\$1,500,000
<u>Executive</u> includes \$1.5 million of state restricted funding authorization from the Workers' Compensation Administrative Revolving Fund to recognize increased revenues from a proposed expansion of redemption fees and establishment of coverage reporting filing fees. (Note: legislation would be needed to effectuate the fee increase and expansion.) <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with executive.	Restricted	4,823,000	1,500,000
	GF/GP	\$3,493,100	\$0
16. Focus: HOPE	Gross	\$1,000,000	\$0
<u>Executive</u> retains \$1.0 million GF/GP (one-time) for a grant to Focus: HOPE for education and workforce development programming. There was \$1.0 million one-time GF/GP appropriated for the same purpose in FY 2023-24. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$1,000,000	\$0
17. Executive Order 2023-6 Transfers	FTE	12.0	(11.0)
<u>Executive</u> includes the following transfers to effectuate Executive Order 2023-6:	Gross	\$68,674,200	(\$67,976,800)
<ul style="list-style-type: none"> Transfers out \$68.7 million GF/GP and authorization for 12.0 FTE positions for Reconnect and the Tri-Share Child Care program to the new MiLEAP department. Transfers in \$697,400 GF/GP and authorization for 1.0 FTE due to the shift of the Office of Rural Prosperity from MDARD to LEO. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$68,674,200	(\$67,976,800)

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
18. Prosperity Bureau			
<u>Executive</u> includes \$1.0 million GF/GP (one-time) and boilerplate authorization for 4.0 limited-term FTE positions to build staffing capacity and improve program delivery. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$1.1 million GF/GP (\$600,000 ongoing; \$500,000 one-time) and authorization for 4.0 FTEs for this purpose.		FTE	NA
		Gross	NA
		GF/GP	NA
			4.0
			\$1,100,000
			\$1,100,000
19. Language Access			
<u>Executive</u> includes \$500,000 GF/GP (one-time) for the Office of Global Michigan to coordinate language access initiatives statewide, including providing technical assistance and guidance to state agencies. <u>House</u> concurs. <u>Senate</u> includes \$500,000 of state restricted funding authorization (one-time) from Corporation Fees for this purpose. <u>Conference</u> concurs with executive.		Gross	\$39,874,600
		Federal	38,369,000
		GF/GP	\$1,505,600
			0
			\$500,000
20. Bureau of Services for Blind Persons Federal Authorization			
<u>Executive</u> increases federal authorization by \$3.4 million to recognize an anticipated increase in federal revenues for the Bureau of Services for Blind Persons. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		FTE	116.0
		Gross	\$25,698,800
		Federal	19,211,400
		Local	100,000
		Private	111,800
		Restricted	350,000
		GF/GP	\$5,925,600
			0.0
			\$3,435,100
			3,435,100
			0
			0
			0
			\$0
21. Radiation Safety Fees			
<u>Executive</u> includes \$582,000 of restricted radiological health fees authorization and authorization for 4.6 FTE positions to reflect increased revenues from a FY 2022-23 fee increase. Funds would support increased staffing and updated equipment within the Radiation Safety Section. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		FTE	21.4
		Gross	\$3,466,200
		Federal	513,300
		Restricted	2,952,900
		GF/GP	\$0
			4.6
			\$582,000
			0
			582,000
			\$0
			\$0
22. State Historic Preservation Office			
<u>Executive</u> includes \$300,000 of state restricted funding authorization to align the State Historic Preservation Office Fees and Charges fund source with anticipated revenues. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	NA
		Federal	NA
		Restricted	NA
		GF/GP	NA
			0
			300,000
			\$0
23. MSHDA Technical Assistance Field Staff			
<u>Executive</u> includes authorization for 15.0 additional FTE positions in MSHDA Housing and Rental Assistance to support local capacity building for housing. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		FTE	303.0
		Gross	\$50,259,300
		Federal	2,773,300
		Restricted	47,486,000
		GF/GP	\$0
			15.0
			\$0
			0
			0
			\$0
			\$0
24. Housing Programs			
<u>House</u> includes \$150.0 million GF/GP (one-time) to support MSHDA's efforts to increase housing stock and affordability through the construction of new single- and multi-family housing units, renovation of existing single- and multi-family units, and completion of energy efficiency improvements. <u>Senate</u> includes \$150.0 million GF/GP (one-time) to support various housing affordability programs, including programs that provide grants, loans, or other incentives to increase access to affordable housing. <u>Conference</u> includes \$100.0 million GF/GP, with funding allocated to both specific housing initiatives and general housing programs.		Gross	\$0
		GF/GP	\$0
			\$100,000,000
			\$100,000,000

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations		
25. Community Museum Grants	Gross	\$0
<u>House</u> includes \$12.0 million GF/GP (one-time) for grants to museums that would be distributed as follows:	GF/GP	\$0
<ul style="list-style-type: none"> • \$2.0 million to the Lakeshore Museum Center. • \$2.0 million to the Motown Museum. • \$1.0 million to the Chaldean Cultural Center. • \$1.0 million to the Michigan Flight Museum. • \$6.0 million for grants awarded on a first-come, first-served basis to museums that support artistic, scientific, technological, or cultural exhibitions. 		\$18,000,000
<u>Senate</u> does not include. <u>Conference</u> includes \$18.0 million GF/GP (one-time) for this purpose, which would be distributed as follows:		\$18,000,000
<ul style="list-style-type: none"> • \$5.0 million to the Motown Museum. • \$2.0 million to the Lakeshore Museum Center. • \$1.0 million to the Chaldean Cultural Center. • \$1.0 million to the Michigan Flight Museum. • \$9.0 million for grants awarded on a competitive basis to museums, and nonprofit foundations that operate educational programs at museums, that support artistic, scientific, technological, or cultural exhibitions or educational programs. 		
26. Community and Fitness Centers	Gross	\$0
<u>House</u> includes \$10.0 million GF/GP (one-time) to support YMCA centers. Of the total, \$2.5 million would be allocated for updating and expanding the Tri-Cities YMCA located in Grand Haven. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0
		\$0
27. Symphony Orchestra Grants	Gross	\$0
<u>House</u> includes \$6.0 million GF/GP (one-time) for grants to symphony orchestras in Michigan that have a demonstrated financial need for state support. <u>Senate</u> does not include. <u>Conference</u> includes \$6.0 million GF/GP (one-time), with \$750,000 allocated to the Detroit Symphony Orchestra and \$5,250,000 allocated for a need-based symphony grant program.	GF/GP	\$0
		\$6,000,000
28. Michigan Skills Fund	Gross	\$0
<u>House</u> includes \$5.0 million GF/GP (one-time) for a workforce credential program through Michigan Works! agencies to provide tuition assistance to obtain an industry-recognized credential or certificate in a high-demand occupation. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0
		\$0
29. Neighborhood Talent Investment Pilot	Gross	\$0
<u>House</u> includes \$5.0 million GF/GP (one-time) to support grants to consortiums of public and private stakeholders for plans that include transitioning roadway usage from cars to alternative transportation spaces; artwork, outdoor recreation, and open spaces; commercial corridor activation; and mixed-use development. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0
		\$0
30. Special Events and National Convention Attraction	Gross	\$0
<u>House</u> includes \$5.0 million GF/GP (one-time) to promote Michigan as a destination for special events such as national conventions, conferences, and major sporting events. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0
		\$0
31. Substitute Teacher Pool Pilot Program	Gross	\$0
<u>House</u> includes \$5.0 million GF/GP (one-time) to develop and deploy a statewide substitute teacher pool pilot program, which would match substitute teachers with job postings from education providers. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0
		\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
32. Higher Education Reenrollment Services	Gross	\$0	\$0
<u>House</u> includes \$4.0 million GF/GP (one-time) for the ReUp program, which provides a coordinated strategy to identify and re-enroll individuals who have some amount of postsecondary education experience but who lack a postsecondary credential. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
33. American Arab Chamber of Commerce	Gross	\$0	\$0
<u>House</u> includes \$3.0 million GF/GP (one-time) for the American Arab Chamber of Commerce. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
34. Small Business Development	Gross	\$0	\$3,000,000
<u>House</u> includes \$3.0 million GF/GP (one-time) to assist institutions that serve as Small Business Development Center regional hosts with operating costs and federal match requirements. <u>Senate</u> does not include. <u>Conference</u> includes \$3.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$3,000,000
35. Michigan Technological University Critical Skills Pilot Program	Gross	\$0	\$0
<u>House</u> includes \$2.5 million GF/GP (one-time) to support the implementation of an economic development critical skills pilot program at Michigan Technological University. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
36. Housing Readiness Incentive Grants	Gross	\$5,000,000	(\$2,675,000)
<u>Executive</u> eliminates \$5.0 million GF/GP (one-time) that was included in the FY 2023-24 budget for grants to cities, villages, and townships to offset costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions that help increase housing supply and affordability. <u>House</u> retains \$2.4 million GF/GP (one-time) for this purpose. <u>Senate</u> concurs with executive. <u>Conference</u> retains \$2.3 million GF/GP (one-time) for this purpose.	GF/GP	\$5,000,000	(\$2,675,000)
37. Agricultural Tourism Hub Redevelopment	Gross	\$0	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP (one-time) to redevelop a former corrections site in Grand Traverse County into an agricultural tourism attraction. <u>Senate</u> does not include. <u>Conference</u> includes \$2.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$2,000,000
38. Center for Social Enterprise Development	Gross	\$0	\$1,000,000
<u>House</u> includes \$2.0 million GF/GP (one-time) to support the Center for Social Enterprise Development, which would administer direct grants to small businesses and nonprofit organizations seeking to establish or expand social enterprises with an emphasis on employing individuals who are marginalized or economically disadvantaged. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
39. Michigan's High-Tech Talent Initiative	Gross	\$0	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP (one-time) to increase the amount of high-tech talent in Michigan through various programming modalities. <u>Senate</u> does not include. <u>Conference</u> includes \$2.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$2,000,000
40. Nutritional Support Program Grant	Gross	\$0	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP (one-time) to offset costs of capital improvements, renovations, infrastructure expansion, or related expenses at Meal on Wheels of Western Michigan. <u>Senate</u> does not include. <u>Conference</u> includes \$2.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$2,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
41. Post-Incarceration Employment	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.3 million GF/GP (one-time) for a program operating in Oakland County and Wayne County that provides immediate and comprehensive employment services to individuals with a history of incarceration, with a focus on those at the highest risk of recidivism. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
42. 23+ High School Diploma Program	Gross	\$3,000,000	\$0
<u>House</u> includes an additional \$1.0 million GF/GP (one-time) to augment \$3.0 million of ongoing GF/GP funding for a grant to the Graduation Alliance program, which assists adults over the age of 23 with obtaining high school diplomas and career training program placement. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$3,000,000	\$0
43. Early Childhood Family Engagement	Gross	\$0	\$0
<u>House</u> includes \$1.0 million GF/GP (one-time) to support the Ready Rosie program through Teaching Strategies, which offers a comprehensive early childhood family engagement system to strengthen bonds between the school and the home through mobile tools, video tutorials, and in-person workshops. <u>Senate</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
44. Holistic Workforce Development	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP (one-time) to support Empowerment Plan, a program in Detroit that provides full-time employment and services to individuals recovering from homelessness and provides individuals with the skills to produce specific types of garments. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
45. Junior Achievement	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP (one-time) to provide funding to the Junior Achievement youth programs in Detroit and Grand Rapids. The programs provide lessons on financial literacy, career readiness, and entrepreneurship. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
46. Math and Reading Academies	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP (one-time) for the My Reading Academy and My Math Academy programs, which supplement instruction for grades pre-K through 5. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
47. School Psychologists Programming	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP (one-time) to expand access to school psychology education or preparation programs maintained by Michigan's institutions of higher education. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000
48. Young Adult Wellbeing and Success	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP (one-time) for the Discover You program, which provides evidence-informed workshops to build mental and emotional wellbeing, increase academic and life outcomes, and develop skills for 21st century jobs in individuals that are in grades 6 through 12 or in early postsecondary education. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	GF/GP	\$0	\$1,000,000

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
49. Forest Products Workforce Training and Development Program	Gross	\$0	\$750,000
<u>House</u> includes \$750,000 GF/GP (one-time) to provide training to advance individual skill sets, grow operational knowledge, and advance careers in the forest products industry. <u>Senate</u> does not include. <u>Conference</u> includes \$750,000 GF/GP (one-time) for this purpose.	GF/GP	\$0	\$750,000
50. Centers for Independent Living	Gross	\$19,718,600	\$1,000,000
<u>House</u> includes an additional \$600,000 GF/GP (one-time) to augment ongoing funding for grants to regional centers for independent living for services that they provide to persons with disabilities. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	Federal	8,451,600	0
	Private	10,000	0
	GF/GP	\$11,257,000	\$1,000,000
51. High-Impact Tutoring Pilot Program	Gross	\$0	\$500,000
<u>House</u> includes \$500,000 GF/GP (one-time) to support a high-impact, high-dosage, data-driven tutoring program provided by Littera and focused on improving educational outcomes for students in need. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 GF/GP (one-time) for this purpose.	GF/GP	\$0	\$500,000
52. Walkabouts Multisensory Movement-Based Learning	Gross	\$0	\$500,000
<u>House</u> includes \$500,000 GF/GP (one-time) to support a program that provides walkabouts, supplemental learning tools that integrate physical movement and multisensory lessons to complement traditional classroom instruction. <u>Senate</u> does not include. <u>Conference</u> includes \$500,000 GF/GP (one-time) for this purpose.	GF/GP	\$0	\$500,000
53. Youth Career Development Program	Gross	\$0	\$450,000
<u>House</u> includes \$450,000 GF/GP (one-time) for Starr Commonwealth, to support a youth career development program that serves emancipated youth and emerging adults ages 16-24 who experience circumstances that prevent them from engaging in education, professional training, and living wage employment opportunities. <u>Senate</u> does not include. <u>Conference</u> includes \$450,000 GF/GP (one-time) for this purpose.	GF/GP	\$0	\$450,000
54. Personal Assistance Services Reimbursement for Employment Program (PASREP)	Gross	NA	\$400,000
<u>House</u> includes \$400,000 GF/GP for PASREP, which reimburses eligible persons with disabilities for personal assistance costs incurred to gain or maintain employment. <u>Senate</u> does not include. <u>Conference</u> includes \$400,000 GF/GP for this purpose.	GF/GP	NA	\$400,000
55. Auto Show Public Safety	Gross	\$0	\$225,000
<u>House</u> includes \$225,000 GF/GP (one-time) to support payments made to cities, counties, municipalities, or regional authorities for security, police, fire, traffic, or parking services or for facility rentals associated with the Detroit International Auto Show. <u>Senate</u> does not include. <u>Conference</u> includes \$225,000 GF/GP (one-time) for this purpose.	GF/GP	\$0	\$225,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
56. Senate One-Time Grant Programs	Gross	\$0	\$12,500,000
<u>Senate</u> includes \$201.0 million Gross (\$177.5 million GF/GP) for the 15 one-time grant programs listed below:	Restricted	0	0
	GF/GP	\$0	\$12,500,000
<ul style="list-style-type: none"> • ARISE Michigan (\$5.0 million GF/GP) • Behavioral/Mental Worker Scholarship (\$1.5 million Corporation Fees) • Business Attraction and Workforce Development (\$22.0 million GF/GP) • Community Center Grants (\$20.0 million GF/GP) • Community Development Grants (\$50.0 million GF/GP) • Community Revitalization and Municipal Support (\$15.5 million Corporation Fees) • Critical Infrastructure Grants (\$23.0 million GF/GP) • CTE Equipment and Training Grants (\$5.0 million GF/GP) • Cultural Vibrancy Grants (\$11.0 million GF/GP) • Minority-Owned Business Support (\$10.0 GF/GP) • Parks and Recreation Grants (\$5.5 million GF/GP) • Public Health and Safety Grants (\$4.5 million Corporation Fees; \$5.5 million GF/GP) • Short-Term Loan Grants (\$2.5 million GF/GP) • Talent Attraction and Youth Development Grants (\$18.0 million GF/GP) • Tree Safety Grants (\$2.0 million Corporation Fees) 			
<u>Conference</u> includes \$10.0 million GF/GP (one-time) for Minority-Owned Business Support and \$2.5 million GF/GP (one-time) for Short-Term Loan Grants.			
57. Community Development Financial Institutions	Gross	\$0	\$5,000,000
<u>Senate</u> includes \$10.0 million Gross (\$7.0 million GF/GP) for the creation of a Michigan Community Development Financial Institutions Fund to provide grants to eligible CDFIs. <u>Conference</u> includes \$5.0 million GF/GP (one-time) for CDFI grants.	GF/GP	\$0	\$5,000,000
58. Office of Global Michigan	FTE	15.0	0.0
<u>Senate</u> includes an additional \$5.0 million GF/GP for the Office of Global Michigan, which coordinates state policies and programs related to immigration. <u>Conference</u> includes \$5.0 million GF/GP (\$4.0 million ongoing; \$1.0 million one-time) for this purpose.	Gross	\$39,874,600	\$5,000,000
	Federal	38,369,000	0
	GF/GP	\$1,505,600	\$5,000,000
59. Michigan Defense Center	Gross	\$5,000,000	\$0
<u>Senate</u> eliminates \$5.0 million GF/GP appropriation for the Michigan Defense Center, which promotes and supports the defense and homeland security industry in Michigan. <u>Conference</u> retains all funding for the Michigan Defense Center.	GF/GP	\$5,000,000	\$0
60. Enhancement Grants	Gross	\$0	\$335,987,000
<u>Conference</u> includes \$335.0 million GF/GP for one-time enhancement grants for projects and programs within the following categories:	GF/GP	\$0	\$335,987,000
<ul style="list-style-type: none"> • Community Enhancement Grants (\$140,852,000) [page 130-131] • Healthcare Grants (\$43,025,000) [page 132] • Housing Grants (\$3,850,000) [page 132] • Infrastructure Grants (\$102,460,000) [page 133] • Public Safety Grants (\$45,800,000) [page 134]. 			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
61. Conference One-Time Grant Programs	Gross	\$0	\$23,750,000
<u>Conference</u> includes \$23.8 million GF/GP (one-time) for the 22 grant programs listed below:	GF/GP	\$0	\$23,750,000
<ul style="list-style-type: none"> • Brownstown Municipal Infrastructure (\$1.5 million GF/GP) • Chinatown Development (\$1.0 million GF/GP) • Community Development (\$100,000 GF/GP) • Developing Kids (\$1.0 million GF/GP) • Downtown Development (\$150,000 GF/GP) • Foster Care Aging-Out Services (\$100,000 GF/GP) • Health and Healing Center (\$1.5 million GF/GP) • Hispanic Community Center (\$750,000 GF/GP) • Jewish Family Services (\$1.2 million GF/GP) • Life Leaders (\$750,000 GF/GP) • Michigan Women Forward (\$1.5 million GF/GP) • Michigan Works! Skills Scholarships (\$1.0 million GF/GP) • Police Athletic League (\$250,000 GF/GP) • PsyGenics (\$250,000 GF/GP) • Reignite (\$250,000 GF/GP) • Right to Counsel (\$1.5 million GF/GP) • SER Metro (\$750,000 GF/GP) • Starfish Family Services (\$2.0 million GF/GP) • Wayne Metro (\$2.5 million GF/GP) • Winter Sports Muskegon (\$1.5 million GF/GP) • Women of Tomorrow (\$200,000 GF/GP) • Workforce Development Grants (\$4.0 million GF/GP) 			
62. Pure Michigan	Gross	\$25,000,000	\$15,000,000
<u>Conference</u> includes an additional \$15 million for the Pure Michigan promotional campaign, with \$14 million (one-time) included from federal Coronavirus State Fiscal Recovery Fund and \$1.0 million GF/GP (ongoing).	Federal	0	14,000,000
	Local	5,000,000	0
	Private	5,000,000	0
	GF/GP	\$15,000,000	\$1,000,000
63. Volunteer Income Tax Assistance Grants	Gross	NA	\$1,000,000
<u>Senate</u> includes \$2.0 million GF/GP for a volunteer income tax assistance grants program for tax preparation services. <u>Conference</u> includes \$1.0 million GF/GP for this purpose.	GF/GP	NA	\$1,000,000
64. Removal of Enacted Budget One-Time Appropriations	Gross	\$1,037,330,000	(\$1,037,330,000)
<u>Executive</u> removes \$1,037.3 million Gross (\$1,012.3 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support 29 one-time appropriations. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	15,000,000	(15,000,000)
	Restricted	10,000,000	(10,000,000)
	GF/GP	\$1,012,330,000	(\$1,012,330,000)
65. Current Services Baseline Technical Adjustments	Gross	NA	(\$6,479,500)
<u>Executive</u> reduces various lines by a total of \$6.5 million Gross (\$0 GF/GP) to align various revenue sources with anticipated revenues. <u>House</u> concurs. <u>Senate</u> concurs and replaces GF/GP in certain line items with state restricted funding authorization to lower the GF/GP allotment by \$1.25 million. <u>Conference</u> concurs with executive.	Federal	NA	(6,122,700)
	Restricted	NA	(356,800)
	GF/GP	NA	\$0
66. Economic Adjustments	Gross	NA	\$11,034,300
<u>Executive</u> reflects increased costs of \$11.0 million Gross (\$1.6 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> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	6,596,600
	Private	NA	(4,600)
	Restricted	NA	2,886,100
	GF/GP	NA	\$1,556,200

Major Boilerplate Changes from FY 2023-24

GENERAL SECTIONS

Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the conference report.

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits department 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. Executive deletes. House, Senate, and Conference retain.

Sec. 210. Contingency Authorization – REVISED

Appropriates \$15.0 million in federal, \$510.0 million in state restricted, \$11.0 million in private, and \$2.0 million in local contingency authorization; authorizes expenditure after legislative transfer to specific line items. Executive revises authorizations to \$30.0 million federal and \$560.0 million state restricted. House retains. Senate and Conference revise authorizations to \$30.0 million federal and \$560.0 million state restricted.

Sec. 211. Transparency Website – RETAINED

Requires department to maintain a searchable website that is accessible by the public at no cost that includes data on expenditures, vendor payments, and data on number of active employees, including job specifications and wage rates. Executive deletes. House, Senate, and Conference retain.

Sec. 212. Report on State Restricted Funds – RETAINED

Requires department to report within 14 days of the release of the executive budget recommendation on state restricted fund balances, projected state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years. Executive deletes. House, Senate, and Conference retain.

Sec. 214. Department Metrics – DELETED

Requires department to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates, key metrics that are used to monitor and improve the department's performance. Executive and House delete. Senate retains. Conference deletes.

Sec. 216. Prioritization of In-person Work for State Workforce – DELETED

States intent of the legislature is to maximize efficiency of state workforce and, where possible, prioritize in-person work; requires each department, agency, board, or commission to post its in-person, remote, or hybrid work policy on its website. Executive deletes. House and Senate retain. Conference deletes.

Sec. 216. Receipt and Retention of Required Reports – RETAINED

Requires departments to receive and retain copies of all reports required in Article 9; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes departments to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House, Senate, and Conference retain.

Sec. 217. Reporting Requirement on Policy Changes – RETAINED

Requires department to report on policy changes made in order to implement enacted legislation. Executive deletes. House, Senate, and Conference retain.

Sec. 218. 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. Executive and House delete. Senate retains. Conference deletes.

Sec. 218. Work Project Expenditures – RETAINED

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures. Executive deletes. House, Senate, and Conference retain.

Sec. 221. State Fiscal Recovery Fund (SFRF) – NEW

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation. Executive, House, and Senate do not include. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 222. Severance Pay Report – DELETED

Requires department to report name and any amount of severance pay given to high-ranking department officials; requires department 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 and House delete. Senate retains. Conference deletes.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY (LEO)

Sec. 304. Private Grant Funded Projects – RETAINED

Authorizes appropriation of private grant revenues, subject to a limitation of \$1.5 million; requires report to legislature within ten days of receiving grants from private entities. Executive revises to eliminate \$1.5 million cap. House, Senate, and Conference retain.

Sec. 305. Informational, Training, and Special Events Revenues and Expenditures – RETAINED

Authorizes LEO to charge registration fees for events sponsored by LEO; requires fees to reflect costs of sponsoring events; appropriates revenue generated by fees for sponsorship costs; authorizes excess revenue to be carried forward; limits appropriation to \$500,000. Executive revises to eliminate \$500,000 cap. House, Senate, and Conference retain.

Sec. 308. Initiatives and Recommendations Related to Savings Identified in Audit Reports – DELETED

Requires department to report on 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. Executive deletes. House retains. Senate and Conference delete.

STRATEGIC OUTREACH AND ATTRACTION RESERVE FUND

Sec. 351. Strategic Outreach and Attraction Reserve Appropriation – RETAINED

Appropriates up to \$500.0 million restricted funding from the SOAR fund; requires funds to be used to support activities under the Michigan Strategic Fund Act; requires funding not restricted, obligated, or committed at end of fiscal year to lapse to the state general fund. Executive revises to include interest and earnings in the appropriation to the fund to allow them to be used to support SOAR projects after legislative transfers have been approved; removes requirement that funding not restricted, obligated, or committed at the end of the fiscal year lapse to the general fund because it is already required by statute. House deletes. Senate revises to include language regarding the impact of Senate Bills 559 and 562 of the 102nd Legislature. Conference retains.

Sec. 353. SOAR Program: CIP and MSSRP Expenditures – RETAINED

States legislative intent that CIP and MSSRP funding be expended to maximize job creation, grow wages, support existing state businesses and attract new businesses; states legislative intent that MSF prioritize specific conditions when expending funds, including claw-back provisions if jobs are not retained for 5 years, locating projects in qualified census tracts that have unemployment rates higher than state average, community benefits agreements, and agreements that qualified business offer specific employee services. Executive deletes. House retains. Senate revises to include language regarding the impact of Senate Bills 559 and 562 of the 102nd Legislature. Conference retains.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 401. Michigan State Housing Development Authority Annual Report – RETAINED

Requires Michigan State Housing Development Authority (MSHDA) to annually present a report on the status of the authority's housing production goals under all financing programs; prohibits MSHDA from restricting eligibility for housing units without a permanent foundation unless it is a federal restriction. Executive deletes. House retains. Senate and Conference revise to include reporting on efforts to raise affordable multifamily and single-family housing goals.

Sec. 403. Community Development Block Grant (CDBG) – DELETED

Appropriates federal CDBG funding to complete all program activities from prior program years ending with the 2022 program allocation; allows funding to be expended for program activities and program administration. Executive and House delete. Senate retains. Conference deletes.

Sec. 403. Housing Rental Assistance – NEW

Requires that at least 2.0 FTE positions must work with MDHHS on transition and supportive housing to support the transition to permanent housing with MSHDA. Executive and House do not include. Senate and Conference include new language.

Major Boilerplate Changes from FY 2023-24

MICHIGAN STRATEGIC FUND

Sec. 503. Pure Michigan Appropriations – REVISED

Requires GF/GP appropriated for Pure Michigan to be used for specified purposes; authorizes fund to contract any of the authorized activities; authorizes fund to work with local units of government, non-profit entities, and private entities on Pure Michigan promotion campaigns. Executive revises to remove reference to promotional focus including talent attraction, labor retention, and relocating to Michigan due to inclusion of new Michigan Marketing Initiatives appropriation; deletes reporting requirement. House revises to limit Pure Michigan funding for use promoting Michigan as a travel and tourist destination and to limit how funds may be expended. Senate revises to remove reference to promotional focus including talent attraction, labor retention, and relocating to Michigan and to remove authorization for administrative spending. Conference revises to limit Pure Michigan funding for use promoting Michigan as a travel and tourist destination, limit how funds may be expended, and cap administrative spending at 4.25%.

Sec. 507. Corporate Funding Reporting – REVISED

Requires MEDC/MSF to provide an activities report on programs and activities administered by the MEDC board and supported with corporate or investment revenues. Executive deletes. House and Senate retain. Conference revises to include an additional reporting item.

Sec. 509. Land Purchase Provisions – REVISED

Prohibits MEDC from purchasing land or land options unless the land is in an economically distressed area or purchase is at invitation of local unit of government and economic development agency; authorizes consideration of purchases where proposed use is consistent with a regional land use plan, will result in redeveloping an economically distressed area, can be supported with existing infrastructure, and will not cause population to shift from population centers; requires a report that lists all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases land or options for land. Executive deletes. House retains. Senate and Conference revise to allow the purchase of land options if the land is obtained from the State Land Bank or a local land bank authority.

Sec. 513. Fundraising Activity – REVISED

Prohibits MEDC staff involved in fundraising from being party to grant award, incentives, or tax abatement decisions from with respect to MSF, MEDC, and MEGA. Executive deletes. House retains. Senate revises to include the Critical Industry Program, the Michigan Strategic Site Readiness Program, and the 360 program in the prohibition. Conference revises to include the Critical Industry Program and the Michigan Strategic Site Readiness Program in the prohibition.

Sec. 514. Business Attraction and Community Revitalization – RETAINED

Requires that not less than 20% of the funds appropriated for this program be used for brownfield redevelopment incentives and historic preservation incentives. Executive deletes. House, Senate, and Conference retain.

Sec. 515. Film Tax Incentive Program Report – REVISED

Requires MSF to report on the status of film incentive program and previous film tax credit program, including number of contracts signed, number of films completed, amount of tax credits, and number of jobs created. Executive deletes. House retains. Senate and Conference revise to consolidate the reporting requirements of Sec. 516 into this section.

Sec. 516. Film and Digital Media Office Status Report – DELETED

Requires annual activities report from the Michigan Film and Digital Media Office; requires report to include a listing of all projects that received assistance from the office, a listing of the services provided for each project, and an estimate of the investment leveraged. Executive deletes. House retains. Senate and Conference delete and consolidate the reporting requirements into Sec. 515.

Sec. 517. Michigan Arts and Culture Council Grants – REVISED

Requires Michigan Arts and Culture Council to administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline; requires council to publish application criteria; authorizes council to charge a non-refundable application fee to be used for expenses necessary to administer the programs; requires report. Executive retains. House and Senate revise to prohibit arts and culture grants funding from being used for administrative expenses. Conference revises to cap administrative spending at 3%, to allocate \$250,000 to the Michigan Traditional Arts Program, and to allocate \$1.0 million to the Concert of Colors.

Sec. 525. Job Creation Services Report – REVISED

Requires department to provide a biannual report that includes expenditures by division and program unit within the job creation services line item. Executive deletes. House revises to include reporting on State Historic Preservation Office expenditures and programs. Senate revises to an annual reporting frequency. Conference revises to an annual reporting frequency and to include reporting on State Historic Preservation Office expenditures and programs.

Major Boilerplate Changes from FY 2023-24

Sec. 528. Revitalization and Placemaking Program – NEW

Requires LEO to use \$25.0 million to administer the Revitalization and Placemaking Program and to use remaining funds for the Michigan Talent Partnership; requires the Michigan Talent Partnership Program be used to implement transformational public space development projects and to leverage interdepartmental and cross-sector coordination; provides requirements for qualified plan proposals; stipulates department's implementation responsibilities; establishes eligibility criteria and plan requirements; allows LEO to retain 3% for implementation costs; establishes criteria for evaluating applications; outlines award requirements; establishes reporting requirements; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate and Conference include new language.

WORKFORCE DEVELOPMENT

Sec. 701. Tri-Share Child Care Program – DELETED

Requires funding to be used to continue the Tri-Share Child Care program; allow funding of new child care facilitator hubs provided that existing hubs receive sufficient support; requires new hubs to increase the number of participating counties or serve statewide employers; caps administration costs at \$200,000. (*Transferred to MiLEAP under Executive Order 2023-6*). Executive, House, Senate, and Conference delete.

Sec. 705. Going Pro Expenditure Report – DELETED

Requires LEO to provide a report of Going Pro expenditures by program/grant type for the prior fiscal year and a projected expenditure report by program/grant type for the current fiscal year. Executive deletes. House retains. Senate and Conference delete.

Sec. 706. Going Pro Administration – REVISED

Establishes requirements for administration of the Going Pro program and the department's responsibilities. Executive and House retain. Senate revises to cap the grant amount for a single business at \$500,000, to cap the administrative allocation at 1%, and to require that at least 5% of total grants awarded go to research and development, new technologies, and advancing technologies. Conference revises to require scoring criteria that incentivize Going Pro awards for new and diverse program applicants; cap the administrative allocation at 2%; and require at least 5% of available funding be reserved for businesses in talent fund priority industry sectors that submit competitive applications, including training plans exclusively focused on research and development or the operation, implementation, and development of emerging technologies.

Sec. 714. Michigan Reconnect Grant Program – DELETED

Requires funding for the Michigan Reconnect Grant Program to be distributed pursuant to the Michigan Reconnect Grant Act, 2020 PA 84. Executive, House, Senate, and Conference delete.

Sec. 714. Office of Rural Prosperity – NEW

Directs the Office of Rural Prosperity to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development. (*Transferred in from MDARD under EO 2023-6*.) Executive includes new language. House includes new revised language to also require reporting. Senate includes the new language. Conference includes new revised language to also require reporting.

Sec. 715. Community and Worker Economic Transition Office – NEW

Authorizes LEO to hire employees and deploy capabilities to evaluate and address the impacts of economic transitions; lists activities of the office; requires office to submit a community and worker economic transition plan; requires annual report. Executive and House include new language. Senate and Conference include new revised language to also require reporting.

Sec. 716. Volunteer Income Tax Assistance Grants – NEW

Requires funds to be allocated to a nonprofit trade association to provide and expand free tax preparation services; caps administrative allocation at \$200,000. Executive includes new language. House does not include. Senate includes new language. Conference includes new revised language to cap administrative allocation at 5%.

REHABILITATION SERVICES

Sec. 905. Centers for Independent Living – REVISED

Requires all funds appropriated for independent living be used to support Centers for Independent Living in underserved areas and to build capacity; outlines program requirements; requires report. Executive and House retain. Senate and Conference revise to designate unexpended funds as a work project appropriation.

Major Boilerplate Changes from FY 2023-24

Sec. 906. Personal Assistance Service Reimbursement for Employment Program – NEW

Requires funds for PASREP to be allocated to support administration of the PASREP program. Executive and House do not include. Senate includes new language. Conference includes new revised language to require an annual report on the program.

COMMISSIONS

Sec. 951. Ethnic Affairs Commissions Reporting – RETAINED

Requires Office of Global Michigan to coordinate with three ethnic affairs commissions to produce report detailing commissions' activities. Executive deletes. House retains. Senate revises to add a reporting item. Conference revises to consolidate the requirement under Sec. 952 into this section.

Sec. 952. Ethnic Affairs Commissions' Spending – RETAINED

Requires expenditure of appropriated funds to directly relate to mission statements. Executive deletes. House retains. Senate retains. Conference deletes and merges the requirement into Sec. 951.

ONE-TIME APPROPRIATIONS

Sec. 1001. Agricultural Tourism Hub Redevelopment – NEW

Requires LEO to award \$2.0 million for the redevelopment of a former corrections facility in Grand Traverse County into an agricultural tourism hub. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1002. Auto Show Public Safety – NEW

Requires allocation of \$225,000 to the 501(c)(6) nonprofit entity that operates the North American International Detroit Auto Show for the purpose of paying cities, counties, municipalities, or regional authorities for security, police, fire, traffic or parking services or for facility rentals associated with the auto show. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1003. Brownstown Municipal Infrastructure – NEW

Requires allocation of \$1.5 million for renovation costs of a township hall in Brownstown Township. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1004. Center for Social Enterprise Development – NEW

Requires allocation of \$1.0 million to create a Center for Social Enterprise Development, which would involve a collaboration between a small business foundation and an association of comprehensive human services providers; requires the Center to administer direct grants to small businesses and nonprofit organizations that seek to establish or expand a social enterprise with an emphasis on employing individuals who are marginalized or economically disadvantaged. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1005. Chinatown Development – NEW

Requires allocation of \$1.0 million for the development of a culturally and historically significant midtown in Detroit; allows funds to be used for revitalization of the streetscape to be more pedestrian-friendly, incorporation of cultural art and aesthetics, installation of cultural greenspaces, and development of culturally significant buildings. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1006. Community Development – NEW

Requires \$100,000 to be awarded to a nonprofit organization that supports underserved populations and that is headquartered in Brownstown Township. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1007. Community Development Financial Institutions Grants – NEW

Requires funds to be transferred to the Michigan Community Development Financial Institutions Fund for grants to eligible CDFIs; requires the MSF to develop a grant application; establishes grant award amounts for which CDFIs are eligible; establishes requirements for administration of the program and reporting; allows the MSF to use 4% of the appropriation for administration; designates unexpended funding as a work project appropriation. Executive and House do not include. Senate and Conference include new language.

