

STATE OF MICHIGAN

EXECUTIVE BUDGET



Fiscal Year 2026 • Governor Gretchen Whitmer

EXECUTIVE BUDGET

Fiscal Years 2026 and 2027

STATE OF MICHIGAN

Gretchen Whitmer, Governor

Jennifer L. Flood, State Budget Director

This publication was produced by the Department of Technology, Management and Budget. The purpose of the publication is to inform state and local officials and residents about Governor Whitmer's recommended budget for fiscal year 2026 and projections for fiscal year 2027. This document is required by law MCL 18.1363 and by the Michigan Constitution, Article V, Section 18.

EXECUTIVE BUDGET RECOMMENDATION

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STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

February 5, 2025

My Fellow Michiganders:

I am pleased to put forth my Executive Budget Recommendation for fiscal year 2026. This balanced and fiscally responsible budget will make a real difference in the lives of people across our great state.

This budget ensures anyone can Make it in Michigan and doubles down on my priorities to grow our economy, help students learn, lower costs, protect public safety, fix our roads, and clean up drinking water.

Since I took office, we have passed six balanced, bipartisan budgets; paid down \$22.2 billion in debt; upgraded the state's credit rating; and built up a record balance in our school and state rainy day funds of \$2.7 billion.

The FY26 Executive Budget Recommendation contained in the following pages details my plan to make Michiganders lives better. I look forward to working with the Legislature to finalize a balanced and bipartisan budget ahead of the July 1 deadline that will make a difference in the lives of Michiganders across the state.

Sincerely,

A handwritten signature in blue ink that reads "Gretchen Whitmer".

Gretchen Whitmer
Governor



BUDGET OVERVIEW

Executive Budget Summary For Fiscal Years 2026 and 2027

The FY26 Executive Budget Recommendation is a comprehensive plan that focuses on building a brighter future for all Michiganders by tackling the kitchen table issues that matter most. This budget prioritizes strategic investments in education, talent, infrastructure, public safety, and making government work better.

This budget proposal builds on the administration's six previous balanced, fiscally responsible budgets. Since Governor Whitmer took office, Michigan has increased the balance of the Budget Stabilization Fund to an all-time high of \$2.3 billion, provided tax relief for working families and seniors, and through FY26, paid down \$25.3 billion in debt. This budget recommendation continues to address critical needs and ensures that all Michiganders have access to the resources and opportunities they need to live, work, and play in Michigan.

Helping Kids Learn

The FY26 budget recommendation includes historic investments in education and proposes increases that will help schools create a learning environment that prepares students for the future.

The FY26 budget proposal recommends increased support for every one of Michigan's 1.4 million K-12 public school students, investing \$10,000 per pupil through a 4.1% increase in base per-pupil funding, equating to an additional \$392 per student. An additional \$182 million will sustain expanded support for special education students, reflecting a 9% increase in state funding. Another \$94 million will provide a 4.1% funding increase to support academically at-risk students, English language learners, career and technical education students, and those in rural school districts, addressing diverse educational needs and promoting success for all learners.

The Governor's recommendation proposes continuing mental health and safety grants to districts at an increased level. The budget proposal also introduces new requirements for districts that focus on Students, Metrics And Results with Transparency (SMART) to improve student outcomes. These requirements will keep parents informed about the standing of their child's school and increase engagement between school districts and parents.

The budget recommendation proposes a 4% ongoing increase for university and community college operations to enhance higher education learning and support Michigan's goal of 60% of working adults earning a degree or skills certificate by 2030. Since Governor Whitmer took office, Michigan's education attainment has risen from 45% to 51.8%. Investments in the College Success Fund will empower public and private institutions to improve student support and boost completion rates.

Investing in Workers and Creating Jobs

The FY26 Executive Budget recommendation focuses on investing in workers and creating jobs in Michigan to improve wages, increase job security, and strengthen local economies. The budget recommendation continues support for the Going Pro program, which provides job training grants for businesses to upskill employees in high-demand, skilled trades industries. FY26 funding for Going Pro

is estimated to train 35,200 new hires and current employees. Additionally, the FY26 budget proposal will expand registered apprenticeship programs, offering training, wages, and credentials to help Michiganders enter well-paying careers.

