



STATE OF MICHIGAN
 STATE BUDGET OFFICE
 LANSING

GRETCHEN WHITMER
 GOVERNOR

JENNIFER L. FLOOD
 DIRECTOR

April 26, 2024

The Honorable Sarah Anthony, Chair
 Senate Appropriations Committee
 Michigan State Senate
 State Capitol
 Lansing, Michigan 48909

The Honorable Angela Witwer, Chair
 House Appropriations Committee
 Michigan House of Representatives
 State Capitol
 Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Executive Budget Revision 2025-1

Attached are revisions to the Executive Budget Recommendation for fiscal year 2025 appropriations and fiscal year 2026 anticipated appropriations for the Judiciary and the departments of Attorney General; Civil Rights; Lifelong Education, Advancement, and Potential; Military and Veterans Affairs; State Police; Transportation; and Treasury.

<u>Department</u>	<u>FY 2025 GF/GP</u>	<u>FY 2025 Gross</u>
Attorney General	\$0	\$197,000
Civil Rights	(\$157,000)	(\$157,000)
Judiciary	\$225,000	\$225,000
Lifelong Education, Advancement, and Potential	\$138,900	\$140,500
Military and Veterans Affairs	\$602,000	\$1,352,000
State Police	\$0	\$0
Transportation	\$0	\$0
Treasury	\$18,100	\$266,500
Total	\$827,000	\$2,024,000

If you have any questions regarding this request, please contact my office at (517) 335-3420.

Sincerely,

Jennifer L. Flood
 State Budget Director

Attachment

Senator Sarah Anthony
Representative Angela Witwer
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cc: Winnie Brinks, Senate Majority Leader
Joe Tate, Speaker of the House
Aric Nesbitt, Senate Minority Leader
Matt Hall, House Minority Leader
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency

Departments
JoAnne Huls, Chief of Staff
Tricia Foster, Chief Operating Officer
Zack Pohl, Deputy Chief of Staff
Patti Tremblay, Director of Legislative Affairs
Kyle Guerrant, Deputy State Budget Director
Heather Boyd, Office of Financial Management
Internal State Budget Office

DEPARTMENT OF ATTORNEY GENERAL

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated unclassified positions</i>	6.0	0	6.0	6.0	0	6.0
<i>Full-time equated classified positions</i>	620.4	1.0	621.4	620.4	1.0	621.4
GROSS APPROPRIATION	128,549,700	197,000	128,746,700	127,699,700	197,000	127,896,700
Total interdepartmental grants and intradepartmental transfers	39,465,600	0	39,465,600	38,615,600	0	38,615,600
ADJUSTED GROSS APPROPRIATION	89,084,100	197,000	89,281,100	89,084,100	197,000	89,281,100
Total federal revenues	10,391,600	0	10,391,600	10,391,600	0	10,391,600
Total local revenues	0	0	0	0	0	0
Total private revenues	0	0	0	0	0	0
Total state restricted revenues	22,283,400	197,000	22,480,400	22,283,400	197,000	22,480,400
State general fund/general purpose	56,409,100	0	56,409,100	56,409,100	0	56,409,100

Sec. 102 ATTORNEY GENERAL OPERATIONS	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	620.4	1.0	621.4	620.4	1.0	621.4
Operations 574.4 FTEs 575.4 FTEs	115,791,100	197,000	115,988,100	115,791,100	197,000	115,988,100
GROSS APPROPRIATION	126,015,500	197,000	126,212,500	126,015,500	197,000	126,212,500
Michigan opioid healing and recovery	0	197,000	197,000	0	197,000	197,000

Explanation

This funding request supports an additional attorney to oversee ongoing opioid settlement-related activity within the Department of Attorney General.