Sec. 1008. Community Museum Grants – NEW

Requires LEO to allocate \$2.0 million to the Lakeshore Museum Center, \$2.0 million to the Motown Museum, \$1.0 million to the Chaldean Cultural Center, and \$1.0 million to the Michigan Flight Museum; allocates \$6.0 million for statewide grants to museums, which are to be distributed on a first-come, first-served basis, subject to a \$1.0 million cap. Executive does not include. House includes new language. Senate does not include. Conference includes new revised language to reflect \$5.0 million allocation to the Motown Museum and \$9.0 million allocation for competitive museum grants.

Major Boilerplate Changes from FY 2023-24

Sec. 1009. Workforce Development Grants – NEW

Requires \$4.0 million to be awarded to a state federation for labor 501(c)(3) organization workforce development institute. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1010. Developing Kids – NEW

Requires allocation of \$1.0 million to a nonprofit organization in Detroit that provides afterschool and summer programs for the renovation of a permanent headquarters. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1011. Downtown Development – NEW

Requires \$150,000 to be awarded to a downtown development authority in Redford Charter Township. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1013. Forest Products Workforce Training and Development – NEW

Requires allocation of \$750,000 to a nonprofit forest industry council based in Lansing; requires funds to be used to provide quality training to advance skill sets, grow operational knowledge, and advance careers in the forest products industry. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1014. Foster Care Aging-Out Services – NEW

Requires \$100,000 to be awarded to a Detroit-based nonprofit organization to support wraparound services for individuals aging out of the foster care system. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1015. Health and Healing Center – NEW

Requires \$1.5 million to be awarded to a health and healing center located in a neighborhood community center that provides medical and mental health services in Detroit; requires funds to be used to support medical, mental health, childcare, and community services to citizens of the community. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1016. High-Impact Tutoring Pilot Program – NEW

Requires allocation of \$500,000 to a program that provides high-impact, high-dosage, data-driven tutoring programs focused on improving educational outcomes of students in need. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1017. Hispanic Community Center – NEW

Requires \$750,000 to be awarded to a minority council in Kalamazoo; requires funds to be used to support a permanent facility for the organization and to serve other organizations in the community. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1018. Holistic Workforce Development – NEW

Requires \$1.0 million to be awarded to Empowerment Plan, an entity operating in Detroit that provides full-time employment and services to individuals recovering from homelessness and that produces sleeping bag coats for global distribution. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 1019. Housing Programs – NEW

Requires appropriated funding to be allocated as follows: \$15.0 million to Ingham County for direct financing support programs, including homeowner down payment assistance, foreclosure prevention programs, community improvement programs, and, specific to Lansing, affordable or workforce housing projects; \$5.0 to the intermediate school district in Grand Traverse County for construction of 1 or more housing developments with units set aside for pre-K to 12 teachers and support staff; \$5.0 million to Portage to support development of mixed-income housing; \$4.0 million to Dundee Village to support an affordable housing development project; \$3.3 million to a nonprofit organization in Lansing to support development of long-term housing for recovering patients and their families; \$3.0 million to an economic development organization in Lansing to support mixed-use housing; \$3.0 million to a nonprofit organization in Sterling Heights for capital costs resulting from construction of an affordable housing apartment complex; \$3.0 million to a development firm in Muskegon for rehabilitation of a historic manufacturing site to support housing; \$3.0 million to a nonprofit corporation in Detroit for a new multi-use housing project; \$2.0 million to DeWitt Charter Township for upgrades, renovations, acquisitions, installations, and activations of new units for a manufactured housing complex; \$2.0 million to Delta Charter Township to support an affordable workforce housing development project; \$1.5 million to a nonprofit organization in Grand Rapids for an affordable housing project; \$360,000 to a nonprofit organization in Grand Rapids for permanent or shared housing for individuals experiencing homelessness; \$2.5 million for a competitive grant program for eligible nonprofit faith-based organizations for affordable housing, including senior housing; and \$5.0 million to implement housing industry and supply chain competitive grants. Requires remaining funds to be used for a statewide competitive housing grant program; authorizes the department to utilize \$1.0 million for activities necessary to implement the section; requires the department to develop grant program guidelines and criteria where applicable; requires grant recipients to report annually on their progress; designates unexpended funds as a work project appropriation. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1020. Housing Readiness Incentive Grants – NEW

Requires LEO to expend funds to provide grants to cities, villages, and townships to offset costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability. Executive does not include. House includes new language. Senate does not include. Conference includes new revised language to allow counties to also qualify for grants.

Sec. 1021. Housing Stock and Homeowner Affordability – NEW

Requires funds to be used to increase the housing stock and affordability for prospective homeowners through construction on new housing units, renovation of existing housing units, and completion of energy efficiency improvements; authorizes funds to also be used to leverage federal resources for the same purposes. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1022. Jewish Family Services – NEW

Requires \$1.2 million to be awarded to a refugee resettlement agency located in Washtenaw County; requires funds to be used to support refugee housing and resettlement through family services. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1023. Junior Achievement – NEW

Requires allocation of \$1.0 million to Junior Achievement, a nonprofit organization that provides young people with practical economic education programs and experiences in the competitive private enterprise system through business and education communities located in Detroit and Grand Rapids; requires funding to be used for program resources and staffing; requires each location to receive \$500,000. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1024. Life Leaders – NEW

Requires allocation of \$750,000 to a workforce development program serving the metro Detroit area that works with youth on confidence, skills, knowledge, and opportunities to achieve goals and build futures. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1025. Math and Reading Academies – NEW

Requires allocation of \$1.0 million for implementation of My Math Academy or My Reading Academy for grades pre-K through 5; allows programs to include professional learning for educators or a guardian care center for parental involvement. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 1026. Michigan Innovation Fund – NEW

Requires funds to be used for activities under section 32 of the Michigan Early Stage Venture Act of 2003; requires MSF to develop and post program guidelines; requires not less than \$5.0 million of funds to support underrepresented entrepreneurs; requires awards to be made to universities, economic development organizations, nonprofit organizations, and other investment vehicle entities; requires annual pitch competition to address strategic challenges in Michigan. Executive includes new language. House does not include. Senate includes new revised language that increases required support for underrepresented entrepreneurs to \$6.0 million and eliminates the required annual pitch competition. Conference includes new revised language stating that funds must be expended for activities as described in House Bill Nos. 5651, 5652, and 5653 and a Senate bill, introduced from legislative service bureau request no. 06366'24, of the 102nd legislature, if those bills are enacted into law.

Sec. 1027. Michigan Women Forward – NEW

Requires allocation of \$1.5 million to an organization that supports entrepreneurship and mentorship programs focused on women in Detroit; requires funds to be used to support programming and for expansion of the organization. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1028. Michigan Works! Reports – NEW

Requires allocation of \$1.0 million to support youth career exploration initiatives with a focus on health care. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1029. Michigan's High-Tech Talent Initiative – NEW

Requires \$2.0 million to be awarded to MICHauto, an entity in Detroit whose mission is to promote, retain, and grow this state's automotive industry; prohibits funds from being used for digital or social media platforms. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1030. Minority-Owned Business Support – NEW

Requires LEO to award grants to minority-owned businesses or non-profit business organizations to implement small business development initiatives for minority-owned businesses; allows funds awarded to nonprofit business organizations to be used for activities that support or develop small businesses; requires LEO to award funds in a geographically diverse manner and stipulates other allocation requirements; requires reporting on the grants; allows LEO to retain 2% of the appropriation for administration; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate and Conference include new language.

Sec. 1031. Nutritional Support Program – NEW

Requires \$2.0 million to be awarded to Meals on Wheels of Western Michigan for costs of capital improvements, renovations, infrastructure expansion, or related expenses. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1032. Office of Rural Prosperity Grants – NEW

Requires LEO to operate a grant program to support community activities, including enhancing or elevating broadband, housing, infrastructure, education, workforce development, and addressing other needs unique to rural areas. Executive, House, Senate, and Conference include new language.

Sec. 1033. Police Athletic League – NEW

Requires \$250,000 to be awarded for renovations and additions at a nonprofit organization that partners with a police department and community volunteers to assist youth through athletic, academic, and leadership development programs in Detroit. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1034. Post-Incarceration Employment – NEW

Requires \$1.0 million to be awarded to the Center for Employment Opportunities, a nonprofit organization that operates a program that provides services to parolees and probationers assessed by the Department of Corrections as moderate- or high-risk to recidivate, and provides job readiness training, transitional employment, job coaching and placement, and postplacement retention services. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1035. PsyGenics – NEW

Requires \$250,000 to be awarded to a community mental health provider in Wayne County; requires funds to be used to support mental health services including case management, psychological and psychiatric care, counseling, peer mentoring, and nursing services. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1036. Reignite – NEW

Requires allocation of \$250,000 to a nonprofit organization that helps women consider careers in and connect with technology industries; requires funds to be used to support programs aimed at connecting women in K-12 through post-university with careers in technology. Executive, House, and Senate do not include. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 1037. Right to Counsel – NEW

Requires allocation of \$1.5 million to Detroit to implement a right-to-counsel program for city tenants involved in eviction proceedings. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1038. School Psychologists Programming – NEW

Requires allocation of \$1.0 million to expand access to school psychology education or preparation programs maintained by institutions of higher education that offer designations, focus, or special certifications in the provision of school psychology services; requires funds to be used to hire faculty members to initiate or expand enrollment and to develop distance education in existing programs; requires a plan for internally funding the school psychologist program after the grant period ends; prohibits grants for initiating enrollment from exceeding \$350,000 per year for 1, 2, or 3 years; and prohibits grants for expanding enrollment and developing distance education in existing programs from exceeding \$150,000 per year for 1, 2, or 3 years. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1039. SER Metro – NEW

Requires \$750,000 to be awarded to a youth engagement and adult re-engagement nonprofit center in Detroit. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1040. Short-Term Loan Grants – NEW

Requires LEO to operate a grant program for short-term lenders; requires LEO to develop program guidelines, criteria, and an application process; specifies that to be eligible for the grant, entities must have a deferred presentment service transactions license or be a bank, credit union, community development financial institution, or nonprofit organization licensed or regulated under state or federal law and with a physical location in Michigan; specifies that lenders must use the grants to provide short-term loans of not more than \$1,200 to individuals with financial hardship or need at not more than a 36% APR; allows LEO to use 2% of the appropriation for administration and 5% for marketing and outreach; requires reporting on the grant program; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate and Conference include new language.

Sec. 1041. Small Business Development – NEW

Requires allocation of \$3.0 million to higher education institutions that serve as small business development center regional hosts to offset operations costs and federal match requirements. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1042. Starfish Family Services – NEW

Requires \$2.0 million to be awarded to an early childhood education service provider in Detroit to provide high quality services and to support facility infrastructure improvements. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1043. Symphony Orchestra Grants – NEW

Requires funds to be allocated for a program that distributes need-based grants to symphonies that have a demonstrated financial need for support; requires guidelines and a grant application process to be developed; requires grants to be awarded on a proportional basis if applications exceed the allocation. Executive does not include. House includes new language. Senate does not include. Conference includes new revised language that includes a \$750,000 allocation to the Detroit Symphony Orchestra and a \$5.3 million allocation for need-based symphony grants.

Sec. 1044. Talent Solutions/Talent and Growth – NEW

Requires funds to be used for the operations of the talent action teams fast track system, grants to employer-led collaboratives to support job creation, and authorizes up to 3% of the appropriation to be used for administration. Executive includes new language. House does not include. Senate does not include. Conference includes new revised language that authorizes up to 5% of the appropriation to be used for administration.

Sec. 1045. Walkabouts Multisensory Movement-Based Learning – NEW

Requires \$500,000 to be awarded to a program that provides supplemental learning tools that integrate physical movement and multisensory lessons to complement traditional classroom instruction. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 1046. Wayne Metro – NEW

Requires allocation of \$2.5 million to a nonprofit organization headquartered in Detroit that operates a community center in Highland Park to be used for structural improvements. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1047. Winter Sports Muskegon – NEW

Requires allocation of \$1.5 million to a nonprofit, community-based organization in Muskegon County to be used for facility and park upgrades and other operational costs. Executive, House, and Senate do not include. Conference includes new language.

Major Boilerplate Changes from FY 2023-24

Sec. 1048. Women of Tomorrow – NEW

Requires allocation of \$200,000 to a women's mentoring and scholarship program headquartered in Oakland County. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1049. Young Adult Wellbeing and Success – NEW

Requires \$1.0 million to be awarded to Discover You, a Midland-based program that provides evidence-informed workshops to build mental and emotional well-being, increase academic and life outcomes, and develop skills for 21st century jobs in individuals that are in grades 6 through 12 or in early postsecondary education. Executive does not include. House includes new language. Senate does not include. Conference includes new language

Sec. 1050. Youth Career Development Program – NEW

Requires LEO to allocate \$450,000 to Starr Commonwealth for an initiative that serves emancipated youth and emerging adults ages 16-24 who experience circumstances that prevent them from engaging in education, professional training, and living wage employment opportunities. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Table 1: Community Enhancement Grants Senate Bill 747 (S-1) CR-1

Sec. 1050a	1	"Small Talk" Program	\$1,500,000
	2	Building 21 Teen Center	320,000
	3	LMTS Community Center	500,000
	4	First Presbyterian Church of Lansing	500,000
	5	Lansing Schools Infrastructure	2,500,000
	6	Holt Schools Feasibility Study	150,000
	7	Potter Park Zoo	10,000,000
	8	Lansing Lugnuts Infrastructure Improvements	1,000,000
	9	Plaza Roosevelt Park Improvements	5,000,000
	10	Grand Rapids Civic Theater sidewalk reconstruction	527,000
	11	Wyoming Veterans Park Improvements	500,000
	12	NAYA	500,000
	13	GRABB	500,000
	14	Downtown Boxing Gym (Detroit)	2,000,000
	15	Hazel Park Library Infrastructure	200,000
	16	Berston Fieldhouse Infrastructure	3,000,000
	17	Sylvester Broome EV	250,000
	18	Communities First (Marian Hall)	1,500,000
	19	St. Luke Community Center	3,000,000
	20	Taylor Historical Society	100,000
	21	City of Ecorse Park Improvements	200,000
	22	City of Algonac Community Infrastructure Improvements	1,000,000
	23	Mount Clemens Downtown Redevelopment	5,000,000
	24	Ecumenical Senior Center	1,000,000
	25	Eastside Soup Kitchen (Saginaw)	1,000,000
Sec. 1050b	1	Northfield township park development	\$2,000,000
	2	MI Minority Supplier Developer	2,000,000
	3	Detroit Rescue Mission	1,500,000
	4	100k ideas	1,500,000
	5	MSU Apple App Development Academy	1,000,000
	6	YMCA State Alliance	3,500,000
	7	Communities in Schools	1,000,000
	8	Council of Women in Technology	250,000
	9	Downriver Community Conference	6,500,000
	10	Family Learning Institute	150,000
	11	Inkster Community Center	900,000
	12	Canton Township Municipal Building	1,000,000
	13	City of Jackson Downtown Development Project	4,500,000
	14	Residents in Action non-profit	1,000,000
	15	Durand Union Station, Inc	1,000,000
	16	City of Warren Park and Recreation Improvements	1,000,000
	17	Arts & Scraps	150,000
	18	Tatiana Grant	250,000
	19	GABA	1,000,000
	20	West Michigan Teacher Collaborative	2,000,000
	21	Anchor Bay School (Early Childhood Center)	750,000
	22	Grand Rapids Public Museum	1,000,000
	23	Muskegon Public Access Point	1,000,000
	24	Indoor Sports Facility (Shelby Township)	2,500,000
Sec. 1050c	1	Mackinac Island Land Acquisition	\$3,200,000
	2	West Michigan Sport Complex	3,000,000
	3	Van Andel Institute	1,000,000
	4	Hillsdale Hospital	3,500,000
	5	Rochester Community House	2,000,000
	6	Jimmy John's Field (Utica)	1,500,000
	7	Troy Fire Ladder Truck	1,900,000
	8	Isabella County/Mt Pleasant Road Projects	2,000,000
	9	Mason County Road Repairs	1,000,000
	10	The New Foster Care	1,900,000
	11	Gogebic Labor and Delivery Hospital	1,200,000

Table 1: Community Enhancement Grants Senate Bill 747 (S-1) CR-1

	12	Fish Pass	1,000,000
	13	Sault Ste. Marie Tribe of Chippewa Indians Emergency Shelter	750,000
	14	Sault Ste. Marie I-500 Snowmobile Track	250,000
	15	Election Centers (East Lansing, Ann Arbor, Grand Rapids, Lansing)	4,000,000
	16	Jim Crow Museum	4,000,000
	17	Hospitality Industry Training Program	2,000,000
	18	MSU Child Development Lab	2,000,000
	19	Sherwood Pool Renovations - Saginaw	1,900,000
	20	St. Mark's Community Outreach Center	1,500,000
	21	Zekelman Holocaust Center	1,500,000
	22	Marquette Regional History Center mortgage payoff	1,000,000
	23	Detroit Blight Busters neighborhood block grants	1,000,000
	24	Flint Blight Elimination	1,000,000
	25	Beyond Basics	1,000,000
Sec. 1050d	1	Fisher Building	\$1,000,000
	2	College Career & Beyond	1,000,000
	3	7 Mile House Detroit	1,000,000
	4	WDET Detroit Public Radio	1,000,000
	5	WISE (Women's Innovative Social Enterprise Partnership)	1,000,000
	6	St. Vincent and Sarah Fischer Center in Detroit	700,000
	7	PartnerShift Network Workforce Success Initiative (WSI)	600,000
	8	Berrien County Workforce Innovation Center	500,000
	9	Blandford Nature Center	500,000
	10	Chaldean American Social Service Advocates	500,000
	11	Greater Pontiac Community Coalition	500,000
	12	Prince Hall Most Worshipful Grand Lodge	500,000
	13	Great Lakes Center for the Arts	500,000
	14	Bridgeport gun range	425,000
	15	Voces Latinx Community Hall	300,000
	16	Faith Foundation Resources in Flint	300,000
	17	Women and Men Working for Change	250,000
	18	Violet T. Lewis senior home	250,000
	19	South Haven Region Business Hub	160,000
	20	Mosaic Career Pathways Institute	150,000
	21	Caring Connection - Benton Harbor	100,000
	22	LA SED Detroit	100,000
	23	Malcolm X House historic renovation in Inkster	80,000
	24	Royal Oak Twp recreation activities for youths and seniors	50,000
	25	New Level Sports Youth Village Early Childhood Development Center	50,000
	26	Kingdom Builders Worldwide Facility Improvements	50,000
	27	Washington Heights United Methodist Church & Community, Apprenticeship Program	50,000
	28	Pinkney Youth Community Development Center	40,000
	29	Krause Memorial Library Expansion	1,000,000
	30	Gladstone Senior Center	500,000
	31	Stephenson Area Public Schools	400,000
Sec. 1050e	1	Ethanol Rebates for Retailers	\$3,000,000
		TOTAL	\$140,852,000

Table 2: Healthcare Grants Senate Bill 747 (S-1) CR-1

Sec. 1051	1	Eaton Rapids Hospital infrastructure modernization	\$5,000,000
	2	Michigan Medicine	5,000,000
	3	Cristo Rey (Lansing)	1,000,000
	4	Pine Rest (Pediatric Center)	12,500,000
	5	Cherry Health	1,650,000
	6	City of Grand Rapids (Mental Health Crisis co-response)	250,000
	7	BAMF Detroit	5,000,000
	8	CEDAM VITA grants	3,300,000
	9	Oakland Health Network	1,000,000
	10	East Warren Development Corp Infrastructure	2,000,000
	11	Sacred Heart Rehabilitation Center	2,200,000
	12	Mundy township (Senior center)	2,000,000
	13	LatinX Community Center	2,000,000
	14	SRSly Dexter	125,000
		TOTAL	\$43,025,000

Table 3: Housing Grants Senate Bill 747 (S-1) CR-1

Sec. 1052	1	Lansing Rescue Mission	\$1,000,000
	2	AYA Youth Collective	450,000
	3	Michigan Advocacy Program	1,000,000
	4	Emergency Shelter grants (Washtenaw)	1,000,000
	5	Home Builders booklets	400,000
		TOTAL	\$3,850,000

Table 4: Infrastructure Grants Senate Bill 747 (S-1) CR-1

Sec. 1053a	1	Sea wall project (GP Shores)	\$1,000,000
	2	City of New Baltimore (Break wall project)	2,000,000
	3	City of Ypsilanti (Community infrastructure projects)	3,000,000
	4	Bay City (Bridge cost reimbursement)	1,600,000
	5	Clawson (Water infrastructure)	1,000,000
	6	Oak Park (Water and road infrastructure)	2,000,000
	7	Garden City (Sidewalk improvements)	2,500,000
	8	Brooklyn (School routes)	450,000
	9	CATA (Facility improvements)	5,000,000
	10	Invest Detroit (Senior Housing)	2,000,000
	11	Taylor / Wayne Co (Community infrastructure)	5,000,000
	12	Kalamazoo Co (Tornado relief)	2,000,000
	13	Lathrup Village (Community infrastructure)	2,000,000
	14	Warrendale Business Association (Corridor improvements)	2,500,000
	15	MI Assn of Municipal Clerks	1,035,000
	16	BWL Steam Conversion Project	5,000,000
	17	Eaton County Bank Intercounty Drain Project	5,000,000
	18	Frankenmuth Youth Sports Complex	10,000,000
	19	Detroit Zoo Infrastructure	7,000,000
	20	Bonstelle Theatre Detroit	5,000,000
	21	Wyoming Non-motorized Trail	3,000,000
	22	Washtenaw Huron Waterloo Pathways Border-To-Border trail	3,000,000
	23	Canton Township Summit Renovation	2,500,000
	24	City of Hamtramck Public Works	2,000,000
	25	Hamtramck Negro League Field/Veterans Park	2,000,000
Sec. 1053b	1	Dimondale Water Hookup to BWL	2,000,000
	2	Mount Clemens Riverfront Revitalization	2,000,000
	3	Wyandotte Downriver Arts Center Historic Rehab	2,000,000
	4	Saginaw Memorial Cup Upgrades	1,600,000
	5	Mount Clemens Septic Station Project	1,500,000
	6	Oak Hill Cemetery - Battle Creek	1,200,000
	7	Ironwood Ski Jump - Pine Mountain Ski Jump at Veterans Park	1,000,000
	8	Oak Valley Park in Pittsfield Twp	1,000,000
	9	Oak Park Community/Recreation Center	1,000,000
	10	Judson Center Royal Oak campus renovations	1,000,000
	11	Dickinson County road replacement: County 573 Rd	1,000,000
	12	Detroit Parks Coalition infrastructure & accessibility	1,000,000
	13	City of Detroit Public Parks and Greenway Infrastructure	1,000,000
	14	Detroit/Wayne County Port Authority	1,000,000
	15	Grand Rapids Ford Airport Control Tower Local Match	2,000,000
	16	West Bloomfield Twp Greer Road bridge replacement	800,000
	17	Waterford Twp Senior Center	500,000
	18	Wayne County School Infrastructure	500,000
	19	Public WiFi in Greektown area Detroit	300,000
	20	Innovate Albion Elevator Installation	250,000
	21	Buena Vista Twp township Administrative Offices	1,000,000
	22	Bridgman City Hall Rehabilitation	150,000
	23	City of Benton Harbor DDA - State Street Theatre Study	30,000
	24	Sumpter Twp Park Improvements	25,000
	25	Hamburg Twp Museum	20,000
	26	Scio Twp Road Improvements	1,000,000
		TOTAL	\$102,460,000

Table 5: Public Safety Grants Senate Bill 747 (S-1) CR-1

Sec. 1054	1	Ingham JJ Facility	\$12,500,000
	2	Hamtramck (Firetruck)	800,000
	3	City of Eastpointe (38th district court)	7,000,000
	4	Westland (Fire department infrastructure)	3,500,000
	5	Livonia (Fire equipment)	1,000,000
	6	City of Dearborn (Health and security infrastructure)	6,000,000
	7	Jewish Federation (Security)	4,000,000
	8	Macomb Community College Public Safety Institute	2,000,000
	9	Northville Twp Fire Truck	1,500,000
	10	Romulus Public Safety Building	1,000,000
	11	Kalamazoo Twp police & fire infrastructure	1,000,000
	12	Oshemo Twp Fire Station	1,000,000
	13	Sterling Heights Police Command Vehicle	750,000
	14	Eaton County Fire Training Center	700,000
	15	Madison Heights Police Dept HVAC	500,000
	16	Utica Ambulance replacement	450,000
	17	Utica Fire & EMT radios	300,000
	18	Bloomfield Twp First Responders & Fire Communications	300,000
	19	Grand Ledge Emergency Disaster Relief	250,000
	20	Casco Twp (Allegan County) Firehouse Garage	200,000
	21	Utica Police Equipment	200,000
	22	AmeriCorps Urban Safety Program/Detroit Youth Service Corps	100,000
	23	Scio Twp Fire Truck	750,000
		TOTAL	\$45,800,000

TOTAL OF ALL	\$335,987,000
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FY 2024-25: LICENSING AND REGULATORY AFFAIRS
Summary: Conference Report
Article 10, Senate Bill 747 (S-1) CR-1



Analyst: Marcus Coffin

	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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$46,897,200	\$27,682,800	\$27,682,800	\$27,682,800	\$27,682,800	(\$19,214,400)	(41.0)
Federal	50,004,200	30,471,300	30,471,300	30,471,300	30,471,300	(19,532,900)	(39.1)
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	259,708,400	280,707,400	277,507,400	286,707,400	281,979,200	22,270,800	8.6
GF/GP	271,331,100	296,605,700	300,805,700	296,450,700	308,605,700	37,274,600	13.7
Gross	\$627,940,900	\$635,467,200	\$636,467,200	\$641,312,200	\$648,739,000	\$20,798,100	3.3
FTEs	1,893.9	1,818.0	1,816.0	1,818.0	1,821.0	(72.9)	(3.8)

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

Overview

The Department of Licensing and Regulatory Affairs (LARA) is the state's primary regulatory entity. The department oversees regulation across a variety of sectors, including commercial and occupational activities, construction and fire safety, health care and human services, public utilities, liquor control, and cannabis. Units within LARA also conduct and adjudicate administrative hearings, oversee rules promulgation, provide support for the Michigan Indigent Defense Commission and the Unarmed Combat Commission, and administer multiple grant programs, including Michigan Indigent Defense Commission grants.

Major Budget Changes from FY 2023-24 Enacted Appropriations

1. Michigan Indigent Defense Commission (MIDC) Grants

Executive includes \$37.4 million GF/GP to support grant distributions to district and circuit court funding units to fund the state's projected share of FY 2024-25 costs associated with MIDC standards 1-8 and the indigency standard. Of the total, \$24.6 million is included for compliance with standards 1, 2, 3, 4, 5, and 8, which pertain to the education and training of defense counsel, timing and location of attorney-client interviews, defense investigations and experts, presence of counsel at first appearance and other trial stages, independence of indigent criminal defense services from the judiciary, and attorney compensation, contracting, and payments; \$12.9 million is included for costs incurred for compliance with MIDC standards 6 and 7, which pertain to indigent defense workloads and attorney qualification and review. House, Senate, and Conference concur.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Gross	\$220,917,400	\$37,427,900
Restricted	300,000	0
GF/GP	\$220,617,400	\$37,427,900

2. Executive Order 2023-6 Implementation

Executive reflects the removal of \$25.6 million Gross (\$4.4 million GF/GP) and 147.0 FTE positions to effectuate the reorganization of various childcare and educational functions within the Department of Lifelong Education, Advancement, and Potential, required under EO 2023-6. This adjustment would result in the complete removal of functions related to childcare and camps licensing from LARA. House, Senate, and Conference concur.

FTE	NA	(147.0)
Gross	NA	(\$25,586,500)
IDG/IDT	NA	(20,653,100)
Restricted	NA	(544,600)
GF/GP	NA	(\$4,388,800)

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
3. Renewable Energy and Electrification Infrastructure Enhancement and Development			
	FTE	2.0	(2.0)
	Gross	\$21,300,000	(\$21,300,000)
(a) <u>Executive</u> removes \$21.3 million Gross (\$20.0 million one-time Coronavirus State Fiscal Recovery Fund; \$1.3 million one-time GF/GP) included in the FY 2023-24 budget for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	20,000,000	(20,000,000)
	GF/GP	\$1,300,000	(\$1,300,000)
(b) <u>House</u> includes \$500,000 GF/GP (one-time) and authorization for 1.0 FTE for FY 2024-25 grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects. <u>House</u> also includes boilerplate section 1004, which directs the department to expend \$5.0 million of unexpended work project appropriations for this purpose. <u>Senate</u> does not include. <u>Conference</u> includes \$5.0 million GF/GP (one-time) and authorization for 1.0 FTE position for FY 2024-25 grants to businesses, nonprofit organizations, and units of local and state government for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects, which include renewable natural gas facilities and electric vehicle fast-charging infrastructure on publicly owned land within 1/2 mile of a U.S. highway or state trunkline roadway. From the gross funding total, \$125,000 is provided for the Public Service Commission to administer the grant program.	FTE	0.0	1.0
	Gross	\$0	\$5,000,000
	GF/GP	\$0	\$5,000,000
4. Clean Energy Implementation			
<u>Executive</u> includes \$5.8 million of state restricted funding authorization from Public Utility Assessments and authorization for 31.0 FTE positions to support the implementation and administration of responsibilities under 2023 PAs 229, 231, 233, 234, and 235, colloquially referred to as the "clean energy package". Funding would be utilized to support staffing costs within the Public Service Commission (PSC), Michigan Office of Administrative Hearings and Rules, and Administrative Services line items. Departmental responsibilities under the acts include reviewing renewable energy plans, expanding reviews of Integrated Resource Plan and Energy Waste Reduction filings, and PSC oversight of renewable energy facility siting. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	FTE	NA	31.0
	Gross	NA	\$5,822,700
	Restricted	NA	5,822,700
	GF/GP	NA	\$0
5. Michigan Saves			
(a) <u>Executive</u> removes \$5.5 million GF/GP (one-time) that was included in the FY 2023-24 budget for Michigan Saves, a non-profit green bank. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$5,500,000	(\$5,500,000)
	GF/GP	\$5,500,000	(\$5,500,000)
(b) <u>House</u> includes \$5.0 million GF/GP (one-time) for Michigan Saves for FY 2024-25. <u>Senate</u> includes \$4.0 million GF/GP (ongoing) for this purpose. <u>Conference</u> includes \$5.0 million GF/GP (one-time) for this purpose. Funding would be used to offer credit enhancement tools intended to incentivize lending at lower rates and under better terms for clean energy improvement and on-site wastewater system replacement and repair loans to commercial and residential entities.	Gross	\$0	\$5,000,000
	GF/GP	\$0	\$5,000,000