The Governor's budget recommendation includes critical infrastructure investments at Selfridge Air National Guard Base, which will attract new missions and aircraft, create jobs, and support the state's defense industry. To retain and attract talent and increase Michigan's population, the FY26 budget recommendation invests in strategic pilots, statewide coordination, and public engagement efforts. For FY26, the budget recommendation proposes streamlining the Department of Environment, Great Lakes, and Energy's permitting processes and increasing transparency. The budget proposal also recommends removing barriers to work and expanding employer-assisted housing programs to support workforce housing needs. These investments are designed to foster job growth, improve workforce readiness, and create a more prosperous future for Michigan.

Lowering Costs

The FY26 budget recommendation includes key investments designed to lower costs and help Michiganders combat inflation, improving financial stability for residents. The budget proposal recommends continued support for free pre-K for all by the end of 2026, saving families \$10,000 a year. In addition, the proposed budget supports a significant investment in the Michigan Achievement Scholarship, which provides two out of three students significant financial assistance toward a 4-year degree. The Michigan Achievement Scholarship, through the community college guarantee, provides a tuition-free pathway for full-time community college students, and up to \$27,500 for full-time students at public or private 4-year universities. More than 56,000 scholarships were awarded in the 2024 fall semester and 100,000 students are expected to benefit every year once the program is fully implemented.

To lower the cost for students in advanced courses, the budget proposal recommends providing resources to ensure test fees remain capped at \$5 for low-income students taking AP, IB, or CLEP exams, with the state covering the remaining costs to make higher education more accessible. Student participation in this program continues to increase and funding is included to cover a combined total of 34,350 exams.

The FY26 Executive Budget Recommendation proposes a continuation of the Working Families Tax Credit, which delivered an average of \$3,600 in tax relief to 650,000 families last year. The budget proposal also recommends continuing to provide 500,000 households with an average of \$1,000 in savings per year by continuing the retirement tax rollback.

The budget proposal also recommends establishing a team to protect consumers from price gouging, ensuring that Michigan residents are shielded from unfair price increases on consumer goods, emergency supplies, lodging, and fuel, especially during times of economic strain. These initiatives aim to reduce financial burdens, make education more affordable, protect Michiganders, and ultimately help ease the impact of inflation.

Ensuring Everyone Can Make it in Michigan

Opportunities for families, students, and the workforce are abundant in Michigan. Still, not everyone starts on equal footing or has the same opportunities that they need to thrive. Access to health care is vital for Michigan families and ensures everyone has what they need to succeed. The FY26 budget recommendation increases the First Responders Presumed Coverage Fund to help first responders with certain cancers compensate for wage loss and cover medical expenses. The budget proposal also recommends redirecting Opioid Settlement funds to programs that reduce overdose deaths.

To have the best chance in the classroom, children need to have a safe home environment. This budget proposal recommends supporting children who are at risk of removal from their homes by helping to place them with family or allowing them to remain in their homes. The recommendation includes investments to improve the safety, placement, and permanency of children in foster care throughout their childhood. Nationally, 10% of foster children receive an average of \$700 each in Social Security benefits every month. This budget recommendation invests in changes to ensure children retain federal benefits to support them as they age out of the foster care system.

Protecting seniors, particularly those in nursing homes or relying on Medicaid, is essential. This budget recommendation enhances oversight of hundreds of state-licensed retirement homes and increases the state's ability to conduct investigations to ensure seniors receive the care they need. The FY26 budget recommendation proposes supporting those with a significant need, especially aging individuals who rely on long-term services and supports and those who rely on mental health services, by changing the income threshold and broadening access to Medicaid. The budget recommendation also expands services for Michiganders experiencing dementia to ensure they receive comprehensive care and family support.

Investing in Infrastructure

Since Governor Whitmer took office in 2019, Michigan has invested more than \$28 billion to fix Michigan's roads. The proposed FY26 budget continues to invest in roads and secure all available federal highway aid funding, ensuring continued progress in the repair and maintenance of Michigan's roads and bridges, which are vital for safe transportation and efficient commerce. The FY26 budget recommendation also designates funds for a pilot program to explore road usage charge revenue options, addressing future transportation funding needs. The recommendation proposes installing electric vehicle charging stations across the state, facilitating the transition to cleaner energy sources for automobiles.

Protecting air, land, and water infrastructure is also a key priority of this Executive Budget Recommendation. The FY26 budget recommendation supports an investment that will replace thousands of lead service lines across the state and optimize the use of federal funds to provide cleaner drinking water and improve public health. The budget recommendation increases the state's capacity to conduct water quality inspections, enforcement, and permitting. The recommendation proposes increasing landfill tipping fees to align with regional standards, reducing the influx of out-of-state waste, promoting environmental sustainability, and addressing the cleanup of contaminated sites. To contribute to the restoration of natural waterways, the budget recommendation supports the removal, study, or improved management of more than 200 state-owned dams.

