

FY 2025-26: GENERAL OMNIBUS BUDGET
Summary: House Substitute
House Bill 4161 (H-2)



Mary Ann Cleary, Director

FY 2025-26 APPROPRIATION SUMMARY

Budget Area		FY 2024-25 Year-to-Date Appropriations	FY 2025-26 Appropriation	% Change
Agriculture and Rural Development	Gross	\$156,938,900	\$0	(100.0)
	GF/GP	\$89,056,400	\$0	(100.0)
Attorney General	Gross	\$129,746,700	\$0	(100.0)
	GF/GP	\$57,409,100	\$0	(100.0)
Civil Rights	Gross	\$29,163,500	\$0	(100.0)
	GF/GP	\$26,195,400	\$0	(100.0)
Corrections	Gross	\$2,147,379,000	\$1,596,169,700	(25.7)
	GF/GP	\$2,097,010,100	\$1,582,066,600	(24.6)
Education	Gross	\$164,975,100	\$0	(100.0)
	GF/GP	\$63,896,100	\$0	(100.0)
Environment, Great Lakes, and Energy	Gross	\$1,039,098,600	\$0	(100.0)
	GF/GP	\$260,710,300	\$0	(100.0)
Executive Office	Gross	\$9,337,100	\$0	(100.0)
	GF/GP	\$9,337,100	\$0	(100.0)
Health and Human Services	Gross	\$37,646,231,100	\$0	(100.0)
	GF/GP	\$6,717,231,000	\$0	(100.0)
Insurance and Financial Services	Gross	\$78,621,400	\$0	(100.0)
	GF/GP	\$0	\$0	--
Judiciary	Gross	\$373,441,400	\$123,435,600	(66.9)
	GF/GP	\$266,113,900	\$120,899,700	(54.6)
Labor and Economic Opportunity	Gross	\$2,421,794,500	\$0	(100.0)
	GF/GP	\$793,569,400	\$0	(100.0)
Legislative Auditor General	Gross	\$31,237,700	\$0	(100.0)
	GF/GP	\$21,427,000	\$0	(100.0)
Legislature	Gross	\$200,643,300	\$0	(100.0)
	GF/GP	\$194,753,100	\$0	(100.0)
Licensing and Regulatory Affairs	Gross	\$648,739,000	\$0	(100.0)
	GF/GP	\$308,605,700	\$0	(100.0)
Lifelong Education, Advancement, and Potential	Gross	\$643,994,200	\$0	(100.0)
	GF/GP	\$136,489,300	\$0	(100.0)
Military and Veterans Affairs	Gross	\$275,904,100	\$170,952,400	(38.0)
	GF/GP	\$117,694,100	\$59,150,600	(49.7)
Natural Resources	Gross	\$534,579,800	\$0	(100.0)
	GF/GP	\$76,757,000	\$0	(100.0)
State	Gross	\$291,839,900	\$0	(100.0)
	GF/GP	\$11,969,100	\$0	(100.0)
State Police	Gross	\$953,108,500	\$596,285,900	(37.4)
	GF/GP	\$646,861,000	\$456,930,600	(29.4)
Technology, Management and Budget – Operations	Gross	\$1,716,920,400	\$0	(100.0)
	GF/GP	\$293,793,400	\$0	(100.0)
Technology, Management, and Budget – SBA Rent	Gross	\$246,170,600	\$246,170,600	0.0
	GF/GP	\$246,170,600	\$246,170,600	0.0
Transportation	Gross	\$6,807,900,300	\$340,804,200	(95.0)
	GF/GP	\$193,000,000	\$0	(100.0)
Treasury – Operations	Gross	\$832,673,100	\$0	(100.0)
	GF/GP	\$213,568,700	\$0	(100.0)
Treasury – Debt Service	Gross	\$95,087,000	\$94,881,000	(0.2)
	GF/GP	\$95,087,000	\$94,881,000	(0.2)
Treasury – Revenue Sharing	Gross	\$1,775,490,100	\$1,648,762,700	(7.1)
	GF/GP	\$0	\$0	--
TOTAL	Gross	\$59,251,015,300	\$4,817,462,100	(91.9)
	GF/GP	\$12,936,704,800	\$2,560,099,100	(80.2)

FY 2025-26: CORRECTIONS
Summary: House Substitute
Article 1, House Bill 4161 (H-2)



Analyst: Robin R. Risko

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	5,180,500	1,450,200	(3,730,300)	(72.0)
Local	11,694,000	11,419,000	(275,000)	(2.4)
Private	0	0	0	--
Restricted	33,494,400	1,233,900	(32,260,500)	(96.3)
GF/GP	2,097,010,100	1,582,066,600	(514,943,500)	(24.6)
Gross	\$2,147,379,000	\$1,596,169,700	(\$551,209,300)	(25.7)
FTEs	13,227.0	10,447.6	(2,779.4)	(21.0)

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 February 1, 2025, the department was responsible for 73,397 offenders: 32,574 prisoners; 31,637 probationers; and 9,186 parolees. Compared to last year on February 1, the total number of offenders decreased by a net 575, or by 0.8%. The number of prisoners decreased by 296, or 0.9%. The number of probationers decreased by 526, or 1.6%. The number of parolees increased by 247, or 2.8%.

FY 2025-26 Appropriation Items

1. Correctional Facilities Administration

Includes current year funding and FTE levels for Body-Worn Cameras, Contraband Prevention, Prison Food Service, and Transportation.

	Appropriation Amount
FTE	541.0
Gross	\$113,448,300
Restricted	874,600
GF/GP	\$112,573,700

2. Health Care

Includes current year funding and FTE levels for Clinical Complexes; Health Care Administration; Healthy Michigan Plan Administration; Hepatitis C Treatment; Interdepartmental Grant to Health and Human Services, Eligibility Specialists; Mental Health and Substance Use Disorder Treatment Services; Prisoner Health Care Services; and Vaccination Program.

FTE	1,525.3
Gross	\$374,653,000
Federal	415,400
Restricted	257,200
GF/GP	\$373,980,400

3. Correctional Facilities

Includes current year funding and FTE levels for each of the 26 correctional facilities, the Special Alternative Incarceration Program located at the Cooper Street Correctional Facility in Jackson, Northern and Southern Region Administration and Support, and the Detroit Detention Center.

FTE	8,381.3
Gross	\$1,108,068,400
Federal	1,034,800
Local	11,419,000
Restricted	102,100
GF/GP	\$1,095,512,500

FY 2025-26 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.

FY 2025-26 Boilerplate Items

Sec. 203. Terms and Acronyms

Defines various terms and acronyms contained in appropriations act.

Sec. 204. Internet Availability of Required Reports

Requires MDOC to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 205. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 206. Disciplinary Action Against State Employees and Prisoners

Prohibits MDOC from taking disciplinary action against employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and MDOC is exercising its authority.

Sec. 207. Out-of-State Travel

Requires MDOC to report on out-of-state travel expenses in the previous fiscal year that were paid for, in whole or in part, with state appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

Sec. 208. State Administrative Board Transfers

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

Sec. 209. General Fund Lapses

Requires SBO to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

Sec. 210. Severance Pay for Department Officials

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 report to include name of official and amount of severance pay; requires report on total amount of severance pay remitted to former employees and total number of former employees that were remitted severance pay during 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.

Sec. 211. Transparency Website

Requires MDOC to maintain a searchable website 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.

Sec. 212. State Restricted Fund Balances, Revenues, and Expenditures

Requires MDOC to work with SBO to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 213. Prioritize In-Person Work

Requires MDOC to maximize efficiency of the state workforce and prioritize in-person work; requires MDOC to post its in-person, remote, or hybrid work policy on its website.

Sec. 214. FTE Positions

Requires MDOC to report on number of FTE positions in pay status by civil service classification, including a comparison by line item of number of full-time positions authorized and actual number of people employed.