DEPARTMENT OF CIVIL RIGHTS

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated unclassified positions</i>	6.0	0	6.0	6.0	0	6.0
<i>Full-time equated classified positions</i>	189.0	(1.0)	188.0	189.0	(1.0)	188.0
GROSS APPROPRIATION	32,320,500	(157,000)	32,163,500	32,320,500	(157,000)	32,163,500
Total interdepartmental grants and intradepartmental transfers	0	0	0	0	0	0
ADJUSTED GROSS APPROPRIATION	32,320,500	(157,000)	32,163,500	32,320,500	(157,000)	32,163,500
Total federal revenues	2,890,900	0	2,890,900	2,890,900	0	2,890,900
Total local revenues	0	0	0	0	0	0
Total private revenues	18,700	0	18,700	18,700	0	18,700
Total state restricted revenues	58,500	0	58,500	58,500	0	58,500
State general fund/general purpose	29,352,400	(157,000)	29,195,400	29,352,400	(157,000)	29,195,400

Sec. 102 CIVIL RIGHTS OPERATIONS	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	189.0	(1.0)	188.0	189.0	(1.0)	188.0
Executive office 28-FTEs 27 FTEs	3,938,400	(157,000)	3,781,400	3,938,400	(157,000)	3,781,400
GROSS APPROPRIATION	31,544,600	(157,000)	31,387,600	31,544,600	(157,000)	31,387,600
State general fund/general purpose	28,591,500	(157,000)	28,434,500	28,591,500	(157,000)	28,434,500

Explanation

Executive Order 2024-2 transfers 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.

JUDICIARY

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	1,243.5	1.0	1,244.5	1,243.5	1.0	1,244.5
GROSS APPROPRIATION	371,816,400	225,000	372,041,400	372,022,700	225,000	372,247,700
Total interdepartmental grants and intradepartmental transfers	1,902,300	0	1,902,300	1,902,300	0	1,902,300
ADJUSTED GROSS APPROPRIATION	369,914,100	225,000	370,139,100	370,120,400	225,000	370,345,400
Total federal revenues	7,132,600	0	7,132,600	7,132,600	0	7,132,600
Total local revenues	0	0	0	0	0	0
Total private revenues	1,905,300	0	1,905,300	1,905,300	0	1,905,300
Total state restricted revenues	95,887,300	0	95,887,300	95,932,400	0	95,932,400
State general fund/general purpose	264,988,900	225,000	265,213,900	265,150,100	225,000	265,375,100

Sec. 102 SUPREME COURT	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
State court administrative office	15,416,300	75,000	15,491,300	15,416,300	75,000	15,491,300
GROSS APPROPRIATION	91,448,700	75,000	91,523,700	91,448,700	75,000	91,523,700
State general fund/general purpose	73,932,500	75,000	74,007,500	73,932,500	75,000	74,007,500

Sec. 107 INDIGENT DEFENSE - CRIMINAL	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	111.5	1.0	112.5	111.5	1.0	112.5
Appellate public defender program 93-FTEs-94 FTEs	15,931,900	150,000	16,081,900	15,931,900	150,000	16,081,900
GROSS APPROPRIATION	22,034,200	150,000	22,184,200	22,034,200	150,000	22,184,200
State general fund/general purpose	20,562,200	150,000	20,712,200	20,562,200	150,000	20,712,200

Boilerplate

Sec. 10-316. From the funds appropriated in part 1 for Michigan Appellate Assigned Counsel System roster attorney compensation grants, the Michigan Appellate Assigned Counsel System shall administer and provide grants to counties to provide reimbursement of approximately 1/2 of the compensation provided to public defenders appointed as appellate defense counsel under the Appellate Defender Act, 1978 PA 620, MCL 780.711 to 780.719. Counties shall be eligible for grants under this section if the compensation paid to appointed Appellate Defense Counsel is consistent with rates established under the Michigan Indigent Defense Commission Act, 2013 PA 93, MCL 780.981 to 780.1003, under payment policies established by the Michigan Appellate Assigned Counsel System.