Protecting Public Safety

The FY26 executive budget's public safety investments are designed to ensure the security and well-being of Michiganders by enhancing law enforcement capabilities, supporting victim services, and safeguarding critical sectors of the economy. The budget recommendation supports the hiring and training of 120 Michigan State Police troopers, strengthening the state's ability to respond to emergencies and enforce laws. A 4% ongoing increase in revenue sharing will provide vital resources to counties, cities, villages, and townships, enabling local governments to hire police and firefighters, fix roads, and improve residents' quality of life.

To support those affected by crime, the proposed budget invests in victim support services to ensure that more than 200,000 victims continue to receive necessary services. Investments are also proposed to protect Michigan's food supply by investing in measures aimed at preventing disease outbreaks, such as bird flu, on livestock farms. The proposed budget also recommends supporting better protections for tax filers' refunds by improving internal controls to identify fraudulent activity. These investments strengthen public safety infrastructure and protect Michiganders from a range of threats, promoting a safer and more secure environment for all.

Making Government Work Better

The FY26 Executive Budget Recommendation includes a range of investments designed to cut red tape, and improve the efficiency and effectiveness of state government operations, which will benefit residents and enhance public services. Reserve funds will continue to support critical areas such as school transportation, educator fellowships and stipends, enrollment stability, and GSRP transportation, ensuring stability in education services.

To protect against risk, the FY26 budget recommendation establishes a self-insurance fund for state-owned facilities, mitigating market uncertainties. The proposed budget recommends infrastructure improvements and maintenance for nearly 800 state-owned building complexes and over 41.5 million square feet of facility space, ensuring that Michigan's facilities remain functional and sustainable. The executive budget proposal recommends the creation of a state veteran cemetery in Crawford County to provide a dignified resting place for Michigan's military veterans.

The budget recommendation also includes funding to increase the Information Technology Infrastructure Fund, upgrade enterprise-wide applications, and modernize legacy IT systems, improving state government's technological capabilities. These investments aim to modernize state government operations, enhance public services, and ensure a more efficient, transparent, and accountable government for Michigan residents.

Total Budget and Fiscal Responsibility

The FY26 budget recommendation builds on a strong foundation of balanced budgets and sound financial management. The Budget Stabilization Fund and rainy day fund for schools bring combined reserves to \$2.8 billion, offering a significant buffer against economic uncertainty. Since the Governor took office in 2019, through FY26, Michigan has paid down \$25.3 billion in debt, and the state received a credit rating upgrade, both of which affirm Michigan's fiscal health and strengthen its ability to invest in

critical priorities like education, infrastructure, and public safety. By balancing fiscal discipline with strategic investments, this budget recommendation ensures that Michigan is well-positioned for continued growth and resilience in the years ahead.

The FY26 Executive Budget Recommendation, including all state and federal revenue, totals \$83.5 billion. The state's total General Fund budget is \$15.3 billion, and the School Aid budget is \$21.2 billion.



DEPARTMENT DETAIL

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Department of Agriculture and Rural Development

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Agriculture and Rural Development works to ensure food safety, protect animal and plant health, sustain environmental stewardship, provide consumer protection, and enable rural development. The department fosters efficient administration operations through service, partnership and collaboration, and encourages and embraces innovation, creativity, and growth to provide service to the robust food and agriculture industry and Michigan residents.

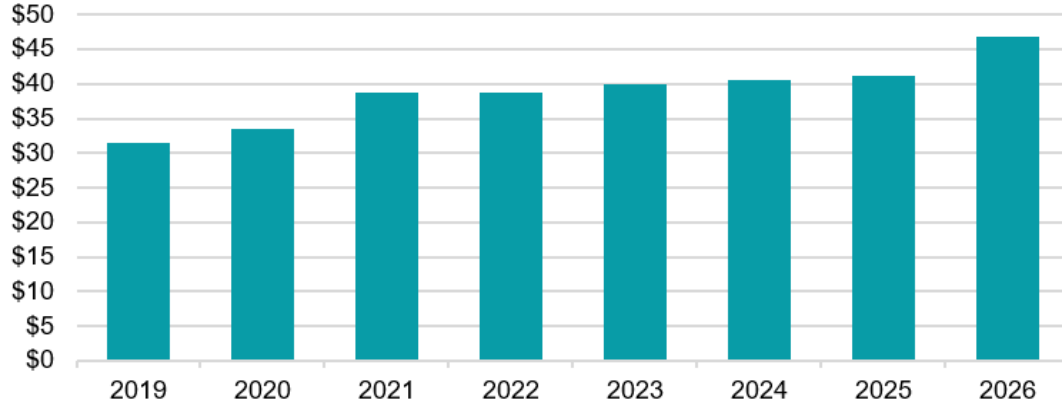
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$157.6 million, of which \$85.2 million comes from the state's general fund. The Governor also recommends \$700,000 in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