Sec. 215. E-Verify System

Requires MDOC to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States; requires a report on processes developed and implemented for use of the E-Verify system; defines E-Verify.

Sec. 216. Guidelines for Receipt and Retention of Required Reports

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.

Sec. 217. Report on Policy Changes Made to Implement Public Acts

Requires MDOC to report on each specific policy change made by the department to implement a public act affecting the department.

Sec. 218. Services for Non-U.S. Citizens

Prohibits state or federal funding from being used to provide services, grants, or programming for non-U.S. citizens unless they are qualified aliens under 8 United States Code section 1641 related to immigration.

FY 2025-26 Boilerplate Items

HEALTH CARE

Sec. 301. Health Care and Pharmaceutical Expenditures

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

Sec. 302. Standard Medical Release Form

Requires MDOC to provide prisoners with a brochure that explains the purpose and importance of signing a medical release of information form; requires MDOC to give all prisoners the opportunity to sign a medical release of information form 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.

Sec. 303. Health Care Utilization Reports

Requires MDOC to report on prisoner health care utilization, including number of inpatient hospital days, outpatient visits, emergency room visits, prisoners receiving off-site in-patient medical care, and top 10 most common chronic care conditions.

Sec. 304. Hepatitis C

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

Sec. 305. Medicaid Utilization by Prisoners

Requires MDOC to report on utilization of Medicaid benefits for prisoners.

Sec. 306. Medication Assisted Therapies

Requires MDOC to report on number of prisoners that received medication assisted therapies, length of time on therapies, number of prisoners that discontinued treatment while incarcerated, listing of all medications used, and number of prisoners prescribed each medication used.

Sec. 307. Medication Assisted Treatment Clinics

Requires appropriation to be used for maintaining not less than 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 quarterly reports on site locations, staffing levels, expenditures, number of prisoners treated, and number of prisoners requiring treatment but not yet receiving treatment.

CORRECTIONAL FACILITIES AND ADMINISTRATION

Sec. 401. Food Service Reporting

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.

Sec. 402. Cost Per Prisoner Per Day

Requires MDOC to report on per prisoner/per day costs for each prisoner security custody level, including actual direct and indirect costs, and allocation of statewide legacy costs.

Sec. 403. Public Works Program

Requires local governments and non-profit private organizations contracting with MDOC for public works services to be responsible for financing entire cost of services.

Sec. 404. Reporting Critical Incidents in Prisons

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, drug overdoses or suspected overdoses that result in inpatient hospitalization, and unexpected deaths of prisoners.

FY 2025-26 Boilerplate Items

Sec. 405. Institutional Staffing Ratios

Requires MDOC to report on ratios of corrections officers to prisoners, shift command staff to line custody staff, and noncustody institutional staff to prisoners for each correctional facility.

Sec. 406. Enrollment in and Completion of Various Programming

Requires MDOC to focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming; programming includes violence prevention, sexual abuse prevention, substance use disorder, thinking for a change, and any other programming that is required as a condition of parole; requires MDOC, to the extent feasible, to consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during their sentence; requires MDOC to report on prisoner enrollment and completion of programming, and on plans to address waiting lists for programming.

Sec. 407. Prisoner Labor and Delivery

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.

Sec. 408. Evaluation and Placement of Prisoners with Substance Use and Mental Health Disorders

Requires MDOC to evaluate all prisoners at intake for substance use disorders, serious developmental disorders, serious mental illness, and other mental health disorders; prohibits removal of prisoners with serious mental illness or serious developmental disorders from general population as a punitive response to their behavior; authorizes prisoners with serious mental illness or serious developmental disorders to be placed in secure residential housing programs that facilitate access to institutional programming and ongoing mental health services; requires evaluation or monitoring of these prisoners by a medical professional not less than every 12 hours.

Sec. 409. Administrative Segregation Report

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; requires report to include a chart listing number of prisoners housed in administrative segregation for various time periods; requires an explanation of circumstances surrounding placement in administrative segregation for any prisoner housed in administrative segregation for 12 months or longer.

Sec. 410. Prisoners Less Than 18 Years of Age

Requires MDOC to ensure adequate training for staff who are in contact with prisoners less than 18 years of age; requires MDOC to report on training curriculum used and number and types of staff receiving training; requires MDOC to provide appropriate placement for prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or serious developmental disorders and need to be housed separately from general population; prohibits removal of prisoners less than 18 years of age with serious mental illness, serious emotional disturbance, or serious developmental disorders from general population as a punitive response to their behavior; authorizes prisoners less than 18 years of age with serious mental illness, serious emotional disturbance, or serious developmental disorders to be placed in secure residential housing programs that facilitate access to institutional programming and ongoing mental health services; requires evaluation or monitoring of these prisoners by a medical professional not less than every 12 hours; requires MDOC to implement a specialized reentry program that recognizes needs of prisoners less than 18 years old for supervised reentry.

Sec. 411. Report on Number of Youth in Prison

Requires MDOC to report on number of youth in prison, including number of prisoners under age 18 not on HYTA status, number of prisoners under age 18 on HYTA status, and number of prisoners aged 18-23 on HYTA status. (HYTA refers to youth assigned under the Holmes Youthful Trainee Act.)

Sec. 412. Economic Impact and Savings from Prison Closures

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 projected savings from closure, consolidation, or relocation and projected impact on staff positions; following closure, consolidation, or relocation, requires report on actual savings achieved and impact on staff; requires MDOC, when planning to close a correctional facility, to complete an analysis of the potential economic impact of prison closure on local community.

Sec. 413. Information Packet for Families of Prisoners

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, purpose and importance of signing a medical release of information form, parole process); requires information packet to be reviewed annually and updated as necessary.

FY 2025-26 Boilerplate Items

Sec. 414. Reduce Fees and Copays

Requires MDOC to pursue all opportunities to reduce costs for prisoners and their families of financial deposit fees and commissary fees when negotiating or renewing contracts for these services.

FY 2025-26: TOTAL GENERAL GOVERNMENT
Summary: House Substitute
Article 2, House Bill 4161 (H-2)



Analyst: Michael Cnossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$1,197,837,100	\$0	(\$1,197,837,100)	(100.0)
Federal	44,147,200	0	(44,147,200)	(100.0)
Local	17,541,100	0	(17,541,100)	(100.0)
Private	762,300	0	(762,300)	(100.0)
Restricted	2,928,311,200	1,648,762,700	(1,279,548,500)	(43.7)
GF/GP	1,169,710,500	341,051,600	(828,658,900)	(70.8)
Gross	\$5,358,309,400	\$1,989,814,300	(\$3,368,495,100)	(62.9)
FTEs	7,796.0	0.0	(7,796.0)	(100.0)

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.**

FY 2025-26 Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Estimates total state spending and payments to local units of government in all FY 2024-25 appropriations articles; requires state budget director to report actual state spending and payments to local units if different from estimates.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. Terms and Acronyms

Defines various terms and acronyms contained in appropriations act.

Sec. 204. State Administrative Board Transfers

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

Sec. 205. Disciplinary Action Against State Employees and Prisoners

Prohibits Treasury from taking disciplinary action against employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and Treasury is exercising its authority.

Sec. 206. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 207. Internet Availability of Required Reports

Requires Treasury to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 208. Guidelines for Receipt and Retention of Required Reports

Requires department 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.

Sec. 209. General Fund Lapses

Requires SBO to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

FY 2025-26 Boilerplate Items

Sec. 210. State Restricted Fund Balances, Revenues, and Expenditures

Requires department to work with SBO to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 211. Transparency Website

Requires DTMB to maintain a searchable website 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.

Sec. 212. Out-of-State Travel

Requires department to report on out-of-state travel expenses in the previous fiscal year that were paid for, in whole or in part, with state appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

Sec. 213. FTE Positions

Requires department to report on number of FTE positions in pay status by civil service classification, including a comparison by line item of number of full-time positions authorized and actual number of people employed.