(1) The funds appropriated in part 1 for Michigan Appellate Assigned Counsel System roster attorney compensation grants must be deposited into the restricted Michigan Appellate Assigned Counsel System attorney compensation fund created in subsection (2).

(2) The Michigan Appellate Assigned Counsel System attorney compensation fund is created in the state treasury. The state treasurer may receive money or other assets from any source for deposit into the funds. The state treasurer shall direct the investment of the fund and credit to the fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund. The judicial branch is the administrator of the fund for auditing purposes. The judicial branch shall expend money from the fund to provide payments to indigent defense systems as provided under section 8a of the Appellate Defender Act, 1978 pa 620, mcl 780.718a.

(3) All funds available in the Michigan Appellate Assigned Counsel System attorney compensation fund are appropriated and available for expenditure as provided by law.

Explanation

This revision request includes three items for the Judiciary. First, it requests a financial oversight and support attorney position for the State Appellate Defender's Office-Michigan Appellate Assigned Counsel System (MAACS). This position would support the implementation and financial oversight of the new MAACS roster attorney compensation grants program created in FY2024 boilerplate and codified into law with 2023 PA 299. The position's responsibilities will include the development and implementation of review/audit procedures for attorney fee vouchers, promoting consistent and fair fee billings and ensuring that payments are appropriate and proper. While the FY2024 budget included 1.0 FTE for an accounting position to process payments (which are now made more frequently and more timely), this additional position is needed to provide necessary oversight of state (and county) funds, including through the use of regular and random audits. The attorney position here is also necessary to provide important oversight of the reasonableness of the legal services provided and the fees requested.

Secondly, also related to the MAACS roster attorney compensation grants, the revision request replaces the boilerplate language associated with the program. The language of the original Executive Recommendation continued prior year language setting out the parameters of the grant program. With the enactment of 2023 PA 299, the grant program's parameters are spelled out in compiled law (MCL 780.718a), effective 10/1/2024. The language included here would convert the GF/GP appropriation for this program into a GF/GP deposit into a restricted fund, from which the grant expenditures would be made. This change will allow unexpended appropriations for the program to be carried forward into subsequent fiscal years, allowing those funds to be used to support future annual increases in the rates paid to MAACS roster attorneys, as contemplated in MCL 780.718a.

Finally, the Revision request updates the amount included in the original Executive Recommendation for the new Behavioral Health Administrator position, increasing the total costs for the position (salary and fringes) by \$75,000. This increase is based on a further review of the scope of work and pay provided to similar positions in the court administrative offices of other states where such a position already exists. The original position requested was an analyst-level position. Further consideration of the duties, responsibilities, and scope of work of this position indicate that would be more appropriate as a director/administrator-level position.

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated unclassified positions</i>	6.0	0	6.0	6.0	0	6.0
<i>Full-time equated classified positions</i>	334.0	1.0	335.0	334.0	1.0	335.0
GROSS APPROPRIATION	576,985,400	140,500	577,125,900	516,985,400	140,500	517,125,900
Total interdepartmental grants and intradepartmental transfers	0	0	0	0	0	0
ADJUSTED GROSS APPROPRIATION	576,985,400	140,500	577,125,900	516,985,400	140,500	517,125,900
Total federal revenues	413,951,400	0	413,951,400	413,951,400	0	413,951,400
Total local revenues	0	0	0	0	0	0
Total private revenues	250,000	0	250,000	250,000	0	250,000
Total state restricted revenues	1,862,300	1,600	1,863,900	1,862,300	1,600	1,863,900
State general fund/general purpose	160,921,700	138,900	161,060,600	100,921,700	138,900	101,060,600