The Governor's recommended budget continues support for the following key programs:

- ♦ **\$5.5 million for Protecting Michigan's Food Supply** (\$3.5 million general fund) to implement proactive measures to have biosecurity response in place statewide to prevent and reduce the impact of animal disease outbreaks in the livestock industry.
 - ♦ **\$2 million for Rural Development Grants** (state restricted) to expand the Rural Development Grant Program, supporting projects that enhance land-based industries and rural community infrastructure, including job training, childcare, housing, and utilities.
 - ♦ **\$1.6 million for Plant, Soil, and Pest Diagnostics** (general fund) to respond to soil and plant diseases and infestations by increasing testing capacity to provide growers with localized data and expertise to best protect Michigan agriculture.
-

Budget Continues to Invest in Food Safety (in millions)



Department of Agriculture and Rural Development
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$89,056.4	\$156,938.9
Removal of FY 2025 One-Time Funding	(\$9,000.0)	(\$9,000.0)
FY 2026 Ongoing Investments		
Food Safety - Supports proactive biosecurity response measures to safeguard the livestock industry	\$3,500.0	\$5,500.0
Rural Development Grants - Expands grants to support land-based industries and rural community infrastructure, including job training, childcare, housing, and utilities	\$0.0	\$2,000.0
Plant, Soil, and Pest Diagnostics - Funding to increase plant and soil testing capacity	\$900.0	\$900.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$765.5	\$1,258.1
Other Technical Adjustments	\$0.0	\$13.5
FY 2026 Total Executive Recommendation - Ongoing Funding	\$85,221.9	\$157,610.5
FY 2026 One-Time Investments		
Plant, Soil, and Pest Diagnostics - Provides for equipment to increase plant and soil testing capacity	\$700.0	\$700.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$700.0	\$700.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$85,921.9	\$158,310.5
\$ Change from FY 2025 - Total Funding	(\$3,134.5)	\$1,371.6
% Change from FY 2025 - Total Funding	(3.5%)	0.9%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$85,921.9	\$158,310.5
Removal of FY 2026 One-Time Funding	(\$700.0)	(\$700.0)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$85,221.9	\$157,610.5
\$ Change from FY 2026 - Total Funding	(\$700.0)	(\$700.0)
% Change from FY 2026 - Total Funding	(0.8%)	(0.4%)



Attorney General

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Attorney General is the lawyer for the State of Michigan and provides legal advice and representation to state officials and agencies. Other duties include enforcing consumer protections, child support orders, and prosecuting human trafficking.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$132.4 million, of which \$58.8 million comes from the state's general fund.