Sec. 214. Report on Policy Changes Made to Implement Public Acts

Requires department to report on each specific policy change made by the department to implement a public act affecting the department.

Sec. 215. Severance Pay for Department Officials

Requires department to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires report to include name of official and amount of severance pay; requires report on total amount of severance pay remitted to former employees and total number of former employees that were remitted severance pay during 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.

Sec. 216. Prioritize In-Person Work

Requires department to maximize efficiency of the state workforce and prioritize in-person work; requires MDOC to post its in-person, remote, or hybrid work policy on its website.

Sec. 217. E-Verify System

Requires department to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States; requires a report on processes developed and implemented for use of the E-Verify system; defines E-Verify.

Sec. 218. Services for Non-U.S. Citizens

Prohibits state or federal funding from being used to provide services, grants, or programming for non-U.S. citizens unless they are qualified aliens under the 8 United States Code section 1641 related to immigration.

FY 2025-26: TECHNOLOGY, MANAGEMENT, AND BUDGET
Summary: House Substitute
Article 2, House Bill 4161 (H-2)



Analyst: Michael Cnossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$1,119,848,200	\$0	(\$1,119,848,200)	(100.0)
Federal	4,393,300	0	(4,393,300)	(100.0)
Local	2,334,000	0	(2,334,000)	(100.0)
Private	189,200	0	(189,200)	(100.0)
Restricted	296,362,300	0	(296,362,300)	(100.0)
GF/GP	539,964,000	246,170,600	(293,793,400)	(54.4)
Gross	1,963,091,000	\$246,170,600	(\$1,716,920,400)	(87.5)
FTEs	3,249.5	0.0	(3,249.5)	(100.0)

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 financial and project support for state departments and agencies. Included in DTMB is funding for rent payments for construction projects financed by the State Building Authority (SBA). The SBA was organized pursuant to 1964 PA 183 to acquire, construct, furnish, equip, and renovate buildings and equipment for use by the state, including public universities and community colleges. The SBA is governed by a five-member Board of Trustees appointed by the governor and is authorized to issue and sell bonds and notes for acquisition and construction of facilities and equipment in an aggregate principal amount outstanding not to exceed \$2.7 billion. Debt service on bonds is payable from lease revenue paid by the state pursuant to provisions of the leases.

		Appropriation Amount
<u>FY 2025-26 Appropriation Items</u>		
1. State Building Authority Rent – Community Colleges	Gross	\$33,481,600
Rent paid to SBA for debt obligations to finance major construction projects for public community colleges.	GF/GP	\$33,481,600
2. State Building Authority Rent – State Agencies	Gross	\$72,493,700
Rent paid to SBA for debt obligations to finance major construction projects for state agencies.	GF/GP	\$72,493,700
3. State Building Authority Rent – Universities	Gross	\$140,195,300
Rent paid to SBA for debt obligations to finance major construction projects for public universities.	GF/GP	\$140,195,300

FY 2025-26 Boilerplate Items

Sec. 301. Insurance on Facilities

Authorizes using appropriations for SBA rent to pay insurance premiums and deductibles on facilities owned by SBA; appropriates any shortage from general fund.

FY 2025-26: TREASURY
Summary: House Substitute
Article 2, House Bill 4161 (H-2)



Analyst: Michael Cnossen

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$11,188,500	\$0	(\$11,188,500)	(100.0)
Federal	25,011,400	0	(25,011,400)	(100.0)
Local	15,207,100	0	(15,207,100)	(100.0)
Private	36,600	0	(36,600)	(100.0)
Restricted	2,343,150,900	1,648,762,700	(694,388,200)	(29.6)
GF/GP	308,655,700	94,881,000	(213,774,700)	(69.3)
Gross	\$2,703,250,200	\$1,743,643,700	(\$959,606,500)	(35.5)
FTEs	2,012.5	0.0	(2,012.5)	(100.0)

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; make payments on principal and interest payment requirements on state general obligation bond issues; and protect the state's credit rating and that of its cities. Treasury also issues revenue sharing payments from sales tax revenue to local units of government under the State Constitution and statute, as well as the City, Village, and Township Revenue Sharing payments, and Financially Distressed Cities, Villages, or Townships program.

FY 2025-26 Appropriation Items

**Appropriation
Amount**

1. Clean Michigan Initiative

Debt service on bonds pursuant to proposal (passed 1994) authorizing issuance of up to \$675.0 million in bonds (pollution prevention, environmental cleanup, redevelopment, and natural resource protection projects). Includes portion of Strategic Water Quality Initiative debt service.

Gross **\$24,203,000**
GF/GP **\$24,203,000**

2. Great Lakes Water Quality Bond

Debt service on bonds pursuant to proposal (passed 2002) authorizing issuance of up to \$1.0 billion general obligation bonds for sewage treatment works projects, storm water projects and water pollution projects (2002 PA 396 authorized bonding proposal vote). Includes major portion of Strategic Water Quality Initiative debt service.

Gross **\$67,560,000**
GF/GP **\$67,560,000**

3. Quality of Life Bond

Debt service on bonds pursuant to proposal (passed 1988) authorizing issuance of up to \$660.0 million in environmental bonds (environmental protection activities) and \$140.0 million in recreation bonds (recreation activity and facility development). Includes portion of Strategic Water Quality Initiative debt service.

Gross **\$3,118,000**
GF/GP **\$3,118,000**

4. City, Village, and Township Revenue Sharing

Cities, villages, and townships (CVTs) are eligible to receive payments equal to the CVT revenue sharing payment they received for FY 2024-25.

Gross **\$293,535,200**
Restricted **293,535,200**
GF/GP **\$0**

5. Constitutional State General Revenue Sharing Grants

Distributes state sales tax revenue (15% of gross sales tax collections at a 4% rate, equating to 10% of total gross sales tax collections) to cities, villages, and townships on a per capita basis pursuant to Article IX, Section 10 of the State Constitution.

Gross **\$1,099,028,400**
Restricted **1,099,028,400**
GF/GP **\$0**

6. County Revenue Sharing Payments

Counties are eligible to receive payments equal to the county revenue sharing payment they received for FY 2024-25.

Gross **\$256,199,100**
Restricted **256,199,100**
GF/GP **\$0**

FY 2025-26 Boilerplate Items

Sec. 401. Debt Service Appropriation

Appropriates funding for interest, fees, principal, redemptions, arbitrage rebates, costs associated with debt service on notes and bonds, interest on interfund borrowing, and debt service repayments from loans made from School Bond Loan Fund that are not required to be deposited into School Loan Revolving Fund.

Sec. 402. Constitutional Revenue Sharing

Specifies distribution of constitutional revenue sharing payments to CVTs.

Sec. 403. City, Village, and Township (CVT) Revenue Sharing and County Incentive Program

Specifies funds to be distributed to all CVTs that received a payment under Section 952 of article 5 of 2024 PA 121 to receive a grant payment equal to 98.13082% of their payment under section 955(2) of article 5 of 2024 PA 121; requires the payment to a CVT that completely merges with another CVT to be treated as a single entity and to receive a grant equal to the sum of the grants they would have received separately.

Sec. 404. Revenue Sharing Conditions

Outlines conditions under which cities, villages, and townships (Sec. 403) and counties (Sec. 405) receive revenue sharing payments.

Sec. 405. County Revenue Sharing Payments

Specifies funds to be distributed to all CVTs that received a payment under Section 955 of article 5 of 2024 PA 121 to receive a grant payment of equal to 98.13437% of their payment under section 955(2) of article 5 of 2024 PA 121.

Sec. 406. Revenue Sharing Definitions

States that a term defined in Glenn Steil State Revenue Sharing Act (1971 PA 140) has the same meaning when used in sections 402 to 410.

Sec. 420. General Fund Advances

Authorizes use of General Fund to meet cash flow requirements of SBA projects for lease and for which bonds or notes have not been issued; requires advances bear an interest cost to SBA; requires SBA to credit General Fund with amount of expenditure plus interest on sale of bonds or notes; requires state treasurer to make advances without interest for projects for which bonds or notes have been issued.