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
6. Elevator Inspections	FTE	NA	10.0
<u>Executive</u> includes \$4.4 million of state restricted funding authorization from Elevator Fees and authorization for 10.0 FTE positions to hire additional elevator inspectors within the Bureau of Construction Codes to address significant inspection backlogs. Additional funding is available because of administrative rule changes that increased certain elevator fees effective June 2023. <u>House</u> includes \$2.2 million of state restricted funding authorization and authorization for 5.0 FTE positions for this purpose. <u>Senate</u> and <u>Conference</u> concur with Executive.	Gross	NA	\$4,400,000
	Restricted	NA	4,400,000
	GF/GP	NA	\$0
7. Cannabis Regulatory Agency (CRA)	FTE	173.0	9.0
<u>Executive</u> includes \$3.4 million of additional state restricted funding authorization from marijuana funds and authorization for 9.0 FTEs to hire additional CRA staff and to support the statewide marijuana monitoring system, which tracks marijuana inventory and sales. Approximately \$2.0 million of the increase would be allocated for costs associated with the monitoring system; this increase would allow for the elimination of monthly user license fees which currently support the system. The remaining \$1.4 million would be allocated for increased staffing. Additional staff would include 4.0 positions within the Legal Section, 2.0 positions within the License Maintenance Section, 1.0 auditor within the Financial Compliance Section, and 2.0 fire inspectors. <u>House</u> includes \$1.4 million in additional state restricted funding authorization and FTE authorization for additional staff but does not include funding for the statewide marijuana monitoring system. <u>Senate</u> and <u>Conference</u> concur with Executive.	Gross	\$28,004,600	\$3,448,500
	Restricted	28,004,600	3,448,500
	GF/GP	\$0	\$0
8. Cannabis Regulatory Agency – Attorney General	Gross	NA	\$2,049,600
<u>Executive</u> includes \$2.0 million of state restricted funding authorization from marijuana funds to support costs incurred by the Department of Attorney General for increased enforcement activities conducted in the cannabis sector. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	2,049,600
	GF/GP	NA	\$0
9. Nursing Home Surveys and Investigations	FTE	NA	12.0
<u>Executive</u> includes \$1.9 million GF/GP and authorization for 12.0 FTE positions to hire additional staff to offset increased workloads associated with health and long-term care facilities and to conduct surveys and investigations of nursing homes. The increased staffing would assist with federal performance measure compliance. <u>House</u> concurs with Executive. <u>Senate</u> includes \$1.7 million of state restricted funding authorization from Health Systems Fees and authorization for 12.0 FTE positions for this purpose. <u>Conference</u> concurs with Executive.	Gross	NA	\$1,855,000
	GF/GP	NA	\$1,855,000
10. Bureau of Professional Licensing (BPL) Authorization Increase	FTE	202.0	0.0
<u>Executive</u> includes an additional \$1.5 million of state restricted funding authorization from 4 separate funds for the BPL line item. This authorization increase would allow LARA to properly align staff with the relevant fund to support the specific work being completed. This alignment would assist the department with auditing and would prevent expenditures from funds with insufficient revenue. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$40,966,500	\$1,500,000
	Restricted	40,587,800	1,500,000
	GF/GP	\$378,700	\$0
11. Bureau of Construction Codes (BCC) Authorization Increase	FTE	172.0	2.0
<u>Executive</u> includes \$1.5 million of state restricted funding authorization from the Construction Code Fund and authorization for 2.0 FTE positions to hire additional regulation agents within the BCC to address a backlog of builder-related complaints. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$26,634,900	\$1,486,300
	Restricted	25,335,600	1,486,300
	GF/GP	\$1,299,300	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
12. Utility Consumer Representation		Gross	\$850,000	\$1,250,000
<u>Executive</u> includes an additional \$1.3 million in state restricted funding authorization from the Utility Consumer Representation Fund for Utility Consumer Representation to reflect base contribution adjustments that were made via 2023 PA 231. These adjustments increase the amount available from the fund. The increase would bring total funding for Utility Consumer Representation to \$2.1 million, which supports grants administered by the Utility Consumer Participation Board and awarded to nonprofit organizations and local units of government (upon application and approval) for representation and advancement of residential utility customers' interests in administrative and judicial proceedings. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Restricted	850,000	1,250,000
		GF/GP	\$0	\$0
13. Medication Aide Program Implementation		FTE	NA	7.0
<u>Executive</u> includes \$1.1 million of state restricted funding authorization from the Nurse Aide and Medication Aide Registration Fund and authorization for 7.0 FTE positions to hire additional staff to administer medication aide training and certification requirements created by 2023 PA 273. Funding would also be used to develop and implement a medication aide training curriculum, testing requirements, and to improve regulatory compliance. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	NA	\$1,062,200
		Restricted	NA	1,062,200
		GF/GP	NA	\$0
14. PSC 5-Year Energy Waste Reduction and Demand Response Study		Gross	\$0	\$1,000,000
<u>Executive</u> includes \$1.0 million of state restricted funding authorization to support consulting services that would be necessary for PSC to fulfill a requirement for 5-year studies on statewide energy waste reduction and demand response potential. The requirement for studies is established within 2016 PA 341. <u>House</u> concurs but designates the funding as one-time. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs but designates the funding as one-time.		Restricted	0	1,000,000
		GF/GP	\$0	\$0
15. Sign Language Qualified Interpreters		Gross	NA	\$800,000
<u>Executive</u> includes \$800,000 GF/GP to support the Qualified Interpreter Program (QIP) within the Bureau of Community and Health Systems. The QIP is responsible for certifying, credentialing, and endorsing qualified American Sign Language (ASL) interpreters. The funding would support 3.0 new full-time staff positions, updates to database systems, and evaluation of testing methodologies for ASL interpreters. <u>House</u> does not include. <u>Senate</u> includes \$800,000 of state restricted funding authorization from Health Systems Fees for this purpose. <u>Conference</u> concurs with Executive.		GF/GP	NA	\$800,000
16. PSC Authorization Increase		FTE	195.0	0.0
<u>Executive</u> includes \$562,600 of additional state restricted funding authorization from Public Utility Assessments to allow the PSC to hire personnel to fill currently vacant FTE positions. The FTEs would assist with the PSC's call center and customer outreach activities. PSC activity levels are expected to increase due to statutory changes and new programs that the PSC is responsible for implementing and administering, including changes made under the clean energy package and a FY 2023-24 grant program. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	\$34,941,000	\$562,600
		Federal	3,078,600	0
		Restricted	31,862,400	562,600
		GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
17. Corporations, Securities, and Commercial Licensing Bureau (CSCLB) Authorization Increase	FTE	109.0	0.0
	Gross	\$15,854,400	\$550,000
<u>Executive</u> includes an additional \$550,000 of state restricted funding authorization from Corporation Fees to allow the CSCLB to fill vacant FTE positions and to reinstate senior-level positions. These positions would be used to address increased work volumes resulting from growth in the number of active business entities regulated by the CSCLB. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	15,854,400	550,000
	GF/GP	\$0	\$0
18. Regulatory Effectiveness Office	Gross	\$0	\$400,000
<u>Executive</u> includes \$400,000 of additional state restricted funding authorization from 6 fund sources to support the creation of a Regulatory Effectiveness Office within the department. This office would provide educational outreach and consultation to licensees and stakeholders, consolidate educational resources, and promote careers in the professions that LARA regulates. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	0	400,000
	GF/GP	\$0	\$0
19. Michigan Office of Administrative Hearings and Rules IDG Increase	FTE	194.0	0.0
	Gross	\$38,840,500	\$385,000
<u>Executive</u> includes a \$385,000 increase from IDG/IDT authorization for the MOAHR line item to reflect an increased IDG amount from the Michigan Department of Corrections (MDOC) for administrative hearings administered on behalf of MDOC. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	IDG/IDT	26,671,100	385,000
	Restricted	11,478,700	0
	GF/GP	\$690,700	\$0
20. PSC IT Systems	Gross	NA	\$261,000
<u>Executive</u> includes \$261,000 of additional state restricted funding authorization from Public Utility Assessments to support the gas safety data management system and the geospatial data system, which are both utilized by the PSC. The gas safety data management system contains thousands of records and supports numerous programs within PSC's Gas Safety and Operations Division through tracking, monitoring and report generation functionalities. Funding for the geospatial data system would be used to expand current energy system geospatial data collection. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	261,000
	GF/GP	NA	\$0
21. Bureau of Fire Services – Smoke Detectors	Gross	\$1,000,000	(\$1,000,000)
(a) <u>Executive</u> removes \$1.0 million GF/GP (one-time) that was included in the FY 2023-24 budget for the Bureau of Fire Services to purchase and distribute smoke detectors to residents of this state. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$1,000,000	(\$1,000,000)
(b) <u>House</u> includes \$250,000 GF/GP (one-time) for this purpose in FY 2024-25. <u>Senate</u> includes \$1.0 million of state restricted funding authorization from Corporation Fees for this purpose. <u>Conference</u> includes \$1.0 million GF/GP (one-time) for this purpose.	Gross	\$0	\$1,000,000
	GF/GP	\$0	\$1,000,000
22. Health Professions Implicit Bias Study	Gross	\$0	\$250,000
<u>Executive</u> includes \$250,000 of state restricted funding authorization from the Health Professions Regulatory Fund (one-time) to allow LARA to collaborate with an external research entity to evaluate the effect of required implicit bias training for health professionals on access to and delivery of health care services. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	0	250,000
	GF/GP	\$0	\$0
23. MIDC Limited-Term Staff	FTE	NA	0.0
<u>House</u> includes \$250,000 GF/GP (one-time) to allow the MIDC to hire limited-term staff or to contract with an external vendor to conduct financial examinations into how MIDC grants awards are used by grant recipients. <u>Senate</u> and <u>Conference</u> do not include.	Gross	NA	\$0
	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 Conference Change
24. IT Software Licensing		Gross	NA
<u>Executive</u> includes an additional \$100,000 of state restricted funding authorization from 3 fund sources to support the department's share of a contract increase with the Microsoft corporation. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Restricted	NA
		GF/GP	NA
			\$100,000
			100,000
			\$0
25. FTE Authorization Increases		FTE	234.9
<u>Executive</u> increases authorization in the Bureau of Fire Services (BFS) and Bureau of Survey and Certification (BSC) line items by 2.1 FTE positions. The additional authorization for the BFS would be utilized to fill an IT specialist position to work on geographic information systems and a departmental analyst position to coordinate external events and control inventory. The 0.1 FTE position for the BSC would allow the department to maximize the use of a fractional FTE position that is currently appropriated. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			2.1
26. Cannabis Regulatory Agency Social Equity Program		Gross	\$1,000,000
(a) <u>Executive</u> removes \$1.0 million of state restricted funding authorization (one-time) from the Marihuana Regulation Fund (adult-use) included in the FY 2023-24 budget to support the CRA's Social Equity Program, which promotes participation in the cannabis sector by people from communities that have been disproportionately impacted by marihuana prohibition and enforcement. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Restricted	1,000,000
		GF/GP	\$0
			(\$1,000,000)
			(1,000,000)
			\$0
(b) <u>Senate</u> and <u>Conference</u> include \$1.0 million of state restricted funding authorization (one-time) from the Marihuana Regulation Fund (adult-use) for this purpose in the FY 2024-25 budget.		Gross	\$0
		Restricted	0
		GF/GP	\$0
			\$1,000,000
			1,000,000
			\$0
27. Juvenile Indigent Defense Grants		Gross	\$0
<u>Conference</u> includes \$1.0 million GF/GP (one-time) to provide a grant to the University of Michigan law school for the purpose of providing financial assistance to unrepresented juvenile defendants who are charged with a felony offense, so that the defendants can secure competent legal counsel.		GF/GP	\$0
			\$1,000,000
			\$1,000,000
28. Fire Safety Inspectors		Gross	NA
<u>Conference</u> includes \$271,800 of state restricted funding authorization from Fire Services Fees and authorization for 2.0 FTEs to hire additional fire safety inspectors to address growing childcare licensing volumes.		Restricted	NA
		GF/GP	NA
			\$271,800
			271,800
			\$0
29. Technical Adjustments		FTE	NA
<u>Executive</u> includes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to reflect employee counts more accurately and to align funding authorization with revenue received and department operations and activities. Also includes the consolidation of 2 separate line items that support Michigan Liquor Control Commission activities into a single line item. <u>House</u> concurs in part, but does not include consolidation of Michigan Liquor Control Commission lines. Additionally, the House replaces \$1.0 million GF/GP with state restricted funding authorization from the Health Professions Regulatory Fund. <u>Senate</u> concurs with the Executive and replaces a total of \$1.5 million GF/GP with state restricted funding authorization in the Bureau of Community and Health Systems and the Bureau of Construction Codes line items. <u>Conference</u> concurs with Executive in part, but does not include consolidation of Michigan Liquor Control Commission lines.		Gross	NA
		Restricted	NA
		GF/GP	NA
			\$0
			0
			\$0

<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 Conference Change</u>
30. Removal of FY 2023-24 One-Time Appropriations	Gross	\$9,050,000	(\$9,050,000)
<u>Executive</u> removes \$9.1 million Gross (\$3.6 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Restricted	5,500,000	(5,500,000)
	GF/GP	\$3,550,000	(\$3,550,000)

- Bureau of Survey and Certification (\$1.2 million Gross)
 - CRA Reference Laboratory (\$2.8 million Gross)
 - Child Care Licensing Bureau Background Check Program (\$200,000 Gross)
 - Corporations Online Filing Modernization (\$2.7 million Gross)
 - Premanufactured Unit Plan Review Upgrades (\$350,000 Gross)
 - Utility Consumer Representation Grants (\$1.8 million Gross)
- House and Senate concur.

31. Economic Adjustments	Gross	NA	\$6,352,000
<u>Executive</u> reflects increased costs of \$6.4 million Gross (\$930,500 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	IDG/IDT	NA	1,053,700
	Federal	NA	467,100
	Restricted	NA	3,900,700
	GF/GP	NA	\$930,500

Major Boilerplate Changes from FY 2023-24

Note: Boilerplate throughout the bill was revised to include non-substantive technical changes agreed to by the House, the Senate, and the Legislative Service Bureau. Boilerplate section numbers listed in this document are section numbers as they appear in the conference report.

Sec. 206. Communication With the Legislature – RETAINED

Prohibits LARA from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. Executive deletes. House, Senate, and Conference retain.

Sec. 208. Hiring of External Legal Counsel – RETAINED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or services authorized by attorney general. Executive and House retain. Senate revises to include stylistic changes and to allow the Department of Attorney General to assess penalties for late payments for legal services provided to LARA. Conference retains.

Sec. 211. Transparency Website – RETAINED

Requires LARA to cooperate with DTMB to maintain a searchable website accessible by the public at no cost that includes information on expenditures, vendor payments, number of active employees, job specifications, and wage rates. Executive deletes. House, Senate, and Conference retain.

Sec. 212. State Restricted Funds Report – RETAINED

Requires LARA to work with SBO to report on estimated restricted fund revenues, expenditures, and balances for the previous two fiscal years. Executive deletes. House, Senate, and Conference retain.

Sec. 214. Department Website Information – DELETED

Requires LARA to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics used to monitor and improve department performance. Executive, House, Senate, and Conference delete.

Sec. 215. FTE Positions and Vacancies Reports – RETAINED

Requires LARA to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts. Executive revises to delete reporting on FTE volumes. House, Senate, and Conference retain.

Sec. 216. Retention of Reports – RETAINED

Requires LARA to receive and retain copies of all reports funded by the department's budget, while complying with federal and state guidelines for records retention. Executive deletes. House, Senate, and Conference retain.

Sec. 217. Report on Policy Changes for Public Act Implementation – RETAINED

Requires LARA to report on policy changes made to implement public acts that took effect during the prior calendar year. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 218. State Administrative Board Transfers – DELETED

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds. Executive, House, Senate, and Conference delete.

Sec. 218. Work Project Usage – RETAINED

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. Executive deletes. House, Senate, and Conference retain.

Sec. 221. Severance Pay Reporting – DELETED

Requires LARA to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires report on total amount of severance pay remitted and number of LARA employees receiving severance pay in FY 2022-23. Executive and House delete. Senate retains. Conference deletes.

Sec. 221. Private Grant Funded Projects – RETAINED

Authorizes appropriation of private grant revenues, subject to a limitation of \$4.0 million; requires report to subcommittees chairs within 10 days of receiving grants from private entities. Executive revises to eliminate the \$4.0 million cap. House, Senate, and Conference retain.

Sec. 222. In-Person Work – DELETED

Expresses legislative intent that LARA maximize the efficiency of the state workforce and prioritize in-person work where possible, and post its in-person, remote, or hybrid work policy on its website. Executive deletes. House retains. Senate and Conference delete.

Sec. 222. Informational, Training, and Special Events Revenue and Expenditures – RETAINED

Authorizes LARA to charge registration fees for events sponsored by LARA; requires fees to reflect costs of sponsoring events; appropriates revenue generated by fees for sponsorship costs; authorizes excess revenue to be carried forward; limits appropriation to \$1.0 million. Executive revises to eliminate the \$1.0 million cap. House, Senate, and Conference retain.

Sec. 226. Grants Transparency – NEW

Provides process requirements for grants or projects awarded to single recipient organizations or local governments. Executive and House do not include. Senate and Conference include new language.

Sec. 227. State Fiscal Recovery Fund (SFRF) – NEW

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation. Executive, House, and Senate do not include. Conference includes new language.

Sec. 231. Employee Performance Monitoring Process – DELETED

Expresses legislative intent that LARA establish a consistent employee performance monitoring process; requires report on planned or implemented changes to that process and the number of evaluations performed. Executive deletes. House retains. Senate and Conference delete.

Sec. 232. Television and Radio Production Expenditure Report – DELETED

Requires LARA to report any expenditure of funds to a third-party vendor for television or radio productions; delineates information to be included. Executive deletes. House retains. Senate and Conference delete.

Sec. 302. Public Service Commission Hearings – REVISED

Requires the PSC to conduct at least 1 public hearing in each of the 4 judicial districts described under section 302 of the Revised Judicature Act; requires any hearing conducted within district 4 to be conducted outside of Ingham County; requires the hearing to be conducted in Grand Rapids or Detroit for their respective district. Executive deletes. House retains. Senate revises to require a report detailing the results of the public hearings. Conference revises to eliminate the requirements connected to the Revised Judicature Act and Ingham County, instead requiring that 4 public hearings be conducted in Michigan, with one each in Detroit and Grand Rapids; includes a new reporting requirement regarding the outcomes of the 4 public hearings.

Major Boilerplate Changes from FY 2023-24

Sec. 401. Investigation of Direct Shipments of Wine and Report – REVISED

Requires MLCC to use funds appropriated from Direct Shipper Enforcement Fund, as required under Section 203(11) of the Michigan Liquor Control Code, 1998 PA 58, to investigate illegal direct shipments of wine; requires notice to be sent to entities found to have illegally shipped wine into the state; requires MLCC to submit report detailing activities to investigate illegal shipping of wine. Executive revises to delete language prioritizing enforcement on unlicensed out of state retailers and third-party marketers, to delete requirement for referral of unlicensed out of state retailers and third-party marketers to the attorney general, to delete items in the report, and to delete language requiring notice to out of state entities that illegally shipped wine into Michigan. House retains. Senate concurs with Executive's revisions and includes other stylistic changes. Conference revises to eliminate certain reporting metrics and to align requirements.

Sec. 507. Elevator Inspectors' Compensation – DELETED

Expresses intent of the legislature that at least \$900,000 be used by the BCC to cooperate with the Office of the State Employer, relevant collective bargaining units, and other stakeholders to increase compensation rates for elevator inspectors employed by LARA. Executive, House, Senate, and Conference delete.

Sec. 507. Carnival-Amusement and Ski Area Safety Inspections – REVISED

Stipulates that at least \$900,000 of the Bureau of Construction Codes appropriation must be allocated for additional inspections and enforcement activities for the Carnival-Amusement Safety Act of 1966 and the Ski Area Safety Act of 1962. Executive revises to remove the \$900,000 floor. House retains. Senate revises to remove the \$900,000 floor and to require a report on carnival-amusement and ski area safety expenditures. Conference revises to require a report on carnival-amusement and ski area safety expenditures.

Sec. 508. Skilled Trades Inspectors' Compensation Market Analysis – DELETED

Allows LARA to cooperate with the Office of the State Employer, relevant collective bargaining units, and other stakeholders to conduct a market analysis of compensation rates for skilled trades inspectors employed by LARA, to identify any disparity in compensation between LARA-employed inspectors and inspectors employed by other governmental entities and in the private sector. Executive, House, Senate, and Conference delete.

Sec. 508. Homeowner Construction Lien Recovery Fund – RETAINED

Appropriates unexpended funds in the Homeowner Construction Lien Recovery Fund for payments of court-ordered construction lien judgments entered prior to August 23, 2010. Executive and House retain. Senate revises to require a report on payments made from the fund in the previous fiscal year. Conference retains.

Sec. 510. Bureau of Survey and Certification Report – NEW

Requires LARA to report on Bureau of Survey and Certification activities, including surveys and investigations of nursing homes. Executive and House do not include. Senate and Conference include new language.

Sec. 511. Premanufactured Unit Plan Review Report – NEW

Requires biannual reports from the Bureau of Construction Codes providing metrics related to premanufactured unit plan submissions and reviews. Executive and House do not include. Senate and Conference include new language.

Sec. 604. Cannabis Regulatory Agency METRC System – NOT INCLUDED

Prohibits CRA appropriations from being used to offset user fees assessed for the METRC statewide marijuana tracking system. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 802. Michigan Indigent Defense Commission Report on Incremental Costs – RETAINED

Requires MIDC to submit report on incremental costs associated with standard development process, compliance plan process, and collection of data from all indigent defense systems and attorneys providing indigent defense. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 803. Michigan Indigent Defense Commission Report on Standards Costs – RETAINED

Requires MIDC to submit a report explaining the total cost calculation for each indigent defense standard, including a comprehensive itemization of costs included for each standard, a listing of how much funding each grant recipient is receiving for each standard, and an explanation of factors associated with any increase or decrease in MIDC grant funding from the FY 23-24 level. Executive and House retain. Senate revises to require biannual reporting and more detailed information. Conference retains.

Sec. 804. Michigan Indigent Defense Commission Adopted Standard Report – REVISED

Requires MIDC to provide notification within 7 days after the adoption of any new indigent defense standard; requires notification to include an estimated cost projection for funding the adopted standard. Executive revises to extend notification deadline from 7 days to 60 days. House revises to extend notification deadline from 7 days to 30 days. Senate retains current law. Conference revises to extend notification deadline from 7 days to 60 days.

Major Boilerplate Changes from FY 2023-24

Sec. 805. Michigan Indigent Defense Commission Work Projects General Fund Lapse – NOT INCLUDED

Stipulates legislative intent that the State Budget Director lapse FY 2019-20 and FY 2020-21 Michigan Indigent Commission Grants work projects to the general fund. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 806. Michigan Indigent Defense Commission Work Projects Deposit – NOT INCLUDED

Deposits unobligated balances from FY 2021-22 and FY 2022-23 Michigan Indigent Defense Commission Grants work projects into the Michigan Indigent Defense Fund. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 807. Michigan Indigent Defense Fund – NOT INCLUDED

Allows LARA to request legislative transfers from the Michigan Indigent Defense Fund to supplement FY 2024-25 costs that exceed appropriations; stipulates legislative intent to amend the Michigan Indigent Defense Commission Act to prevent funds in the Michigan Indigent Defense Fund from lapsing at the end of the fiscal year. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 1001. Bureau of Fire Services – Smoke Detectors – RETAINED

Requires BFS to purchase and distribute sealed-battery smoke detectors to Michigan residents and allows BFS to purchase smoke detectors with additional capabilities for individuals with physical or psychological conditions that require an accommodative technology; requires report on number of smoke detectors purchased, per-unit price, listing of all local units that received smoke detectors, and number distributed. Executive deletes. House, Senate, and Conference retain.

Sec. 1002. Cannabis Regulatory Agency Social Equity Program – RETAINED

Lists the following goals that are to be pursued using social equity program one-time funds: encourage and increase participation in the social equity program, with particular focus on individuals from communities that have been disproportionately impacted by marijuana prohibition and enforcement; establish a minimum number of licensees that are participating in the program; consider the median income in designating disproportionately impacted communities. Executive and House delete. Senate and Conference retain.

Sec. 1002. MIDC Limited-Term Employees – NOT INCLUDED

Requires MIDC to hire limited-term employees or to contract with an external vendor to conduct financial examinations into how MIDC grants are used by grant recipients; requires reporting regarding how the funds are expended. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1003. Juvenile Indigent Defense Grants – NEW

Requires funding to be provided as a grant to the University of Michigan Law School to provide financial assistance to unrepresented juvenile defendants, or their legal guardians, who are charged with a felony offense so the defendants can secure competent legal counsel; designates unexpended funding as a work project appropriation. Executive, House, and Senate do not include. Conference includes new language.

Sec. 1004. Premanufactured Unit Plan Review Upgrades – DELETED

Requires that the Bureau of Construction Codes utilize appropriated funds to decrease the average length of time to process and review premanufactured unit plan submissions; requires biannual reports with metrics related to premanufactured unit plan submissions and reviews. Executive and House delete. Senate revises current law to delete language related to utilization of funds but retains the reporting requirement. Conference deletes.

Sec. 1004. Michigan Saves Appropriation Use – REVISED

Allows PSC to award a \$5.5 million grant to a nonprofit green bank to make loans more affordable for families, businesses, and public entities in Michigan; stipulates grant funds may be used for a loan loss reserve fund or similar financial instrument. Executive deletes. House revises to reflect \$5.0 million grant amount and to expand allowable purposes to include on-site wastewater system replacements or repairs. Senate revises to reflect \$4.0 million grant amount and to require reporting on the use of Michigan Saves funding. Conference revises to reflect \$5.0 million grant amount; expand allowable purposes to include on-site wastewater system replacements or repairs; and limit loan recipients to families, small businesses, and microbusinesses.

Sec. 1004. Re-Appropriation of Unexpended Work Project Appropriations – NOT INCLUDED

Directs LARA to expend \$5.0 million of unexpended work project appropriations on Renewable Energy and Electrification Infrastructure Enhancement and Development; provides work project authorization to the new authorized use. Executive does not include. House includes new language. Senate and Conference do not include.

Major Boilerplate Changes from FY 2023-24

Sec. 1005. Renewable Energy and Electrification Infrastructure Enhancement and Development – REVISED

(1) Requires funding to be expended, aside from administration, only for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects; (2) requires 25% of the total amount of funding for grants awarded for electric vehicle fast-charging infrastructure to be allocated for infrastructure that provides charging at a power level of 350 kW or less and 75% of the total to be allocated for infrastructure that provides charging at a power level of at least 350 kW; (3) requires PSC to develop guidelines and implement a grant application process within 6 months and requires prioritization for grants that meet the goals of the MI Healthy Climate Plan; (4) requires grant applicants to perform an impact study that provides sufficient detail to allow the proposed project to be evaluated; (5) establishes further requirements for grant applicants for renewable natural gas infrastructure projects; (6) provides a 45-day review period for affected entities to review and comment on an application and a 15-day period for an applicant to modify their initial proposal; (7) requires PSC to award grants to applicants who have met the grant criteria; (8) requires grant recipients to report to PSC on how the money was used within 30 days after a project's completion; (9) designates unexpended funding as a work project appropriation; (10) prohibits grant funding from being used to expand the use of conventional natural gas; (11) allows the PSC to expend up to \$500,000 for administration expenses; (12) defines "renewable energy and electrification infrastructure projects" and "renewable natural gas". Executive deletes. House revises to update work project information in item (9), reduce the allowable expenditure for administration under item (11) to \$125,000, and revise the definitions in item (12) so that "renewable energy and electrification infrastructure projects" would include fast-charging infrastructure upgrades on publicly owned land within 1,000 feet of a U.S. highway or state trunkline roadway and so "renewable natural gas" would include septage feedstock. Senate deletes. Conference revises to allow units of state government to qualify for the grants under item (1); prioritize that grants for electric vehicle fast-charging infrastructure should be awarded with a goal of distributing 50% for charging ports that provide charging a power level of at least 200 kW and 50% for charging ports that provide charging at a power level of at least 350 kW; require under item (7) that grants be awarded on a competitive basis with priority given to applicants in a distressed area; delete item (9); reduce the allowable expenditure for administration under item (11) to \$125,000; and revise the definitions in item (12) so that "renewable energy and electrification infrastructure projects" would include fast-charging infrastructure upgrades on publicly owned land within 1/2 mile of a U.S. highway or state trunkline roadway and so "renewable natural gas" would include septage feedstock.

FY 2024-25: LIFELONG EDUCATION, ADVANCEMENT AND POTENTIAL

Summary: Conference Report Article 11, Senate Bill 747 (S-1) CR-1



Analysts: Perry Zielak and Noel Benson

	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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	NA
Federal	0	413,951,400	432,881,700	420,954,100	505,391,000	505,391,000	NA
Local	0	0	0	0	0	0	NA
Private	0	250,000	250,000	250,000	250,000	250,000	NA
Restricted	0	1,862,300	1,862,300	1,862,300	1,863,900	1,863,900	NA
GF/GP	0	160,921,700	183,984,900	124,549,100	136,489,300	136,489,300	NA
Gross	\$0	\$576,985,400	\$618,978,900	\$547,615,500	\$643,994,200	\$643,994,200	NA
FTEs	0.0	340.0	313.0	323.0	343.0	343.0	NA

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

Overview

The Department of Lifelong Education, Advancement, and Potential (MiLEAP), created under Executive Order 2023-6, is responsible for administering and coordinating statewide education efforts outside of the K-12 school system, including child care, child care worker and facility licensing, early childhood education, out of school time, and higher education related programs. The department combines offices from the Department of Education, Department of Licensing and Regulatory Affairs, Department of Labor and Economic Opportunity, and the Department of Treasury to oversee these programs.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations		
1. Departmental Administration and Support	FTE	0.0
<u>Executive</u> provides \$8.7 million Gross (\$7.8 million GF/GP) and authorizes 30.0 classified and 6.0 unclassified FTE positions for departmental administration and support, including executive direction and operations and property management. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0
	Federal	911,200
	GF/GP	\$7,780,700
2. Information Technology	Gross	\$0
<u>Executive</u> provides \$1.0 million Gross (\$767,800 GF/GP) for information technology services and projects. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	222,500
	GF/GP	\$767,800
OFFICE OF EARLY CHILDHOOD EDUCATION		
3. Child Development and Care Subsidy Transfer	Gross	\$0
<u>Executive</u> transfers in \$364.5 million Gross (\$50.8 million GF/GP) from the Michigan Department of Education (MDE) for the child development and care subsidy, which provides support for low-income and other qualifying families in need of child care to work or participate in training or educational activities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	313,659,800
	GF/GP	\$50,840,200

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. Child Development and Care Public Assistance Adjustment	Gross	\$0	\$69,444,000
<u>Conference</u> increases Child Development and Care Public Assistance by \$69.4 million federal Child Care and Development Fund (CCDF) to reflect revised estimates from the May 2024 Consensus Revenue Estimating Conference.	Federal	0	69,444,000
	GF/GP	\$0	\$0
5. Child Care Provider Rate Increase	Gross	\$0	\$65,091,800
<u>Executive</u> provides \$37.9 million Gross (\$19.0 million GF/GP) to increase hourly child care provider reimbursement rates by 10%. <u>House</u> provides \$75.9 million Gross (\$37.9 million GF/GP) to increase hourly child care provide reimbursement rates by 20%. <u>Senate</u> concurs with House on increasing reimbursement rates by 20% but at \$75.9 million Gross (\$32.6 million GF/GP) funding level. <u>Conference</u> provides \$65.1 million Gross (\$19.0 million GF/GP) to increase child care provider reimbursement rates by 15%.	Federal	0	46,128,100
	GF/GP	\$0	\$18,963,700
6. Child Care Licensing Bureau Transfer	FTE	0.0	140.0
<u>Executive</u> transfers in \$25.0 million Gross (\$3.8 million GF/GP) and authorization for 147.0 FTE positions from the Department of Licensing and Regulatory Affairs (LARA) for the Child Care Licensing Bureau and additional licensing staff. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> transfers in \$24.3 million Gross (\$3.1 million GF/GP) and authorization for 140.0 FTE positions from LARA.	Gross	\$0	\$24,286,200
	Federal	0	20,653,100
	Restricted	0	501,700
	GF/GP	\$0	\$3,131,400
7. Child Development and Care Contracted Services Transfer	Gross	\$0	\$18,900,000
<u>Executive</u> transfers in \$18.9 million Federal from MDE for the Early Childhood Investment Corporation, which administers child care quality initiatives, License Exempt Monitoring, and the T.E.A.C.H. Early Childhood Michigan Scholarship program for child care providers. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	0	18,900,000
	GF/GP	\$0	\$0
8. Office of Great Start Operations	FTE	0.0	70.0
<u>Executive</u> transfers in \$14.4 million Gross (\$2.5 million GF/GP) and authorization for 70.0 FTE positions from MDE for the operations for the Office of Great Start, which administers early childhood education programs for general and special education students and the child development and care public assistance programs. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$14,388,100
	Federal	0	11,597,100
	Private	0	250,000
	Restricted	0	64,600
	GF/GP	\$0	\$2,476,400
9. Child Development and Care External Support Transfer	Gross	\$0	\$11,028,100
<u>Executive</u> transfers in \$11.0 million Federal from MDE for an interdepartmental grant to the Michigan Department of Health and Human Services (DHHS) to support child development and care related activities, including program eligibility determinations and responding to administrative hearings. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	0	11,028,100
	GF/GP	\$0	\$0
10. Child Care Facility Inspections	FTE	0.0	30.0
<u>Executive</u> provides \$4.8 million Federal and authorizes 30.0 FTE positions to increase staff support for child care facility inspections. <u>House</u> provides \$806,700 Federal and authorizes 5.0 FTE positions. <u>Senate</u> does not include. <u>Conference</u> concurs with Executive.	Gross	\$0	\$4,840,100
	Federal	0	4,840,100
	GF/GP	\$0	\$0
11. Family Child Care Networks	Gross	\$0	\$4,000,000
<u>Executive</u> provides \$4.0 million Federal to maintain family child care networks that provide support to home-based child care providers, such as language skills. The networks were originally funded using COVID-19 stimulus funds. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with Executive.	Federal	0	4,000,000
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
12. Tri-Share Child Care Program	Gross	\$0	\$3,400,000
<u>Executive</u> transfers in \$3.4 million GF/GP from LEO for the Tri-Share Child Care program, which helps partner private and public organizations to increase access to high-quality and affordable child care for working families. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	\$0	\$3,400,000
13. Office of Great Start Quality Improvements	Gross	\$0	\$3,259,900
<u>Conference</u> provides \$3.3 million Federal for various quality of care improvements for the Child Development and Care program.	Federal	0	3,259,900
	GF/GP	\$0	\$0
14. Child Care Centers Drinking Water Quality	FTE	0.0	2.0
<u>Executive</u> provides \$500,000 GF/GP and authorizes 2.0 FTE positions to provide specialty water bottles to test the quality of drinking water at child care facilities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$500,000
	GF/GP	\$0	\$500,000
15. Head Start Collaboration Office	FTE	0.0	1.0
<u>Executive</u> transfers in \$425,100 Gross (\$64,500 GF/GP) and authorization for 1.0 FTE position from MDE for the Head Start Collaboration Office, which coordinates between Head Start agencies and state and local entities that provide services for all low-income children from birth to age 5 and pregnant women. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$425,100
	Federal	0	360,600
	GF/GP	\$0	\$64,500
16. Tri-Share Child Care Program Administration	FTE	0.0	1.0
<u>Executive</u> provides \$176,500 GF/GP and authorizes 1.0 FTE position for the administration of the Tri-Share Child Care program. <u>House</u> concurs. <u>Senate</u> provides as \$100 GF/GP placeholder. <u>Conference</u> concurs with <u>Executive</u> .	Gross	\$0	\$176,500
	GF/GP	\$0	\$176,500
17. Child Care Development and Care Fund Federal Medical Assistance Percentage (FMAP) Rate Adjustment	Gross	\$0	\$0
<u>Executive</u> provides \$221,900 Federal with a corresponding decrease of GF/GP due to annual cost sharing adjustments from the FMAP rate increasing from 64.94% to 65.13%. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> provides \$293,200 Federal with a corresponding decrease of GF/GP due to revised annual cost sharing adjustments from the FMAP rate.	Federal	0	293,200
	GF/GP	\$0	(\$293,200)
18. Foster Care Child Care Provider Rate Increase	Gross	\$0	\$0
<u>Executive</u> provides \$8.5 million Federal to increase the child care provider reimbursement rate for children in foster care by 30%, with a goal of incentivizing services and supports for foster care children. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Senate</u> .	Federal	0	0
	GF/GP	\$0	\$0
19. Third Shift Worker Child Care Pilot Program	Gross	\$0	\$0
<u>House</u> provides \$4.4 million Gross (\$366,000 GF/GP) for a pilot program that would expand child care providers for third shift workers. <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Senate</u> .	Federal	0	0
	GF/GP	\$0	\$0
OFFICE OF EDUCATION PARTNERSHIPS			
20. Office of Education Partnerships Program Transfers	FTE	0.0	6.0
<u>Executive</u> transfers in \$1.1 million GF/GP and authorization for 6.0 FTE positions from MDE for the new Office of Education Partnerships to support the Family and Community Engagement program, the Governor's Educator Advisory Council, and the Michigan PreK-12 Literacy Commission. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$1,062,500
	GF/GP	\$0	\$1,062,500

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
21. Camp Licensing Unit	FTE	0.0	7.0
<u>Conference</u> transfers \$700,300 Gross (\$657,400 GF/GP) and authorization for 7.0 FTE positions from LARA for the Camp Licensing Unit originally located in Child Care Licensing and Regulation appropriation.	Gross	\$0	\$700,300
	Restricted	0	42,900
	GF/GP	\$0	\$657,400
22. Out-of-School Time Administration	FTE	0.0	2.0
<u>Executive</u> provides \$366,500 GF/GP and authorizes 2.0 FTE positions to provide support for the Michigan Out-of-School Time program in the School Aid budget, which provides grants for before and after school programs along with summer school activities. <u>House</u> does not include. <u>Senate</u> provides as \$100 GF/GP placeholder. <u>Conference</u> concurs with Executive.	Gross	\$0	\$366,500
	GF/GP	\$0	\$366,500
23. Parental Engagement Pilot	Gross	\$0	\$0
<u>Senate</u> provides \$500,000 GF/GP for grants to nonprofit organizations that work to increase coordination, training, and support among parents, primary caregivers, and school educators. <u>Conference</u> does not include.	GF/GP	\$0	\$0
OFFICE OF HIGHER EDUCATION			
24. Student Financial Assistance Program Transfers	FTE	0.0	33.0
<u>Executive</u> transfers in \$8.9 million Gross (\$7.7 million GF/GP) and authorization for 33.0 FTE positions from the Department of Treasury for the administration of student financial assistance programs, Dual Enrollment payments, and the Michigan Student Scholarship and Grants portal. <u>House</u> concurs. <u>Senate</u> concurs but adds 1.0 FTE authorization for the student loan ombudsman from the Department of Treasury. <u>Conference</u> concurs with Executive but increases Dual Enrollment payments by \$500,000 GF/GP due to revised adjustment from the May 2024 Consensus Revenue Estimating Conference, and includes \$16,500 Gross (\$18,100 GF/GP) reduction to reflect Department of Treasury transfer adjustments as part of Executive Revision 2025-1.	Gross	\$0	\$9,408,100
	Restricted	0	1,254,700
	GF/GP	\$0	\$8,153,400
25. Michigan Reconnect Administration and Office of Higher Education Program Transfers	FTE	0.0	12.0
<u>Executive</u> transfers in \$3.3 million GF/GP and authorization for 12.0 FTE positions from LEO for the new Office of Higher Education to provide administrative support for the Sixty by 30 Initiative, Michigan Reconnect, and Future for Frontliners. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$0	\$3,276,000
	GF/GP	\$0	\$3,276,000
26. Michigan Indian Tuition Waiver	FTE	0.0	1.0
<u>Conference</u> transfers \$157,000 GF/GP and authorization for 1.0 FTE position from the Department of Civil Rights for administration of the North American Indian Tuition Waiver program as part of Executive Revision 2025-1.	Gross	\$0	\$157,000
	GF/GP	\$0	\$157,000
27. Michigan Reconnect Program Transfer	Gross	\$0	\$0
<u>House</u> transfers \$61.5 million GF/GP from the Michigan Department of Labor and Economic Opportunity (LEO) for the Michigan Reconnect Program. The program provides last-dollar scholarships primarily to individuals 25 or older (temporarily expanded to 21-24 year-olds through November 2024) with a high school diploma or equivalency certificate to complete a Pell-eligible associate degree or skills-based certificate. <u>Senate</u> does not include. <u>Conference</u> concurs with Senate.	GF/GP	\$0	\$0