Sec. 106 OFFICE OF HIGHER EDUCATION	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	45.0	1.0	46.0	45.0	1.0	46.0
Michigan Indian tuition waiver-0 FTEs 1 FTE	0	157,000	157,000	0	157,000	157,000
Student financial assistance programs	9,200,600	(16,500)	9,184,100	9,200,600	(16,500)	9,184,100
GROSS APPROPRIATION	12,200,600	140,500	12,341,100	12,200,600	140,500	12,341,100
Michigan merit award trust fund	1,253,100	1,600	1,254,700	1,253,100	1,600	1,254,700
State general fund/general purpose	10,947,500	138,900	11,086,400	10,947,500	138,900	11,086,400

Explanation

Executive Order 2024-2 transfers all authorities, duties, function and responsibilities related to the Michigan Indian Tuition Wavier from the Michigan Department of Civil Rights to the Michigan Department of Lifelong Education, Advancement and Potential. This is the "to" transfer adding the program and 1 FTE costs to MiLEAP.

This revision is to rectify technical fund sourcing issues identified with the transfer of programs from Treasury to the newly created Department of Lifelong Education, Advancement and Potential (MiLEAP) under Executive Order 2023-6. At the line-item level, an additional \$18,100 of General Fund was incorrectly transferred to MiLEAP and \$1,600 was erroneously retained of Michigan Merit Award Trust Fund in Treasury. There is a corresponding revision in Treasury resulting in a net-to-zero adjustment across the two departments.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Full-time equated unclassified positions	9.0	0	9.0	9.0	0	9.0
Full-time equated classified positions	1,051.0	0.0	1,051.0	1,051.0	0.0	1,051.0
GROSS APPROPRIATION	267,052,100	1,352,000	268,404,100	255,552,100	1,352,000	256,904,100
Total interdepartmental grants and intradepartmental transfers	101,800	0	101,800	101,800	0	101,800
ADJUSTED GROSS APPROPRIATION	266,950,300	1,352,000	268,302,300	255,450,300	1,352,000	256,802,300
Total federal revenues	144,036,800	750,000	144,786,800	144,036,800	750,000	144,786,800
Total local revenues	0	0	0	0	0	0
Total private revenues	100,000	0	100,000	100,000	0	100,000
Total state restricted revenues	13,221,400	0	13,221,400	13,221,400	0	13,221,400
State general fund/general purpose	109,592,100	602,000	110,194,100	98,092,100	602,000	98,694,100

Sec. 102 MILITARY	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Full-time equated classified positions	418.5	0.0	418.5	418.5	0.0	418.5
Headquarters and armories 103 FTEs	22,291,800	242,000	22,533,800	22,291,800	242,000	22,533,800
Military training sites and support facilities	45,568,900	360,000	45,928,900	45,568,900	360,000	45,928,900
GROSS APPROPRIATION	97,107,200	602,000	97,709,200	97,107,200	602,000	97,709,200
State general fund/general purpose	31,209,600	602,000	31,811,600	31,209,600	602,000	31,811,600

Sec. 103 MICHIGAN VETERANS AFFAIRS AGENCY	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Michigan veterans affairs agency administration	9,400,600	750,000	10,150,600	9,400,600	750,000	10,150,600
GROSS APPROPRIATION	21,582,500	750,000	22,332,500	21,582,500	750,000	22,332,500
USDVA-VHA	0	750,000	750,000	0	750,000	750,000

Explanation

This revision request for the Department of Military and Veterans Affairs, includes three funding items: First, it adds \$157,000 GF/GP (Headquarters and Armories) to provide state funding for the department's emergency manager position. The position is responsible for emergency planning and coordination as well as developing and maintaining threat response plans for the department. Funding for this position was previously 100% federally funded but has not been funded through the state's cooperative agreement with the National Guard Bureau since FY2021. The position's responsibilities have since shifted to other positions within the department. With workload demands and a continuing need to remain vigilant in this area, additional funding is requested to fully fund and support this position.