Sec. 421. Excess Facility Revenue

Requires facility revenue in excess of operation costs to be credited to General Fund to offset rent obligations associated with retirement of bonds.

Sec. 422. Status of Construction Projects

Requires SBA to provide annual report on status of construction projects associated with SBA bonds.

FY 2025-26: JUDICIARY
Summary: House Substitute
Article 3, House Bill 4161 (H-2)



Analyst: Robin R. Risko

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$2,402,300	\$0	(\$2,402,300)	(100.0)
Federal	7,132,600	0	(7,132,600)	(100.0)
Local	0	0	0	--
Private	1,905,300	0	(1,905,300)	(100.0)
Restricted	95,887,300	2,535,900	(93,351,400)	(97.4)
GF/GP	266,113,900	120,899,700	(145,214,200)	(54.6)
Gross	\$373,441,400	\$123,435,600	(\$250,005,800)	(66.9)
FTEs	643.5	0.0	(643.5)	(100.0)

Overview

Article VI, Section 1 of the Constitution of the State of Michigan 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.

FY 2025-26 Appropriation Items

**Appropriation
Amount**

1. Justices' and Judges' Compensation

Includes current year funding levels for salary, retirement, and social security costs for Supreme Court justices and circuit, district, and probate court judges.

Gross	\$123,435,600
Restricted	2,535,900
GF/GP	\$120,899,700

FY 2025-26 Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units

Lists amount of total state spending from state sources and amount of state spending from state sources to be paid to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects all appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. Terms and Acronyms

Defines various terms and acronyms used in the appropriations act.

Sec. 204. Internet Availability of Required Reports

Requires judicial branch to use internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 205. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 206. Out-of-State Travel

Requires SCAO to report on out-of-state travel by judicial branch employees in previous fiscal year that was paid for, in whole or in part, with appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

FY 2025-26 Boilerplate Items

Sec. 207. General Fund Lapses

Requires SBO to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

Sec. 208. Transparency Website

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

Sec. 209. State Restricted Fund Balances, Revenues, and Expenditures

Requires judicial branch to work with SBO to report annually on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 210. Disciplinary Action Against State Employees

Prohibits 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.

Sec. 211. Guidelines for Receipt and Retention of Required Reports

Requires 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 judicial branch to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 212. Approval of Expenditures and Fund Transfers

Prohibits funding appropriated from being expended or transferred without approval of the authorized agent (designated by the Chief Justice of the Supreme Court); requires approval of expenditures by the Supreme Court.

FY 2025-26: MILITARY AND VETERANS AFFAIRS
Summary: House Substitute
Article 4, House Bill 4161 (H-2)



Analyst: Aaron A. Meek

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$101,800	\$101,800	\$0	(65.8)
Federal	144,786,800	104,088,500	(40,698,300)	(28.1)
Local	0	0	0	-
Private	100,000	0	(100,000)	(100.0)
Restricted	13,221,400	7,611,500	(5,609,900)	(42.4)
GF/GP	117,694,100	59,150,600	(58,543,500)	(49.7)
Gross	\$275,904,100	\$170,952,400	(\$104,951,700)	(38.0)
FTEs	1,060.0	918.0	(142.0)	(13.4)

Overview

The Michigan 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. Through the Michigan Veterans Affairs Agency, the department 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.

FY 2025-26 Appropriation Items

1. Military

Includes current year funding and FTE levels for Headquarters and Armories; Military Training Sites and Support Facilities; and National Guard Operations.

	Appropriation Amount
FTE	347.0
Gross	\$69,063,200
IDG/IDT	101,800
Federal	54,570,600
Restricted	1,765,700
GF/GP	\$12,625,100

2. Michigan Veterans' Facility Authority

Includes current year funding and FTE levels for Chesterfield Township Home for Veterans; D.J. Jacobetti Home for Veterans; Grand Rapids Home for Veterans; and Michigan Veteran Homes Administration.

FTE	571.0
Gross	\$101,889,200
Federal	49,517,900
Restricted	5,845,800
GF/GP	\$46,525,500

FY 2025-26 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. Terms and Acronyms

Defines various terms and acronyms contained in appropriations act.

Sec. 204. State Administrative Board Transfers

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

Sec. 205. Disciplinary Action Against State Employees

Prohibits department from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and department is exercising its authority.

FY 2025-26 Boilerplate Items

Sec. 206. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 207. Internet Availability of Required Reports

Requires department to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 208. Guidelines for Receipt and Retention of Required Reports

Requires department to follow federal and state guidelines for short- and long-term retention of records; authorizes department to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 209. General Fund Lapses

Requires SBO to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

Sec. 210. State Restricted Fund Balances, Revenues, and Expenditures

Requires department to work with SBO to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 211. Transparency Website

Requires department to maintain a searchable website accessible by the public at no cost that includes expenditures made by department, payments to vendors, number of active employees by job classification, job specifications, and wage rates.

Sec. 212. Out-of-State Travel

Requires department to report on out-of-state travel expenses in the previous fiscal year that were paid for, in whole or in part, with state appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

Sec. 213. FTE Positions

Requires department to report on number of FTE positions in pay status by civil service classification, including a comparison by line item of number of full-time positions authorized and actual number of people employed.

Sec. 214. Report on Policy Changes Made to Implement Public Acts

Requires department to report on each specific policy change made by the department to implement a public act affecting the department.

Sec. 215. Severance Pay for Department Officials

Requires department to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires report to include name of official and amount of severance pay; requires report on total amount of severance pay remitted to former employees and total number of former employees that were remitted severance pay during 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.

Sec. 216. Prioritize In-Person Work

Requires department to maximize efficiency of the state workforce and prioritize in-person work; requires department to post its in-person, remote, or hybrid work policy on its website.

Sec. 218. E-Verify System

Requires department to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States; requires a report on processes developed and implemented for use of the E-Verify system; defines E-Verify.

Sec. 219. Services for Non-U.S. Citizens

Prohibits state or federal funding from being used to provide services, grants, or programming for non-U.S. citizens unless they are qualified aliens under 8 United States Code section 1641 related to immigration.

MILITARY

Sec. 301. Unclassified Positions

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.

FY 2025-26 Boilerplate Items

Sec. 302. Armories and Joint Force Readiness

Requires department to provide for maintenance and operation of National Guard armories as provided under listed laws and regulations; requires annual report on status of armories; requires report assessing current state of armories and developing an investment strategy for physical improvements at armories, including consolidation of armories and establishment of new armories; requires status update on armory modernization project funded in 2022 PA 166.

Sec. 303. National Guard Training Facilities and Air Bases

Requires department to provide Army National Guard (ARNG) and Air National Guard (ANG) forces, when directed, in support of state and local emergencies, and in support of federal military requirements; requires department to operate and maintain ARNG facilities (including Fort Custer and Camp Grayling) and ANG facilities (Selfridge ANG Base, Battle Creek ANG Base, and Alpena Combat Readiness Training Center); requires annual reports on National Guard personnel strength.

Sec. 304. Billeting Fund

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; authorizes unexpended funds to carry forward and not lapse at close of fiscal year; requires department to be administrator of fund for auditing purposes.

Sec. 305. Test Project Fees

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; requires department to be administrator of fund for auditing purposes.

Sec. 306. Morale, Welfare, and Recreation Fund

Creates Morale, Welfare, and Recreation (MWR) Fund to receive revenue generated from operation of MWR program; requires department to be administrator of fund for auditing purposes; requires funding to support operations of MWR program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year.

Sec. 307. National Guard Facilities Rental Fund

Creates National Guard Facilities Rental Fund to collect rental fees for Commander's Cottage, the commander's residence, and all fees and other revenues generated from the operation of the National Guard Facilities Rental Program; requires funds appropriated from account to support operations of program; authorizes unexpended funds to carry forward and not lapse at close of fiscal year; requires department to be administrator of fund for auditing purposes.