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations		
ONE-TIME APPROPRIATIONS		
28. Child Care Stabilization Grants	Gross	\$0
<u>Senate</u> provides a \$100 GF/GP one-time placeholder for noncompetitive grants to current and new child care providers. <u>Conference</u> provides \$24.0 million GF/GP one-time for additional supports to eligible licensed child care providers in the Child Development and Care program.	GF/GP	\$24,000,000
		\$24,000,000
29. Wonderschool	Gross	\$0
<u>Conference</u> provides \$5.0 million GF/GP one-time for a program to increase the supply of child care family homes, group homes, and centers through recruiting, coaching, and mentoring efforts.	GF/GP	\$5,000,000
		\$5,000,000
30. Michigan Center for Adult College Success	Gross	\$0
<u>House</u> provides \$2.1 million GF/GP one-time for operations costs for the Michigan Center for Adult College Success. The center works with adult students returning to postsecondary education through the Michigan Reconnect Program. <u>Senate</u> does not include. <u>Conference</u> provides \$1.8 million GF/GP one-time for operations costs.	GF/GP	\$1,833,400
		\$1,833,400
31. One-Time Administration Supports	FTE	0.0
<u>Conference</u> provides \$1.2 million GF/GP one-time and authorization for 2.0 FTE positions for an administrator of the Michigan Transfer Network and a financial resource navigator that will provide information on completing the FAFSA, state-administered scholarships, and student loan information.	Gross	\$0
	GF/GP	\$0
		2.0
		\$1,200,000
		\$1,200,000
32. Adult Education Outreach Project	Gross	\$0
<u>Senate</u> provides a \$100 GF/GP one-time placeholder for grants for an adult learners pilot program. The nonprofit organizations that receive grant funding must offer an accelerated high school accreditation program and provide on-site child care. <u>Conference</u> provides \$1.0 million GF/GP one-time for an adult learners pilot program created by MiLEAP and the Goodwill Association of Michigan that will provide an accelerated high school accreditation program, on-site child care, career certifications and credentials, individualized wrap-around supports, and public-private partnerships.	GF/GP	\$1,000,000
		\$1,000,000
33. Healthcare Grants/Foster Care Supports	Gross	\$0
<u>Senate</u> provides \$500,000 GF/GP one-time for a nonprofit organization that is focused on postsecondary access and success with foster care and homeless youth to build a support network for postsecondary success for at-risk youth. <u>Conference</u> concurs but renames appropriation as Foster Care Supports.	GF/GP	\$500,000
		\$500,000
34. Hunger-Free Campus Grant Pilot Program	Gross	\$0
<u>House</u> provides \$500,000 GF/GP for a 1-year pilot program at Michigan State University and Northern Michigan University to reduce hunger on campuses through establishment of campus food pantries, campus meal plan credit donations, and various additional policies. <u>Senate</u> does not include. <u>Conference</u> provides \$500,000 GP/GP one-time for a 1-year pilot program at Michigan State University, Northern Michigan University, Grand Rapids Community College, and Macomb Community College.	GF/GP	\$500,000
		\$500,000
35. Youth Mentorship	Gross	\$0
<u>Senate</u> provides \$500,000 GF/GP one-time for a nonprofit organization to mentor and help provide successful strategies for Lansing Public School students in grades 6 through 12. <u>Conference</u> concurs.	GF/GP	\$500,000
		\$500,000

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
36. After School Programming Extension	Gross	\$0	\$300,000
<u>Senate</u> provides \$1.0 million GF/GP one-time for grants for a nonprofit organization located in Pontiac that lowers barriers for postsecondary education for disadvantaged youth and that works with a public university and various regional program affiliates. <u>Conference</u> provides \$300,000 GF/GP for grants to MI-ALMA and the Exito Educativo program, an after-school program that teaches Latino parents and children on the requirements and support for high school graduation, and college pathways.	GF/GP	\$0	\$300,000
37. Postsecondary Enrollment	Gross	\$0	\$166,600
<u>Senate</u> provides a \$100 GF/GP one-time placeholder for a company to re-engage adult learners to complete a postsecondary degree or credential. <u>Conference</u> provides \$166,600 GF/GP for grants to re-engage adult learners.	GF/GP	\$0	\$166,600
38. Childcare Facility Inspection Work Project	FTE	0.0	0.0
<u>Senate</u> provides \$4.8 million GF/GP one-time and authorization for 15.0 FTE positions to improve childcare facility inspections. <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
39. Childcare Startup Grants	Gross	\$0	\$0
<u>Senate</u> provides a \$100 GF/GP one-time placeholder for grants to a company that would improve child care capacity by recruiting and coaching prospective childcare providers through the startup process. <u>Conference</u> does not include.	GF/GP	\$0	\$0
40. Child Care Worker Subsidy Pilot Program	Gross	\$0	\$0
<u>Executive</u> provides \$60.0 million GF/GP one-time to create a 3-year pilot program to provide child care workers with child care related subsidies. <u>House</u> does not include. <u>Senate</u> concurs with House. <u>Conference</u> concurs with House.	GF/GP	\$0	\$0
41. College Awaits Pilot	Gross	\$0	\$0
<u>Senate</u> provides \$1.5 million GF/GP one-time for grants to universities for outreach activities that would allow underrepresented K-12 students to experience college campuses, raise awareness of postsecondary programs and career opportunities, and provide financial aid resources. <u>Conference</u> does not include.	GF/GP	\$0	\$0
42. Family Childcare Networks Support	Gross	\$0	\$0
<u>Senate</u> provides \$1.7 million GF/GP one-time for supports, including language supports, to home-based childcare providers. <u>Conference</u> does not include.	GF/GP	\$0	\$0
43. Economic Adjustments	Gross	NA	\$101,800
<u>Executive</u> reflects increased costs of \$101,800 Gross (\$8,500 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. <u>Senate</u> concurs. <u>Conference</u> concurs. (Note: This item does not reflect all economics adjustments because some economics adjustments were applied to appropriations prior to the transfer to MiLEAP.)	Federal	NA	93,300
	GF/GP	NA	\$8,500

Major Boilerplate Changes from FY 2023-24

STANDARD BOILERPLATE

Sec. 201. State Spending and Payments to Local Units of Government – NEW

Executive adds language that provides total state spending from state sources and payments to be made to local units of government. House concurs. Senate concurs. Conference concurs.

Sec. 202. Applicability of Management and Budget Act – NEW

Executive adds language that subjects appropriations to Management and Budget Act, 1984 PA 431. House concurs. Senate concurs. Conference concurs.

Sec. 203. Terms and Acronyms – NEW

Executive adds language that defines "Department," "DHHS," "Director," and "FTE" as they appear in the article. House adds definitions for "IDG" and "Standard report recipients." Senate concurs with Executive. Conference concurs with House with minor technical revisions.

Sec. 204. Internet Report Requirements – NEW

Executive adds language that requires MiLEAP to use internet to fulfill reporting requirements; requires transmission of reports via email. House concurs with minor revisions. Senate concurs with House. Conference concurs with House.

Sec. 205. Purchase of Foreign Goods – NEW

Executive adds language that prohibits purchase of foreign goods or services if competitively price and comparable quality American goods or services are available; gives preference to goods and services from Michigan businesses and Michigan businesses owned and operated by veterans. House concurs with minor revisions. Senate concurs with House. Conference concurs with House.

Sec. 206. Communication with the Legislature – NEW

House adds language that prohibits MiLEAP from taking disciplinary action against an employee for communicating with a legislator or staff. Senate concurs. Conference concurs.

Sec. 207. Out-of-State Travel – NEW

Executive adds language that requires MiLEAP to report on out-of-state travel expenses in the prior year that were paid for, in whole or in part, with state appropriations. House concurs with minor revisions. Senate concurs with House. Conference concurs with House.

Sec. 208. Hire of Outside Legal Counsel – NEW

House adds language that prohibits MiLEAP from hiring a person to provide legal services that are the responsibility of the Attorney General but exempts legal services for bonding or other activities authorized by the Attorney General. Senate concurs but revises to include language on timely reimbursements to the Attorney General for services provided. Conference concurs with House.

Sec. 209. General Fund Lapse Report – NEW

Executive adds language that requires the State Budget Office to report on the projected year-end General Fund Lapse amounts by major departmental program area by December 15. House concurs with minor revisions. Senate concurs with House. Conference concurs with House.

Sec. 210. Contingency Authorization – NEW

Executive adds language that appropriates up to \$10.0 million in federal, \$5.0 million in state restricted, \$350,000 in local, and \$2.0 million in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. House concurs with minor revisions. Senate concurs with minor revisions. Conference concurs with House.

Sec. 211. Department Financial Information Website – NEW

House adds language that requires MiLEAP to work with DTMB to maintain a searchable website accessible to the public at no cost, which includes expenditures by category; expenditures by appropriation unit; payments to vendors by vendor, date, amount, and description; the number of active employees by job classification; and job specifications and wage rates. Senate concurs. Conference concurs.

Sec. 212. Restricted Funds Report – NEW

House adds language that requires MiLEAP to work with the State Budget Office to provide a report to the legislature on estimated restricted fund revenues, expenditures, and fund balances for the prior two fiscal years. Senate concurs. Conference concurs.

Major Boilerplate Changes from FY 2023-24

Sec. 213. Submission of Reports – NEW

Executive adds language that requires the department to submit reports to the senate and house appropriation subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office. House does not include. Senate concurs with Executive and adds requirement for the department to identify, track, update, and post on a public website key metrics used to monitor and improve the department's performance. Conference concurs with Senate with minor technical revisions.

Sec. 214. Access to State and Local Government Services – NEW

Executive adds language as section 211 that prohibits appropriated funds from being used to restrict or impede a marginalized community's access to government resources, programs, or facilities; requires local governments to report any action or policy that interferes with the duties of the local health officer. House concurs but adds as section 214. Senate concurs with House. Conference concurs with House.

Sec. 215. Geographically Disadvantaged Business Enterprises – NEW

Executive adds language as section 206 that requires MiLEAP director to make an effort to contract with geographically disadvantaged business enterprises. House concurs with minor revisions but adds as section 215. Senate concurs with House. Conference concurs with House.

Sec. 216. FTE Report – NEW

Executive requires MiLEAP to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts. House concurs with minor revisions. Senate concurs with House. Conference concurs with House.

Sec. 217. Maximization of Workforce Efficiency and Prioritization of In-Person Work – NOT INCLUDED

House adds legislative intent language that MiLEAP maximize state workforce efficiency, prioritize in-person work and post its in-person, remote work, or hybrid policy on its website. Senate concurs. Conference does not include.

Sec. 218. State Administrative Board Transfer – NOT INCLUDED

Senate adds language that permits the legislature to intertransfer funds within this act for MiLEAP if the state administrative board transfers funds from an amount appropriated under this act. Conference does not include.

Sec. 219. Department Records Retention – NEW

House adds language that requires MiLEAP to retain all reports funded from appropriations according to federal and state guidelines for short-term and long-term retention of records. Senate concurs. Conference concurs.

Sec. 220. Department Policy Changes Made to Implement Public Acts Report – NEW

House adds language that requires MiLEAP to report by April 1 on each specific policy change made to implement a public act affecting MiLEAP that took effect during the prior calendar year. Senate concurs. Conference concurs.

Sec. 221. Severance Pay Reporting – NOT INCLUDED

Senate adds language that requires MiLEAP to report on any amounts of severance pay for high-ranking department officials within 14 days of the severance agreement signing and report the total amount of severance pay for the previous fiscal year. Conference does not include.

Sec. 222. Expend Available Work Project Authorization – NEW

House adds language that prohibits appropriations from being expended until all existing work project authorization available for the same purpose is exhausted, to the extent possible. Senate concurs but adds language restricting the use of general fund when federal or private funds are available for use. Conference concurs with House.

Sec. 223. Department Grant Transparency – NOT INCLUDED

Senate adds language that requires MiLEAP to develop a standard grant application process; establish a process to review, complete, and execute a grant agreement with a grant recipient; verify that a grant recipient will utilize funds for a public purpose; review and verify all necessary information to ensure the grant recipient is able to execute the grant agreement; and establish a timeline to review all elements. Requires either the department or a legislator to sponsor grants. Requires grant recipients to respond to all information requests from the department. Conference does not include but includes revised language under section 250.

Sec. 224. State Fiscal Recovery Funds Reallocation Authorization – NEW

Conference adds language directing the state budget director to reallocate state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline of December 31, 2026, and must notify the Legislature within 10 days after making the reallocation.

Major Boilerplate Changes from FY 2023-24

Sec. 250. Individual Grant Recipient Transparency – NEW

Conference adds language that requires MiLEAP to follow a standard grant distribution process; establish a process to review, complete, and execute a grant agreement with a grant recipient; verify that a grant recipient will utilize funds for a public purpose; review and verify all necessary information to ensure the grant recipient is able to execute the grant agreement; and establish a timeline to review all grant elements. Requires either the department or a legislator to sponsor grants before distribution, sets a grant agreement deadline of June 1, 2025 and a grant expenditure deadline of September 30, 2029.

OFFICE OF EDUCATION PARTNERSHIPS

Sec. 401. Family and Community Engagement – NEW

Executive adds language that requires MILEAP to establish or partner with family engagement centers across the state to increase parent and guardian involvement in children's education, ensure translation and interpretation services are available, partner with intermediate school districts (ISDs) to distribute information and resources to their constituent districts, and develop an early literacy engagement plan. Transfers language with minor technical revisions from Sec. 1014 in MDE. House concurs. Senate concurs. Conference concurs.

Sec. 402. Parental Engagement Program – NOT INCLUDED

Senate adds language that states the purpose of the parental engagement program is for grants to nonprofit organizations that work to increase coordination, training, and support among parents, primary caregivers, and school educators. Conference does not include.

OFFICE OF HIGHER EDUCATION

Sec. 701. Office of Higher Education Duties and Transparency – NEW

Senate adds language that states the department, through the Office of Higher Education, shall evaluate all state financial aid programs, serve as the coordinating office for all state financial aid programs, survey stakeholders to improve financial aid administration, inform prospective students of the cost of postsecondary institutions, provide analysis to assist students and families on postsecondary options, provide recommendations on improving the delivery of financial aid, support the administration of the Michigan Transfer Network, coordinate to increase utilization of postsecondary opportunities, and promote and provide resources for the completion of the Free Application for Federal Student Aid. The office must also collect data, create a dashboard on participation levels in various postsecondary and financial aid options, submit all required reports to the legislature, and post the reports on a public website. Conference concurs with Senate but revises language to have MiLEAP work in conjunction with the Center for Educational Performance and Information (CEPI) on compiling and posting postsecondary data.

Sec. 702. Student Loan Ombudsman – NOT INCLUDED

Senate adds language that states the Office of Higher Education shall include the student loan ombudsman position and that an employee who previously served as the student loan ombudsman for the Department of Treasury will serve as the ombudsman for MiLEAP. Conference does not include.

Sec. 705. Dual Enrollment Payments – NEW

Executive adds language that 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. Transfers in language with minor technical revisions from Sec. 935 in Treasury. House concurs. Senate concurs. Conference concurs.

Sec. 706. Michigan Reconnect Program – NOT INCLUDED

House adds language that requires MiLEAP to implement a reporting structure for participating institutions on four-year completion rates for Reconnect students, annually report completion rates, establish various metrics for institutions based on 30%, 50% or 75% milestone completion rates, and place institutions who fail to improve on a probationary status, which would result in the need to create a corrective action plan and the potential for newly enrolled students not being eligible to receive Reconnect program funding. Senate does not include. Conference concurs with Senate.

Major Boilerplate Changes from FY 2023-24

OFFICE OF EARLY CHILDHOOD EDUCATION

Sec. 1002. CDC Provider Reimbursement Rates – NEW

Executive requires MiLEAP to publish reimbursement rates on its website and the Great Start to Quality webpage. Allows MDE, with the approval of the state budget director, to receive and expend federal child care development block grant funds at risk of being lapsed back to the federal government. If the average caseload falls below the caseload agreement from the consensus revenue estimating conference for three consecutive months, allows MDE, with the approval of the state budget director, to increase the hourly reimbursement rate for child care providers. Transfers in language with minor technical revisions from MDE. House concurs but adds most of language originally located in Section 1004 related to CDC provider rate increases as additional subsections and increases child care provider reimbursement rates by 20%. Senate concurs with Executive. Conference concurs with House but increases child care provider reimbursement rates by 15%.

Sec. 1004. CDC Provider Rate Increase – NEW

Executive increases reimbursement rates for child care providers by 10% from the rates established in FY 2023-24. Requires MiLEAP to publish reimbursement rates on the department webpage and the Great Start to Quality webpage. House includes language as subsections under Section 1002 but increases child care provider reimbursement rates by 20%. Senate concurs with Executive but increases child care provider reimbursement rates by 20%. Conference concurs with House but increases child care provider reimbursement rates by 15%.

Sec. 1005. CDC Provider Rate Increase for Foster Care Youth – NOT INCLUDED

Executive increases reimbursement rates for child care providers by 30% from the rates established in Sec. 1004 for benefits paid for children in foster care. Requires MiLEAP to publish reimbursement rates on the department webpage and the Great Start to Quality webpage. House concurs. Senate does not include. Conference concurs with Senate.

Sec. 1007. CDC Annual Report – NEW

Executive requires MiLEAP to create an annual report to track the affordability, availability, health and safety, and quality of child care; actions taken to improve the quality, health, and safety of child care; the child care workforce; and total funding appropriated to contracts for the early childhood comprehensive systems planning during the previous fiscal year. Requires the report to be issued by April 1 of the current fiscal year reflecting data for the previous fiscal year. Transfers in language with revisions from Sec. 1007 and consolidates reporting requirements from Sec. 1003 in MDE. House concurs. Senate concurs. Conference concurs but adds revised reporting requirements on the child care licensing bureau originally located in House's proposed section 1040.

Sec. 1008. Home Visit Program Coordination – NEW

Executive requires MiLEAP to provide services to families for home visits and work with DHHS as necessary. Transfers in language with minor technical revisions from MDE. House concurs. Senate concurs. Conference concurs.

Sec. 1009. CDC Increase to Eligibility Entrance Threshold – NEW

Executive requires MiLEAP to set the entrance threshold for the CDC program to 200% of the federal poverty guidelines. Transfers in language from MDE. House concurs. Senate concurs. Conference concurs.

Sec. 1011. CDC Payments Based on Enrollment – NEW

Executive requires MiLEAP to implement payments to providers based on enrollment rather than attendance. Transfers in language from MDE. House concurs. Senate concurs. Conference concurs.

Sec. 1012. CDC Provider Rate Increase – NEW

Executive requires MiLEAP to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers; requires \$3.0 million to be used for this purpose. Transfers in language from MDE. House concurs. Senate concurs. Conference concurs.

Sec. 1015. Third Shift Worker Child Care Pilot Program – NOT INCLUDED

House adds language that establishes program eligibility for third shift workers and child care centers looking to expand or establish overnight child care; creates grant application criteria for MiLEAP when awarding grants. Senate does not include. Conference concurs with Senate.

Sec. 1030. Administration of Tri-Share Program – NEW

Executive requires funding to be used to continue the Tri-Share Child Care program; allows funding of new child care facilitator hubs provided that existing hubs receive sufficient support; requires new hubs to increase the number of participating counties or serve statewide employers; caps administration costs at \$200,000. Transfers in language with minor technical revisions from Sec. 701 in LEO. House concurs. Senate concurs with funding requirement to continue the Tri-Share program but does not include any additional language or requirements. Conference concurs with Executive.

Major Boilerplate Changes from FY 2023-24

Sec. 1040. Child Care Licensing Bureau Report – NOT INCLUDED

House adds language that requires the child care licensing bureau to report on a number of metrics around regulatory revenue and expenses; information on licenses received, approved, denied, and renewed; complaints received, investigated, and closed; and enforcement actions taken against licenses. Senate does not include. Conference concurs with Senate but includes revised reporting language in section 1007.

ONE-TIME APPROPRIATIONS

Sec. 1101. Child Care Worker Benefits – NOT INCLUDED

Executive requires funds to be used to implement a pilot program to provide child care benefits to employees working in licensed child care programs under the CDC program. Prohibits children in care at a home-based provider where the owner of the provider is the parent or guardian of the child from receiving benefits under this program. Caps the amount of hours in a biweekly period that the child is eligible for at no greater than the number of hours the child care worker works in the same biweekly period. Provides for a work project appropriation through September 30, 2027. House does not include. Senate concurs with House. Conference concurs with House.

Sec. 1101. Adult Learners Pilot Program – NEW

Senate adds language that states MiLEAP must distribute grants for an adult learners pilot program to no more than 4 nonprofit organizations. The nonprofit organizations that receive grant funding must offer an accelerated high school accreditation program and provide on-site child care, with preference given to organizations that assist with career certifications and wrap-around support programs; provides work project authorization. Conference concurs and specifies pilot program coordination with the Goodwill Association of Michigan; and designates unexpended funds as a work project.

Sec. 1102. After School Programming Extension – NEW

Senate adds language that states MiLEAP must allocate funding to a nonprofit organization located in Pontiac that lowers barriers for postsecondary education for disadvantaged youth and that works with a public university and various regional program affiliates; provides work project authorization. Conference concurs and specifies grant allocation to the Michigan Alianza Latina para Mejoramiento y Avance (MI-ALMA) and the Exito Educativo program for an afterschool program for Latino parents and students to learn about high school graduation requirements and supports and college pathways; and designates unexpended funds as a work project.

Sec. 1103. Michigan Center for Adult College Success – NEW

House adds language that states the center shall use funds to continue improving adult postsecondary enrollment through the Michigan Reconnect program. Senate does not include. Conference concurs with House and adds as section 1103.

Sec. 1103. Childcare Facility Inspection Work Project – NOT INCLUDED

Senate adds language that states MiLEAP can expend \$4.8 million of work project authorization funds and hire 15.0 FTEs for inspections of childcare facilities. Conference does not include.

Sec. 1104. Child Care Program Stabilization Grants – NEW

Senate adds language that states MiLEAP would allocate funds for noncompetitive grants to current and new child care providers. Conference adds language that states MiLEAP would use grants to support licensed child care providers.

Sec. 1105. One-Time Administration Supports – NEW

Conference adds language that provides 2.0 FTE authorizations and funding to support the Michigan Transfer Network and provide a financial resource navigator to assist the public about FAFSA completion, state scholarships and student loan options; and designates unexpended funds as a work project.

Sec. 1105. Childcare Startup Grants – NOT INCLUDED

Senate adds language that states funds must be allocated for grants to a company that would improve child care capacity by recruiting and coaching prospective childcare providers through the startup process. Conference does not include.

Sec. 1106. Hunger-Free Campus Grant Pilot Program – NEW

House adds language as section 707 that states the purposes of the Hunger-Free Campus grant program, awards Michigan State University and Northern Michigan University \$250,000 of grant funding and requires the universities to establish a hunger task force, designate a staff member to inform students on supplemental nutrition assistance program (SNAP) enrollment opportunities, provide at least one campus food pantry, and develop a meal credit donation or food voucher program. Senate does not include. Conference concurs with House but adds as section 1106, revises award levels to \$125,000, adds Grand Rapids Community College and Macomb Community College, and adds reporting requirement for program participants.

Major Boilerplate Changes from FY 2023-24

Sec. 1106. College Awaits Pilot – NOT INCLUDED

Senate adds language that states MiLEAP must allocate funds for grants to universities for outreach activities that would allow underrepresented K-12 students to experience college campuses, raise awareness of postsecondary programs and career opportunities, and provide financial aid resources; requires report on the status of funds allocated and metrics tracking effectiveness of expended funds. Conference does not include.

Sec. 1107. Wonderschool – NEW

Conference adds language that states MiLEAP must allocate funds to increase the supply of child care family homes, group homes, and centers through a recruiting, coaching, and mentorship process.

Sec. 1107. Family Childcare Networks Support – NOT INCLUDED

Senate adds language that states MiLEAP must allocate funds for supports, including language supports, to home-based childcare providers to sustain the provider marketplace. Conference does not include.

Sec. 1108. Healthcare Grants/Foster Care Supports – NEW

Senate adds language that states MiLEAP must allocate funds to a nonprofit organization that is focused on postsecondary access and success with foster care and homeless youth to build a support network for postsecondary success for at-risk youth. Conference concurs, specifies grant funding is to provide a formal infrastructure to improve postsecondary access and success for foster care and homeless youth.

Sec. 1109. Postsecondary Enrollment – NEW

Senate adds language that states MiLEAP must allocate funds for a company to re-engage adult learners to complete a postsecondary degree or credential. Conference concurs with minor technical revisions.

Sec. 1110. Youth Mentorship – NEW

Senate adds language that states MiLEAP must allocate funds for a nonprofit organization to mentor and help provide successful strategies for Lansing Public School students in grades 6 through 12. Conference concurs.

FY 2024-25: MILITARY AND VETERANS AFFAIRS
Summary: Conference Report
Article 12, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$101,800	\$101,800	\$101,800	\$101,800	\$101,800	\$0	0.0
Federal	135,035,900	144,036,800	144,036,800	144,036,800	144,786,800	9,750,900	7.2
Local	0	0	0	0	0	0	--
Private	100,000	100,000	100,000	100,000	100,000	0	0.0
Restricted	14,213,400	13,221,400	13,221,400	13,221,400	13,221,400	(992,000)	(7.0)
GF/GP	98,889,300	109,592,100	110,092,300	107,979,400	117,694,100	18,804,800	19.0
Gross	\$248,340,400	\$267,052,100	\$267,552,300	\$265,439,400	\$275,904,100	\$27,563,700	11.1
FTEs	1,060.0	1,060.0	1,060.0	1,060.0	1,060.0	0.0	0.0

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

Overview

The Department of Military and Veterans Affairs (DMVA) provides for the operations of the Michigan National Guard in support of military and security needs of the state and federal government. The department, through the Michigan Veterans Affairs Agency, oversees state programs for veterans, grants to veterans service organizations, the County Veteran Service Fund, and the Michigan Veterans Trust Fund. The department also houses the independent Michigan Veterans Facility Authority, which manages and operates the state's three veterans homes.

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Veteran Homes Operating Expenses Adjustment	FTE	553.0	0.0
Executive provides \$16.4 million Gross (\$10.2 million GF/GP) to the 3 state veteran home facilities to reflect operating cost increases for contracted nursing services, state healthcare employee wages, medical supplies and services, utilities, and DTMB accounting services fees. Gross funding increases to each of the 3 homes would be:	Gross	\$92,561,400	\$16,398,100
<ul style="list-style-type: none"> \$9.7 million for the Grand Rapids Home for Veterans \$5.0 million for the Chesterfield Township Home for Veterans \$1.6 million for the D.J. Jacobetti Home for Veterans. 	Federal	41,843,100	7,218,600
House concurs. Senate provides \$10.3 million Gross (\$4.1 million GF/GP) and include all GF/GP funding as one-time appropriations. Gross funding increases to each of the 3 homes would be:	Restricted	6,850,100	(991,300)
<ul style="list-style-type: none"> \$5.6 million for the Grand Rapids Home for Veterans \$3.2 million for the Chesterfield Township Home for Veterans \$1.5 million for the D.J. Jacobetti Home for Veterans. 	GF/GP	\$43,868,200	\$10,170,800
Conference concurs with Executive and House.			
2. Michigan Veterans' Facility Authority Administrative Operating Expenses Adjustment	Gross	\$4,981,300	\$941,900
Executive provides \$941,900 GF/GP to cover total increased costs related to Auditor General service fees, DTMB accounting services, and increased costs for medical billing services, telecommunications, and other services. House concurs. Senate provides \$381,400 GF/GP as a one-time appropriation. Conference concurs with Executive and House.	GF/GP	\$4,981,300	\$941,900

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
3. Selfridge Air National Guard Base (One-Time)			
<u>Executive</u> includes \$10.0 million GF/GP for capital improvements and infrastructure projects necessary to shift the runway placement at Selfridge Air National Guard Base to help attract new aircraft flying missions. Projects would include roadway repair, vehicle access to the base and museum, stormwater drainage system repairs, force protection, and airfield features. A one-time appropriation of \$10.0 million was included in the enacted FY 2023-24 budget for the same purpose, for a \$0 change. <u>House</u> concurs and adds \$100. <u>Senate</u> provides \$15.0 million GF/GP for a \$5.0 million increase from FY 2023-24. <u>Conference</u> includes 15.0 million GF/GP for an \$8.0 million increase from FY 2023-24.	Gross	\$10,000,000	\$5,000,000
	GF/GP	\$10,000,000	\$5,000,000
4. Veteran Homelessness Grants (One-Time)			
<u>Executive</u> provides \$1.5 million GF/GP for MVAA to continue a FY 2023-24 pilot program that awards grants to non-profit organizations to provide, or assist in providing, housing for homeless veterans and their families in an effort to eliminate veteran homelessness. A one-time appropriation of \$2.0 million was included in the enacted FY 2023-24 budget for the same purpose, for a \$500,000 decrease. <u>House</u> provides a total of \$5.5 million GF/GP (\$2.0 million one-time) for a net increase of \$3.5 million from FY 2023-24. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> provides \$2.5 million GF/GP for a \$500,000 increase from FY 2023-24.	Gross	\$2,000,000	\$500,000
	GF/GP	\$2,000,000	\$500,000
5. DMVA Military Retirement			
<u>Executive</u> provides \$1.4 million GF/GP for the Military Retirement System to reflect an increase in anticipated retirement obligations based on annual actuarial valuation of military retirement benefits. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$1,351,000	\$1,419,600
	GF/GP	\$1,351,000	\$1,419,600
6. Veterans of Foreign Wars National Home (One-Time)			
<u>House</u> provides \$1.0 million GF/GP for the Veterans of Foreign Wars (VFW) National Home for maintenance of its roads and grounds. The VFW National Home is a small-town community that assists military, veterans and their families by providing housing and resources for up to four years during times of difficulty. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$1.5 million GF/GP.	Gross	\$0	\$1,500,000
	GF/GP	\$0	\$1,500,000
7. VETS Ride Pilot Program (One-Time)			
<u>House</u> provides \$999,900 GF/GP to create a pilot program to provide reimbursement grants to eligible organizations to provide eligible veterans free transportation for health and medical purposes and for receiving benefits claims assistance. <u>Executive</u> and <u>Senate</u> and <u>Conference</u> do not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
8. SSG Parker Gordon Fox Suicide Prevention Federal Grant Program			
<u>Executive</u> includes \$750,000 in federal funds authorized under the VA Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program. Grants are awarded to eligible entities that provide outreach for suicide prevention services. Funding would build off current work for suicide prevention outreach being done through the Governor's Challenge initiative. Funding was recommended under <u>Executive Recommendation Revision 2025-1</u> . <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs.	Gross	\$0	\$750,000
	Federal	0	750,000
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
9. Contracted Armed Security	Gross	NA	\$445,000
<u>Executive</u> includes \$445,000 GF/GP to support the department's contract for armed security at its Joint Forces Headquarters in Lansing and National Guard sites in Grayling, Battle Creek (Fort Custer), and Grand Ledge. Funding was recommended under Executive Recommendation Revision 2025-1. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs.	GF/GP	NA	\$445,000
10. National Guard Soldier Referral Program	Gross	\$0	\$0
<u>Executive</u> provides \$300,000 GF/GP and makes a corresponding reduction from the annual deposit into the Michigan National Guard Tuition Assistance Fund for a net \$0 Gross change. Funding would be used to create a Joint Enlistment Enhancement Program that would provide \$1,000 referral bonuses to individuals who refer soldiers who enlist in the National Guard. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted GF/GP	0 \$0	0 \$0
11. National Guard Facilities Services Contract Increases	Gross	\$0	\$287,000
<u>Executive</u> provides \$287,000 Gross (\$9,000 GF/GP) to support contract cost increases for National Guard facilities and for janitorial services at Selfridge Air National Guard Base. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal GF/GP	0 \$0	278,000 \$9,000
12. Department Emergency Manager	Gross	NA	\$157,000
<u>Executive</u> provides \$157,000 GF/GP to provide state funding for the department's emergency manager position, who is responsible for emergency planning and coordination as well as developing and maintaining threat response plans for the department. The position was previously supported through federal funds, which are no longer available, until 2021. Funding was recommended under Executive Recommendation Revision 2025-1. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs.	GF/GP	NA	\$157,000
13. Air National Guard User ID Funding	Gross	\$0	\$50,000
<u>Executive</u> provides \$50,000 GF/GP for the cost of user IDs in recognition that this cost is a non-reimbursable expense under the National Guard Bureau's cooperative agreement. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$0	\$50,000
14. Veteran Directory (One-Time)	Gross	\$0	\$0
<u>House</u> provides \$100 GF/GP as a placeholder to implement a statewide homeless veteran directory to better identify and serve homeless veterans by being able to recognize immediate needs and trends sooner. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
15. Peacetime Veterans Emergency Assistance Grants	Gross	\$2,500,000	\$0
<u>House</u> provides \$100 GF/GP as a placeholder to fund awarding grants from the Emergency Grant Program of the Michigan Veterans Trust Fund to veterans who served in times of peace. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$2,500,000	\$0
16. Tricare Premium Reimbursement Program (One-Time)	Gross	\$0	\$0
<u>Senate</u> includes a \$100 placeholder for support of covering reimbursements for premiums for Tricare health and dental insurance for National Guard members pending statutory changes as proposed under House Bill 5433. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
17. Removal of FY 2023-24 One-Time Appropriations	Gross	\$3,000,000	(\$3,000,000)
<u>Executive</u> removes \$3.0 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support funding for the Grand Rapids Home for Veterans as it transitioned to its new facility. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$3,000,000	(\$3,000,000)

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
18. National Guard Tuition Assistance Fund Alignment	FTE	3.5	0.0
<u>House</u> reduces \$5.5 million GF/GP for deposit into the Michigan National Guard Tuition Assistance Fund to align the balance of the fund with expenditures and the \$15.0 million cap placed on the fund by the Michigan National Guard Tuition Assistance Act, 2014 PA 259. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$11,520,700	\$0
	GF/GP	\$11,520,700	\$0
19. Economic Adjustments	Gross	NA	\$3,115,100
<u>Executive</u> includes adjustments to reflect increased costs of \$3.1 million	Federal	NA	1,504,300
Gross (\$1.6 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> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	(700)
	GF/GP	NA	\$1,611,500

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, Senate and Conference retain.

Sec. 210. Legislative Contingency Transfer Authorization – RETAINED

Allows for the legislative transfer process to increase federal authorization by up to \$8.6 million, state restricted authorization by up to \$1.1 million, local authorization by up to \$250,000, and private authorization by up to \$100,000. Executive revises to increase maximum amounts of contingency authorizations up to \$12.0 million in federal and \$3.0 million in state restricted. House, Senate and Conference retain.

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, Senate and Conference retain.

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, Senate and Conference retain.

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 deletes. Senate retains. Conference deletes.

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, Senate and Conference retain.

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

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 and Senate retain. Conference deletes.

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, Senate and Conference retain.

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, Senate and Conference retain.

Major Boilerplate Changes from FY 2023-24

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 deletes. Senate retains. Conference deletes.

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, Senate and Conference retain.

Sec. 224. Intention to Sell Department Property – RETAINED

Requires department to provide a 60-day notice of intent to sell property. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. House, Senate and Conference retain.