Secondly, the revision request includes \$445,000 GF/GP to fully 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. These costs have been includable in the department's cooperative agreement with the National Guard Bureau, but available federal funds have declined in recent years, while contractual costs (rates) have continued to increase. The department has been forced to reduce its use of armed security (number of guards/number of hours) in order to stay within available funds under the cooperative agreement. In order to ensure necessary security services are provided for critical military sites, the department is seeking additional state funds to fully support these contractual services.

Finally, for the Michigan Veterans Affairs Agency (MVAA), the revision request will add spending authorization for funds received through the U.S. Department of Veterans Affairs, Veterans Health Administration (USDVA-VHA). For the past two years, the agency has received funding under the Staff Sergeant Parker Gordon Fox Suicide Prevention Grant program, through the USDVA-VHA. The department has needed supplemental appropriations in FY2023 (2023 PA 5) and FY2024 (SR 2024-2) to provide it the necessary spending authorization for this grant program. The federal grant program is renewable, with the MVAA intending to continue to pursue these grants on an ongoing basis, as funding is made available. Adding this spending authorization to the ongoing baseline budget will allow the department to more swiftly receive and expend these funds and provide service to veterans, service members, and their families.

DEPARTMENT OF STATE POLICE

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated unclassified positions</i>	3.0	4.0	7.0	3.0	4.0	7.0
<i>Full-time equated classified positions</i>	3,853.0	(4.0)	3,849.0	3,853.0	(4.0)	3,849.0
GROSS APPROPRIATION	933,208,500	0	933,208,500	928,208,500	0	928,208,500
Total interdepartmental grants and intradepartmental transfers	27,189,800	0	27,189,800	27,189,800	0	27,189,800
ADJUSTED GROSS APPROPRIATION	906,018,700	0	906,018,700	901,018,700	0	901,018,700
Total federal revenues	99,062,700	0	99,062,700	99,062,700	0	99,062,700
Total local revenues	4,975,700	0	4,975,700	4,975,700	0	4,975,700
Total private revenues	35,000	0	35,000	35,000	0	35,000
Total state restricted revenues	174,984,300	0	174,984,300	174,984,300	0	174,984,300
State general fund/general purpose	626,961,000	0	626,961,000	621,961,000	0	621,961,000

Sec. 102 DEPARTMENTAL ADMINISTRATION AND SUPPORT	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated unclassified positions</i>	3.0	4.0	7.0	3.0	4.0	7.0
<i>Full-time equated classified positions</i>	150.0	(1.0)	149.0	150.0	(1.0)	149.0
Unclassified salaries 3 FTEs 7 FTEs	592,600	706,300	1,298,900	592,600	706,300	1,298,900
Executive direction 46 FTEs	7,777,100	913,600	8,690,700	7,777,100	913,600	8,690,700
Mobile office and system support 39 FTEs	6,109,700	(20,000)	6,089,700	6,109,700	(20,000)	6,089,700
Professional development bureau 40 FTEs-39 FTEs	12,474,600	(400,300)	12,074,300	12,474,600	(400,300)	12,074,300
GROSS APPROPRIATION	88,545,500	1,199,600	89,745,100	88,545,500	1,199,600	89,745,100
Criminal justice information center service fees	2,655,000	111,000	2,766,000	2,655,000	111,000	2,766,000
State general fund/general purpose	78,109,400	1,088,600	79,198,000	78,109,400	1,088,600	79,198,000

Sec. 103 LAW ENFORCEMENT	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	601.0	(1.0)	600.0	601.0	(1.0)	600.0
Biometrics and identification 60 FTEs	11,593,600	(30,000)	11,563,600	11,593,600	(30,000)	11,563,600
Criminal justice information center 154 FTEs	29,554,200	(81,000)	29,473,200	29,554,200	(81,000)	29,473,200
Forensic science 278 FTEs 277 FTEs	49,567,300	(124,100)	49,443,200	49,567,300	(124,100)	49,443,200
Grants and community services 60 FTEs	25,954,300	(20,000)	25,934,300	25,954,300	(20,000)	25,934,300
GROSS APPROPRIATION	132,448,800	(255,100)	132,193,700	132,448,800	(255,100)	132,193,700
Criminal justice information center service fees	25,000,700	(111,000)	24,889,700	25,000,700	(111,000)	24,889,700
State general fund/general purpose	61,229,500	(144,100)	61,085,400	61,229,500	(144,100)	61,085,400