Sec. 309. Sexual Assault Prevention and Response

Requires Michigan Army and Air National Guard to work to provide culture free of sexual assault through prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability for well-being of all guard members.

Sec. 310. Intention to Sell Department Property

Requires department to provide a 60-day notice of intent to sell property.

Sec. 311. Annual Strategic Plan

Requires department to submit its annually updated departmental strategic plan to legislature.

MICHIGAN VETERANS' FACILITY AUTHORITY

Sec. 401. MVAA Private Donations

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; authorizes unexpended donations to not lapse to general fund and carry forward to subsequent fiscal year; requires annual report 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.

Sec. 402. Veterans Homes Service and Care Requirements

Requires standards for nursing and domiciliary care services as provided under listed federal and state legal authorities; requires department to provide results of annual USDVA and CMS surveys as proof of compliance; prohibits appropriations to be expended for purposes other than operations of veterans homes.

Sec. 403. Mental Health Services Contractors and Competency Evaluated Nursing Assistants

Requires contractors providing mental health services to Michigan veterans homes to provide services in compliance with USDVA and CMS regulations, rules governing the operation of state-licensed nursing homes, and training and education requirements associated with staff licensure or certification.

FY 2025-26 Boilerplate Items

Sec. 404. Veterans Homes Complaint Management Process

Requires complaints of abuse or neglect to be reported and investigated in compliance with USDVA and CMS regulations; requires bimonthly reporting on processes and statistics related to complaints.

Sec. 405. Member Care Standards

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.

Sec. 406. Veterans Home Internal Controls

Requires Michigan Veterans Homes to establish internal controls over food, maintenance, pharmaceutical, and medical supply inventories, calculating members' maintenance assessments, donations, handling members' personal funds, and financial reporting and accounting.

Sec. 407. Posting to Public Website

Requires Michigan Veterans Homes to post on its website all adopted policies related to administrative operations of a veterans home, agenda and minutes of MVFA board meetings, copy of each veterans home's USDVA State Veteran Home quarterly report; requires bimonthly reports on details of care hours and finances; requires MVH to report and post online results of any annual or for-cause survey conducted by an overseeing entity of veterans homes with any corresponding corrective action plan; requires MVFA to provide a report detailing strategies and actions taken to maximize revenues from non-GF/GP sources and cost saving strategies.

Sec. 408. Appropriation of Private Revenues at State Veterans Homes

Appropriates private revenues from members of the state's veterans homes to pay medical expenses, member assessments, and other member-incurred expenses; authorizes unexpended revenues to not lapse to the general fund at the close of fiscal year and to carry forward to following fiscal year.

FY 2025-26: STATE POLICE
Summary: House Substitute
Article 5, House Bill 4161 (H-2)



Analyst: Aaron A. Meek

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$27,189,800	\$9,288,000	(\$17,901,800)	(65.8)
Federal	99,062,700	31,196,000	(67,866,700)	(68.5)
Local	4,975,700	2,154,700	(2,821,000)	(56.7)
Private	35,000	15,000	(20,000)	(57.1)
Restricted	174,984,300	96,701,600	(78,282,700)	(44.7)
GF/GP	646,861,000	456,930,600	(189,930,400)	(29.4)
Gross	\$953,108,500	\$596,285,900	(\$356,822,600)	(37.4)
FTEs	3,856.0	3,084.0	(772.0)	(20.0)

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, local, and tribal law enforcement agencies, the criminal justice system, and the entire public safety community.

FY 2025-26 Appropriation Items

1. Departmental Administration and Support

Includes current year funding and FTE levels for Mobile Office and System Support.

	FTE	Appropriation Amount
Gross	39.0	\$6,089,700
Restricted		1,250,700
GF/GP		\$4,839,000

2. Law Enforcement Services

Includes current year funding and FTE levels for Biometrics and Identification; Criminal Justice Information Center; Forensic Science; and Office of School Safety.

	FTE	497.0
Gross		\$91,859,700
IDG/IDT		1,158,900
Federal		7,149,900
Local		919,200
Restricted		35,169,500
GF/GP		\$47,462,200

3. Field Services

Includes current year funding and FTE levels for Investigative Services and Post Operations

	FTE	2,396.0
Gross		\$460,987,200
IDG/IDT		7,396,200
Federal		11,238,100
Local		1,235,500
Restricted		59,979,100
GF/GP		\$381,138,300

4. Specialized Services

Includes current year funding and FTE levels for Emergency Management and Homeland Security and Special Operations.

	FTE	152.0
Gross		\$37,349,300
IDG/IDT		732,900
Federal		12,808,000
Private		15,000
Restricted		302,300
GF/GP		\$23,491,100

FY 2025-26 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. Terms and Acronyms

Defines various terms and acronyms contained in appropriations act.

Sec. 204. State Administrative Board Transfers

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

Sec. 205. Disciplinary Action Against State Employees

Prohibits MSP from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and MSP is exercising its authority.

Sec. 206. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 207. Internet Availability of Required Reports

Requires MSP to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 208. Guidelines for Receipt and Retention of Required Reports

Requires MSP to follow federal and state guidelines for short- and long-term retention of records; authorizes MSP to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 209. General Fund Lapses

Requires SBO to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

Sec. 210. State Restricted Fund Balances, Revenues, and Expenditures

Requires MSP to work with SBO to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 211. Transparency Website

Requires MSP to maintain a searchable website accessible by the public at no cost that includes expenditures made by MSP, payments to vendors, number of active employees by job classification, job specifications, and wage rates.

Sec. 212. Out-of-State Travel

Requires MSP to report on out-of-state travel expenses in the previous fiscal year that were paid for, in whole or in part, with state appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

Sec. 213. FTE Positions

Requires MSP to report on number of FTE positions in pay status by civil service classification, including a comparison by line item of number of full-time positions authorized and actual number of people employed.

Sec. 214. Report on Policy Changes Made to Implement Public Acts

Requires MSP to report on each specific policy change made by the department to implement a public act affecting the department.

Sec. 215. Severance Pay for Department Officials

Requires MSP to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires report to include name of official and amount of severance pay; requires report on total amount of severance pay remitted to former employees and total number of former employees that were remitted severance pay during 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.

Sec. 216. Prioritize In-Person Work

Requires MSP to maximize efficiency of the state workforce and prioritize in-person work; requires MSP to post its in-person, remote, or hybrid work policy on its website.

FY 2025-26 Boilerplate Items

Sec. 218. E-Verify System

Requires MSP to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States; requires a report on processes developed and implemented for use of the E-Verify system; defines E-Verify.

Sec. 219. Services for Non-U.S. Citizens

Prohibits state or federal funding from being used to provide services, grants, or programming for non-U.S. citizens unless they are qualified aliens under 8 United States Code section 1641 related to immigration.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. Privatization Project Plans

Requires submission of a project plan if MSP presents the state employer with a plan to privatize; requires evaluation to be submitted to appropriations subcommittees and fiscal agencies within 30 months.

Sec. 302. Authorization to Expend Private Donations

Authorizes MSP to accept monetary and non-monetary donations for purposes designated by the donor; authorizes carry forward of unexpended funds; authorizes receive and expend, upon notification, of private donations received in excess of private revenue appropriations.

Sec. 303. Biannual Reporting on Achieving Requirements

Requires MSP to provide biannual reports on its performance against metrics cited in the act, status of work projects, and financial status.

Sec. 304. Data Privacy

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.

Sec. 305. Placement of Local Headquarters

Authorizes director of the department to establish and maintain local headquarters in various places as provided under section 7 of 1935 PA 59, MCL 28.7.

LAW ENFORCEMENT SERVICES

Sec. 401. Criminal Justice Information Center

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) 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.