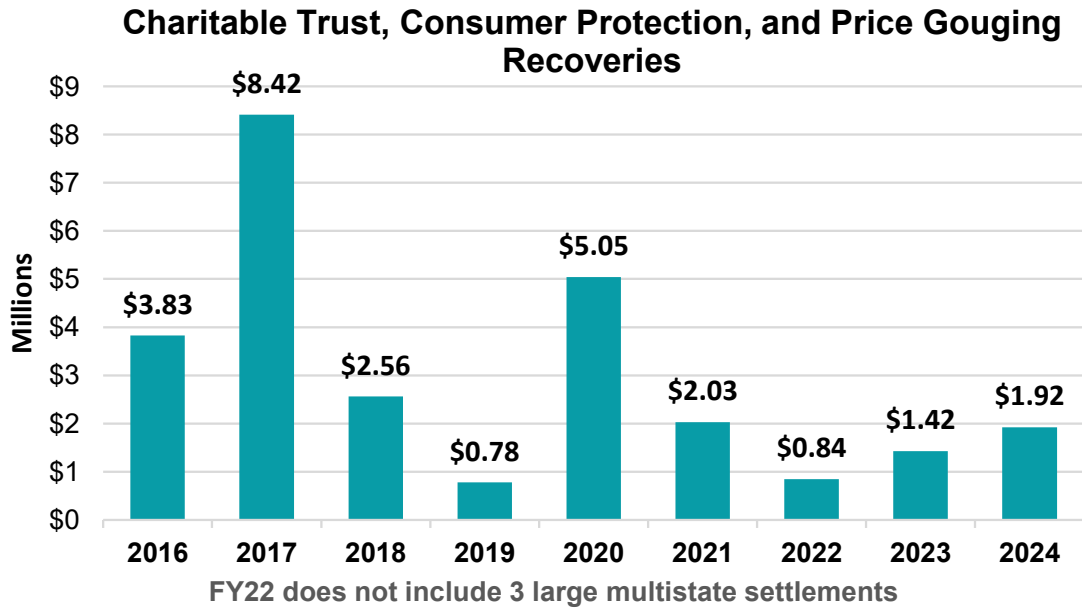
Highlights

The Governor's recommended budget provides support for the following key programs:

- ♦ **\$950,000 for the Organized Retail Crime Unit** (special revenue) to enhance and self-fund the department's initiative to investigate and prosecute organized retail crime. This initiative has assisted businesses and their customers, including Meijer, Sam's Club, and Home Depot.
- ♦ **\$600,000 for Tribal Legal Issues** (general fund) to continue the provision of advice and legal assistance related to federally recognized tribes in Michigan regarding tax agreements, gaming compacts, treaty rights, and other legal issues impacting Michigan tribal members and their descendants.

Fiscal Year 2025 Supplemental

- ♦ **\$1 million for Oxford Investigation** (one-time general fund) to support a review of the handling of the events in November 2021 at Oxford High School.



Department of Attorney General
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$57,409.1	\$129,746.7
Removal of FY 2025 One-Time Funding	(\$1,000.0)	(\$1,850.0)
FY 2026 Ongoing Investments		
Price Gouging Unit - Funding and staff to enhance enforcement of laws against price gouging	\$900.0	\$900.0
Tribal Legal Issues - Providing advice and legal assistance to Michigan tribes	\$600.0	\$600.0
FY 2026 Reductions		
Prosecuting Attorneys Coordinating Council - Reduction in federal funds	\$0.0	(\$121.2)
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$868.9	\$1,625.2
Organized Retail Crime	\$0.0	\$950.0
Department of Insurance and Financial Services interdepartmental grant increase	\$0.0	\$330.0
Preventing Violence Against Women federal grant	\$0.0	\$175.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$58,778.0	\$132,355.7
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$58,778.0	\$132,355.7
\$ Change from FY 2025 - Total Funding	\$1,368.9	\$2,609.0
% Change from FY 2025 - Total Funding	2.4%	2.0%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$58,778.0	\$132,355.7
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$58,778.0	\$132,355.7
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%



Department of Civil Rights

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Civil Rights works to prevent discrimination and enforce civil rights laws in the areas of education, employment, housing, law enforcement, and public accommodations. The department fulfills its mission by investigating and resolving complaints of discrimination and promoting voluntary compliance with civil rights laws. The department is overseen by an eight-member commission that is appointed by the Governor.

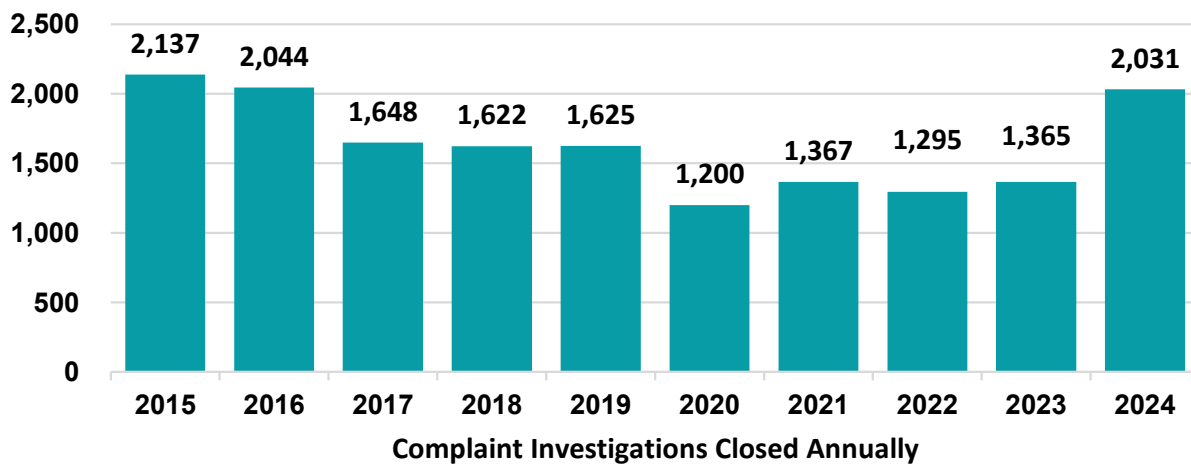
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$30.8 million, of which \$27.8 million comes from the state's general fund.