Sec. 225. Biannual Reporting on Achieving Requirements – RETAINED

Requires department to provide biannual reports on status of work projects, financial status, and employment levels. Executive deletes. House, Senate and Conference retain.

Sec. 226. 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 deletes. Senate retains. Conference deletes.

Sec. 229. Annual Strategic Plan – RETAINED

Requires department to submit its annually updated departmental strategic plan to legislature. Executive deletes. House, Senate and Conference retain.

Sec. 230. Authorization to Reallocate State Fiscal Recovery Funds – NEW

Requires the State Budget Director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the State Budget Director to reallocate funds to fully utilize SFRF that are in jeopardy of not meeting the expenditure deadline; requires the State Budget Director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations. Executive, House, and Senate do not include. Conference adds.

Sec. 301. Unclassified Positions – RETAINED

Appropriates funding to support unclassified positions; requires department to notify subcommittees prior to submitting requests for additional unclassified positions or requests for substantive changes to duties of existing unclassified positions; requires annual report listing current unclassified positions with official titles and responsibilities. Executive deletes. House, Senate and Conference retain.

Sec. 306. Billeting Fund – REVISED

Requires annual report of operations and expenditures regarding Billeting Fund account, which supports program operations of Chargeable Transient Quarters program at National Guard training facilities. Executive revises to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes. Senate retains. House and Conference concur with Executive.

Sec. 307. National Guard Tuition Assistance Program – REVISED

Requires DMVA to establish and maintain tuition assistance program for members of Michigan National Guard and other eligible members as defined in 2014 PA 259; states program's objectives, performance metrics, and reporting requirements. Executive revises to add reporting on spouses and children as beneficiaries of the program. House concurs with Executive changes and adds balance of the fund as a reporting requirement. Senate concurs with Executive. Conference concurs with House.

Sec. 309. Test Project Fees – REVISED

Creates test project fees revolving account to be under control of department to collect fees generated by test project program; requires funds appropriated from account to support operations of test project program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year. Executive revises to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes. Senate retains. House and Conference concur with Executive.

Major Boilerplate Changes from FY 2023-24

Sec. 311. Commander's Cottage Rental Fees – REVISED

Creates rental fees revolving account to be under control of department to collect rental fees for Commander's Cottage, the commander's residence; requires funds appropriated from account to support operations of program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year. Executive revises to create the fund within the state treasury; authorizes Treasury to receive money and assets from any source for deposit into the fund; requires Treasury to direct the investment of the fund and to credit interest and earnings to the fund; requires money in the fund to not lapse to the general fund at the close of the fiscal year; requires the department to be the administrator of the fund for auditing purposes. House, Senate and Conference concur.

Sec. 404. MVAA Private Donations – RETAINED

Authorizes receipt of private donations to MVAA in excess of funds appropriated and permits expenditure of those funds for purpose designated by donor, if specified; requires quarterly reports of donations under \$10,000 and notification to legislature within 14 days of donations of \$10,000 or more; requires all private donations to be used for the benefit and life enrichment of veterans. Executive revises to delete notification requirement for donations of \$10,000 or more. House, Senate and Conference retain.

Sec. 405. Veterans' Trust Fund Grants – REVISED

Requires MVAA to report biannually on Michigan Veterans Trust Fund financial status, awarded grants, and operating and administrative expenses; requires the provision of emergency grants; requires an annual report on grants issues, county administrative practices and expenditures, details on applications received, and what efforts are done to reduce program administrative costs. Executive revises to delete the biannual report requirement; deleted requirement to provide emergency grants; adjust annual reporting requirements. House revises to add reporting requirement on expenditures for program partnerships and other initiatives. Senate retains. Conference concurs with House.

Sec. 406. MVAA Outreach Services – RETAINED

Requires MVAA to provide outreach services to veterans, communicate information on available VA benefits, process requests for military discharge documents, and assist in processing claims for VA benefits; requires annual report providing estimate of state's homeless veterans population. Executive revises to delete outreach minimum goal benchmark of 50% of the state's veteran population and aspirational goal of 90% reached. House, Senate and Conference retain.

Sec. 410. MVAA and County Counseling Services – RETAINED

Requires MVAA to assist veterans in filing claims for VA benefits; establishes a capacity metric of 500 claims per year; requires biannual data on number and type of claims activities; requires MVAA to provide training to county veterans counselors (CVCs); establishes performance metrics for training and CVC-filed claims for VA benefits; requires biannual reports on number and percentage of CVCs requesting training by MVAA; authorizes up to \$50,000 to be expended to provide legal services to represent veterans benefit cases before federal courts in order to maintain accreditation by VA. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive revises to eliminate claims processing and county counselor training goal benchmarks. House, Senate and Conference retain.

Sec. 411. Grants to Veterans Service Organizations – RETAINED

Requires MVAA to provide competitive grants to veterans service organizations (VSOs) using a regional service delivery model and lists requirements for the competitive grant process; requires quarterly reports from grantees on claims and services provided; requires grant recipients to meet performance metrics, specifies basic parameters of grant agreement; requires MVAA to report on grant activities; appropriates funding to cover administrative costs; authorizes unexpended funding to carry forward as a work project. Executive revises to delete designation of unexpended funding as a work project and carry forward authorization. House concurs. Senate and Conference retain.

Sec. 412. Interagency Agreement with Department of Health and Human Services – DELETED

Requires department to enter into cooperative agreement with DHHS to identify veteran Medicaid recipients who may be eligible for other benefits. Executive deletes. House, Senate and Conference concur.

Sec. 415. MVAA Veteran Homelessness Study – RETAINED

Requires MVAA to complete study that includes analysis of scope of veteran homelessness in Michigan, identification of challenges to securing housing for homeless veterans, and recommendations for future partnerships and actions that will assist in eliminating veteran homelessness while minimizing additional costs to local units of government. Executive deletes. Senate concurs with Executive. House and Conference retain.

Sec. 416. Suicide Prevention Research Contracts and Grants – REVISED

Authorizes department to contract with or provide grants to local health care providers to accelerate research and deployment of treatments for suicide prevention that have been granted breakthrough therapy designation by United States Food and Drug Administration; authorizes hiring of up to 3.0 FTE positions. Executive deletes. House concurs. Senate retains. Conference revises to authorize the department to partner with DHHS to facilitate and administer the program and deletes authorization to hire up to 3.0 FTE positions.

Major Boilerplate Changes from FY 2023-24

Sec. 501. Private Donations to Veteran Homes – RETAINED

Appropriates money privately donated to this state's veterans homes and permits its use for the purpose designated by private donor if used for the benefit and life-enrichment of veterans; requires annual report of donations under \$10,000 and notification to the legislature within 14 days of donations of \$10,000 or more; authorizes unexpended private donations to not lapse to the General Fund and to carry forward to the subsequent fiscal year. Executive revises to delete notification requirement for donations of \$10,000 or more. House, Senate and Conference retain.

Sec. 508. Member Care Standards – RETAINED

Requires Michigan veterans homes to provide all veterans homes members board-certified psychiatric care, safe and secure environment, and to ensure veterans homes develop, execute, and monitor all comprehensive care plans in accordance with federal regulations and internal policies. Executive deletes. House, Senate and Conference retain.

Sec. 602. Special Maintenance – National Guard – REVISED

Requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities; requires annual reports on maintenance projects at National Guard facilities funded from capital outlay appropriations. Executive revises to include armory maintenance to the section requirements. Senate retains. House and Conference concur with Executive.

Sec. 604. Armory Maintenance – DELETED

Requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities. Executive deletes. Senate retains. House and Conference concur with Executive.

Sec. 610. MVFA Non-General Fund Source Adjustment – NOT INCLUDED

Authorizes the department, upon approval from the State Budget Director, to align appropriations for non-general fund sources with revenue; prohibits changes that would produce a gross increase or decrease in the total authorization for the individual Michigan veterans' facility authority line-item appropriations; requires quarterly report on actions taken under this section. Executive adds. House, Senate, and Conference do not include.

Sec. 701. Eliminating Veteran Homelessness Grants – REVISED

Requires MVAA to create and operate grant program to provide grants of \$150,000 to non-profit organizations to provide, or assist in providing, housing for homeless veterans and their families; requires report summarizing grant program activities and expenditures; provides definitions for "veteran" and "homeless"; designates unexpended funds as work project, to not lapse at close of fiscal year, and to carry forward to FY 2027-28. Executive revises to eliminate grant specification of \$150,000 and prohibition of awarding more than one grant to any one non-profit organization; eliminates work project designation. House revises to permit grant delineations to be any amount not exceeding \$250,000. Senate concurs with Executive. Conference revises to permit grant delineations to be any amount not exceeding \$250,000 and eliminates prohibition of awarding more than one grant to any one non-profit organization.

Sec. 702. Selfridge Air National Guard Base – REVISED

Requires funds to be used to comply with Air Installation Compatible Use Zone Program requirements and projects to attract new aircraft flying missions; lists eligible uses of funds. Executive revises to modify list of projects eligible for funding. House, Senate and Conference concur.

Sec. 703. VETS Ride Pilot Program – NOT INCLUDED

Creates the VETS ride pilot program to provide veterans free transportation for medical purposes, healthcare appointments, or for receiving assistance in filing claims for veterans benefits; provides criteria for eligible veterans; provides criteria for eligible grantees; requires the MVAA to develop program guidelines and to collect information from grantees; requires the MVAA to report on grant awards and applicants who were not awarded a grant. House adds. Executive and Senate and Conference do not include.

FY 2024-25: NATURAL RESOURCES
Summary: Conference Report
Article 13, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$202,600	\$207,000	\$207,000	\$207,000	\$207,000	\$4,400	2.2
Federal	122,923,800	96,140,700	96,140,700	96,449,500	96,140,700	(26,783,100)	(21.8)
Local	0	0	0	0	0	0	--
Private	7,289,200	7,609,200	7,609,200	9,609,200	7,609,200	320,000	4.4
Restricted	353,778,000	371,056,200	353,865,900	372,233,200	353,865,900	87,900	0.0
GF/GP	88,054,500	67,757,000	68,557,000	84,357,000	76,757,000	(11,297,500)	(12.8)
Gross	\$572,248,100	\$542,770,100	\$526,379,800	\$562,855,900	\$534,579,800	(\$37,668,300)	(6.6)
FTEs	2,555.3	2,545.3	2,545.3	2,541.8	2,545.3	(10.0)	(0.4)

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

Overview

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by DNR.

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
1. Recreation Passport Default Opt-in Revenue	Gross	NA	\$0
<u>Executive</u> includes \$17.2 million in new restricted authorization in anticipation of Recreation Passport sales changing from an opt-in model to an opt-out model. Motorists would purchase a passport by default unless they choose to opt-out when renewing motor vehicle registration. Passports would be provided free of charge to resident military veterans. <u>House</u> does not include. <u>Senate</u> concurs with Executive. <u>Conference</u> does not include.	Restricted	NA	0
	GF/GP	NA	\$0
2. Capital Outlay Adjustments	Gross	\$58,475,000	(\$8,725,000)
<u>Executive</u> provides a net reduction of \$8.7 million Gross (\$0 GF/GP) for funding decreases to Forest Development Infrastructure; Shooting Range Development, Enhancement, and Restoration; State Game and Wildlife Area Infrastructure; and State Parks Repair and Maintenance. Funding increases are included to Wetlands Restoration, Enhancement, and Acquisition; Local Boating Infrastructure and Maintenance; and State Boating Infrastructure and Maintenance. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	20,000,000	(5,300,000)
	Private	250,000	(250,000)
	Restricted	34,725,000	(3,175,000)
	GF/GP	\$3,500,000	\$0
3. Nature Awaits	FTE	13.8	0.0
<u>Executive</u> reduces GF/GP authorization by \$4.0 million for grants to schools to cover transportation and other costs related to connecting all Michigan fourth grades to the state park system. <u>House</u> concurs with Executive. <u>Senate</u> reduces GF/GP authorization by \$5.0 million. <u>Conference</u> concurs with Executive.	Gross	\$8,000,000	(\$4,000,000)
	GF/GP	\$8,000,000	(\$4,000,000)

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
4. Michigan Historical Center – Archives of Michigan		FTE	56.5	(14.5)
<u>Executive</u> reduces funding for the Michigan Historical Center by \$1.9 million GF/GP and 14.5 FTE positions to reflect Executive Order 2023-6 which transferred the Archives of Michigan from DNR to DTMB.		Gross	\$8,201,900	(\$1,915,300)
<u>House</u> concurs.		Federal	1,016,000	0
<u>Senate</u> concurs.		Restricted	2,223,900	0
<u>Conference</u> concurs.		GF/GP	\$4,962,000	(\$1,915,300)
5. Vehicle Travel Services		Gross	NA	\$890,300
<u>Executive</u> appropriates \$890,300 Gross (\$343,100 GF/GP) to cover increased travel costs related to vehicle mileage rates and leasing costs.		Federal	NA	23,000
<u>House</u> concurs.		Restricted	NA	524,200
<u>Senate</u> concurs.		GF/GP	NA	\$343,100
<u>Conference</u> concurs.				
6. Modem and Radio Replacement for Law Enforcement and Wildfire Protection		Gross	NA	\$878,300
<u>Executive</u> includes \$878,300 GF/GP to replace modem and radio equipment for law enforcement and wildfire protection.		Federal	NA	0
<u>House</u> concurs with Executive.		Restricted	NA	0
<u>Senate</u> includes \$878,300 Gross (\$387,700 GF/GP).		GF/GP	NA	\$878,900
<u>Conference</u> concurs with Executive.				
7. General Law Enforcement – Records Management and Reporting System		FTE	293.0	0.0
<u>Executive</u> provides \$700,000 GF/GP for replacing the conservation officer records management and reporting system.		Gross	\$51,479,500	\$700,000
<u>House</u> concurs with Executive.		Federal	6,901,700	0
<u>Senate</u> includes \$700,000 Gross (\$235,600 GF/GP).		Restricted	27,376,600	0
<u>Conference</u> concurs with Executive.		GF/GP	\$17,201,200	\$700,000
8. Land and Water Conservation Fund Program		FTE	NA	1.0
<u>Executive</u> appropriates \$151,100 Gross (\$76,100 GF/GP) and 1.0 FTE position to administer the Land and Water Conservation Fund Program which provides payments to local units of government to acquire and develop public recreation lands and facilities.		Gross	NA	\$151,100
<u>House</u> concurs.		Federal	NA	75,000
<u>Senate</u> concurs.		GF/GP	NA	\$76,100
<u>Conference</u> concurs.				
9. Accounting Service Center		Gross	\$1,501,900	\$120,000
<u>Executive</u> includes \$120,000 Gross (\$11,400 GF/GP) to support departmental accounting services.		Restricted	1,359,300	108,600
<u>House</u> concurs.		GF/GP	\$142,600	\$11,400
<u>Senate</u> concurs.				
<u>Conference</u> concurs.				
10. Spending Authorization Alignment		Gross	NA	\$341,600
<u>Executive</u> increases private funding by \$570,000 and reduces restricted funding by \$228,400 across divisions to align spending authorization with available resources.		Private	NA	570,000
<u>House</u> concurs.		Restricted	NA	(228,400)
<u>Senate</u> concurs.		GF/GP	NA	\$0
<u>Conference</u> concurs.				

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
11. Cultural Resource Management	FTE	2.0	3.5
<u>Executive</u> provides 3.5 FTE positions for cultural resource management which supports departmental archaeological operations and manages identification, treatment, and disposition of Native American cultural items.	Gross	\$1,000,000	\$0
<u>House</u> concurs with Executive.	GF/GP	\$1,000,000	\$0
<u>Senate</u> does not provide.			
<u>Conference</u> concurs with Executive.			
12. State Employees' Retirement System Implementation Costs (One-time)	Gross	\$0	\$0
<u>House</u> includes \$800,000 in one-time GF/GP to cover additional pension-related costs if HB 4665, 4666, and 4667 enacted into law.	Federal	0	0
<u>Senate</u> includes \$800,000 Gross (\$269,200 GF/GP) to cover additional pension-related costs if SB 165, 166, and 167 are enacted into law.	Restricted	0	0
<u>Conference</u> does not include.	GF/GP	\$0	\$0
13. Wetland Restoration, Enhancement, and Acquisition	Gross	\$2,000,000	\$0
<u>Senate</u> provides \$2,000,000 GF/GP to facilitate access for public recreation in wetland areas.	GF/GP	\$2,000,000	\$0
<u>Conference</u> does not provide.			
14. America 250 Commission Grants (One-time)	Gross	\$0	\$5,000,000
<u>Senate</u> appropriates \$5.0 million in one-time GF/GP for a commission to plan, encourage, develop, and coordinate the commemoration of the 250th anniversary of the founding of the United States.	GF/GP	\$0	\$5,000,000
<u>Conference</u> concurs.			
15. Michigan History Center – America 250 Initiatives (One-time)	Gross	\$0	\$0
<u>Senate</u> includes \$5.0 million in one-time GF/GP for the Michigan History Center to plan, encourage, develop, and coordinate the commemoration of the 250th anniversary of the founding of the United States.	GF/GP	\$0	\$0
<u>Conference</u> does not include.			
16. Flood Insurance Pilot Initiative (One-time)	Gross	\$0	\$0
<u>Senate</u> provides \$4.0 million Gross (\$2.0 million GF/GP) to reduce flood insurance costs through wetland restoration.	Private	0	0
<u>Conference</u> does not provide.	GF/GP	\$0	\$0
17. Mass Timber Market Development (One-time)	Gross	\$0	\$1,000,000
<u>Senate</u> appropriates \$2.0 million in one-time GF/GP to develop a mass timber market in Michigan.	GF/GP	\$0	\$1,000,000
<u>Conference</u> appropriates \$1.0 million in one-time GF/GP.			
18. Sportsmen Against Hunger Refrigeration Units (One-time)	Gross	\$0	\$500,000
<u>Senate</u> includes \$550,000 in one-time GF/GP for refrigerated trailers to store deer and processed venison.	GF/GP	\$0	\$500,000
<u>Conference</u> includes \$500,000 in one-time GF/GP.			
19. Sportsmen Against Hunger Donation Matching	Gross	\$0	\$0
<u>Senate</u> provides \$485,000 GF/GP for \$2.00 in match funding for every \$1.00 donated to the Sportsmen Against Hunger program.	GF/GP	\$0	\$0
<u>Conference</u> does not provide.			
20. Sportsmen Against Hunger Disease Testing (One-time)	Gross	\$0	\$0
<u>Senate</u> includes \$250,000 in one-time GF/GP for disease and lead testing for donated meat.	GF/GP	\$0	\$0
<u>Conference</u> does not include.			

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
21. American Chestnut Restoration Initiative (One-time)	Gross	\$0	\$500,000
<u>Senate</u> appropriates \$500,000 in one-time GF/GP for American chestnut restoration and assist migration of American chestnut or other species to adapt the state's forests to climate change.	GF/GP	\$0	\$500,000
<u>Conference</u> concurs.			
22. Phragmites Management Equipment (One-time)	Gross	\$0	\$250,000
<u>Senate</u> provides \$499,700 in one-time GF/GP for localities or organizations that require aid to purchase phragmites management equipment.	GF/GP	\$0	\$250,000
<u>Conference</u> provides \$250,000.			
23. ADA Park Accessibility Grants (One-time)	Gross	\$0	\$0
<u>Senate</u> includes a \$100 placeholder for ADA park accessibility grants.	GF/GP	\$0	\$0
<u>Conference</u> does not include.			
24. Mackinac Island State Park (One-time)	Gross	\$0	\$0
<u>Senate</u> appropriates a \$100 placeholder for Mackinac Island State Park.	GF/GP	\$0	\$0
<u>Conference</u> does not appropriate.			
25. Huron Waterloo Pathways Initiative's Border-To-Border Trail (One-time)	Gross	\$0	\$1,749,900
<u>Senate</u> provides a \$100 placeholder for the Huron Waterloo Pathways Initiative's Border-To-Border Trail.	GF/GP	\$0	\$1,749,900
<u>Conference</u> provides \$1.7 million in one-time GF/GP.			
26. Removal of FY 2023-24 One-Time Appropriations	Gross	\$42,000,000	(\$42,000,000)
<u>Executive</u> removes \$42.0 million Gross (\$17.0 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Federal	22,500,000	(22,500,000)
	Restricted	2,500,000	(2,500,000)
	GF/GP	\$17,000,000	(\$17,000,000)
<ul style="list-style-type: none"> • Aggregate mapping (\$5.0 million Gross) • Cultural resource management (\$1.0 million Gross) • Dam management program (\$1.3 million Gross) • Forest land management equipment (\$2.5 million Gross) • Fresh water research and innovation center (\$15.0 million Gross) • Great Lakes splash pads (\$1.0 million Gross) • Invasive species prevention and control (\$2.0 million Gross) • Michigan conservation corps (\$500,000 Gross) • State water trail organizations (\$500,000 Gross) • Swimming pool repair project (\$200,000 Gross) • Swimming pool restoration project (\$5.0 million Gross) • Urban and community forestry assistance (\$7.5 million Gross) • Wetland restoration in urban areas (\$550,000 Gross). 			
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			
27. Economic Adjustments	Gross	NA	\$6,890,700
<u>Executive</u> reflects increased costs of \$6.9 million Gross (\$608,900 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.	IDG/IDT	NA	4,400
	Federal	NA	918,900
	Private	NA	0
	Restricted	NA	5,358,500
	GF/GP	NA	\$608,900
<u>House</u> concurs.			
<u>Senate</u> concurs.			
<u>Conference</u> concurs.			

Major Boilerplate Changes from FY 2023-24

Sec. 207. Disciplinary Action Against State Employees – RETAINED

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs unless communication is prohibited by law. *(Governor deemed this section unenforceable in FY 2023-24.)*
Executive deletes, House, Senate, and Conference retain.

Sec. 210. Contingency Fund Transfer Authority – RETAINED

Provides authority for contingency fund transfers of up to \$5.0 million restricted; authorizes expenditure after legislative transfer to specific line items.
Executive, Senate, and Conference retain, House revises to \$25.0 million restricted.

Sec. 212. Expenditure Posting on Internet – RETAINED

Requires expenditures to be reported on the internet on a searchable website, including specific expenditure information.
Executive deletes, House, Senate, and Conference retain.

Sec. 213. Restricted Fund Revenues, Expenditures, and Fund Balances – RETAINED

Requires annual report on fund balances, revenues, and expenditures for state restricted funds for previous and current fiscal years.
Executive deletes, House, Senate, and Conference retain.

Sec. 214. Website Scorecard – DELETED

Requires department to maintain on a publicly accessible website a department scorecard with key metrics concerning the department's performance.
Executive deletes, House, Senate, and Conference concur.

Sec. 218. Remote Working – DELETED

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

Sec. 219. State Administrative Board Transfers – DELETED

Allows legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. *(Governor deemed this section unenforceable in FY 2023-24.)*
Executive deletes, House, Senate, and Conference concur.

Sec. 221. Receipt and Retention of Reports – RETAINED

Requires department to receive and retain copies of all reports.
Executive deletes, House, Senate, and Conference retain.

Sec. 222. Report on Policy Changes Made to Implement Public Acts Affecting Department – RETAINED

Requires department to report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year by April 1.
Executive deletes, House, Senate, and Conference retain.

Sec. 223. Severance Reporting – DELETED

Requires department to report details of severance pay for certain departmental employees.
Executive, House, and Conference delete, Senate retains.

Sec. 224. Expending Available Work Project Authorization – RETAINED

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor deemed this section unenforceable in FY 2023-24.)*
Executive deletes, House, Senate, and Conference retain.

Sec. 229. Energy and Noise Efficiency – RETAINED

Requires preference for goods and services that are energy efficient and minimize noise pollution.
Executive and Senate delete, House and Conference retain.

Sec. 230. Single Grant Recipients – REVISED

Provides process requirements for grants or projects awarded to single recipient organizations or local governments.
Executive and House delete, Senate retains, Conference revises.

Sec. 231. General Receive and Expend – NEW

Allows the department to receive public or private revenue and expend said revenue for a defined purpose if specified; allows public or private revenue to carryforward to succeeding fiscal years without lapsing to the general fund; requires the department to notify HFA and SFA within 10 days of approval of additional spending authorization by SBO.
Executive adds new section, House does not add, Senate and Conference revises to remove spending authority and notification requirement.

Major Boilerplate Changes from FY 2023-24

Sec. 242. Testing Laboratories – DELETED

Prohibits the department from consolidating their testing laboratories.
Executive deletes, House, Senate, and Conference concur.

Sec. 408. Land Transactions – RETAINED

Requires detailed report to legislature on land purchases, sales, and exchanges.
Executive deletes, House, Senate, and Conference retain.

Sec. 409. Sportsmen Against Hunger Donation Matching – DELETED

Requires the department to use \$2.00 in matching funds for every \$1.00 donated to the Sportsmen Against Hunger program.
Senate adds new section, Conference does not add.

Sec. 501. Work Project – Nature Awaits – DELETED

Authorizes unexpended funds for Nature Awaits totaling \$8.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the Nature Awaits program in the Parks and Recreation Division.
Executive deletes, House, Senate, and Conference concur.

Sec. 1201. Work Project – America 250 Commission Grants – NEW

Authorizes unexpended funds for America 250 Commission Grants totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to provide grants to state and local entities to commemorate America's semiquincentennial.
Senate adds new section, Conference concurs.

Sec. 1201. Work Project – Huron Waterloo Pathways Initiative's Border-To-Border trail, Copper Peak ski jump project, and Michigan the Beautiful Initiative (repurposing work project balance) – DELETED

Repurposes equipment lifecycle replacement and body cameras for conservation officers work project balances for Huron Waterloo Pathways Initiative's Border-To-Border trail (\$3.0 million), Copper Peak ski jump project (\$1.0 million), and Michigan the Beautiful Initiative (\$1.0 million). The equipment lifecycle replacement and body cameras for conservation officers work projects were first appropriated in FY 2022-23 and had a combined carryforward balance in excess of \$5.0 million GF/GP at the end of FY 2023-24.
House adds new section, Senate and Conference do not add.

Sec. 1201. Work Project – Aggregate Mapping – DELETED

Authorizes unexpended funds for aggregate mapping totaling \$5.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to map aggregate deposits of this state.
Executive deletes, House, Senate, and Conference concur.

Sec. 1202. Work Project – American Chestnut Restoration Initiative – NEW

Authorizes unexpended funds for American Chestnut Restoration Initiative totaling \$500,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to study and implement American chestnut restoration and assisted migration of American chestnut or other species for the purpose of helping adapt the state's forests to climate change.
Senate and Conference add new section.

Sec. 1202. State Employees' Retirement System Implementation Costs – DELETED

Requires funds for state employees' retirement system implementation costs be expended to cover additional pension-related costs if HB 4665, 4666, and 4667 are enacted into law.
House adds new section, Senate concurs and renumbers to Sec. 701, Conference does not add.

Sec. 1202. Work Project – Dam Management Grant Program – DELETED

Authorizes unexpended funds for Dam Management Grant Program totaling \$1.3 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for dam management grants.
Executive deletes, House, Senate, and Conference concur.

Sec. 1203. Work Project – Huron Waterloo Pathways Initiative's Border to Border Trail – NEW

Authorizes unexpended funds for Huron Waterloo Pathways Initiative's Border to Border Trail totaling \$1.7 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to develop a nonmotorized Border to Border Trail.
Conference adds new section.

Major Boilerplate Changes from FY 2023-24

Sec. 1203. Work Project – Flood Insurance Pilot Initiative – DELETED

Authorizes unexpended funds for Flood Pilot Insurance Initiative totaling \$2.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to find ways to reduce the cost of flood insurance by utilizing wetlands and wetland restoration activities.

Senate adds new section, Conference does not add.

Sec. 1203. Work Project – Forest Land Management Equipment – DELETED

Authorizes unexpended funds for Forest Land Management Equipment totaling \$2.5 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire new forest land management equipment.

Executive deletes, House, Senate, and Conference concur.

Sec. 1204. Work Project – Mass Timber Market Development – NEW

Authorizes unexpended funds for Mass Timber Market Development totaling \$1.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to aid in the development of a mass timber market in this state.

Senate adds new section, Conference concurs.

Sec. 1204. Fresh Water Research and Innovation Center – DELETED

Awards \$15.0 million GF/GP to nonprofit Discovery Great Lakes in Traverse City to build a fresh water research and innovation center on Lake Michigan.

Executive deletes, House, Senate, and Conference concur.

Sec. 1205. Phragmites Management Equipment – NEW

Requires funds for Phragmites Management Equipment to be used to purchase heavy equipment for managing phragmites.

Senate adds new section, Conference concurs.

Sec. 1205. Work Project – Michigan History Center – America 250 Initiatives – DELETED

Authorizes unexpended funds for Michigan History Center – America 250 Initiatives totaling \$2.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to update and modernize facilities, historical exhibits, and educational materials.

Senate adds new section, Conference does not add.

Sec. 1205. Invasive Species Prevention and Control Fund Deposit – DELETED

Deposits funding for Invasive Species Prevention and Control into the Invasive Species Fund.

Executive deletes, House, Senate, and Conference concur.

Sec. 1206. Work Project – Sportsmen Against Hunger Refrigeration Units – NEW

Authorizes unexpended funds for Sportsmen Against Hunger Disease Testing totaling \$550,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to acquire refrigerated trailers that processors can use to store deer and processed venison.

Senate adds new section, Conference concurs.

Sec. 1206. Work Project – State Water Trail Organizations – DELETED

Authorizes unexpended funds for State Water Trail Organizations totaling \$500,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support state water trail organizations.

Executive deletes, House, Senate, and Conference concur.

Sec. 1207. Work Project – Sportsmen Against Hunger Disease Testing – DELETED

Authorizes unexpended funds for Sportsmen Against Hunger Disease Testing totaling \$250,000 to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to provide disease and lead testing for donated meat.

Senate adds new section, Conference does not add.

Sec. 1207. Swimming Pool Repair Project – DELETED

Awards \$200,000 GF/GP to the City of Ypsilanti to repair a public swimming pool.

Executive deletes, House, Senate, and Conference concur.

Sec. 1208. Swimming Pool Restoration Project – DELETED

Awards \$5.0 million GF/GP to the City of Lansing to restore a public swimming pool.

Executive deletes, House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2023-24

Sec. 1209. Work Project – Urban and Community Forestry Assistance – DELETED

Authorizes unexpended funds for Urban and Community Forestry Assistance totaling \$7.5 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to increase equitable access to urban tree canopy and associated human health benefits, broaden community engagement in local urban forest planning, and increase resilience to climate change.

Executive deletes, House, Senate, and Conference concur.

FY 2024-25: STATE POLICE
Summary: Conference Report
Article 14, Senate Bill 747 (S-1) CR-1



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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$26,244,400	\$27,189,800	\$27,189,800	\$27,189,800	\$27,189,800	\$945,400	3.6
Federal	88,805,100	99,062,700	99,062,700	99,062,700	99,062,700	10,257,600	11.6
Local	4,904,800	4,975,700	4,975,700	4,975,700	4,975,700	70,900	1.4
Private	35,000	35,000	35,000	35,000	35,000	0	0.0
Restricted	165,787,800	174,984,300	174,984,300	174,984,300	174,984,300	9,196,500	5.5
GF/GP	607,564,000	626,961,000	686,170,300	624,961,000	646,861,000	39,297,000	6.5
Gross	\$893,341,100	\$933,208,500	\$992,417,800	\$931,208,500	\$953,108,500	\$59,767,400	6.7
FTEs	3,832.0	3,856.0	3,849.0	3,856.0	3,856.0	24.0	0.6

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

Overview

The Michigan Department of State Police (MSP) is the state's primary law enforcement and emergency response authority. The department is responsible for criminal law enforcement and investigation, traffic and motor carrier safety, and homeland security. The department is also responsible for the administration and implementation of various state programs, technologies, and specialized services intended to enhance the capabilities and coordination of federal, state, and local law enforcement agencies, the criminal justice system, and the entire public safety community.