Sec. 402. Forensic Science

Requires MSP to provide forensic testing and DNA analysis services to aid in criminal investigations and to maintain accreditation of laboratories; stipulates turnaround times for forensic science services; requires MSP to provide data on turnaround times, staffing levels, and backlogged cases.

Sec. 403. Biometrics and Identification

Requires MSP to manage specified identification databases and provide data on submissions to the Automated Fingerprint Identification System database; requires MSP to 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; requires MSP to post changes to protocols for retention and purging of DNA records.

Sec. 404. Sexual Assault Kit Analysis Report

Requires a report on sexual assault kit backlog at the beginning and end of prior fiscal year, volumes of sexual assault kits collected and analyzed during that period, and average turnaround time to analyze sexual assault kits.

Sec. 405. Community Service Programs

Requires MSP to provide administrative support for Auto Theft Prevention Authority, Edward Byrne Memorial Justice Assistance Program and other grant programs, Office of School Safety, and OK2SAY program.

Sec. 406. School Safety Report

Requires Office of School Safety to submit report detailing incidents of school violence or threats, OK2SAY-based incidences and activities, and recommendations for school safety measures.

FY 2025-26 Boilerplate Items

Sec. 407. School Education Initiatives

Stipulates MSP shall collaborate with MDHHS and MDE to advise on training school and educational personnel to utilize trauma-informed practices and age-appropriate education on human trafficking and sexual abuse prevention.

Sec. 408. Michigan Public Safety Communications System

Requires MSP to act as a liaison between DTMB and various public safety agencies for issues related to Michigan Public Safety Communications System.

FIELD SERVICES

Sec. 501. General Law Enforcement and Traffic Safety

(1) Stipulates MSP troopers shall not be prohibited from responding to criminal or emergency situations and shall make every effort to protect residents; (2) requires MSP to maintain staff and resources to enhance traffic safety and dedicate a minimum of 455,200 hours to statewide patrol, with a minimum of 40,000 in distressed cities; (3) requires MSP to report number of residence checks of registered sex offenders; (4) requires report on Secure Cities Partnership.

Sec. 502. Criminal Investigations

(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, opioid investigations, and other emerging issues; (5) requires MSP to maintain staffing to investigate an average level of opioid cases and to link investigations among partners.

Sec. 503. Tobacco Tax Fraud Investigations

(1) Requires MSP to provide prevention and suppression of organized untaxed tobacco smuggling; (2) requires submission of report pertaining to tobacco tax enforcement activities and expenditures.

Sec. 504. Fire Investigations

(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.

SPECIALIZED SERVICES

Sec. 601. Specialized Support Teams

(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 other state buildings and requires a minimum of 35,000 patrols at state-owned and leased facilities.

Sec. 602. Emergency Management and Homeland Security

(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) requires MSP to maintain partnerships to protect the state from all hazards; (4) 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; (5) requires MSP to conduct a minimum of three training sessions to enhance emergency response; (6) appropriates amounts necessary from Disaster and Emergency Contingency Fund to cover costs related to disasters and emergencies; (7) requires reporting if expenditures are made from the Disaster and Emergency Contingency Fund; (8) requires MSP to report biannually on assessment of critical infrastructure vulnerabilities; (9) requires carryforward of unexpended revenue collected for the emergency management and homeland security training center.

FY 2025-26: TRANSPORTATION
Summary: House Substitute
Article 6, House Bill 4161 (H-2)



Analyst: William E. Hamilton

	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 House	Difference: FY 2025-26 vs. FY 2024-25	
			Amount	%
IDG/IDT	\$4,316,700	\$0	(\$4,316,700)	(100.0)
Federal	2,273,675,100	0	(2,273,675,100)	(100.0)
Local	87,448,500	0	(87,448,500)	(100.0)
Private	18,800,000	0	(18,800,000)	(100.0)
Restricted	4,230,660,000	340,804,200	(3,889,855,800)	(91.9)
GF/GP	193,000,000	0	(193,000,000)	(100.0)
Gross	\$6,807,900,300	\$340,804,200	(\$6,467,096,100)	(95.0)
FTEs	3,228.3	0.0	(3,228.3)	(100.0)

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).

FY 2025-26 Appropriation Items

1. Debt Service

Debt service would total \$340.8 million, \$100,500 more than current year. The debt service appropriation 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 2025.

	Appropriation Amount
FTE	0.0
Gross	\$340,804,200
Restricted	340,804,200
GF/GP	\$0

FY 2025-26 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. Terms and Acronyms

Defines various terms and acronyms contained in appropriations act.

Sec. 204. Internet Availability of Required Reports

Requires department to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 205. Purchase of Foreign Goods and Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services are available; requires preference to be given to goods and services manufactured or provided by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 206. Disciplinary Action Against State Employees and Prisoners

Prohibits department from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law.

Sec. 207. Out-of-State Travel

Requires department to report on out-of-state travel expenses in the previous fiscal year that were paid for, in whole or in part, with state appropriations; requires dates of each travel occurrence and details on financing of transportation costs.

FY 2025-26 Boilerplate Items

Sec. 209. General Fund Lapses

Requires State Budget Office (SBO) to report on estimates of general fund lapses by major program or program areas at close of fiscal year.

Sec. 211. Transparency Website

Requires department to maintain a searchable website accessible by the public at no cost that includes expenditures, payments to vendors, number of active employees by job classification, job specifications, and wage rates.

Sec. 212. State Restricted Fund Balances, Revenues, and Expenditures

Requires department to work with SBO to report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 216. FTE Positions

Requires department to report on number of FTE positions in pay status by civil service classification, including a comparison by line item of number of full-time positions authorized and actual number of people employed.

Sec. 219. Guidelines for Receipt and Retention of Required Reports

Requires department to follow federal and state guidelines for short- and long-term retention of records; authorizes department to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Report on Policy Changes Made to Implement Public Acts

Requires department to report on each specific policy change made by the department to implement a public act affecting the department.

Sec. 224. State Administrative Board Transfers

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

Sec. 225. Severance Pay for Department Officials

Requires department to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires report to include name of official and amount of severance pay; requires report on total amount of severance pay remitted to former employees and total number of former employees that were remitted severance pay during 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.

Sec. 226. Prioritize In-Person Work

Requires department to maximize efficiency of the state workforce and prioritize in-person work; requires MDOT to post its in-person, remote, or hybrid work policy on its website.

Sec. 228. E-Verify System

Requires department to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States; requires a report on processes developed and implemented for use of the E-Verify system; defines E-Verify.

Sec. 229. Services for Non-U.S. Citizens

Prohibits state or federal funding from being used to provide services, grants, or programming for non-U.S. citizens unless they are qualified aliens under 8 United States Code section 1641 related to immigration.

FY 2023-24 SUPPLEMENTAL APPROPRIATIONS
Summary: House Substitute
Article 7, House Bill 4161 (H-2)



HFA Director: Mary Ann Cleary
Associate Director: Robin R. Risko

FY 2023-24 APPROPRIATIONS SUMMARY

Budget Area		FY 2023-24 Year-to-Date Appropriations	FY 2023-24 Supplemental Change	% Change
Corrections	Gross	\$2,098,327,000	\$1,700,000	0.1
	GF/GP	\$2,005,572,900	\$0	0.0
Health and Human Services	Gross	\$37,741,882,400	\$25,919,700	0.1
	GF/GP	\$6,679,761,900	\$0	0.0
Insurance and Financial Services	Gross	\$74,147,900	\$0	0.0
	GF/GP	\$0	\$0	--
Labor and Economic Opportunity	Gross	\$3,436,204,200	\$2,500,000	0.1
	GF/GP	\$1,489,214,900	\$0	0.0
Military and Veterans Affairs	Gross	\$253,137,100	\$14,510,000	5.7
	GF/GP	\$101,936,000	\$6,500,000	6.4
Natural Resources	Gross	\$580,210,000	\$225,000	0.0
	GF/GP	\$90,916,400	\$0	0.0
State Police	Gross	\$917,085,100	\$875,000	0.1
	GF/GP	\$623,308,000	\$0	0.0
TOTAL	Gross	\$45,100,993,700	\$45,729,700	0.1
	GF/GP	\$10,990,710,100	\$6,500,000	0.1

Overview

Article 7 of House Bill 4161 contains supplemental appropriation adjustments to multiple state department budgets for FY 2023-24. In sum, appropriation adjustments total \$45.7 million Gross, \$6.5 million GF/GP.