Highlights

The Governor's recommended budget enhances support in the following areas:

- ♦ **\$767,800 for Information Technology Support Services** (general fund) to support the Civil Rights Information System, the new public complaint portal, and technology support.
- ♦ **\$466,800 for the Development, Innovation, and Access Division** (general fund) to support training and development programs and provide continuous education.

Discrimination Complaint Investigations Are Being Concluded More Promptly



Department of Civil Rights
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$26,195.4	\$29,163.5
Removal of FY 2025 One-Time Funding	\$0.0	\$0.0
FY 2026 Ongoing Investments		
Information Technology - Provides funding to support increasing information technology needs	\$767.8	\$767.8
Development, Innovation, and Access - Increased funding for training and development programs	\$466.8	\$466.8
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$367.7	\$376.1
Other Technical Adjustments	\$7.2	\$7.2
FY 2026 Total Executive Recommendation - Ongoing Funding	\$27,804.9	\$30,781.4
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$27,804.9	\$30,781.4
\$ Change from FY 2025 - Total Funding	\$1,609.5	\$1,617.9
% Change from FY 2025 - Total Funding	6.1%	5.5%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$27,804.9	\$30,781.4
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$27,804.9	\$30,781.4
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

Department of Corrections

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Corrections maintains public safety through the secure operation of 26 state correctional facilities and the community supervision of offenders. To ensure long-term public safety, the department provides a range of evidence-based rehabilitative, vocational, and educational programs and other community supports aimed at increasing the personal success of offenders, supporting their reentry as returning citizens, and reducing their risk of re-offense.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$2.2 billion, nearly all of which comes from the state's general fund. The Governor also recommends \$5.4 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

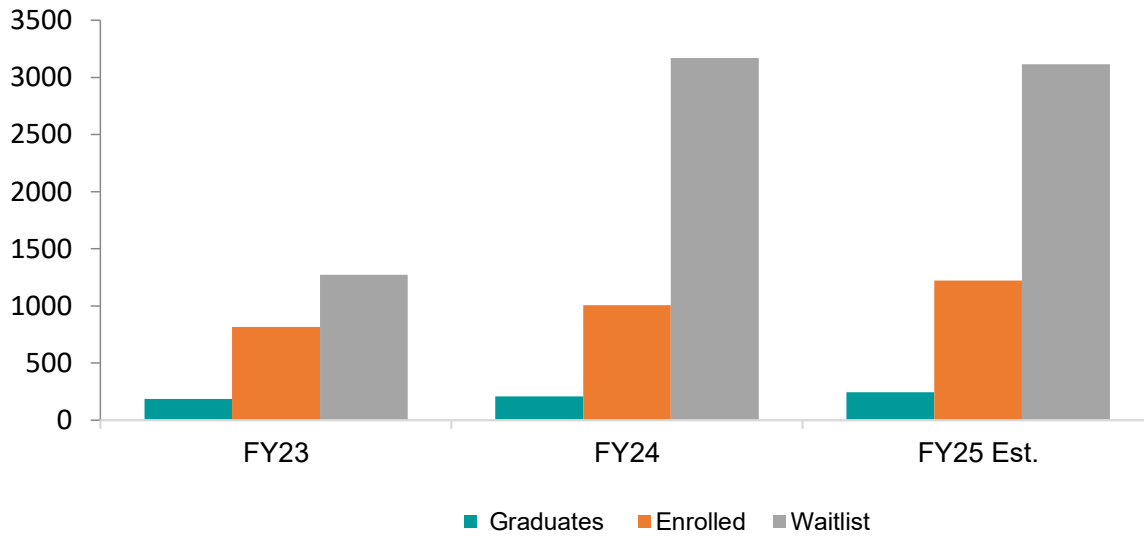
The Governor's recommended budget makes key investments across the range of departmental operations, including employee salaries, offender success (reentry) programs, and health.