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Climate Change Emergency Disaster Relief	Gross \$0	\$0
House includes \$50.0 million GF/GP to provide financial assistance to local units of government to cover costs of natural events caused by climate change resulting in negative economic impacts, widespread or severe damage, injury, or loss of life that are not otherwise eligible for reimbursement for emergency disaster relief from the federal government. Executive, Senate, and Conference do not include.	GF/GP \$0	\$0
2. Public Safety Academy Assistance Programs	Gross \$0	\$10,000,000
House includes \$14.6 million GF/GP and reappropriates \$2.9 million from the 2022 work project balance for federal ineligible expenses for a total of \$17.5 million to provide scholarships for police academy recruits and assistance with salaries for police cadets. Scholarships would be capped at \$20,000 per recruit and assistance with salaries would be capped at \$4,000 per police cadet. Executive and Senate do not include. Conference includes \$10.0 million GF/GP.	GF/GP \$0	\$10,000,000
3. Disaster and Emergency Contingency Fund	Gross \$0	\$10,000,000
Conference includes \$10.0 million GF/GP for deposit into the Disaster and Emergency Contingency Fund (DECF) to support response and recovery activities and financial assistance to local units of government in the event of a disaster or emergency. Executive, House, and Senate do not include.	GF/GP \$0	\$10,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
4. FY 2023-24 Trooper Recruit School Annualization	Gross	NA	\$5,473,000
<u>Executive</u> includes \$5.5 million GF/GP to support departmental expenses incurred for 50 troopers projected to graduate from trooper recruit school during FY 2023-24. Supported costs would include fleet leasing, IT support, salaries, and benefits. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	NA	\$5,473,000
5. Disaster Recovery Grants		NA	\$3,200,000
<u>Conference</u> includes \$3.2 million GF/GP for grants to local governments for weather-related disaster expenses not covered by federal relief funding. Grants would be allocated as follows:		NA	\$3,200,000
<ul style="list-style-type: none"> • \$1.0 million to Marquette County • \$1.0 million to Kalamazoo County • \$1.0 million to Baraga County • \$200,000 to the City of Perry. 			
6. Law Enforcement Training, Recruitment, and Retention Grants	Gross	\$0	\$0
<u>Executive</u> includes \$5.0 million GF/GP (one-time) to support application-based grants available to local law enforcement agencies for the purposes of recruiting, training, integrating, and retaining licensed law enforcement officers. <u>Senate</u> includes \$2.0 million. <u>House</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0
7. Contracts and Services	Gross	\$1,600,000	(\$1,600,000)
a) <u>Executive</u> removes \$1.6 million GF/GP that was included in FY 2023-24 as a one-time appropriation for contracts and services. Of that amount, \$1.4 million was allocated to support executive security and \$200,000 was allocated for traffic control at Michigan International Speedway. <u>House</u> retains. <u>Senate</u> and <u>Conference</u> concur with <u>Executive</u> .	GF/GP	\$1,600,000	(\$1,600,000)
b) <u>Executive</u> includes \$2.0 million GF/GP for executive security services, which the FY 2024-25 executive recommendation designates as ongoing funding. <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with <u>Executive</u> .	Gross	\$0	\$2,000,000
	GF/GP	\$0	\$2,000,000
8. Michigan International Speedway Traffic Control	Gross	\$0	\$200,000
<u>Conference</u> includes \$200,000 GF/GP for providing traffic control support for the Michigan International Speedway. <u>House</u> included in one-time appropriation for contracts and services. <u>Executive</u> and <u>Senate</u> did not include.	GF/GP	\$0	\$200,000
9. Capitol Security	FTE	NA	13.0
<u>Executive</u> includes \$1.4 million GF/GP and authorization for 13.0 additional state property security officers who would be assigned to the Capitol Building to operate and monitor weapons detection equipment installed at building entrances. <u>House</u> includes \$500,000 GF/GP and authorization for 6.0 FTE positions. <u>Senate</u> and <u>Conference</u> concur with <u>Executive</u> .	Gross	NA	\$1,390,700
	GF/GP	NA	\$1,390,700
10. Law Enforcement Language Barrier Training	Gross	\$0	\$500,000
<u>Senate</u> provides \$500,000 GF/GP to provide training to law enforcement officers to improve communication with those who experience language barriers or who are hard of hearing or deaf. <u>Executive</u> and <u>House</u> do not include. <u>Conference</u> concurs with <u>Senate</u> .	GF/GP	\$0	\$500,000
11. State Employees' Retirement System Implementation Costs	Gross	\$0	\$0
<u>House</u> and <u>Senate</u> include \$500,000 GF/GP to cover additional pension-related costs resulting from enactment of legislation which would make changes to membership eligibility to certain retirement systems for certain law enforcement officers. <u>Executive</u> and <u>Conference</u> do not include.	GF/GP	\$0	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
12. Intelligence Operations Software Licensing		Gross	NA
<u>Executive</u> includes \$474,000 GF/GP to offset increased software licensing fees charged by vendors for software that is used by the Intelligence Operations Division (IOD) for collecting, compiling, and analyzing digital evidence retrieved from mobile devices during criminal investigations. The vendor previously assessed a flat rate licensing fee but has revised the licensing structure to require 7 IOD locations to each retain a separate license. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		GF/GP	NA
			\$474,000
			\$474,000
13. Cold Case Investigations		Gross	\$0
<u>House</u> includes \$400,000 GF/GP to distribute evenly to the cold case course programs at Western Michigan University and Northern Michigan University for programmatic and operational expenses. The programs provide workforce development training related to criminal investigation tactics, forensic science and law, and review of cold homicide and missing person cases. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with House and adds \$600,000 GF/GP to allocate \$400,000 to the department's Special Investigation Division and \$200,000 to the Forensic Science Division. \$250,000 of the amount to the Special Investigation Division must be used to support cold case investigations in Lansing.		GF/GP	\$0
			\$1,000,000
			\$1,000,000
14. Firearm Disposal		Gross	\$0
<u>House</u> includes \$250,000 GF/GP for administrative costs, including staffing, facilities, and travel related expenses, for the secure disposal of firearms received by the department under 1939 PA 328, MCL 750.239. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$0
			\$0
			\$0
15. In-Service Training		Gross	\$18,240,000
<u>House</u> removes \$250,000 GF/GP from the In-Service Training line item which supports the MCOLES in-service continuing professional education (CPE) program, to ensure licensed law enforcement officers maintain a level of proficiency and professionalism on specific contemporary issues. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$18,240,000
			\$0
			\$0
16. Breathalyzer Maintenance		Gross	NA
<u>Executive</u> includes \$83,100 GF/GP to offset increased costs for annual maintenance of MSP's 200 breathalyzer units. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		GF/GP	NA
			\$83,100
			\$83,100
17. FTE Authorization Increase		FTE	NA
<u>Executive</u> includes authorization for 11.0 FTE positions, with 6.0 FTE positions allocated to the Department Services line, 1.0 FTE position allocated to the Professional Development Bureau line, and 4.0 FTE positions allocated to the Intelligence Operations Division line. The Department Services FTEs would be utilized to fulfill internal control requirements and to assist with GASB changes; the Professional Development Bureau FTE would be used to support the Drug Recognition Expert Program; and the Intelligence Operations Division FTEs would be used to hire 911 dispatchers for Crawford County. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross	NA
		GF/GP	NA
			11.0
			\$0
			\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
18. Unclassified Positions Increase – Executive Budget Revision	FTE	NA	0.0
<u>Executive</u> revises recommended funding and FTE authorizations by reducing funding and FTE authorization for 13 line items to provide \$1.6 million (\$1.5 million GF/GP) for salaries of additional executive-level and leadership staff positions for a net change of \$0 and 0.0 FTE positions. The revision also shifts authorization for 4.0 FTE positions from classified to unclassified positions, for a department total of 7.0 unclassified positions. The added positions would be used to provide department leadership and to develop and implement policies. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with Executive.	Gross	NA	\$0
	Restricted	NA	0
	GF/GP	NA	\$0
19. Technical Adjustments	Gross	NA	\$16,955,000
<u>Executive</u> includes additional IDG/IDT, federal, and state restricted funding authorization from numerous sources for numerous line items to reflect increased revenues that can support department projects and objectives. Some of the larger adjustments include the following:	IDG/IDT	NA	204,000
	Federal	NA	10,583,900
	Restricted	NA	6,167,100
	GF/GP	NA	\$0
<ul style="list-style-type: none"> • \$5.0 million increase in federal Department of Justice funding • \$4.5 million increase in federal Department of Transportation funding • \$3.0 million increase in state restricted Criminal Justice Information Center Service Fees • \$2.3 million increase in state restricted State Police Service Fees. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
20. Removal of FY 2023-24 One-Time Appropriations	Gross	\$11,741,900	(\$11,741,900)
<u>Executive</u> removes \$13.3 million Gross (\$12.4 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Federal	951,600	(951,600)
	GF/GP	\$10,790,300	(\$10,790,300)
<ul style="list-style-type: none"> • FY 2023-24 Trooper Recruit School (\$4.8 million GF/GP) • Community-Based Crisis Response Pilot Grants (\$1.5 million GF/GP) • Emergency Alert System Upgrades (\$1.5 million GF/GP) • MCOLES Active Shooter Response Training (\$1.3 million GF/GP) • Gun Violence Prevention (\$1.2 million GF/GP) • Firearms Safety (\$500,000 GF/GP). <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
21. Economic Adjustments	Gross	NA	\$21,833,500
<u>Executive</u> includes adjustments to reflect increased costs of \$21.8 million Gross (\$17.4 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	IDG/IDT	NA	741,400
	Federal	NA	625,300
	Local	NA	70,900
	Restricted	NA	3,029,400
	GF/GP	NA	\$17,366,500

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, Senate, and Conference retain.

Sec. 209. Hiring of External Counsel – NOT INCLUDED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or to services authorized by attorney general. Senate revises to require the department to make timely reimbursements to the attorney general; authorizes the attorney general to increase the amount billed to the department for reimbursements made later than 60 days after receiving the bill for legal services. Executive, House, and Conference maintain current language.

Major Boilerplate Changes from FY 2023-24

Sec. 210. Contingency Authorization – RETAINED

Allows for the legislative transfer process to increase federal authorization by up to \$2.0 million and state restricted authorization by up to \$4.0 million. Executive revises to provide local authorization of up to \$1.0 million and private authorization of up to \$200,000. House, Senate, and Conference retain.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

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. Senate retains. House and Conference delete.

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, Senate, and Conference retain.

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

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 and Senate retain. Conference deletes.

Sec. 218. State Administrative Board Transfers – DELETED

Stipulates that the legislature may inter-transfer funds via concurrent resolution if the State Administrative Board transfers funds. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. Senate retains. House and Conference delete.

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, Senate, and Conference retain.

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, Senate, and Conference retain.

Sec. 221. 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. Senate retains. House and Conference delete.

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, Senate, and Conference retain.

Sec. 226. Post Closure or Consolidation – RETAINED

Requires MSP to notify listed recipients when it recommends closure or consolidation of any MSP post and to include a local and state impact study. Executive deletes. House, Senate, and Conference retain.

Sec. 227. Privatization Project Plans – RETAINED

Requires submission of a project plan if MSP presents the state employer with a plan to privatize and requires evaluation within 30 months. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 233. Data Privacy – RETAINED

Expresses legislative intent that MSP protect data from unauthorized access or use and lists measures; requires department to notify data subjects if an unauthorized person accesses their information. Executive deletes. House, Senate, and Conference retain.

Sec. 234. Officer Evaluation Criteria – RETAINED

Prohibits use of citation volumes as a metric for performance evaluation and prohibits setting of a specified number of citations for an officer. (*Governor deemed this section unenforceable in FY 2023-24.*) Executive deletes. House, Senate, and Conference retain.

Sec. 239. Authorization to Reallocate State Fiscal Recovery Funds – NEW

Requires the State Budget Director to ensure that all State Fiscal Recovery Funds (SFRF) are expended by December 31, 2026; authorizes the State Budget Director to reallocate funds to fully utilize SFRF that are in jeopardy of not meeting the expenditure deadline; requires the State Budget Director to notify the Senate and House Appropriations Committees not later than 10 business days after making any reallocations. Executive, House, and Senate do not include. Conference adds.

Sec. 250. Grants Transparency – REVISED

Provides process requirements for grants or projects awarded to single recipient organizations or local governments. Executive deletes. House concurs. Senate retains. Conference revises to list eligibility requirements to receive a grant; provide timeframes for receiving grant money; require interest earned from grant money in excess of \$1,000 to be returned to the Treasury; include additional reporting requirements.

Sec. 402. Criminal Justice Information Center – RETAINED

Requires MSP to (1) maintain criminal justice information systems in support of public safety and law enforcement communities; (2) conduct at least 30 outreach activities targeted to criminal justice agencies and to report on these activities; (3) compile crime statistics; (4) compile and evaluate traffic crash reports; (5) provide traffic crash reports for \$15 per incident or an extract of electronic traffic crash data for \$0.25 per incident; (6) report traffic crash report revenues, expenditures, and adequacy; (7) maintain, disseminate, and exchange criminal history and juvenile records; (8) maintain records, including firearms licensure records; (9) provide background check volume processed by the Internet Criminal History Access Tool; requires that Criminal Justice Information Center Service Fees carry forward and not lapse to the general fund; requires unexpended revenue generated by local State Records Management System Fees to carry forward and not lapse to the general fund. Executive revises to delete item (9). House, Senate, and Conference retain.

Sec. 404. Biometrics and Identification – RETAINED

Requires MSP to (1) manage specified identification databases; (2) provide data on submissions to the Automated Fingerprint Identification System database; (3) maintain staffing and resources to achieve an average 28-day wait time for polygraph examinations, with a goal of an average 15-day wait time; (4) post changes to protocols for retention and purging of DNA records. Executive revises to delete item (3). House revises to eliminate "maintain staffing and resources". Senate and Conference retain.

Sec. 409. Firearm Disposal – NOT INCLUDED

Requires MSP to use funds from the Firearm Disposal line item for administrative costs, including staffing, facilities, and travel related expenses for the disposal of firearms as described under 1939 PA 328, MCL 750.239. House adds. Executive, Senate, and Conference do not include.

Sec. 501. Commission on Law Enforcement Standards – REVISED

Stipulates MCOLES' responsibilities and requires maintenance of proper staffing and resource levels to update standards within 120 days of enactment date of new applicable legislation. Senate revises to require a report summarizing MCOLES activities during the prior calendar year, including information on distributions of training funds. Executive and House maintain current year language. Conference concurs with Senate.

Sec. 502. Public Safety Officers Benefit Fund – REVISED

Requires GF/GP appropriated for Public Safety Officers Benefit Fund to be deposited to the Public Safety Officers Benefit Fund and appropriates all funds within the Public Safety Officers Benefit Fund. Executive and House maintain current year language. Senate revises to state intent that funds appropriated should be used to increase benefit payments to eligible recipients from \$25,000 to \$50,000. Conference concurs with Senate.

Major Boilerplate Changes from FY 2023-24

Sec. 601. General Law Enforcement and Traffic Safety – RETAINED

(1) Stipulates that MSP troopers are not prohibited from responding to criminal or emergency situations and are to make every effort to protect residents; (2) requires MSP to maintain staff and resources to enhance traffic safety and dedicate a minimum of 455,200 hours to statewide patrol, with a minimum of 40,000 in distressed cities; (3) requires MSP to report number of residence checks of registered sex offenders; (4) requires report on Secure Cities Partnership. (*Governor deemed item (2) in this section unenforceable in FY 2023-24.*) Executive revises to delete item (2). House, Senate, and Conference retain.

Sec. 602. Criminal Investigations – RETAINED

(1) Requires MSP to identify and apprehend criminals through investigations; (2) requires maintenance of investigation hours; (3) requires MSP to meet or exceed case clearance rate of 62%; (4) requires MSP to provide training opportunities to local law enforcement partners related to gambling law, opioid investigations, and other legal and law enforcement issues; (5) requires MSP to maintain staffing to investigate an average level of opioid cases and to link investigations among partners. (*Governor deemed items (2) through (5) in this section unenforceable in FY 2023-24.*) Executive revises to delete items (2) through (5). House, Senate, and Conference retain.

Sec. 604. Fire Investigations – RETAINED

(1) Requires MSP to provide fire investigation training and assistance; (2) requires MSP to maintain readiness for a specified number of requests for fire investigation services and be available for call out statewide. (*Governor deemed item (2) in this section unenforceable in FY 2023-24.*) Executive revises to delete item (2). House, Senate, and Conference retain.

Sec. 701. Intelligence and Special Operations – RETAINED

(1) Requires MSP to operate the Michigan Intelligence Operations Center for Homeland Security (MIOC); (2) requires MSP to provide timely and accurate information to partners regarding critical information key resource threats and to increase public awareness on how to report suspicious activity; (3) requires MSP to operate Cyber Section and to maintain staffing; (4) requires MSP to provide digital forensic analysis and states case turnaround goal. (*Governor deemed items (3) and (4) in this section unenforceable in FY 2023-24.*) Executive revises to delete items (3) and (4). House, Senate, and Conference retain.

Sec. 702. Specialized Support Teams – RETAINED

(1) Requires MSP to provide specialized support services; (2) requires MSP to maintain staffing and resources to provide training and maintain readiness to respond to an average number of specialty service requests; (3) requires canine unit to be available for call out 100% of the time; (4) requires bomb squad unit to be available for call out 100% of the time; (5) requires emergency support teams to be available for call out 100% of the time; (6) requires marine services team to be available for call out 100% of the time; (7) requires aviation services to be available for call out 100% of the time, unless prohibited by weather or mechanical breakdown; (8) requires maintenance of adequate levels of staffing and resources to provide security services at state Capitol Building and surrounding buildings and requires a minimum of 35,000 patrols at state-owned and leased facilities. (*Governor deemed items (2) through (8) in this section unenforceable in FY 2023-24.*) Executive revises to delete items (2) through (8). House, Senate, and Conference retain.

Sec. 704. Emergency Management and Homeland Security – RETAINED

(1) Requires MSP to coordinate emergency and disaster response activities of governmental units; (2) authorizes expenditure of appropriated funds to call upon state agencies or departments to protect life or property or to protect health or safety of any area under a state of emergency or disaster; requires report to state budget director and submission of recommendations to legislature for supplemental appropriations; (3) authorizes MSP to expend additional funds from various sources to provide emergency management training or emergency response activities with notification of legislature; limits federal receive and expend under Sec. 704(3) and Sec. 232 to \$105.0 million; (4) requires MSP to maintain partnerships to protect the state from all hazards; (5) requires MSP to serve local emergency management preparedness programs and local emergency planning committees, operate and maintain State Emergency Operations Center, respond to civil disorders and natural disasters at a specified level, and perform hazardous materials response training; (6) requires MSP to conduct a minimum of three training sessions to enhance emergency response; (7) appropriates amounts necessary from Disaster and Emergency Contingency Fund to cover costs related to disasters and emergencies; (8) requires reporting on Disaster and Emergency Contingency Fund expenditures; (9) requires MSP to report biannually on assessment of critical infrastructure vulnerabilities; (10) allows the carryforward of unexpended Emergency Management and Homeland Security Training Center revenue. (*Governor deemed items (8) and (9) in this section unenforceable in FY 2023-24.*) Executive revises to delete items (8) and (9) House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2023-24

Sec. 801. Community-Based Crisis Response Pilot Grants – DELETED

(1) Requires MSP to make grants available to the cities of Ann Arbor, Dearborn, and Kalamazoo, to support new or existing community-based response programs; (2) requires a grant recipient to provide a 25% match; (3) limits an individual grant award to \$500,000; (4) defines "community-based response program"; (5) provides work project authorization; (6) allows MSP to expend up to \$50,000 for administration of the grants; (7) requires recipients to submit reports to MSP; (8) requires MSP to submit a report on the grant program. Executive deletes. House, Senate, and Conference concur.

Sec. 801. Law Enforcement Training, Recruitment, and Retention Grants – NOT INCLUDED

Requires MSP to utilize applicable funds to provide grants to local law enforcement agencies to recruit, train, integrate, and retain licensed law enforcement officers; limits individual grant awards to \$500,000. Executive adds. Senate concurs with Executive. House and Conference do not include.

Sec. 801. Climate Change Emergency Disaster Relief – NOT INCLUDED

Requires the department to provide financial assistance to local units of government to cover costs of natural events caused by climate change resulting in negative economic impacts, widespread or severe damage, injury, or loss of life that are not otherwise eligible for reimbursement for emergency disaster relief from the federal government; designates unexpended funds as a work project appropriation. House adds. Executive, Senate, and Conference do not include.

Sec. 801. Disaster and Emergency Contingency Fund – NEW

Requires funds appropriated to be deposited in the restricted Disaster and Emergency Contingency Fund. Executive, House, and Senate, do not include. Conference adds.

Sec. 802. Michigan International Speedway Traffic Control – DELETED

Allocates \$200,000 from the Contracts and Services line item for provision of traffic control support at MIS. Executive deletes. House retains. Senate and Conference concur with Executive.

Sec. 802. Law Enforcement Communication Training – NEW

Requires MCOLES to provide training to law enforcement officers to assist communication with those with language barriers or who are hard of hearing; requires training to be developed by an entity that is MCOLES approved and holds an oral transliteration certificate; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate adds. Conference concurs with Senate and revises to make technical adjustments.

Sec. 803. Appropriation of Work Project Funds – NOT INCLUDED

Appropriates \$2.9 million of unexpended funds appropriated in 2022 PA 194 for Federal Ineligible Expenses for Public Safety Academy Assistance Programs. House adds. Executive, Senate, and Conference do not include.

Sec. 803. Emergency Alert System Upgrades – DELETED

Requires MSP to implement a statewide redundant emergency alert system network and perform equipment upgrades. Executive deletes. House, Senate, and Conference concur.

Sec. 803. Cold Case Investigations – NEW

Requires funds in the University Cold Case Program Partnerships line item to be used to provide \$200,000 each to case course programs at Western Michigan University and Northern Michigan University for programmatic and operational expenses. House adds. Executive and Senate do not include. Conference concurs with House and revises to allocation an additional \$600,000 to the Michigan State Police Special Investigation Division and Forensic Science Division.

Sec. 804. Active Shooter Response Training – DELETED

Requires \$1.3 million to be allocated to MCOLES for active shooter response training. Executive deletes. House, Senate, and Conference concur.

Sec. 804. Disaster Recovery Grants – NEW

Allocates disbursement of grants to local governments for weather-related disaster expenses not covered by federal relief funding as follows: \$1.0 million to Marquette County, \$1.0 million to Kalamazoo County, \$1.0 million to Baraga County and \$200,000 to the City of Perry. Executive, House, and Senate do not include. Conference adds.

Sec. 805. State Employees' Retirement System Implementation Costs – NOT INCLUDED

Requires funds in the State Employees' Retirement System Implementation Costs line item to be used to cover additional pension-related costs resulting from enactment of House Bills 4665, 4666, and 4667. House adds. Senate includes under ongoing section 707 and states that funds are to be used to cover costs resulting from the enactment of Senate Bills 165, 166, and 167. Executive and Conference do not include.

Major Boilerplate Changes from FY 2023-24

Sec. 805. Public Safety Academy Assistance Programs – NEW

Requires funding appropriated in section 803 and the line item to be used for providing scholarships for police academy recruits and assistance with salaries for police cadets; caps scholarship amounts at \$20,000 per recruit and caps assistance with salaries at \$4,000 per police cadet; lists eligibility requirements for receiving scholarships; authorizes MCOLES to use up to \$140,000 of the appropriation for administration; designates unexpended funds as a work project appropriation. House adds. Executive and Senate do not include. Conference concurs with House.

Sec. 805. Firearms Safety – DELETED

Allows MSP to utilize funds appropriated for Firearms Safety to collaborate with MDHHS to distribute gun safety equipment to the public and law enforcement agencies at no cost. Executive deletes. House, Senate, and Conference concur.

FY 2024-25: DEPARTMENT OF TRANSPORTATION
Summary: Conference Report
Article 15, Senate Bill 747 (S-1) CR-1



Analyst: William E. Hamilton

	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: Conference From FY 2023-24 Enacted	
						Amount	%
IDG/IDT	\$4,353,000	\$4,316,700	\$4,316,700	\$4,316,700	\$4,316,700	(\$36,300)	(0.8)
Federal	2,149,121,400	2,253,675,100	2,253,675,100	2,253,675,100	2,273,675,100	124,553,700	5.8
Local	85,773,500	87,448,500	87,448,500	87,448,500	87,448,500	1,675,000	2.0
Private	16,800,000	18,800,000	18,800,000	18,800,000	18,800,000	2,000,000	11.9
Restricted	4,082,402,000	4,232,048,900	4,327,048,900	4,230,660,000	4,230,660,000	148,258,000	3.6
GF/GP	288,100,000	185,000,000	170,000,000	215,000,100	193,000,000	(95,100,000)	(33.0)
Gross	\$6,626,549,900	\$6,781,289,200	\$6,861,289,200	\$6,809,900,400	\$6,807,900,300	\$181,350,400	2.7
FTEs	3,224.3	3,228.3	3,228.3	3,028.3	3,228.3	4.0	0.1

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time." FY 2023-24 "Enacted" figures do not include \$3.9 million GF/GP supplemental appropriation for Critical Infrastructure Projects made in HB 4292, signed by the Governor December 18, 2023, but not effective until February 14, 2024. "House" means House Bill 5517; "Senate" means Senate Bill 761; "Conference" means Senate Bill 747 (S-1).

Overview

The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation (MDOT). Historically, two-thirds of the revenue in this budget has come from state restricted revenue, with approximately one-third from federal sources. State-restricted revenue in this budget includes revenue from motor fuel taxes, vehicle registration taxes, and from a \$600.0 million earmark of Income Tax Act revenue. Approximately \$3.7 billion in state restricted revenue is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 ("Act 51") to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies (county road commissions and cities/villages). Revenue from aviation fuel and registration taxes, as well as a portion of Airport Parking Tax revenue, is credited to the State Aeronautics Fund for aeronautics programs. Federal funds for transportation programs are authorized under the federal Infrastructure Investment and Jobs Act (IIJA).

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
1. Debt Service		Gross	\$343,740,100
<u>Executive</u> includes \$340.7 million for debt service, \$3.0 million less than current year. Debt service is primarily based on debt service schedules for previously issued and outstanding bonds, including STF Rebuilding Michigan bonds issued in 2020, 2021, and 2023. Debt service also includes estimated debt service on remaining Rebuilding Michigan bonds the department anticipates issuing in late 2024. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .		Restricted	343,740,100
		GF/GP	\$0
			(\$3,036,400)
			(3,036,400)
			\$0
			\$0
2. Transportation Asset Management Council		Gross	\$1,876,400
<u>Executive</u> increases baseline support by \$423,600 MTF for increased data collection and information technology costs. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .		Restricted	1,876,400
		GF/GP	\$0
			\$423,600
			423,600
			\$0
			\$0
3. Finance, Contracts, Support Services – MICARS Support		Gross	\$27,123,200
<u>Executive</u> includes \$270,000 STF increase for MICARS cash receipt/accounts receivable system; reduces IDG support by \$113,800 to better reflect service costs; net adjustment totals \$156,200 Gross. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .		IDG	4,353,000
		Restricted	22,770,200
		GF/GP	\$0
			\$156,200
			(113,800)
			270,000
			\$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 Conference Change
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4. Transportation Planning Services

Executive recognizes \$2.0 million increase in federal Statewide Planning and Research (SPR) funds. House, Senate, and Conference concur with Executive.

	FTE	145.0		0.0
	Gross	\$42,843,800		\$2,000,000
	Federal	24,000,000		2,000,000
	Restricted	18,843,800		0
	GF/GP	\$0		\$0

5. Design and Engineering Services

Executive does not make any changes other than economics and internal position transfers. House concurs with Executive. Senate reduces staffing authorization by 200.0 FTEs (exclusive of internal transfers) and shifts \$20.0 million STF to the one-time Federal aid match line item.

	FTE	1,706.3		0.0
	Gross	\$258,071,200		\$0
	Federal	13,529,800		10,000,000
	Restricted	244,541,400		(10,000,000)
	GF/GP	\$0		\$0

Conference concurs with Executive and retains current year baseline funding. Conference also reflects Executive Budget Revision 2025-1 net-to-zero transfer: \$10.0 million STF shifted to State Trunkline Road and Bridge Construction is offset by \$10.0 million in federal funds shifted from State Trunkline Road and Bridge Construction.

6. State Trunkline Maintenance

Executive increases baseline STF support by \$17.9 million: \$12.8 million is related to increased cost of maintenance materials; \$5.1 million is for contract services, including contract state trunkline maintenance performed by county road agencies. House, Senate, and Conference concur with Executive.

	FTE	909.7		0.0
	Gross	\$466,088,700		\$17,878,700
	Restricted	466,088,700		17,878,700
	GF/GP	\$0		\$0

7. State Trunkline Road and Bridge Capital Program

Executive includes \$123.4 million increase for the capital State Trunkline Road and Bridge Construction line item. This reflects a \$76.5 million increase in estimated federal funds made available under IIJA, and a net increase in state restricted funds of \$46.9 million: available STF revenue increases by \$48.5 million while Blue Water Bridge Fund (BWBF) support would decline by \$1.6 million. House concurs with Executive. Senate concurs with Executive.

	Gross	\$1,494,482,900		\$123,409,800
	Federal	1,195,230,900		66,542,800
	Local	30,003,500		0
	Private	10,000,000		0
	Restricted	259,248,500		56,867,000
	GF/GP	\$0		\$0

Conference concurs with Executive and retains current year baseline. Conference also reflects Executive Budget Revision 2025-1 net-to-zero transfer: \$10.0 million in federal funds shifted to Design and Engineering Services are offset by \$10.0 million in STF from Design and Engineering Services.

8. MTF to Local Road Agencies

Executive includes \$2.051 billion in estimated MTF distribution to local road agencies (county road commissions, and cities and villages), \$101.0 million more than the current year. This reflects the Act 51 distribution of estimated MTF revenue from motor fuel and vehicle registration taxes as well as local road agency share of \$600.0 million earmarked for road and bridge programs in the Income Tax Act, and the local agency share of an earmark of the excise tax on recreational marijuana. The actual distribution will be based on actual MTF revenue collections. House, Senate, and Conference concur with Executive.

	Gross	\$1,949,687,800		\$100,991,500
	Restricted	1,949,687,800		100,991,500
	GF/GP	\$0		\$0

Increases in estimated MTF revenue reflect anticipated increases in motor fuel tax revenue due to the indexing of the motor fuel tax rate, increases in estimated vehicle registration taxes, and increases in revenue from the earmark revenue from the excise tax on recreational marijuana.

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change	
9. Local Bridge Fund/Program		Gross	\$27,398,500	(\$483,800)
<u>Executive</u> decrease of \$483,800 MTF reflects lower per-penny yield of the motor fuel tax on gasoline. The Local Bridge Fund/Program receives two statutory earmarks of MTF revenue: a fixed amount of \$5.0 million, and revenue equal to one-half cent of motor fuel tax revenue. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Restricted	27,398,500	(483,800)
		GF/GP	\$0	\$0
10. Movable Bridge Fund		Gross	\$6,016,600	\$150,500
<u>Executive</u> recognizes inflation adjustment of \$150,500 MTF pursuant to statute. The Movable Bridge Fund was established through a 2016 amendment to Act 51 to provide targeted funding for operation of publicly owned movable bridges in Michigan – 12 on the state trunkline system and 12 owned by local road agencies (8 separate jurisdictions). The earmark, originally \$5.0 million, is indexed for inflation. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Restricted	6,016,600	150,500
		GF/GP	\$0	\$0
11. Local Federal Aid and Road and Bridge		Gross	\$384,987,800	\$26,181,000
<u>Executive</u> includes \$411.2 million, an increase of \$26.2 million, for line item representing federal-aid highway funds available for local road agency federal-aid projects. The increase reflects additional federal funds made available to Michigan under IIJA as allocated to local road agencies in accordance with Act 51. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Federal	384,987,800	26,181,000
		GF/GP	\$0	\$0
12. Blue Water Bridge Operations		FTE	44.0	3.0
<u>Executive</u> increases baseline support by \$515,800 BWBF, and authorizes a 3.0 FTE position staffing increase, for bridge operations and maintenance. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Gross	\$7,152,700	\$515,800
		Restricted	7,152,700	515,800
		GF/GP	\$0	\$0
13. Transportation Economic Development Fund (TEDF)		Gross	\$55,369,000	(\$2,642,700)
<u>Executive</u> includes \$52.7 million restricted TEDF support, a decrease of \$2.6 million. The decrease reflects a reduction in estimated driver's license fee revenue earmarked to the TEDF as well as reduced interest on the TEDF balance. The TEDF program is a targeted transportation program established and governed by statute, 1987 PA 231. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Restricted	55,369,000	(2,642,700)
		GF/GP	\$0	\$0
14a. Local Bus Operating – Baseline CTF Funding		Gross	\$216,750,000	\$10,000,000
<u>Executive</u> includes a \$5.0 million baseline increase in CTF funding. As described in Item 14b below, FY 2023-24 also included \$45.0 million in federal American Rescue Plan (ARP) COVID-19 relief funds as a one-time appropriation. <u>House</u> includes a \$12.5 million baseline increase - \$7.5 million more than the Executive – by shifting \$7.5 million from Transit Capital. <u>House</u> also includes one-time funding of \$25.0 million GF/GP. <u>Senate</u> concurs with Executive with respect to CTF support but adds \$40.0 million GF/GP to ongoing baseline.		Restricted	216,750,000	10,000,000
		GF/GP	\$0	\$0
<u>Conference</u> includes \$10.0 million CTF increase (\$5.0 million from estimated available CTF revenue and a \$5.0 million shift from Transit Capital). As described in Item 14b below, <u>Conference</u> also includes \$20.0 million in one-time ARP funding.				
14b. Local Bus Operating – Federal ARP Funds (One-Time)		Gross	\$45,000,000	(\$25,000,000)
<u>Executive</u> removes \$45.0 million one-time appropriation of federal ARP funding for local bus operating assistance. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> includes \$20.0 million in one-time federal ARP funding, \$25.0 million less than current year.		Federal	45,000,000	(25,000,000)
		GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
15. Transit Programs – Non-Urban Operating/Capital			
<u>Executive</u> includes \$40.6 million for federal non-urbanized area formula grants under 49 USC 5311, an increase of \$780,900 in federal funds reflecting estimated increase in federal grants available to Michigan under IIJA. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Gross	\$39,845,600	\$780,900
	Federal	37,845,600	780,900
	Local	2,000,000	0
	GF/GP	\$0	\$0
16. Transit Capital			
<u>Executive</u> includes \$36.9 million increase. Increase represents \$22.4 million in additional federal aid made available to Michigan under IIJA, as well as \$14.5 million CTF available from the CTF fund balance. This line item represents federal transit capital grant programs and related state, local, and private matching funds. <u>House</u> recognizes \$22.4 million of increased federal funding and includes \$7.0 million CTF baseline increase - \$7.5 million less than the Executive; House shifts \$7.5 million to Local bus operating as shown in Item #13a above. <u>Senate</u> concurs with Executive. <u>Conference</u> recognizes increase in federal funds and a \$9.5 million increase in CTF; Conference shifts \$5.0 million to Local bus operating.	Gross	\$222,717,500	\$31,925,800
	Federal	121,641,400	22,425,800
	Local	31,000,000	0
	Private	2,000,000	0
	Restricted	68,076,100	9,500,000
	GF/GP	\$0	\$0
17. Service Initiatives			
<u>Executive</u> includes \$2.1 million Gross net increase. Increase recognizes additional federal and local funds; includes \$2.0 million in private funds; reduces baseline CTF support by \$1.7 million. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Gross	\$18,681,600	\$2,120,400
	Federal	9,327,200	186,500
	Local	325,000	1,675,000
	Private	0	2,000,000
	Restricted	9,029,400	(1,741,100)
	GF/GP	\$0	\$0
18. Specialize Services			
<u>Executive</u> recognizes \$262,500 increase in estimated federal grant funding. Gross appropriation for public transportation program targeted for elderly and disabled populations would total \$30.6 million. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Gross	\$30,312,400	\$262,500
	Federal	13,127,400	262,500
	Local	4,185,000	0
	Restricted	13,000,000	0
	GF/GP	\$0	\$0
19a. Rail Operations and Infrastructure			
<u>Executive</u> includes \$14.5 million increase in baseline CTF support from available CTF fund balance. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive. [As described in Item 18b below, FY 2023-24 also included \$14.9 million CTF as a one-time appropriation.]	Gross	\$137,687,700	\$14,501,500
	Federal	30,000,000	0
	Local	100,000	0
	Private	2,000,000	0
	Restricted	105,587,700	14,501,500
	GF/GP	\$0	\$0
19b. Rail Operations and Infrastructure (One-Time)			
<u>Executive</u> removes \$14.9 million CTF included as one-time in FY 2023-24. <u>Executive</u> does not retain this one-time funding item. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive and do not include,	Gross	\$14,900,000	(\$14,900,000)
	Restricted	14,900,000	(14,900,000)
	GF/GP	\$0	\$0
20. Marine Passenger Service			
<u>Executive</u> recognizes \$15.1 million increase in federal grants available to Michigan under IIJA. This line item that provides capital assistance to eligible public ferry services in Michigan. <u>Executive</u> does not retain this one-time funding item. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Gross	\$5,152,000	\$15,053,000
	Federal	2,652,000	15,053,000
	Local	500,000	0
	Restricted	2,000,000	0
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
Major Budget Changes from FY 2023-24 Enacted Appropriations			
21. Capital Outlay - Airport Improvement Program (AIP)	Gross	\$179,983,500	\$2,258,800
<u>Executive</u> recognizes \$3.6 million increase in state restricted State Aeronautics Fund revenue for program of capital assistance to eligible local public airports in the state. This increase would come, in part, from a proposed increase in the state aircraft registration fee. The Gross appropriation total of \$183.6 million is supported by federal AIP funds, as well as state restricted, local, and private funds. This program is shown in the budget under the line item, Airport Safety, Protection, and Improvement (ASAP). <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> only includes \$2.3 million of the restricted fund increase, reflecting a phased-in of the proposed aircraft registration fee increase. <u>Conference</u> concurs with <u>Senate</u> .	Federal	155,000,000	0
	Local	17,500,000	0
	Private	2,000,000	0
	Restricted	5,483,500	2,258,800
	GF/GP	\$0	\$0
22. Detroit Metropolitan Wayne County Airport	Gross	\$6,370,000	\$390,000
<u>Executive</u> recognizes \$390,000 increase in estimated Qualified Airport Fund revenue. As provided through 2015 amendments to the State Aeronautics Code, Qualified Airport Fund revenue is appropriated to the Detroit Metropolitan Wayne County Airport. <u>Executive</u> does not retain this one-time funding item. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .	Restricted	6,370,000	390,000
	GF/GP	\$0	\$0
23. IJJA Airport Infrastructure Grants	Gross	\$95,000,000	\$20,000,000
<u>Executive</u> includes \$115.0 million federal spending authority, an increase of \$20.0 million, for a program of federal aid to public airports established under Division J of IJJA. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .	Federal	95,000,000	20,000,000
	GF/GP	\$0	\$0
24. Removal of FY 2023-24 One-Time Appropriations	Gross	\$344,100,000	(\$344,100,000)
<u>Executive</u> budget removes \$344.1 million Gross (\$285.1 million GF/GP) of one-time funding that had been included in the FY 2023-24 budget, for the following items:	Federal	14,000,000	(14,000,000)
<ul style="list-style-type: none"> • Intermodal Capital Investment Grants, (\$45.0 million CTF, \$5.0 million GF/GP) • Local Bridge Bundling Initiative, (\$80.0 million GF/GP) • Critical Infrastructure Projects, (\$181.6 million GF/GP) • New Technology and Mobility, (\$18.5 million GF/GP) • ARP – Mobility Fund Platform (\$3.5 million federal) • ARP – Mobility Challenge (\$3.5 million federal) • ARP – Air Service Revitalization (\$7.0 million federal) 	Restricted	45,000,000	(45,000,000)
	GF/GP	\$285,100,000	(\$285,100,000)
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> and do not retain the above one-time items.			
In addition to the one-time items referenced above, one-time appropriations for Local bus operating, and Rail Operations and Infrastructure, are described in Item #s 14b and 19b, respectively, above. MI Contracting Opportunity is described in Item #25, below.			
25. MI Contracting Opportunity (One-Time)	FTE	0.0	1.0
<u>Executive</u> includes \$5.0 million in one-time GF/GP for program to increase contracting opportunities for socially or economically disadvantaged business concerns. This represents an increase of \$2.0 million GF/GP as compared to FY 2023-24. Also includes authorization for 1.0 FTE position. The program is defined in boilerplate section 1003. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .	Gross	\$3,000,000	\$2,000,000
	GF/GP	\$3,000,000	\$2,000,000
26. Blue Water Bridge Equipment and Facilities (One-Time)	Gross	\$0	\$990,000
<u>Executive</u> includes \$990,000 BWBF for one-time equipment and facilities. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .	Restricted	0	990,000
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
27. Federal Aid Match (One-Time)	Gross	\$0	\$76,000,000
<u>Executive</u> includes \$150.0 million GF/GP: \$95.0 million represents MDOT's estimate of additional funds needed to match all available federal-aid highway funds available to Michigan through IJA. The remaining \$55.0 million would be used to support local road agency bridge and culvert projects. <u>House</u> concurs with Executive in total but uses \$95.0 million from the Make it in Michigan Competitiveness Fund and \$55.0 million GF/GP. <u>Senate</u> breaks out into two separate line items: 1). Federal Aid Match, \$95.0 million Gross (\$75.0 million GF/GP and \$20.0 million STF from Design and Engineering service; and 2) Priority Bridge Investments, \$20.0 million GF/GP.	Restricted	0	
	GF/GP	\$0	\$76,000,000
<u>Conference</u> includes \$76.0 million GF/GP exclusively for Federal Aid Match.			
28. Air Service/Airport Revitalization (One-Time)	Gross	\$0	\$6,000,000
<u>House</u> includes \$6.0 million GF/GP for airport service and capital improvement projects defined in Sec. 1001. <u>Conference</u> concurs with House.	GF/GP	\$0	\$6,000,000
29. Lake Michigan Car Ferry (One-Time)	Gross	\$0	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger; defined in Sec. 1102. <u>Conference</u> concurs with House.	GF/GP	\$0	\$2,000,000
30. Local Rail Grade Crossing Surface Improvements	Gross	\$0	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP for rail grade crossing surface improvements. <u>Conference</u> concurs with House.	GF/GP	\$0	\$2,000,000
31. Local Road and Material Research Program	Gross	\$0	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP for a local road and material research program; defined in Sec. 1104. <u>Conference</u> concurs with House.	GF/GP	\$0	\$1,000,000
32. New Technology and Mobility	Gross	\$0	\$23,950,000
<u>House</u> includes \$36.5 million GF/GP for various initiatives. <u>Conference</u> includes at \$23.95 million; defined in Sec. 1105:	GF/GP	\$0	\$23,950,000
(a) \$7.5 million for aerial mobility/ drone infrastructure projects including drone hubs, drone ports, and last mile delivery.			
(b) \$6.0 million for Michigan Mobility Funding Platform			
(c) \$4.5 million for an inductive charging pilot project.			
(d) \$3.0 million for Shared streets and spaces			
(e) \$2.95 million for e-bike purchase incentive program.			
33. School Zone Automated Speed Enforcement Pilot Project	Gross	\$0	\$2,500,000
<u>House</u> includes \$2.5 million GF/GP for pilot project; defined in Sec. 1106. <u>Conference</u> concurs with House.	GF/GP	\$0	\$2,500,000
34. Supplier Risk and Information Subscription	Gross	\$0	\$50,000
<u>House</u> includes \$50,000 for supplier risk and information subscription; defined in Sec. 1107. <u>Conference</u> concurs with House.	GF/GP	\$0	\$50,000
35. Critical Infrastructure Projects (One-Time)	Gross	\$0	\$74,500,000
<u>Senate</u> includes \$30.0 million GF/GP for various projects designated in boilerplate. <u>House</u> does not include. <u>Conference</u> includes \$74.5 million GF/GP for various projects designated in Sec. 1111.	GF/GP	\$0	\$74,500,000

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Conference Change
31. Economic Adjustments	Gross	NA	\$10,936,500
<u>Executive</u> budget reflects increased costs of \$10.9 million Gross (\$0	IDG/IDT	NA	77,500
GF/GP) for negotiated salary and wage increases (5.0% on October 1,	Federal	NA	0
2024), actuarially required retirement contributions, worker's	Local	NA	0
compensation, building occupancy charges, rent, and other economic	Restricted	NA	10,859,000
adjustments. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u>	GF/GP	NA	\$0
concur with Executive.			