Sec. 105 FIELD SERVICES	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	2,428.0	(2.0)	2,426.0	2,428.0	(2.0)	2,426.0
Investigative services 148.5 FTEs	41,408,100	(21,900)	41,386,200	41,408,100	(21,900)	41,386,200
Post operations 2,249.5 FTEs 2,247.5 FTEs	420,335,400	(734,400)	419,601,000	420,335,400	(734,400)	419,601,000
GROSS APPROPRIATION	471,682,500	(756,300)	470,926,200	471,682,500	(756,300)	470,926,200
State general fund/general purpose	390,805,000	(756,300)	390,048,700	390,805,000	(756,300)	390,048,700

Sec. 106 SPECIALIZED SERVICES	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	647.0	0.0	647.0	647.0	0.0	647.0
Commercial vehicle enforcement 211 FTEs	39,266,800	(31,100)	39,235,700	39,266,800	(31,100)	39,235,700
Emergency management and homeland security 64 FTEs	17,009,800	(36,000)	16,973,800	17,009,800	(36,000)	16,973,800
Highway safety planning 25 FTEs	20,529,800	(10,000)	20,519,800	20,529,800	(10,000)	20,519,800
Intelligence operations 233 FTEs	35,524,300	(100,100)	35,424,200	35,524,300	(100,100)	35,424,200
Special operations 88 FTEs	20,386,500	(11,000)	20,375,500	20,386,500	(11,000)	20,375,500
GROSS APPROPRIATION	171,361,400	(188,200)	171,173,200	171,361,400	(188,200)	171,173,200
State general fund/general purpose	57,292,500	(188,200)	57,104,300	57,292,500	(188,200)	57,104,300

Explanation

This revision shifts \$1.6 million in combined state restricted and general fund authorization and 4 full time equated positions from various line items into the Unclassified salaries line item to allow the department to more efficiently provide department leadership and to develop and implement essential policies. Article XI, Section 5 of the Constitution of Michigan of 1963 allows the department up to 6 unclassified positions, excluding members of boards and commissions including the Michigan Commission on Law Enforcement Standards.

DEPARTMENT OF TRANSPORTATION

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Full-time equated unclassified positions	6.0	0	6.0	6.0	0	6.0
Full-time equated classified positions	3,222.3	0	3,222.3	3,221.3	0	3,221.3
GROSS APPROPRIATION	6,781,289,200	0	6,781,289,200	6,639,170,500	0	6,639,170,500
Total interdepartmental grants and intradepartmental transfers	4,316,700	0	4,316,700	4,316,700	0	4,316,700
ADJUSTED GROSS APPROPRIATION	6,776,972,500	0	6,776,972,500	6,634,853,800	0	6,634,853,800
Total federal revenues	2,253,675,100	0	2,253,675,100	2,253,675,100	0	2,253,675,100
Total local revenues	87,448,500	0	87,448,500	87,448,500	0	87,448,500
Total private revenues	18,800,000	0	18,800,000	18,800,000	0	18,800,000
Total state restricted revenues	4,232,048,900	0	4,232,048,900	4,274,930,200	0	4,274,930,200
State general fund/general purpose	185,000,000	0	185,000,000	0	0	0