- ◆ **\$32.4 million in targeted pay increases for corrections officers and supervisors** (\$32.1 million general fund), supporting the recruitment and retention of officers and investing in key facility staff.
- ◆ **\$6.6 million to provide peer recovery coaches in prisons, and parole and probation offices** (general fund). Through their shared, lived experiences, these peer recovery coaches help prisoners and returning citizens with substance use disorder attain their recovery goals and improved offender success outcomes.
- ◆ **\$3.4 million to automate processes used for prisoner counts and assignments** (general fund) to modernize operations from a paper-based tracking system and improve efficiency within prisons.
- ◆ **\$2 million to support the development of transitional housing projects** (general fund) ensuring returning citizens have stable housing upon their return to support their successful reentry.
- ◆ **\$1.5 million to expand community support services for probationers** (general fund), including transportation, economic stability and job placement, and physical and behavioral health.
- ◆ **\$750,000 to expand the availability of postsecondary education programs** (general fund), which helps to reduce recidivism and increase employment and wages among returning citizens.

Corrections

In addition to these investments, the Health and Human Services budget includes \$40 million Gross (\$20 million general fund) for pre-release Medicaid services to incarcerated individuals. These services will reduce reliance on emergency medical services and support proper transition of care for people previously in prison, jail, or secure juvenile justice settings.

Growing Post-Secondary Education in Prison



Department of Corrections
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$2,097,010.1	\$2,147,379.0
Removal of FY 2025 One-Time Funding	(\$3,000.0)	(\$6,400.0)
FY 2026 Ongoing Investments		
Substance Use Treatment - Expands availability of peer recovery coaches in prisons and parole and probation offices	\$6,600.0	\$6,600.0
Offender Success Services - Expands community support services to probationers	\$1,500.0	\$1,500.0
Post-Secondary Education - Provides funding for additional programs	\$750.0	\$750.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Wage Scale Restructure - Compresses pay step schedule for corrections officers	\$17,142.0	\$17,263.4
Additional Pay Step - Provides increase of \$1.30/hr after 54 months of employment for corrections officers and supervisory ranks	\$14,984.0	\$15,143.5
Clinical Complexes - Medical supply cost increases	\$2,100.0	\$2,100.0
Thumb Education Center - Annualizes costs from FY2025 investment	\$1,521.7	\$1,521.7
Employee Payroll Related Adjustments	\$27,290.9	\$27,670.9
FY 2026 Total Executive Recommendation - Ongoing Funding	\$2,165,898.7	\$2,213,528.5
FY 2026 One-Time Investments		
Prisoner Count and Assignment Tracking - Automates processes	\$3,446.4	\$3,446.4
Transitional Housing - Expands availability of quality housing for recent parolees	\$2,000.0	\$2,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$5,446.4	\$5,446.4
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$2,171,345.1	\$2,218,974.9
\$ Change from FY 2025 - Total Funding	\$74,335.0	\$71,595.9
% Change from FY 2025 - Total Funding	3.5%	3.3%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$2,171,345.1	\$2,218,974.9
Removal of FY 2026 One-Time Funding	(\$5,446.4)	(\$5,446.4)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$2,165,898.7	\$2,213,528.5
\$ Change from FY 2026 - Total Funding	(\$5,446.4)	(\$5,446.4)
% Change from FY 2026 - Total Funding	(0.3%)	(0.2%)