Major Boilerplate Changes from FY 2023-24

Sec. 207. Communication with the Legislature – REVISED

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. House and Senate retain with technical changes to reflect new standard language; renumbered as Sec. 206. Conference concurs with House and Senate and retains as revised.

Sec. 212. Transparency Website – REVISED

Executive deletes section that requires the department to cooperate with the Department of Technology, Management and Budget to maintain a searchable website, accessible by the public, that provides expenditure and staffing information. House and Senate retain with technical changes to reflect new standard language; renumbered as Sec. 211. Conference concurs with House and Senate and retains as revised.

Sec. 213. Restricted Fund Report – REVISED

Executive deletes section that requires the department to work with the State Budget Office to provide a report on restricted fund revenues, expenditures, and fund balances; renumbered as Sec. 212. [This report is currently included in the annual Budget Presentation.] House and Senate retain with technical changes to reflect new standard language. Conference concurs with House and Senate and retains as revised.

Sec. 214. Key Metrics – DELETED

Executive deletes section that requires the department to maintain on a publicly accessible website information on key metrics and performance measures. House and Senate concur with Executive and do not include. Conference concurs with Executive and does not include.

Sec. 218. Remote Work Policy – DELETED

Executive deletes section that indicates legislative intent that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website. House retains with technical changes to reflect new standard language; renumbered as Sec. 217. Senate deletes section. Conference concurs with Executive and Senate and does not include.

Sec. 219. State Administrative Board Transfers – DELETED

Executive deletes section that authorizes the legislature to intertransfer funds within budget if the State Administrative Board transfers funds from an appropriation within this budget. House and Senate delete section. Conference concurs with Executive and does not include.

Sec. 220. Report on Grant Sponsors and Grant Recipients – REVISED

Executive deletes section that established detailed reporting requirements for grants made to single recipients or local units of government. House concurs with Executive and deletes. Senate retains. Conference includes revised section, renumbered as Sec. 250.

Sec. 221. Record Retention Policy – REVISED

Executive deletes section that prescribes the department's record retention policy. House retains with technical changes to reflect new standard language; renumbered as Sec. 219. Senate retains with technical changes to reflect new standard language; renumbered as Sec. 221. Conference concurs with House and retains, as revised, Sec. 219.

Sec. 222. Impact of New Legislation – REVISED

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. House retains with technical changes to reflect new standard language; renumbered as Sec. 220. Senate retains with technical changes to reflect new standard language; renumbered as Sec. 222. Conference concurs with House and includes, as revised, as Sec. 220.

Major Boilerplate Changes from FY 2023-24

Sec. 223. Severance Pay Report – DELETED

Executive deletes section that established reporting requirements related to severance pay paid to department personnel upon the termination of employment. House concurs with Executive and does not include. Senate retains. Conference concurs with Executive and does not include.

Sec. 223. Fiscal Recovery Funds – NEW

Conference includes new section prescribing use of federal fiscal recovery funds.

Sec. 225. Work Project Expenditures – REVISED

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. House retains with technical changes to reflect new standard language; renumbered as Sec. 222. Senate retains with technical changes to reflect new standard language, renumbered as Sec. 225. Conference concurs with House and retains, as revised, as Sec. 225.

Sec. 302. Report on Debt Service Coverage – DELETED

Executive deletes section that established a reporting requirement regarding debt service. House concurs and does not include. Senate retains with updated period and reporting dates. Conference concurs with House and does not include.

Sec. 305. Practice and Policies Regarding Homelessness – NEW

Senate includes new section on practices and policies regarding homelessness. Conference includes as revised.

Sec. 311. Local Bridge Bundling Report – REVISED

Executive deletes reporting requirement related to 2021-2022 bridge bundling initiative. House retains report with expanded scope. Senate retains with updated period and reporting dates. Conference includes, as revised.

Sec. 383. Report on State Airfleet – RETAINED

Executive deletes reporting requirement regarding use of state airfleet. House and Senate retain. Conference concurs with House and Senate and retains.

Sec. 389. Long-Term Obligations – RETAINED

Executive deletes reporting requirement related to long-term agreements that obligate the department to make future payments of over \$5.0 million for five or more years. House concurs and does not include. Senate retains. Conference concurs with Senate and retains.

Sec. 393. Public Transportation Best Practices – RETAINED

Executive deletes section that directs the department to promote best practices for public transportation. House retains (Does not retain reporting requirement.) Senate deletes. Conference concurs with House.

Sec. 399. Capital Preventive Maintenance – RETAINED

Executive deletes section that allocates sets \$100.0 million to prioritize capital preventive maintenance. House retains. Senate deletes. Conference concurs with House and retains.

Sec. 601. Road Construction Warranties – DELETED

Executive deletes section that directs the department to maintain documentation to support acceptance of warranted projects; includes reporting requirement. House and Senate retain. Conference concurs with Executive and deletes.

Sec. 612. Incentive/Disincentive Contracts – REVISED

Executive deletes section that directs the department to maintain documentation to support acceptance of warranted projects; includes reporting requirement. House retains. Senate retains with updated report due date. Conference retains with revised reporting requirement.

Sec. 613. Magnetic Roadway Sweepers – NEW

House earmarks \$350,000 (STF) for purchase of magnetic roadway sweepers. Senate does not include. Conference concurs with House.

Sec. 614. Earmark for Low Impact Development Stormwater Management Practices – DELETED

Executive deletes "up to" \$5.0 million earmark to incentivize and support the inclusion of low impact development stormwater management practices in trunkline and local road agency construction projects. House retains but deletes "up to" limitation. Senate deletes. Conference concurs with Executive and deletes.

Sec. 615. Federal Vehicle Usage Fee Pilot Program – DELETED

Executive deletes section that requires the department to apply for federal grants established under IIJA for a per-mile user fee pilot project. House retains. Senate deletes but includes separate language related to road usage charges in Sec. 1006. Conference concurs with Executive and deletes. [The department as applied for federal grant.]

Major Boilerplate Changes from FY 2023-24

Sec. 660. Alternative Materials – RETAINED

Executive deletes section that encouraged the department to examine the use of alternative road surface materials. Subsection 2, which directed the department to establish a transportation innovation council, was deemed unenforceable in the governor's signing statement. House retains. Senate deletes. Conference concurs with House.

Sec. 707. Rail Strategic Plan – RETAINED

Executive deletes section that required the department to report on a five-year rail strategic plan and that also earmarked \$20.0 million for rail-related economic and rail freight system preservation projects. House retains; revises earmark to \$15.0 million. Senate retains current year language with updated reporting dates. Conference concurs with Senate.

Sec. 1001. Federal Aid Match/ Priority Bridge Investments – NEW

Executive includes new section, Sec. 1001, to define the use of proposed one-time \$150.0 million GF/GP appropriation. House concurs with Executive. Senate includes Sec. 1004 defining one-time federal aid match and a separate section, Sec. 1005, defining Priority Bridge Investments line item. Conference includes Sec. 1001 to define use of \$76.0 million Federal aid match line item to ensure the department secures all federal funds made available to the department from the FHWA under IIJA.

Sec. 1002. Transit Innovation Grants – NEW

Executive includes new section to defines the use of the one-time \$30.0 million GF/GP appropriation: 1) for studies in support of local and regional transit development; 2) development of transit facilities that support connections between local, regional, national, or international public transportation services. House and Senate concur with Executive. Conference does not include new line item or related boilerplate.

Sec. 1003. MI Contracting Opportunity – REVISED

Executive includes section that defines the one-time \$5.0 million GF/GP Mi Contracting Opportunity line item; directs that funds be expended in support of activities that enhance the development and availability of contractors or suppliers for the delivery of department programs that are socially or economically disadvantaged as defined in Section 100002 of IIJA; establishes a revolving loan fund. [This section is a modified version of Sec. 1003 in the FY 2023-24 budget.] House concurs with Executive. Senate concurs with Executive. Conference concurs with Executive.

Sec. 1101. Air Service/Airport Revitalization – NEW

House includes section that defines uses of the \$6.0 million GF/GP grant program appropriation in part 1: \$2.0 million for air service development; \$4.0 million for capital development projects at general aviation airports in the state. Conference concurs with House.

Sec. 1102. Lake Michigan Car Ferry – NEW

House includes section that directs that the \$2.0 million GF/GP part 1 appropriation for Lake Michigan car ferry be used for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger. Conference concurs with House.

Sec. 1104. Local Road and Material Research Program – NEW

House includes section that defines the \$1.0 million GF/GP part 1 appropriation; establishes a Local roads and materials research grant program; establishes a local road agency research board to administer the program. Conference concurs with House.

Sec. 1105. New Technology/Mobility Grants – NEW

House includes section that defines the uses of the part 1 appropriation. Conference concurs with House with revised appropriation total of \$23.95 million. (See Item #32, above).

Sec. 1106. School Zone Automated Speed Enforcement Pilot Project – NEW

House includes section that defines the \$2.5 million GF/GP part 1 appropriation; provides guidance on development and implementation of the pilot program; provides for a report. Conference concurs with House with some language changes.

Sec. 1107. Supplier Risk and Information Subscription Service – NEW

House includes section that requires the department to use not less than \$50,000 from the part 1 appropriation for a comprehensive supplier risk and information subscription service for precontract risk assessment. Conference concurs with House.

Sec. 1108. BioSwales – NEW

House includes new section that directs the department to install bioswales, biofilters, and other vegetation on state trunkline highway medians to mitigate impact of stormwater runoff. Conference revises to require a report on best environmental practices.

Major Boilerplate Changes from FY 2023-24

Sec. 1109. Road Diets – NEW

House includes new section that directs the department to study factors related to implementation of road diets on nonfreeway state trunkline highways within municipal boundaries. Conference revises to require a report on State Transportation Commission's Complete Streets policy.

Sec. 1111. Critical Infrastructure Projects – NEW

Conference includes new section that defines uses of the \$74.5 million part 1 grant program as follows:

Subsec. (2) Subdivision	Recipient/Designation	Amount
a	Ferry Lane road project St. Ignace, Mackinac County	\$1,000,000
b	Tunnel under M-20, Shelby Township, Oceana County	2,200,000
c	Wayne Road, Romulus, Wayne County	5,000,000
d	Deposit to Local [rail] grade separation fund	5,000,000
e	Industrial Park roadwork, City of Fraser, Macomb County	4,000,000
f	Airport Road, Clinton County	4,000,000
g	SMART bus stops and shelters	1,000,000
h	Road repairs, Mt. Morris Township, Genesee County	2,320,000
i	Road and intersection improvements, Grosse Pointe Woods, Wayne County	980,000
j	Pump station and roadway rehabilitation; Roseville, Macomb County	6,600,000
k	Leland Avenue Bridge over Silver Creek, Wayne County	2,000,000
l	Jefferson Avenue Bridge over Monguagon Creek, Wayne County	2,000,000
m	Reconstruction, 10-Mile Road, Eastpointe, Macomb County	3,000,000
n	Noise study of M-14 corridor, Ann Arbor	3,000,000
o	Road repairs, Southfield, Oakland County	4,000,000
p	Street maintenance and cleanup, City of Detroit	5,000,000
q	Road project, Ingham County	1,500,000
r	Street repairs, East Lansing, Ingham County	2,400,000
s	Palmer Road bridge over I-275, Wayne County	3,250,000
t	Horizon Park, City of Belleville, Wayne County	750,000
u	Sidewalk and alley repairs; Hamtramck, Wayne County	1,500,000
v	Streetscapes, Westland, Wayne County	1,000,000
w	Mound Road reconstruction, Macomb County	2,500,000
x	City of Northville	750,000
y	Pedestrian pathways, Dearborn, Wayne County	500,000
z	Exit ramp safety improvements, M-14 in Ann Arbor	500,000
aa	Trail network (rails-to-trails) project in Shiawassee County.	750,000
bb	Intersection safety improvements, Quirk Road, City of Belleville, Wayne County	500,000
cc	MDOT for soundwall construction, I-75 in Southgate	6,500,000
dd	Road repairs, Romulus, Wayne County	1,000,000
	Total	\$74,500,000

The section also establishes the appropriation as a work project.

FY 2023-24 Appropriations

APPENDIX

Supplemental Appropriations

- **Article 16**

FY 2023-24 SUPPLEMENTAL APPROPRIATIONS
Summary: Conference Report
Article 16, Senate Bill 747 (S-1) CR-1



HFA Director: Mary Ann Cleary
Associate Director: Robin R. Risko

FY 2023-24 APPROPRIATIONS SUMMARY

Budget Area		FY 2022-23 Year-to-Date Appropriations	FY 2023-24 Supplemental Change	% Change
Agriculture and Rural Development	Gross	\$168,612,700	\$5,780,100	3.4
	GF/GP	\$92,781,800	\$780,100	0.8
Attorney General	Gross	\$142,798,400	\$563,000	0.4
	GF/GP	\$75,726,000	\$563,000	0.7
Capital Outlay	Gross	\$1,300	\$500	38.5
	GF/GP	\$1,300	\$500	38.5
Civil Rights	Gross	\$31,710,000	\$209,300	0.7
	GF/GP	\$28,741,900	\$209,300	0.7
Corrections	Gross	\$2,086,250,000	\$12,077,000	0.6
	GF/GP	\$2,029,495,900	(\$23,923,000)	(1.2)
Education	Gross	\$650,380,900	\$35,121,200	5.4
	GF/GP	\$130,652,500	\$309,200	0.2
Environment, Great Lakes, and Energy	Gross	\$1,153,611,900	\$195,133,100	16.9
	GF/GP	\$292,952,100	\$1,002,900	0.3
Executive Office	Gross	\$8,905,400	\$167,900	1.9
	GF/GP	\$8,905,400	\$167,900	1.9
Health and Human Services	Gross	\$35,734,583,000	\$1,582,699,400	4.4
	GF/GP	\$6,464,135,400	\$215,626,500	3.3
Judiciary	Gross	\$355,928,200	\$2,071,400	0.6
	GF/GP	\$250,218,100	\$2,071,400	0.8
Labor and Economic Opportunity	Gross	\$2,893,044,800	\$543,159,400	18.8
	GF/GP	\$1,327,288,000	\$161,926,900	12.2
Legislature	Gross	\$192,343,800	\$3,331,200	1.7
	GF/GP	\$186,734,100	\$3,331,200	1.8
Licensing and Regulatory Affairs	Gross	\$627,940,900	\$511,200	0.1
	GF/GP	\$271,331,100	\$511,200	0.2
Military and Veterans Affairs	Gross	\$248,340,400	\$3,796,700	1.5
	GF/GP	\$98,889,300	\$3,046,700	3.1
Natural Resources	Gross	\$572,248,100	\$6,461,900	1.1
	GF/GP	\$88,054,500	\$2,861,900	3.3
State	Gross	\$304,209,500	\$7,808,800	2.6
	GF/GP	\$13,324,700	\$942,300	7.1
State Police	Gross	\$893,341,100	\$23,744,000	2.7
	GF/GP	\$607,564,000	\$15,744,000	2.6
Technology, Management, and Budget - Operations	Gross	\$1,827,587,000	\$4,265,900	0.2
	GF/GP	\$603,628,900	\$4,265,600	0.7
Transportation	Gross	\$6,630,449,900	\$8,373,600	0.1
	GF/GP	\$292,000,000	\$8,373,600	2.9
Treasury - Operations	Gross	\$1,004,695,300	\$60,001,200	6.0
	GF/GP	\$305,586,100	\$58,891,200	19.3
TOTAL	Gross	\$55,526,982,600	\$2,495,276,800	4.5
	GF/GP	\$13,168,011,100	\$456,702,400	3.5

Overview

Senate Bill 749 (S-2) CR-1 contains supplemental appropriation adjustments to multiple state department budgets for FY 2023-24. In sum, appropriation adjustments total an additional \$2.5 billion Gross and \$456.7 million GF/GP.

The bill includes priorities initiated by the legislature and by the State Budget Office in Supplemental Request letters 2024-2 and 2024-5, dated February 7, 2024 and May 15, 2024, respectively. Appropriation and boilerplate priorities are identified following this overview.

<u>FY 2023-24 Supplemental Appropriation Items</u>	<u>Appropriation Change</u>	
AGRICULTURE AND RURAL DEVELOPMENT		
1. Animal Disease Prevention and Response	Gross	\$5,000,000
Includes authorization to receive \$5.0 million from the USDA for animal disease prevention and response, and specifically, to respond, detect, and address highly pathogenic avian influenza (HPAI) in dairy cows and poultry. Michigan is one of 12 states where HPAI has been detected in domestic livestock. According to USDA, figures through June 21, 2024, there have been 25 confirmed affected herds in Michigan between March 29, 2024 (first detection) and June 11, 2024 (most recent detection). "Affected herds" means herds in which one or more cows tests positive for HPAI.	Federal	5,000,000
	GF/GP	\$0
2. Employee Lump Sum Payments	Gross	\$780,100
Includes \$780,100 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$780,100
ATTORNEY GENERAL		
3. Employee Lump Sum Payments	Gross	\$563,000
Includes \$563,000 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$563,000
CAPITAL OUTLAY – PLANNING AUTHORIZATIONS		
4. Bay de Noc Community College – Manufacturing Hub and Safety Training Center	Gross	\$100
The Manufacturing Hub and Safety Training Center project at Bay de Noc Community College has a total cost of \$1.9 million; a total state share of \$937,500; and a total community college share of \$937,500. The project would renovate the current Shipping and Receiving Building and address electrical and mechanical systems, ventilation and lighting upgrades, and fire suppression systems. Space would be transformed into the Manufacturing Hub and Safety Center and Shipping and Receiving programs would be relocated into a new 6,000 sq. ft. building.	GF/GP	\$100
5. Monroe County Community College – Welch Health Education Building Renovation and Addition	Gross	\$100
The Welch Health Education Building Renovation and Addition project at Monroe County Community College has a total cost of \$21.9 million; a total state share of \$10.9 million; and a community college share of \$10.9 million. The project would renovate 16,822 sq. ft. of existing classroom space and add 45,380 sq. ft. of additional classroom, laboratory, and simulation spaces for the health science and public safety programs.	GF/GP	\$100
6. Michigan State Capitol Commission Park Michigan	Gross	\$100
The Michigan State Capitol Commission's Park Michigan project has a total cost of \$25.0 million; and a total State Building Authority share of \$25.0 million. The project would develop a permanent public park on or adjacent to the state capitol complex. The park would serve as a commemoration of the state's contributions to the nation for the American Semiquincentennial.	GF/GP	\$100

FY 2023-24 Supplemental Appropriation Items

CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS

<p>7. Delta Community College – Information Technology and Computer Science (K Wing) The Information Technology and Computer Science (K Wing) project at Delta Community College has a total cost of \$6.7 million; a total state share of \$2.4 million; and a total community college share of \$4.3 million. The project cost is \$1.0 million more than the estimated cost included in the planning authorization, which would be covered by the college. The increased cost is due to inflation in the construction market. The project would renovate 12,420 sq. ft. of the Information Technology and Computer Science wing, constructed in 1961. Renovation would replace mechanical and electrical systems, HVAC and fire suppression systems, and add 4,723 sq. ft. for new classroom and lab spaces featuring moveable walls. The project received planning authorization in 2023 PA 321.</p>	<p>Gross GF/GP</p>	<p>\$100 \$100</p>
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<p>8. C. S. Mott Community College – PrahL College Center Renovation Project The PrahL College Center Renovation program at C.S. Mott Community College has a total cost of \$32.5 million; a total state share of \$12.5 million; and a total community college share of \$20.0 million. The project cost is \$2.0 million more than the estimated cost included in the planning authorization, which would be covered by the college. The increased cost is due to post-COVID market conditions and inflation. The project would renovate an 86,210 sq. ft. facility to provide increased student services and success programs at the PrahL College Center. Renovation would replace all electrical, HVAC, plumbing, fire suppression, and life safety systems. The building would be reconfigured to better provide various student support services and improve navigation, entrances, and office spaces. The project received planning authorization in 2023 PA 321.</p>	<p>Gross GF/GP</p>	<p>\$100 \$100</p>
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CIVIL RIGHTS

<p>9. Employee Lump Sum Payments Includes \$209,300 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.</p>	<p>Gross GF/GP</p>	<p>\$209,300 \$209,300</p>
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CORRECTIONS

<p>10. Coronavirus Relief Funds for Payroll Includes \$36.0 million in federal Coronavirus State Fiscal Recovery Funds and reduces GF/GP by a like amount. Funding would be allocated to support payroll costs for frontline workers throughout the department, but primarily at correctional facilities.</p>	<p>Gross Federal GF/GP</p>	<p>\$0 36,000,000 (\$36,000,000)</p>
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<p>11. Employee Lump Sum Payments Includes \$12.1 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.</p>	<p>Gross GF/GP</p>	<p>\$12,077,000 \$12,077,000</p>
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EDUCATION

<p>12. Child Development and Care Public Assistance Authorizes \$34.8 million in additional federal funds to support a caseload adjustment based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.</p>	<p>Gross Federal GF/GP</p>	<p>\$34,812,000 34,812,000 \$0</p>
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<p>13. Employee Lump Sum Payments Includes \$309,200 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.</p>	<p>Gross GF/GP</p>	<p>\$309,200 \$309,200</p>
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ENVIRONMENT, GREAT LAKES, AND ENERGY

<p>14. Solar Program for Low-Income Households Includes \$156.2 million in federal IRA funds to support a solar program for low-income households. The program would be focused on increasing residential solar installation, increasing pollution abatement, and improving grid reliability.</p>	<p>Gross Federal GF/GP</p>	<p>\$156,200,000 156,200,000 \$0</p>
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<p>15. Standish Township Water Connection Support Includes \$1.3 million in federal Environmental Protection Agency Small, Underserved, and Disadvantaged Communities Grant funding to support the Standish Township Water Connection Project.</p>	<p>Gross Federal GF/GP</p>	<p>\$1,267,000 1,267,000 \$0</p>
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**Appropriation
Change**

FY 2023-24 Supplemental Appropriation Items

16. Federal – Great Lakes Remedial Action Plan Grants	Gross	\$992,000
Includes \$992,000 in federal IIJA funds to support grants to local water providers for remediation of emerging contaminants.	Federal	992,000
	GF/GP	\$0
17. Water Quality Programs	Gross	\$3,298,000
Includes \$2.4 million in federal IIJA funds to support the Sewer Overflow and Stormwater Reuse Municipal Grants Program; reappropriates \$524,000 of expired work project Aquifer Protection Revolving Funds to continue support of aquifer protection; and appropriates \$350,000 in Water Use Reporting Fees to support the Water Withdrawal Assessment Program.	Federal	2,424,000
	Restricted	874,000
	GF/GP	\$0
18. Coastal Zone Management Program	Gross	\$475,000
Includes \$300,000 in federal IIJA funds and \$175,000 in federal IRA funds to support expanding the Coastal Zone Management Program which provides grants for coastline preservation, protection, and restoration.	Federal	475,000
	GF/GP	\$0
19. Air Quality Programs	Gross	\$1,587,200
Includes \$1.6 million in federal IRA funds to support various air monitoring activities including fence line and multipollutant monitoring, and to deploy, integrate, and operate air quality sensors in low-income disadvantaged communities.	Federal	1,587,200
	GF/GP	\$0
20. Hydrogen Fueling Stations and Renewable Energy	FTE	2.0
Includes \$22.3 million in federal IIJA funds and authorization for 2.0 FTE positions to support hydrogen fueling stations for heavy duty vehicles and \$363,000 in federal IRA funds to support the Rural Energy for America Program Technical Assistance Grant.	Gross	\$22,663,000
	Federal	22,663,000
	GF/GP	\$0
21. Diesel Emission Reduction Projects	Gross	\$693,000
Includes \$693,000 Gross (\$0 GF/GP) to support replacing diesel-powered machinery with electric machinery in an effort to reduce diesel emission.	Federal	231,000
	Private	462,000
	GF/GP	\$0
22. Methane Emissions Reduction and Underground Injection Control	Gross	\$6,955,000
Includes \$5.0 million in federal IRA funds to support the Methane Emissions Reduction Program and \$1.9 million in federal IIJA funds to support the Underground Injection Control Class VI Wells Program.	Federal	6,955,000
	GF/GP	\$0
23. Employee Lump Sum Payments	Gross	\$1,002,900
Includes \$1.0 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$1,002,900
24. Sustainable Business Park	Gross	(\$5,000,000)
Eliminates \$5.0 million GF/GP that was intended for supporting infrastructure for developing a sustainable business park to replace the need for new landfills in Kent County.	GF/GP	(\$5,000,000)
25. Waste Diversion Accelerator Program	Gross	\$5,000,000
Includes \$5.0 million GF/GP for a grant to Recycle Ann Arbor to expand recycling (\$1.0 million) and for grants to support waste diversion programs such as composting (\$4.0 million).	GF/GP	\$5,000,000
EXECUTIVE OFFICE		
26. Employee Lump Sum Payments	Gross	\$167,900
Includes \$167,900 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$167,900
HEALTH AND HUMAN SERVICES		
27. Traditional Medicaid Cost Adjustments	Gross	\$460,721,000
Includes an increase of \$460.7 million Gross (\$188.9 million GF/GP) for traditional Medicaid caseload, cost, utilization, and financing adjustments based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Over half of the GF/GP cost is from revised cost estimates of the long-term care services program.	Federal	206,825,900
	Local	716,000
	Private	1,759,000
	Restricted	62,507,900
	GF/GP	\$188,912,200

FY 2023-24 Supplemental Appropriation Items

**Appropriation
Change**

28. Healthy Michigan Plan (HMP) Cost Adjustments

Includes a reduction of \$268.1 million Gross (\$27.1 million GF/GP) for Healthy Michigan Plan caseload, cost, and utilization adjustments based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

Gross	(\$268,090,400)
Federal	(235,279,900)
Local	44,900
Private	1,039,600
Restricted	(6,791,200)
GF/GP	(\$27,103,800)

29. Medicaid Managed Care Payments Rule Change

Includes a net increase of \$2,321.2 million Gross (net reduction of \$105.9 million GF/GP) from increased Hospital Quality Assurance Assessment Program (QAAP)-funded Hospital Rate Adjustments (HRA) payments that are able to be increased under recent federal rule changes based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Net amount includes a reduction of \$230.0 million Gross (increase of \$13.3 million GF/GP) from the removal of Disproportionate Share Hospital (DSH) payments that hospitals would no longer be eligible for as a result of the HRA increase. The corresponding GF/GP adjustments are associated with a statutory state retainer that is tied to the federal share of these QAAP-funded hospital payments.

Gross	\$2,321,166,200
Federal	1,695,317,200
Restricted	731,787,100
GF/GP	(\$105,938,100)

30. Medicare Buy-In Compliance Adjustments

Includes a net reduction of \$13.1 million Gross (\$4.5 million GF/GP) to increase \$154,100 GF/GP associated with state costs to cover Medicare Part B premiums for individuals eligible for both Medicare and Medicaid (dually-eligibles) and reduce \$13.3 million Gross (\$4.6 million GF/GP) based on assumed Medicaid savings from additional individuals being covered under Medicare Part B.

Gross	(\$13,098,700)
Federal	(8,629,100)
GF/GP	(\$4,469,600)

31. Medicaid Electronic Visit Verification

Includes \$14.7 million GF/GP from federal financial FMAP penalties from noncompliance with electronic home visit verification implementation requirements.

Gross	\$0
Federal	(14,680,500)
GF/GP	\$14,680,500

32. Child Welfare Caseload Adjustments

Includes a net increase of \$16.5 million Gross (\$31.5 million GF/GP) for child welfare programs based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.

Gross	\$16,507,700
TANF	(4,228,800)
Federal	(9,297,900)
Local	(1,445,500)
GF/GP	\$31,479,900

33. Public Assistance Caseload Adjustment

Includes a net reduction of \$1,252.5 million Gross (increase of \$5.4 million GF/GP) for caseload and cost adjustments for the Family Independence Program, Food Assistance Program, State Disability Assistance, and State Supplementation based on the May Caseload Consensus reached between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. The Gross reduction is primarily from a decrease in Food Assistance Program authorization.

Gross	(\$1,252,475,700)
TANF	(4,809,200)
Federal	(1,250,161,600)
Restricted	(2,894,100)
GF/GP	\$5,389,200

34. Low-Income Energy Assistance Program (LIHEAP)

Includes \$46.3 million Gross (\$30.0 million federal TANF) to accept additional LIHEAP funds signed into law in the current fiscal year and to ensure funds are available outside of the heating crisis season.

Gross	\$46,339,800
TANF	30,000,000
Federal	16,339,800
GF/GP	\$0

35. Certified Community Behavioral Health Clinic Demonstration

Includes \$39.3 million Gross (\$19.4 million GF/GP) to account for costs related to FY 2022-23 settlements, increases to the prospective payment rate, and a higher than anticipated caseload from clinic's daily visits.

Gross	\$39,340,400
Federal	19,896,400
GF/GP	\$19,444,000

36. Family Support Subsidy

Includes \$2.9 million in federal TANF based on estimated costs of the family support subsidy program which provides \$300.36 per month to eligible families with a child who is severely mentally impaired, severely developmentally impaired, or autistic.

Gross	\$2,940,400
TANF	2,940,400
GF/GP	\$0

37. Nursing Home PAS/ARR-OBRA

Includes \$2.0 million Gross (\$500,000 GF/GP) for the nursing home pre-admission screening and evaluation program for individuals who have a serious mental illness and are being admitted to a nursing facility.