The bill includes priorities initiated by the State Budget Office in Supplemental Request 2024-8 dated January 21, 2025. Adjustments would enable departments to complete the FY 2023-24 book closing process. Appropriation and boilerplate priorities are identified following this overview.

FY 2023-24 Supplemental Appropriation Items

CORRECTIONS

1. Detroit Detention Center

Includes authorization for the department to receive an additional \$1.7 million in local revenue from the City of Detroit to support higher than anticipated costs for operations of the Detroit Detention Center. Costs are higher than projected due to employee retention payments, increased contracted nursing costs, and increased costs for janitorial services.

Gross **\$1,700,000**
Local **1,700,000**
GF/GP **\$0**

2. Prisoner Transportation Costs

Transfers \$1.9 million GF/GP from the Intelligence Unit line item and \$800,000 GF/GP from the Prison Food Service line item to the Transportation line item (\$2.7 million) to cover higher than anticipated costs. Transport staff are paid at a higher rate than corrections officers and most transport staff are at the higher end of the pay scale. Additionally, vehicle costs have been higher than expected.

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

FY 2023-24 Supplemental Appropriation Items**Appropriation
Change****3. Prisoner Clinical Costs**

Gross	\$0
GF/GP	\$0

Transfers a total of \$18.5 million GF/GP from the following line items to the Clinical Complexes line item to cover higher than anticipated onsite clinical staff costs. The department has been forced to utilize contract nursing providers due to the number of vacant civil service nursing positions. Contracted nurses are more expensive than civil service nurses.

- Prosecutorial and Detainer Expenses (\$2.9 million)
- Southern Region Administration and Support (\$300,000)
- Alger Correctional Facility (\$1.0 million)
- Baraga Correctional Facility (\$4.0 million)
- Kinross Correctional Facility (\$2.0 million)
- Marquette Branch Prison (\$1.5 million)
- Special Alternative Incarceration program (\$1.3 million)
- Prisoner Health Care Services (\$3.0 million)
- Community Corrections Comprehensive Plans and Services (\$600,000)
- Probation Residential Services (\$1.9 million).

4. Facility Operation Costs

Gross	\$0
GF/GP	\$0

Transfers a total of \$2.6 million GF/GP from the G. Robert Cotton Correctional Facility line item to the following line items to cover higher than anticipated operating costs. More specifically, staffing issues, including higher than budgeted overtime costs, higher than anticipated utility costs, an HVAC replacement project, shower upgrades, and remodeling of mental health office space contribute to the need for the transfer of funds.

- Earnest C. Brooks Correctional Facility (\$600,000)
- Lakeland Correctional Facility (\$400,000)
- Macomb Correctional Facility (\$600,000)
- Muskegon Correctional Facility (\$400,000)
- Parnall Correctional Facility (\$600,000).

HEALTH AND HUMAN SERVICES**5. Child Support Cost Adjustments**

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

Includes a reduction of \$1.0 million GF/GP from the State Disbursement unit to offset the GF/GP shortfall within the Health Services unit.

6. Child Welfare Cost Adjustments

Gross	\$33,593,500
Federal	500,000
TANF	13,926,800
Local	8,500,000
Private	50,000
Restricted	2,000,000
GF/GP	\$8,616,700

Includes a net increase of \$33.6 million Gross (\$8.6 million GF/GP) for various programmatic cost increases and reductions, to offset the GF/GP shortfall within the child welfare caseload line items due to higher than anticipated costs, as well as a shortfall within the Health Services unit.

Increases:

- Adoption Subsidies: \$1.7 million Gross (\$1.2 million GF/GP)
- Child Care Fund: \$37.5 million Gross (\$28.0 million GF/GP)
- Foster Care Payments: \$3.6 million Gross (reduction of \$11.5 million GF/GP)
- Guardianship Assistance: \$200,000 GF/GP

Reductions:

- Child Welfare Medical/Psychiatric Evaluations: \$1.5 million GF/GP
- Family Preservation Services: \$4.9 million Gross (\$4.7 million GF/GP)
- Raise the Age: \$3.0 million GF/GP.

FY 2023-24 Supplemental Appropriation Items**Appropriation
Change****7. Public Assistance Cost Adjustments**

Includes a net reduction of \$16.9 million Gross (\$2.9 million GF/GP) for various programmatic cost increases and reductions, of which a portion of the GF/GP reductions would be used to offset the GF/GP shortfall within the Health Services unit.

Gross	(\$16,929,700)
TANF	(18,000,000)
Restricted	3,970,300
GF/GP	(\$2,900,000)

Increases:

- Family Independence Program: \$3.0 million Restricted (from SSI Recoveries)
- State Disability Assistance Payments: \$200,000 Gross (net reduction of \$800,000 GF/GP)
- State Supplementation Administration: \$75,000 GF/GP

Reductions:

- Indigent Burial: \$1.2 million GF/GP
- Low-Income Home Energy Assistance Program: \$18.0 million TANF
- State Supplementation: \$1.0 million GF/GP.

8. Local Office Cost Adjustments

Includes a net reduction of \$7.2 million Gross (\$7.4 million GF/GP) for various programmatic cost increases and reductions, of which a portion of the GF/GP reductions would be used to offset the GF/GP shortfall within the Health Services unit.

Gross	(\$7,150,000)
Local	250,000
GF/GP	(\$7,400,000)

Increases:

- Donated Funds Positions: \$250,000 Local

Reductions:

- FAP Reinvestment: \$5.4 million GF/GP
- Electronic Benefit Transfer: \$1.0 million GF/GP
- Disability Determination Operations: \$1.0 million GF/GP.

9. Behavioral Health Cost Adjustments

Includes a net reduction of \$59.8 million Gross (\$36.4 million GF/GP) for various programmatic cost increases and reductions, of which a portion of the GF/GP reductions would be used to offset the GF/GP shortfall within the Health Services unit.

Gross	(\$59,823,500)
Federal	(23,500,000)
TANF	73,200
GF/GP	(\$36,396,700)

Increases:

- Certified Community Behavioral Health Clinics: \$45.0 million Gross (\$10.9 million GF/GP)
- Autism Services: \$23.0 million Gross (\$7.5 million GF/GP)
- Federal Mental Health Block Grant: \$1.9 million Federal
- Nursing Home PAS/OBRA: \$1.8 million Gross (\$443,700 GF/GP)
- Family Support Subsidy: \$73,200 TANF

Reductions:

- Medicaid Mental Health Services: \$53.5 million Gross (\$19.4 million GF/GP)
- Behavioral Health Community Supports and Services: \$25.7 million Gross (\$19.4 million GF/GP)
- Health Homes: \$25.6 million Gross (\$6.6 million GF/GP)
- Healthy Michigan Plan – Behavioral Health: \$22.7 million Gross (\$5.7 million GF/GP)
- Community Substance Use Disorder Prevention: \$2.5 million GF/GP
- Mental Health Diversion Council: \$1.0 million GF/GP
- Medicaid Substance Use Disorder Services: \$580,000 GF/GP.

10. State Psychiatric Hospital Cost Adjustments

Includes a net increase of \$3.0 million Gross (net reduction of \$1.0 million GF/GP) for various programmatic cost increases and reductions, of which a portion of the GF/GP reductions would be used to offset the GF/GP shortfall within the Health Services unit.