Sec. 107 DESIGN AND ENGINEERING SERVICES	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Program development and delivery	140,627,900	(10,000,000)	130,627,900	140,627,900	(10,000,000)	130,627,900
System operations management	107,518,100	10,000,000	117,518,100	107,518,100	10,000,000	117,518,100
GROSS APPROPRIATION	259,917,700	0	259,917,700	259,917,700	0	259,917,700
Federal aid, transportation programs, STF, FHWA	13,529,800	10,000,000	23,529,800	13,529,800	10,000,000	23,529,800
State trunkline fund	228,076,900	(10,000,000)	218,076,900	228,076,900	(10,000,000)	218,076,900

Sec. 109 ROAD AND BRIDGE PROGRAMS	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
State trunkline federal aid and road and bridge construction	1,617,892,700	0	1,617,892,700	1,641,168,800	0	1,641,168,800
GROSS APPROPRIATION	4,153,822,600	0	4,153,822,600	4,219,917,400	0	4,219,917,400
Federal aid, transportation programs, STF, FHWA	1,682,942,500	(10,000,000)	1,672,942,500	1,682,942,500	(10,000,000)	1,672,942,500
State trunkline fund	287,057,100	10,000,000	297,057,100	310,333,200	10,000,000	320,333,200

Explanation

This FY 2025 Executive Budget revision provides a net-to-zero shift of federal and state authorization between the Design and Engineering and Road and Bridge Construction appropriation categories across three line-items. It reflects a shift of \$10 million of federal authorization from the State Trunkline Federal Aid and Road and Bridge Construction line-item to the System Operations Management line item. Correspondingly, \$10 million of State Trunkline Fund authorization is shifted from the Program Development and Delivery line-item to State Trunkline Federal Aid and Road and Bridge Construction. This shift will more accurately balance funding authorization between Design and Engineering organizational components and support the continued growth of the department's Intelligent Transportation Services functions. It will also enhance the department's ability to match federal highway aid by making additional State Trunkline Fund resources available for capital road projects. An identical transfer request has also been submitted for FY 2024.

DEPARTMENT OF TREASURY

Fiscal Years 2025 and 2026 Executive Budget Revision

	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Full-time equated unclassified positions	10.0	0	10.0	10.0	0	10.0
Full-time equated classified positions	2,001.5	1.0	2,002.5	2,001.5	1.0	2,002.5
GROSS APPROPRIATION	2,644,610,100	266,500	2,644,876,600	2,602,881,000	266,500	2,603,147,500
Total interdepartmental grants and intradepartmental transfers	11,188,500	0	11,188,500	11,188,500	0	11,188,500
ADJUSTED GROSS APPROPRIATION	2,633,421,600	266,500	2,633,688,100	2,591,692,500	266,500	2,591,959,000
Total federal revenues	25,011,400	0	25,011,400	25,011,400	0	25,011,400
Total local revenues	15,207,100	0	15,207,100	15,207,100	0	15,207,100
Total private revenues	36,600	0	36,600	36,600	0	36,600
Total state restricted revenues	2,280,719,900	248,400	2,280,968,300	2,269,990,800	248,400	2,270,239,200
State general fund/general purpose	312,446,600	18,100	312,464,700	281,446,600	18,100	281,464,700

Sec. 102 DEPARTMENTAL ADMINISTRATION AND SUPPORT	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Department services	7,770,600	(60,700)	7,709,900	7,770,600	(60,700)	7,709,900
Executive direction and operations	8,589,700	60,700	8,650,400	8,589,700	60,700	8,650,400
GROSS APPROPRIATION	73,630,900	0	73,630,900	73,630,900	0	73,630,900
Delinquent tax collection revenue	39,214,000	0	39,214,000	39,214,000	0	39,214,000
State general fund/general purpose	13,850,900	0	13,850,900	13,850,900	0	13,850,900