Gross	\$2,000,000
Federal	1,500,000
GF/GP	\$500,000

**Appropriation
Change**

FY 2023-24 Supplemental Appropriation Items

<p>38. Revenue Recapture Includes \$53.8 million GF/GP for costs related to multiple years' worth of federal cost settlements for the state's psychiatric hospitals. The cost settlement process has not been completed since FY 2017-18 due to issues with migrating facility cost reporting and settlement system to the CHAMPS system. Funds will also cover the cost settlement with the federal Centers for Medicare and Medicaid Services (CMS) on remaining outstanding amounts owed due to billing overstatements.</p>	<p>Gross GF/GP</p>	<p>\$53,829,200 \$53,829,200</p>
<p>39. Child and Adolescent Health Care and Centers Includes \$45.0 million in local funds to align local authorization within DHHS appropriations with appropriations provided in the State School Aid Act. Funding is used to support school-based health center programs.</p>	<p>Gross Local GF/GP</p>	<p>\$45,000,000 45,000,000 \$0</p>
<p>40. Dental Oral Assessment Program Includes \$2.5 million GF/GP for anticipated costs from the statutory expansion of the dental oral assessment program for children entering kindergarten or first grade under 2023 PA 316.</p>	<p>Gross GF/GP</p>	<p>\$2,500,000 \$2,500,000</p>
<p>41. MICHild Premiums Includes \$1.4 million GF/GP to eliminate the \$10 monthly MICHild premium for beneficiaries under the age of 19. A gross reduction of \$600,000 results from associated reduction of restricted authorization for premium revenue.</p>	<p>Gross Restricted GF/GP</p>	<p>(\$600,000) (1,950,000) \$1,350,000</p>
<p>42. Medicaid Restricted Fund Adjustments Includes net-zero Gross funding adjustments (net GF/GP increase of \$1.6 million) to offset revenue shortfalls and surpluses within the Insurance Provider Assessment (IPA), Medicaid Benefits Trust Fund (MBFT), and Healthy Michigan Fund (HMF).</p>	<p>Gross Restricted GF/GP</p>	<p>\$0 (1,630,700) \$1,630,700</p>
<p>43. Non-GF/GP Funding Adjustments Includes \$37.5 million Gross for 13 federal and state restricted funding authorization adjustments primarily across community services, child welfare, family and maternal health, and aging services based on anticipated federal grant funding and available restricted revenue.</p>	<p>Gross Federal Restricted GF/GP</p>	<p>\$37,535,400 36,735,400 800,000 \$0</p>
<p>44. Net \$0 Financing Adjustments Includes net \$0 financing adjustments to interdepartmental grant authorization, federal funding, and GF/GP across multiple sections and includes a net 0.0 transfer of 7.0 FTE positions across 3 line items.</p>	<p>FTE Gross IDG TANF Federal GF/GP</p>	<p>0.0 \$0 0 0 0 \$0</p>
<p>45. Federal COVID Public Health Response Grants Includes \$21.9 million in federal COVID response grant funding for epidemiology, public health infrastructure, influenza hospitalizations, emerging infections, and immunization grants.</p>	<p>Gross Federal GF/GP</p>	<p>\$21,867,100 21,867,100 \$0</p>
<p>46. Home and Community Based Supportive Housing Includes \$20.0 million Gross (\$10.0 million federal ARP funds) for employment and stability services for individuals living in supportive housing or who are homeless and moving into supportive housing.</p>	<p>Gross Federal GF/GP</p>	<p>\$20,000,000 10,000,000 \$10,000,000</p>
<p>47. Child Support Enforcement and Navigator Pilot Includes \$8.5 million Gross (\$0 GF/GP) to assist families within the child support program with navigating the program and to connect and provide families with information on other community resources.</p>	<p>Gross Federal Private GF/GP</p>	<p>\$8,513,900 7,813,900 700,000 \$0</p>
<p>48. CMHSP Supplemental Retroactive Payment Includes \$5.4 million Gross (net increase of \$3.8 million GF/GP) to provide retroactive payments to Medicaid methadone service providers that were not reimbursed at the bundled rate of not less than \$19.00.</p>	<p>Gross Restricted GF/GP</p>	<p>\$5,374,300 1,600,000 \$3,774,300</p>
<p>49. Jail Diversion Fund Includes \$2.5 million in restricted funds to be granted to locals and used to establish or expand the behavioral health jail diversion program in coordination with community and law enforcement agencies.</p>	<p>Gross Restricted GF/GP</p>	<p>\$2,500,000 2,500,000 \$0</p>

FY 2023-24 Supplemental Appropriation Items		Appropriation Change	
50. Maternal-Fetal Medicine Programming	Gross		\$0
Includes a net \$0 reappropriation of funding in order to revise boilerplate to require the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality.	GF/GP		\$0
51. Mobile Mammography	Gross		\$0
Includes a net \$0 reappropriation of funding in order to revise boilerplate to authorize funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.	GF/GP		\$0
52. Reproductive Health Access Expansion	Gross		\$5,000,000
Includes \$5.0 million GF/GP for state costs associated with state statute, program policy, or administrative rule changes related to reproductive health access.	GF/GP		\$5,000,000
53. Substance Use Rehabilitation Services	Gross		\$0
Includes a net \$0 reappropriation to Sacred Heart Rehabilitation Center to replace current boilerplate that allocates the funds for the purchase of a new building to instead allocate the funds for the construction, renovation, and refurbishing costs of a building.	GF/GP		\$0
54. Employee Lump Sum Payments	Gross		\$25,828,800
Includes \$25.8 million Gross (\$14.6 million GF/GP) to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	Federal GF/GP	11,180,800 \$14,648,000	
JUDICIARY			
55. Judicial Security		FTE	0.5
Includes \$237,500 GF/GP and authorization for 0.5 FTE position for judicial security. Funding would be used by SCAO to enter into a contract with a vendor that would assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses, etc.).	Gross GF/GP		\$237,500 \$237,500
56. Court of Appeals Facility Renovations	Gross		\$765,000
Includes \$765,000 GF/GP for the Court of Appeals to complete renovating existing space in Cadillac Place so judges can be moved from private leased space in Troy to state owned space.	GF/GP		\$765,000
57. Employee Lump Sum Payments	Gross		\$1,068,900
Includes \$1.1 million GF/GP to cover costs of one-time lump sum payments for eligible employees.	GF/GP		\$1,068,900
LABOR AND ECONOMIC OPPORTUNITY			
58. Bureau of Services for Blind Persons	Gross		\$5,000,000
Includes \$5.0 million in federal funds to be used for one-time projects including training center renovations, software and financial literacy applications, and lease revisions. Sufficient matching funds already exist for the additional federal funding.	Federal GF/GP	5,000,000 \$0	
59. First Responder Presumed Coverage Claims	Gross		\$2,000,000
Includes authorization to expend an additional \$2.0 million of First Responders Presumed Coverage Fund revenue to align with projected benefit payments. Payments from the fund are made for wage loss and medical care expenses for certain categories of first responders who have been diagnosed with cancers specified in statute, 1969 PA 317, as amended.	Restricted GF/GP	2,000,000 \$0	
60. Office of Global Michigan	Gross		\$28,064,500
Includes \$28.1 million in federal funds to support Ukrainian and Afghan specific grants and increases in Office of Refugee Resettlement support service grants, administrative support grants, and the unaccompanied refugee minor program.	Federal GF/GP	28,064,500 \$0	
61. Radiological Health Fees		FTE	4.6
Includes \$582,000 in restricted radiological health fees to accommodate the fee increase approved in 2023 and provides authorization for 4.6 FTE positions. Funds would support staffing and purchases to replace outdated equipment.	Gross Restricted GF/GP		\$582,000 582,000 \$0
62. Housing and Community Development Fund	Gross		\$50,000,000
Includes \$50.0 million in federal funding to expand access to affordable and attainable housing for households that the federal government considers eligible for state fiscal recovery fund assistance.	Federal GF/GP	50,000,000 \$0	

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FY 2023-24 Supplemental Appropriation Items

<p>63. Missing Middle Gap Program Includes \$110.0 million in federal funding to be used by the Michigan State Housing Development Authority to increase the supply of housing stock by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties targeted to missing middle households.</p>	<p>Gross Federal GF/GP</p>	<p>\$110,000,000 110,000,000 \$0</p>
<p>64. Community and Worker Economic Transition Fund Pilot Includes a total of \$8.6 million GF/GP for the Community and Worker Economic Transition Fund Pilot. The program would provide resources to support communities, workers, and businesses navigating the transition. Activities would include technical assistance and capacity building, training and education, and other supportive services.</p>	<p>Gross GF/GP</p>	<p>\$8,600,000 \$8,600,000</p>
<p>65. Critical Industry Program Includes \$68.0 million of Strategic Outreach and Attraction Reserve Fund revenues to support creation of a new manufacturing facility in Richland Township, (Saginaw County), which would manufacture a range of solar components.</p>	<p>Gross Restricted GF/GP</p>	<p>\$68,000,000 68,000,000 \$0</p>
<p>66. Digital Equity Capacity Grant Includes \$20.6 million in federal IJA funds to be used to implement the state's digital equity plan which would lay out strategies to ensure every resident of the state has access to affordable, reliable, and high-speed internet.</p>	<p>Gross Federal GF/GP</p>	<p>\$20,586,000 20,586,000 \$0</p>
<p>67. Employee Lump Sum Payments Includes \$727,000 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for eligible staff employed full-time as of December 23, 2023.</p>	<p>Gross GF/GP</p>	<p>\$727,000 \$727,000</p>
<p>68. Housing Readiness Incentive Program Includes \$1.0 million GF/GP to augment the existing \$5.0 million GF/GP appropriated in 2023 PA 119. The funds would support grants to cities, villages, townships, and counties to cover costs associated with adopting land use policies, master plan updates, zoning text amendments, and additional actions that would improve housing supply and affordability.</p>	<p>Gross GF/GP</p>	<p>\$1,000,000 \$1,000,000</p>
<p>69. State Manufacturing Leadership Program Includes \$2.0 million in federal grant funds to support Michigan's industry 4.0 program to provide financial assistance to implement smart manufacturing projects for small- and medium-size manufacturing firms across the state. Expanded funding would be focused on supporting minority-owned small- and medium-sized manufacturing firms and those located in disadvantaged communities.</p>	<p>Gross Federal GF/GP</p>	<p>\$2,000,000 2,000,000 \$0</p>
<p>70. Michigan Strategic Site Readiness Program Includes \$29.0 million of Strategic Outreach and Attraction Reserve Fund revenues to support water, sewer, and wastewater upgrades, including an extension of Thomas Township's water and sewer lines into Richland Township. These upgrades are necessary to provide adequate service to the new manufacturing plant funded through the Critical Industry Program (see item #65).</p>	<p>Gross Restricted GF/GP</p>	<p>\$29,000,000 29,000,000 \$0</p>
<p>71. Mobility Hub Project Includes \$11.0 million in federal funds to support developing a demonstration model that would enable companies to transition fleets to electric vehicles and test new technologies, digital services, and business models.</p>	<p>Gross Federal GF/GP</p>	<p>\$11,000,000 11,000,000 \$0</p>
<p>72. Saunders v Unemployment Insurance Agency Includes \$55.0 million in restricted Contingent Fund, Penalty and Interest funds to pay on the Saunders v UIA settlement according to terms of the settlement agreement. The class action lawsuit was related to COVID-19 pandemic jobless benefits.</p>	<p>Gross Restricted GF/GP</p>	<p>\$55,000,000 55,000,000 \$0</p>
<p>73. Symphony Economic Recovery Grants Includes \$1.6 million GF/GP to support symphonies in Lansing, Ann Arbor, and Grand Rapids. Each symphony would receive a grant of \$533,300.</p>	<p>Gross GF/GP</p>	<p>\$1,599,900 \$1,599,900</p>
<p>74. Targeted Energy Investment Includes \$150.0 million GF/GP to support efforts to restart the Palisades nuclear power generation reactor. Funding augments \$150.0 million GF/GP appropriated in 2023 PA 119. Expenditure of funds would be contingent on conditional commitments from the U.S. Department of Energy for the support of efforts to restart the facility.</p>	<p>Gross GF/GP</p>	<p>\$150,000,000 \$150,000,000</p>

<u>FY 2023-24 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>
LEGISLATURE		
75. Independent Citizens Redistricting Commission	Gross	\$3,331,200
Includes \$3.3 million GF/GP for costs of the Independent Citizens Redistricting Commission which leads Michigan's congressional and legislative redistricting processes.	GF/GP	\$3,331,200
76. Sentencing Commission	Gross	(\$1,000,000)
Eliminates funding that enables the Sentencing Commission to carry out its functions, operations, and activities.	GF/GP	(\$1,000,000)
77. Legislative Retirement System	Gross	\$900,000
Includes \$900,000 GF/GP to support costs of the Legislative Retirement System.	GF/GP	\$900,000
78. Internship Program	Gross	\$50,000
Includes \$50,000 GF/GP to increase support for the House of Representative Internship Program for students and others to experience work with the legislature.	GF/GP	\$50,000
79. Interpreter Services	Gross	\$50,000
Includes \$50,000 GF/GP to provide interpreter services to assist the legislature with serving constituents who require assistance with communicating with legislative offices.	GF/GP	\$50,000
LICENSING AND REGULATION		
80. Employee Lump Sum Payments	Gross	\$511,200
Includes \$511,200 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$511,200
MILITARY AND VETERANS AFFAIRS		
81. Armory Safety and Security Improvements	Gross	\$2,105,000
Includes \$2.1 million GF/GP to upgrade security cameras and purchase trauma kits for armory locations statewide.	GF/GP	\$2,105,000
82. National Guard Tuition Assistance Fund	Gross	(\$5,500,000)
Reduces the deposit into the National Guard Tuition Assistance Fund by \$5.5 million GF/GP to align the balance of the fund with expenditures.	GF/GP	(\$5,500,000)
83. SSG Parker Gordon Fox Suicide Prevention Federal Grant Program	Gross	\$750,000
Includes \$750,000 in federal funds authorized under the VA Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program. Grants are awarded to eligible entities that provide outreach for suicide prevention services. Funding would expand current work for suicide prevention outreach being done through the governor's Challenge initiative.	Federal GF/GP	750,000 \$0
84. Employee Lump Sum Payments	Gross	\$2,091,700
Includes \$2.1 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$2,091,700
85. National Guard Armory Renovations	Gross	\$4,350,000
Includes \$4.4 million GF/GP to serve as match for federal funding that would be used to support renovation costs at an existing facility in Grand Rapids. The facility would be renovated to serve as a new National Guard armory to alleviate overcrowding at the Wyoming armory.	GF/GP	\$4,350,000
NATURAL RESOURCES		
86. Nature Awaits	Gross	(\$4,000,000)
Reduces funding used for grants to schools to cover transportation and other costs related to connecting all Michigan fourth grades to the state park system by \$4.0 million GF/GP.	GF/GP	(\$4,000,000)
87. Brandon Road Lock and Dam	Gross	\$1,500,000
Includes \$1.5 million GF/GP to support the Brandon Road Interbasin Project to block invasive species from Lake Michigan.	GF/GP	\$1,500,000
88. Decree Negotiations	Gross	\$2,300,000
Includes \$2.3 million GF/GP to acquire and retire a state commercial fishing license now prohibited under the new Great Lakes Consent Decree (2023) signed by Michigan, the United States, and five tribal governments.	GF/GP	\$2,300,000

FY 2023-24 Supplemental Appropriation Items		Appropriation Change
89. Employee Lump Sum Payments	Gross	\$561,900
Includes \$561,900 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$561,900
90. Great Lakes Vessel Modernization	Gross	\$2,500,000
Includes an additional \$2.5 million GF/GP to replace an aging Great Lakes Survey Vessel. Funding would support increased shipbuilding costs.	GF/GP	\$2,500,000
91. Straits State Park Interpretive Site	Gross	\$3,600,000
Authorizes spending of a \$3.6 million private grant to enhance the grounds and construct an interpretive/meeting building in the west unit of Straits State Park.	Private GF/GP	3,600,000 \$0
STATE		
92. Department of Corrections Vehicle License Plate Manufacturing	Gross	\$1,146,500
Authorizes an additional \$1.1 million in state restricted funding for the Central Operations line item to reflect a shift in spending authorization that was previously included in boilerplate. Funding would be used to continue the purchasing agreement with the Department of Corrections for manufacturing license plates for vehicles.	Restricted GF/GP	1,146,500 \$0
93. Help America Vote Act (HAVA) Election Security Grants	Gross	\$5,720,000
Authorizes receipt of a total of \$5.7 million in federal funding. Of the total, \$3.6 million would be authorized under the Consolidated Appropriations Act of 2022 and Consolidated Appropriations Act of 2023 for two election security grants, and \$2.2 million of interest accrued from past and current HAVA fund balances would be authorized. Funding would support local election website domain migration, election day equipment upgrades, voting system security and testing procedures, and development and distribution of information materials to local election officials.	Federal GF/GP	5,720,000 \$0
94. Proposal 22-1 Financial Disclosure Reporting Implementation	FTE	8.0
Includes \$831,900 GF/GP to support 8.0 FTE positions that would implement and oversee activities associated with the Public Officers Financial Disclosure Act, 2023 PA 281, and the Candidate for Office Financial Disclosure Act, 2023 PA 282. These acts require financial disclosure reporting by current elected officials and candidates for elected office by April 15, 2024, and codify the Michigan Constitution as amended by Ballot Proposal 22-1.	Gross GF/GP	\$831,900 \$831,900
95. Employee Lump Sum Payments	Gross	\$110,400
Includes \$110,400 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.	GF/GP	\$110,400
STATE POLICE		
96. Digitizing Record Project	Gross	\$600,000
Includes authorization for an additional \$600,000 in Criminal Justice Information Center Service Fee revenues to be used for a one-time digitizing record project with the Automated Print Identification Section system to allow for searching of older documents.	Restricted GF/GP	600,000 \$0
97. Information Technology Systems Upgrades	Gross	\$7,400,000
Includes authorization for an additional \$7.4 million in Criminal Justice Information Center Service Fee revenues to be used to support various information technology systems upgrades. Of the total, \$4.9 million would be appropriated to the Criminal Justice Information Center line item and \$2.5 million would be appropriated to the Information Technology Services and Projects line item. Projects to be upgraded include eDaily, Statewide Records Management System, Michigan Incident Crime Reporting, the Crime Dashboard, and Statewide Network of Agency Photos.	Restricted GF/GP	7,400,000 \$0
98. Disaster and Emergency Contingency Fund	Gross	\$10,000,000
Includes \$10.0 million GF/GP for deposit into the Disaster and Emergency Contingency Fund (DECF) to support response and recovery activities and financial assistance to local units of government in the event of a disaster or emergency. It is anticipated that most of the current balance in the DECF will be expended for eligible payments for disasters that occurred in previous years.	GF/GP	\$10,000,000

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FY 2023-24 Supplemental Appropriation Items

99. Emergency Alert System Upgrades **Gross** **\$0**
 Includes a net \$0 reappropriation of funding in order to revise boilerplate to require the department to allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system. **GF/GP** **\$0**

100. Employee Lump Sum Payments **Gross** **\$5,244,000**
 Includes \$5.2 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023. **GF/GP** **\$5,244,000**

101. Hazard Mitigation Assistance Loan Program **Gross** **\$500,000**
 Includes \$500,000 GF/GP to provide the required state match for the federal Safeguarding Tomorrow Through Ongoing Risk Mitigation (STORM) Act grant. The STORM Act would provide a capitalization grant that would in turn be used to establish a revolving loan fund to assist local governments with mitigating and reducing risks from natural hazards and disasters. **GF/GP** **\$500,000**

TECHNOLOGY, MANAGEMENT, AND BUDGET

102. Digital Nondiscrimination Federal Compliance **Gross** **\$3,000,000**
 Includes \$3.0 million GF/GP to support up to 7.0 limited-term FTE positions that would review, assess, and test compliance of state web and mobile-based applications to ensure accessibility for people with disabilities and compliance with federal non-discrimination standards. **GF/GP** **\$3,000,000**

103. Employee Lump Sum Payments **Gross** **\$1,265,600**
 Includes \$1.3 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023. **GF/GP** **\$1,265,600**

104. Make it in Michigan Contingency Placeholders **Gross** **\$300**
 Includes 3 \$100 GF/GP placeholders for federal, local, and private funding sources to facilitate an administrative transfer process to recognize a federal award or other complementary local and/or private revenues in support of projects financed from the Make it in Michigan Competitiveness Fund. **Federal** **100**
Local **100**
Private **100**
GF/GP **\$0**

TRANSPORTATION

105. Employee Lump Sum Payments **Gross** **\$8,373,600**
 Includes \$8.4 million GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023. **GF/GP** **\$8,373,600**

TREASURY

106. Dual Enrollment Payments **Gross** **\$500,000**
 Includes \$500,000 GF/GP to support dual enrollment payments to higher education institutions. **GF/GP** **\$500,000**

107. Lottery Operations **Gross** **\$540,800**
 Includes \$540,800 in restricted funding authorization for Lottery operations. Of that amount, \$405,800 would be used to support sales and promotion of Lottery games online and in retail locations, and \$135,000 would be used for building and security improvements for the Lottery headquarters building located in downtown Lansing. **Restricted** **540,800**
GF/GP **\$0**

108. Employee Lump Sum Payments **Gross** **\$1,210,400**
 Includes \$1.2 million Gross (\$641,200 GF/GP) to cover costs of one-time lump sum payments for eligible state employees. Of that amount, \$641,200 would support payments for Treasury employees and \$569,200 would support payments for Bureau of State Lottery employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023. **Restricted** **569,200**
GF/GP **\$641,200**

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109. Municipal Support Grants

Includes a total of \$47.0 million GF/GP for the following:

- \$1.5 million to promote public safety in Flint
- \$3.5 million for early childhood and afterschool program facilities in Flint
- \$5.0 million for services to unhoused individuals in Genesee County
- \$10.0 million for affordable housing in Genesee County
- \$27.0 million for payments to a qualified retirement system in Flint.

Gross **\$47,000,000**
GF/GP **\$47,000,000**

110. Presidential Primary Costs

Includes \$10.0 million GF/GP to cover costs of the Michigan presidential primary election and costs related to Proposal 2 of 2022.

Gross **\$10,000,000**
GF/GP **\$10,000,000**

111. Special Election Costs

Includes \$750,000 GF/GP for special election costs. Funding would be used to reimburse local clerks in Warren and Westland for expenses associated with conducting special elections to fill vacancies in the 13th and 25th state House districts.

Gross **\$750,000**
GF/GP **\$750,000**

FY 2023-24 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Estimates total state spending from state sources and payments to be made to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. Appropriations Subject to Federal Rules and Regulations

Requires funds appropriated to be used in a manner consistent with federal rules and regulations.

Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements

Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of incidences of noncompliance.

Sec. 205. Report on Status of COVID-19 Relief Appropriations

Requires the state budget director to report monthly on the status of all funds appropriated related to the coronavirus relief effort until all funds are exhausted.

Sec. 206. Employee Lump Sum Payments for Executive Branch Departments

Requires executive branch departments to expend funds appropriated for employee lump sum payments for costs associated with employee lump sum payments as approved by the Civil Service Commission; authorizes accounting transactions to be made to effectuate payments in SIGMA.

Sec. 207. State Fiscal Recovery Fund (SFRF)

Requires the state budget director to ensure that all SFRF revenue is expended by December 31, 2026; authorizes the state budget director to reallocate appropriated funds for the purpose of fully expending the funds; requires all guidance, implementation, and reporting provisions of federal law to be followed; requires the state budget director to notify the appropriations committees of reallocations made; authorizes the state budget director and state departments to make accounting transactions necessary to implement reallocation

AGRICULTURE AND RURAL DEVELOPMENT

Sec. 301. Animal Disease Prevention and Response

Designates unexpended funds as a work project appropriation to be used to respond to the detection of unusual contagious disease events in animals.

CAPITAL OUTLAY

Sec. 401. Public Purpose, Lease and Conveyance, and Annual Appropriation

States the legislature determines that the leasing of SBA-financed facilities are for a public purpose under the State Building Authority Act of 1964; approves and authorizes the leases and conveyance of property to the SBA and from the SBA to the state and educational institutions, as applicable, executed by the governor and secretary of state on behalf of the state; specifies intent of the legislature to annually appropriate sufficient amounts to pay rent obligations pursuant to the leases.

FY 2023-24 Supplemental Boilerplate Items

Sec. 402. State Public Health and Environmental Science Laboratory Project

Authorizes a \$22.6 million cost increase for the Department of Technology, Management, and Budget – New Comprehensive State Public Health and Environmental Science Laboratory project that was approved for construction in 2022 PA 166 at a total project cost of \$260.0 million; the state, through the State Building Authority, would be responsible for funding the entire cost increase resulting in a state building authority share of \$88.6 million, coronavirus state fiscal recovery fund share of \$260.0 million, and a total project cost of \$348.6 million; the cost increase is the result of increased construction material and labor costs.

Sec. 403. State Psychiatric Hospital Complex Project

Authorizes a \$7.4 million cost increase for the Department of Technology, Management, and Budget – New State Psychiatric Hospital Complex project that was approved for construction in 2022 PA 166 at a total project cost of \$325.0 million; the state, through the State Building Authority, would be responsible for funding the entire cost increase resulting in a state building authority share of \$58.4 million, coronavirus state fiscal recovery fund share of \$325.0 million, and a total project cost of \$383.4 million; the cost increase is the result of increased construction material and labor costs.

CORRECTIONS

Sec. 501. Program and Special Equipment Fund Revenue

Requires program and special equipment fund revenue to be used for prisoner programming, special equipment, and security projects; requires 75% of funds to be used for prisoner programming; authorizes unexpended funds to be carried forward and made available for appropriation in subsequent fiscal years.

ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 601. Methane Emissions Reduction

Designates unexpended funds as a work project appropriation to be used for assistance to well operators or landowners to plug marginal conventional wells and reduce methane emissions.

Sec. 602. Limited Term FTE Position for Methane Emissions Reduction

Authorizes the department to hire 1.0 limited-term FTE to implement the methane emissions reduction program.

Sec. 603. Underground Injection Control

Designates unexpended funds as a work project appropriation to be used to assist the state in obtaining primacy of regulation of Class VI UIC wells and to establish and implement a program that complies with the federal Safe Drinking Water Act.

Sec. 604. Limited Term FTE Position for Underground Injection Control

Authorizes the department to hire 1.0 limited-term FTE to establish and implement a program that complies with the federal Safe Drinking Water Act.

Sec. 605. Work Project – Energy Programs

Designates unexpended funds as a work project appropriation to be used to aid Michigan's agricultural and rural small business community in improving energy efficiency as approved by the federal Department of Agriculture.

Sec. 606. Water Quality Programs

Designates unexpended funds as a work project appropriation to be used to address combined sewer overflows, sanitary sewer overflows, and stormwater management.

Sec. 607. Hydrogen Fueling Stations and Renewable Energy

Designates unexpended funds as a work project appropriation to be used for construction of hydrogen fueling stations to serve heavy-duty vehicles.

Sec. 608. Air Quality Programs

Designates unexpended funds as a work project appropriation to be used to develop, research, and improve air quality and reduce localized pollution and health impacts.

Sec. 609. Solar Program for Low-Income Households

Designates unexpended funds as a work project appropriation to be used to support a solar program for low-income households.

Sec. 610. Waste Diversion Acceleration Program

Requires \$1.0 million of the appropriation to be used for a grant to Recycle Ann Arbor to expand recycling; requires \$4.0 million of the appropriation to be used for grants to support waste diversion programs such as composting.

Sec. 611. Limited Term FTE Position for Solar for All Program

Authorizes the department to hire 3.0 limited-term FTEs to develop and manage the Solar for All program.

HEALTH AND HUMAN SERVICES

Sec. 701. ARP – Home and Community-Based Services Projects

Designates unexpended funds as a work project appropriation to be used to provide grants for eligible entities to provide permanent supportive housing services for eligible households.

FY 2023-24 Supplemental Boilerplate Items

Sec. 702. Child Support Navigator Pilot

Allocates funding to provide supports, services, and resources to families utilizing child support systems; designates unexpended funds as a work project appropriation.

Sec. 703. Child Support Enforcement Enhancements

Allocates funding to provide enhanced services and resources to child support enforcement operations; designates unexpended funds as a work project appropriation.

Sec. 704. ARP – Strengthening U.S. Public Health Infrastructure – Expand Health Equity Strategies

Designates unexpended funds as a work project appropriation to be used to expand health equity strategies and communication coordination.

Sec. 705. ARP – Strengthening U.S. Public Health Infrastructure – Public Health Administration and Data Visualization

Designates unexpended funds as a work project appropriation to be used to improve efficiency and capabilities of public health administration and data visualization systems.

Sec. 706. Federal COVID Immunization and Vaccine Grant

Designates unexpended funds as a work project appropriation to be used to support maintenance and operations of the Michigan Care Improvement Registry.

Sec. 707. Federal COVID Emerging Infections Programs

Designates unexpended funds as a work project appropriation to be used to modernize public health research and laboratory surveillance activities and to support staffing and operation costs for the emerging infections programs.

Sec. 708. COVID-19 National Wastewater Surveillance System

Designates unexpended funds as a work project appropriation to be used to develop the capacity of state and local units of government to conduct and coordinate wastewater surveillance.

Sec. 709. COVID Influenza Population-Based Hospitalization

Designates unexpended funds as a work project appropriation to be used to invest in staffing and equipment and supplies to support the Michigan Influenza Hospitalization Surveillance Project.

Sec. 710. ARP – Epidemiology and Lab Capacity Genomic Sequencing

Designates unexpended funds as a work project appropriation to be used to support the purchase, implementation, and use of new technologies to combat emerging and persistent disease threats throughout the state.

Sec. 711. Substance Use Rehabilitation Services

Authorizes funding to be used for construction, renovation, and refurbishing costs of a building to continue to provide addiction treatment programming.

Sec. 712. Reproductive Health Access Expansion

Designates unexpended funds as a work project appropriation to be used to support costs associated with changes in statute or policy to remove barriers for reproductive health services.

Sec. 713. Child and Adolescent Health Care and Centers

Designates unexpended funds as a work project appropriation to be used to support school-based health center programs.

Sec. 714. Jail Diversion Fund

Designates unexpended funds as a work project appropriation to be granted to locals and used to establish or expand behavioral health jail diversion programs in coordination with community and law enforcement agencies.

Sec. 715. Maternal-Fetal Medicine Programming

Requires the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality; designates unexpended funds as a work project appropriation.

Sec. 716. Mobile Mammography

Authorizes funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.

JUDICIARY

Sec. 751. Employee Lump Sum Payments for Judicial Branch

Requires the judiciary to expend funds appropriated for employee lump sum payments for costs associated with employee lump sum payments of up to the same amounts approved by the Civil Service Commission for non-exclusively represented employees; authorizes accounting transactions to be made to effectuate payments in SIGMA.

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LABOR AND ECONOMIC OPPORTUNITY

Sec. 801. Housing Readiness Incentive Grant Program

Requires appropriation to be used to provide grants to cities, villages, townships, and counties to cover costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

Sec. 802. Community and Worker Economic Transition Fund Pilot

Authorizes the Community and Worker Economic Transition Office to establish pilot programs to address transition activities not addressed by existing state programs; authorizes funds to be used for initiatives including temporary wage gap coverage, wraparound support services, technical assistance for developing economic diversification strategies, and incumbent training programs; designates unexpended funds as a work project appropriation.

Sec. 803. Mobility Hub Project

Designates unexpended funds as a work project appropriation to be used to develop real world prototype enabling companies to transition their fleets to electric and future-proof their business by testing new technologies, digital services, and business models.

Sec. 804. Office of Global Michigan

Designates unexpended funds as a work project appropriation to be used to support the Office of Global Michigan and its grant programs.

Sec. 805. Missing Middle Gap Program

Requires funds to be used by MSHDA to increase supply of housing stock, in response to the negative economic impacts of the pandemic, by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties targeted to missing middle households; requires at least 30% of awards to go to rural community projects; requires that not more than 15% of awards go to projects in any single city, village, or township; designates unexpended funds as a work project appropriation.

Sec. 806. Housing and Community Development Fund

Requires funds to be used by MSHDA to expand access to affordable and attainable housing for households that the federal government considers eligible for state fiscal recovery fund assistance; requires MSHDA to develop program guidelines and eligibility criteria and to post that information on its website; designates unexpended funds as a work project appropriation.

Sec. 807. Digital Equity Capacity Grant

Designates unexpended funds as a work project appropriation to be used to implement the state's digital equity plan to ensure residents have access to affordable, reliable, and high-speed internet.

Sec. 808. Critical Industry Program

Requires funding to be used to provide qualified investments to qualified businesses for deal-closing, gap financing, or other economic assistance to create or retain qualified jobs through a technological product shift or certain capital investments.

Sec. 809. Michigan Strategic Site Readiness Program

Requires funding to be used to provide grants, loans, and other economic assistance for eligible applicants to create investment-ready sites to attract investments for the development of strategic sites and mega-strategic sites.

Sec. 810. Critical Industry and Michigan Strategic Site Readiness Programs for Public Purpose

Legislature declares that appropriations for the Critical Industry and Michigan Strategic Site Readiness Programs are to be used for a public purpose and to serve the health, safety, and general welfare of the residents of the state.

Sec. 811. Targeted Energy Investment

Requires funds to be used to support efforts to restart the Palisades nuclear power plant; funding would be contingent on federal commitments of support to restart the facility; requires LEO to execute a grant agreement with the facility and stipulates terms of disbursement; requires LEO to report on status of investment, federal funding committed, recipient and amount of funded expended, and timeline of facility restart; designates unexpended funds as a work project appropriation.

Sec. 812. Symphony Economic Recovery Grants

Requires the department to award funding to symphonies located in Lansing, Ann Arbor, and Grand Rapids.

LEGISLATURE

Sec. 901. Interpreter Services

Designates unexpended funds as a work project appropriation to be used to provide interpreter services to assist the legislature with serving Michigan residents who require assistance with communicating with legislative offices.

Sec. 902. Internship Program

Designates unexpended funds as a work project appropriation to be used to provide internship experiences for students or other Michigan residents wishing to explore a career with the legislature.

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NATURAL RESOURCES

Sec. 1001. Revenue Carryforward

Authorizes DNR to accept private or public monetary gifts; requires expenditure for the designated purpose; authorizes carry forward of revenue collected.

Sec. 1002. Great Lakes Vessel Modernization

Designates unexpended funds as a work project appropriation to be used to replace and upgrade the Great Lakes Survey Vessel.

STATE

Sec. 1001. Help America Vote Act Work Project

Designates unexpended funds as a work project appropriation to be used to support election security initiatives including election equipment upgrades, security and testing of voting systems, and development and distribution of election security information materials.

STATE POLICE

Sec. 1201. Disaster and Emergency Contingency Fund

Requires funds appropriated to be deposited into the restricted Disaster and Emergency Contingency Fund.

Sec. 1202. Hazard Mitigation Assistance Revolving Loan Fund

Creates the Hazard Mitigation Assistance Revolving Loan Fund and designates the department as the administrator of the fund; requires the department to expend money from the fund in accordance with requirements of the Safeguarding Tomorrow Through Ongoing Risk Mitigation Act, Public Law 116-284; requires funds appropriated to be deposited into the Hazard Mitigation Assistance Revolving Loan Fund and makes them available for expenditure.

Sec. 1203. Emergency Alert System Upgrades

Requires the department to allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.

TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 1301. Digital Nondiscrimination Federal Compliance

Allocates funding to review the compatibility of state web-and mobile based applications for nondiscrimination on the basis of disability in accessing web-based information and services; authorizes DTMB to hire up to 7.0 term-limited FTEs; designates unexpended funds as a work project appropriation.

TRANSPORTATION

Sec. 1401. Authorization to Hire Employees for Aeronautics Programs

Authorizes the department to hire 2.0 FTEs to support implementation of various aeronautics programs.

TREASURY

Sec. 1501. Local Government Reimbursement Fund

Appropriates the annual \$75.0 million in Use Tax revenue designated in statute for deposit into the Local Government Reimbursement Fund; the purpose of the fund is to compensate local municipalities for revenue lost due to revisions to the Small Business Taxpayer Personal Property Tax Exemption made in 2023; requires funding to be distributed according to statute.

Sec. 1502. Municipal Support Grants

Designates unexpended funds as a work project appropriation to be used to provide financial assistance to local units of government that are experiencing or have experienced periods of financial distress, and nonprofit entities that serve residents of those local units of government.

REPEALERS

Sec. 1601. DHHS – Mobile Mammography

Repeals section 1956 included in Article 6 of 2023 PA 19 and replaces it with section 716 of this bill; new language authorizes funding to be used to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas.

Sec. 1602. DHHS – Sacred Heart Rehabilitation Center

Repeals section 1966 included in Article 6 of 2023 PA 19 and replaces it with section 711 of this bill; new language authorizes funding to be used for construction, renovation, and refurbishing costs of a building to continue to provide addiction treatment programming.

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Sec. 1603. DHHS – Maternal-Fetal Medicine Programming

Repeals section 2005 included in Article 6 of 2023 PA 19 and replaces it with section 715 of this bill; new language requires the department to allocate funding to the Office of Women's Health at Wayne State University for working with other universities and hospitals on developing and implementing a model to reduce infant and maternal mortality.

Sec. 1604. DSP – Emergency Alert System Upgrades

Repeals section 803 included in Article 14 of 2023 PA 19 and replaces it with section 1203 of this bill; new language requires the department to allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.