Gross	\$3,009,400
Local	0
Restricted	4,009,400
GF/GP	(\$1,000,000)

Increases:

- Caro Regional Mental Health Center: \$3.5 million Gross
- Center for Forensic Psychiatry: \$8.5 million Gross (\$5.0 million GF/GP)

Reductions:

- Kalamazoo Psychiatric Hospital: \$4.0 million GF/GP
- Walter P. Reuther Psychiatric Hospital: \$3.0 million Gross
- Hawthorn Center: \$1.0 million GF/GP
- Revenue Recapture: \$1.0 million GF/GP.

FY 2023-24 Supplemental Appropriation Items		Appropriation Change
11. Public Health Cost Adjustments		Gross (\$6,150,000)
Includes a reduction of \$6.2 million Gross (\$6.2 GF/GP) for various programmatic cost increases and reductions, of which a portion of the GF/GP reductions would be used to offset the GF/GP shortfall within the Health Services unit.		IDG 50,000
		GF/GP (\$6,200,000)
<u>Increases:</u>		
Laboratory Services: \$50,000 IDG from EGLE		
<u>Reductions:</u>		
- Essential Local Public Health Services: \$1.0 million GF/GP - Chronic Disease Control and Health Promotion Administration: \$700,000 GF/GP - Prenatal Care Outreach and Service Delivery Support: \$4.5 million GF/GP.		
12. CSHCS Cost Adjustments		Gross \$28,000,000
Includes \$28.0 million federal for Medical Care and Treatment cost adjustments.		Federal 28,000,000
		GF/GP \$0
13. Aging Adjustments for Health Services Costs		Gross (\$1,000,000)
Includes a reduction of \$1.0 million GF/GP from Community Services to offset the GF/GP shortfall within the Health Services unit.		GF/GP (\$1,000,000)
14. Adjustments for Health Services Caseloads		Gross \$53,370,000
Includes a net increase of \$53.4 million Gross (\$47.3 million GF/GP) for programmatic adjustments to account for Medicaid caseload expenditures. GF/GP revenues are transferred from various line items throughout the Health and Human Services budget.		Federal 6,090,000
		GF/GP \$47,280,000
<u>Increases:</u>		
- Long-Term Care Services: \$267.7 million Gross (\$99.1 million GF/GP) - Medicaid HCBS: \$14.8 million Gross (\$3.6 million GF/GP) - Physician Services: \$16.0 million Gross (\$2.0 million GF/GP) - FMPP: \$1.5 million GF/GP - Ambulance Services: \$3.0 million Gross (\$1.1 million GF/GP) - Dental Services: \$2.8 million Gross (\$774,100 GF/GP) - Hospital Services and Therapy: reduction of \$28.5 million Gross (increase of \$723,100 GF/GP) - Plan First: \$1.0 million Gross (\$350,600 GF/GP) - Auxiliary Medical Services: \$700,000 Gross (\$245,400 GF/GP) - PACE: \$400,000 Gross (\$150,000 GF/GP) - Transportation: \$250,000 Gross (\$87,600 GF/GP) - Personal Care Services: \$180,000 Gross (\$82,600 GF/GP) - Maternal and Child Health: \$5.0 million Gross (\$0 GF/GP)		
<u>Reductions:</u>		
- Healthy Michigan Plan: \$187.8 million Gross (\$30.0 million GF/GP) - Pharmacy Services: \$22.5 million Gross (\$11.8 million GF/GP) - Medicare Premium Payments: \$0 Gross (\$5.6 million GF/GP) - Hospice Services: \$7.0 million Gross (\$3.8 million GF/GP) - Special Medicaid Reimbursement: increase of \$12.8 million Gross (reduction of \$1.2 million GF/GP) - Adult Home Help: \$2.0 million Gross (\$1.0 million GF/GP) - Integrated Care Organizations: \$2.0 million Gross (\$1.0 million GF/GP).		
INSURANCE AND FINANCIAL SERVICES		
15. Funding Adjustments		Gross \$0
Transfers a total of \$2.1 million in state restricted fund authorization from the Financial Institutions Evaluation (\$1.1 million) and the Insurance Evaluation (\$1.0 million) line items to the Department Services (\$525,000) and Consumer Services and Protection (\$1.6 million) line items to align budget authorizations with projected year-end revenues and expenditures.		Restricted 0
		GF/GP \$0

<u>FY 2023-24 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>
LABOR AND ECONOMIC OPPORTUNITY		
16. Michigan Rehabilitation Services	Gross	\$2,500,000
Includes authorization for the department to receive \$2.5 million in federal Department of Education, Vocational Rehabilitation and Independent Living funding made available to support all expenditures and encumbrances for goods and services provided. Additional funding authorization is needed due to the increase in applications for vocational rehabilitation services and campus facility improvements and specialized equipment added to the Michigan Career and Technical Institute.	Federal	2,500,000
	GF/GP	\$0
MILITARY AND VETERANS AFFAIRS		
17. Headquarters and Armories	Gross	\$200,000
Increases federal DOD-National Guard Bureau authorization for Headquarters and Armories by \$200,000 to align budget authorization with projected revenues and expenditures.	Federal	200,000
	GF/GP	\$0
18. Michigan Youth Challenge Academy (MYCA)	Gross	\$810,000
Increases federal DOD-National Guard Bureau authorization by \$810,000 to support design and engineering costs for a new facility that would house both the MYCA program and the Michigan Job Challenge Program at Fort Custer.	Federal	810,000
	GF/GP	\$0
19. Military Training Sites and Support Facilities	Gross	\$400,000
Increases federal DOD-National Guard Bureau authorization for Military Training Sites and Support Facilities by \$400,000 to align budget authorization with projected revenues and expenditures.	Federal	400,000
	GF/GP	\$0
20. Veterans Facility Authority Operations	Gross	\$6,500,000
Includes \$6.5 million GF/GP to cover the projected shortfall occurring following the establishment of new veterans homes in Grand Rapids and Chesterfield Township. The homes are experiencing increased costs for services and supplies including nursing and medical services, facilities, accounting, food and dining, utilities, information technology, and cemetery maintenance.	GF/GP	\$6,500,000
21. Veterans Homes – Receipt of Federal Funds	Gross	\$6,600,000
Authorizes receipt of \$6.6 million in additional federal USDVA-VHA funds to be used to support operations at the state's veterans homes (\$3.5 million for Chesterfield Township; \$850,000 for D.J. Jacobetti; and \$2.2 million for Grand Rapids).	Federal	6,600,000
	GF/GP	\$0
22. Veterans Homes – Transfer of Federal Funds	Gross	\$0
Transfers \$50,000 in federal HHS-HCFA, Medicare, Hospital Insurance funds from Chesterfield Township Home for Veterans and \$150,000 in federal HHS-HCFA, Title XIX, Medicaid funds from D.J. Jacobetti Home for Veterans to the Grand Rapids Home for Veterans to align federal authorization with projected revenues at the homes.	Federal	0
	GF/GP	\$0
NATURAL RESOURCES		
23. State Boating Access Site Operations and Maintenance	Gross	\$225,000
Authorizes receipt of \$225,000 in additional federal grant funding to be used for state boating access site operations and maintenance costs.	Federal	225,000
	GF/GP	\$0
STATE POLICE		
24. Auto Theft Prevention Grant Increase	Gross	\$525,000
Increases state restricted fund authorization by \$525,000 to recognize receipt of higher than anticipated Auto Theft Prevention Fund revenue. Additional revenue would allow the Automobile Theft Prevention Authority to increase grant awards for prevention teams, prosecutors, and non-profit organizations.	Restricted	525,000
	GF/GP	\$0
25. MCOLES Grant Revenue Adjustment	Gross	\$350,000
Increases IDT authorization by \$350,000 to recognize higher than anticipated grant revenues received from Michigan Commission on Law Enforcement Standards.	IDT	350,000
	GF/GP	\$0

FY 2023-24 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Lists amount of state spending from state sources included in the bill and amount of state spending to be paid to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

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Sec. 203. State Administrative Board Transfers

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