Sec. 104 TAX PROGRAMS	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Full-time equated classified positions	776.0	0.0	776.0	776.0	0.0	776.0
Tax compliance 319 FTEs 321 FTEs	47,205,700	250,000	47,455,700	47,205,700	250,000	47,455,700
Tax processing 364 FTEs 362 FTEs	46,615,800	(250,000)	46,365,800	46,615,800	(250,000)	46,365,800
GROSS APPROPRIATION	116,160,500	0	116,160,500	116,160,500	0	116,160,500
Delinquent tax collection revenue	77,605,800	0	77,605,800	77,605,800	0	77,605,800

Sec. 105 FINANCIAL PROGRAMS	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
Student financial assistance programs	20,253,900	16,500	20,270,400	20,253,900	16,500	20,270,400
GROSS APPROPRIATION	47,684,500	16,500	47,701,000	47,684,500	16,500	47,701,000
Michigan merit award trust fund	1,600	(1,600)	0	1,600	(1,600)	0
State general fund/general purpose	524,600	18,100	542,700	524,600	18,100	542,700

Sec. 112 STATE BUILDING AUTHORITY	FY 2025 Original Exec Rec	Revision 2025-1	FY 2025 Revised Exec Rec	FY 2026 Original Exec Rec	Revision 2025-1	FY 2026 Revised Exec Rec
<i>Full-time equated classified positions</i>	3.0	1.0	4.0	3.0	1.0	4.0
State building authority 3-FTEs-4 FTEs	768,900	250,000	1,018,900	768,900	250,000	1,018,900
GROSS APPROPRIATION	768,900	250,000	1,018,900	768,900	250,000	1,018,900
State building authority revenue	768,900	250,000	1,018,900	768,900	250,000	1,018,900

Boilerplate

Sec. xxx. Revenue deposited in the Local Government Reimbursement fund is appropriated and must be distributed in accordance with section 3a of 2000 PA 489, MCL 12.253a.

Explanation

This revision for Treasury includes five distinct items, four of which affect part 1 with a net impact of \$266,500, of which \$18,100 is general fund. The other revision adds boilerplate language to appropriate and distribute \$75 million in accordance with recently enacted legislation, with no part 1 impact.

First, the revision adds 1.0 FTE and \$250,000 to the State Building Authority utilizing its own state restricted funds to allow the authority to better meet current program needs and assist in long-term financial modeling. A total of \$200,000 will support the new position, and \$50,000 will cover increasing costs for services from SBA contracted providers, and the Auditor General and Attorney General.

Second, adds new boilerplate language to appropriate the annual \$75 million in use tax revenue designated in PA 175 of 2023 for deposit into the Local Government Reimbursement Fund. The purpose of this fund, created in PA 174 of 2023, is to compensate local municipalities for revenue lost due to the revisions to the Small Business Taxpayer Personal Property Tax Exemption made in PA 176 of 2023. These payments will be made annually in May of each year.

Third, a revision to the tax processing investment recommendation that aims to improve tax processing efficiency and taxpayer interactions. This revision nets-to-zero by moving 2.0 FTEs and an associated \$250,000 in Delinquent Tax Collection Revenue funding from the tax processing line item to tax compliance. These revised FTEs in tax compliance will process correspondence from taxpayers that are not able to verify their identity through the standard electronic process, whereas staff in tax processing assist taxpayers in more typical situations. It has subsequently been determined this revision will provide a better allocation of the recommended resources to meet the initial investment's goal.

Fourth, this net-to-zero revision of \$60,700 in state restricted funds corrects a technical error and properly realigns the Delinquent Tax Collections Revenue fund sourcing, at the line-item level, from Department Services to Executive Direction and Operations.

Finally, this revision is to rectify technical fund sourcing issues identified with the transfer of programs from Treasury to the newly created Department of Lifelong Education, Advancement and Potential (MiLEAP) under Executive Order 2023-6. At the line-item level, an additional \$18,100 of General Fund was incorrectly transferred from the Student Financial Assistance Programs line and \$1,600 was erroneously retained of Michigan Merit Award Trust Fund. There is a corresponding revision in MiLEAP resulting in a net-to-zero adjustment across the two departments.