Department of Education

Governor's Recommended Budget for Fiscal Years 2026 and 2027

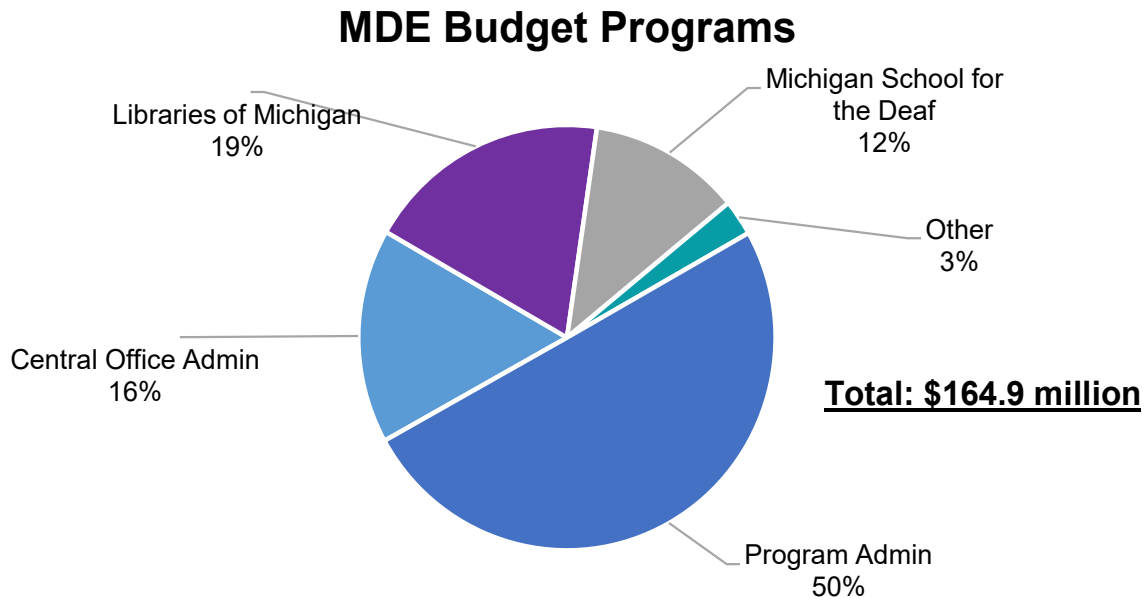
The Department of Education (MDE) supports learning for nearly 1.4 million students in Michigan and 145,000 educators across the public K-12 education system. The department's major responsibilities include administration of the school aid budget, school improvement and accountability, and educator preparation and certification.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$164.9 million, of which \$62.7 million comes from the state's general fund.

Highlights

The Governor's recommended budget provides additional support for the following key MDE programs:

- ♦ **\$960,900 for Literacy Supports and the Science of Reading** (general fund) to implement Public Act 146 of 2024 by providing additional supports for students with dyslexia and training teachers to better address those children's needs. This funding will also continue to improve literacy achievement throughout the state by implementing teaching methods and materials proven to be effective at increasing student achievement.
 - ♦ **\$342,400 for Pathways to Success** (general fund) to expand career and technical education (CTE) opportunities for students in schools – often in rural areas – that are considered “CTE deserts.” This investment will allow start-up funding and continued administrative support for these schools to create or expand their CTE offerings. This investment corresponds to an investment in the school aid budget and will provide the administrative support for that program.
-



Reprioritizations

The recommended budget reprioritizes general fund funding from the following programs and directs them to the above literacy support investments:

- ♦ **\$500,000 from American Sign Language Literacy**, which leaves \$500,000 available for the program. This reprioritization brings funding in line with the amount necessary to fully fund the program.
- ♦ **\$460,900 from Educator Recruitment and Preparation** reflecting the reduced need for these dollars because of expanded funding in the school aid budget to support educator recruitment and retention programs, including stipends for student teachers, tuition support for college students seeking to become educators, and programs to encourage school district staff to complete education and training required to become teachers. This reprioritization will streamline Michigan’s efforts to recruit and retain the next generation of educators.

Department of Education
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$63,896.1	\$164,975.1
Removal of FY 2025 One-Time Funding	(\$2,000.0)	(\$2,000.0)
FY 2026 Ongoing Investments		
Science of Reading - Support to districts to meet new dyslexia requirements and improve literacy through science of reading	\$960.9	\$960.9
CTE Pathways to Success - Increase opportunities for students in underserved areas by creating and expanding CTE programs	\$342.4	\$342.4
FY 2026 Reductions		
ASL Literacy - Reprioritize funding for science of reading	(\$500.0)	(\$500.0)
Educator Recruitment and Prep - Reprioritize funding for science of reading	(\$460.9)	(\$460.9)
FY 2026 Baseline Adjustments		
Federal Appropriation Increase - Allow the department to utilize all federal revenue received in the office of systems, evaluation, and technology	\$0.0	\$360.0
Employee Payroll Related Adjustments	\$483.6	\$1,245.2
Other Technical Adjustments	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$62,722.1	\$164,922.7
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$62,722.1	\$164,922.7
\$ Change from FY 2025 - Total Funding	(\$1,174.0)	(\$52.4)
% Change from FY 2025 - Total Funding	(1.8%)	(0.0%)

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$62,722.1	\$164,922.7
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$62,722.1	\$164,922.7
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%



Department of Environment, Great Lakes, and Energy

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Environment, Great Lakes, and Energy is committed to safeguarding Michigan's air, water, and land, ensuring balance between environmental protection, public health, and economic growth. Through proactive measures and innovative solutions, the department addresses evolving challenges, striving to preserve Michigan's environmental heritage and enhance the quality of life for its residents today and in the future.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$1.1 billion, of which \$190 million comes from the state's general fund. The Governor also recommends \$106 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

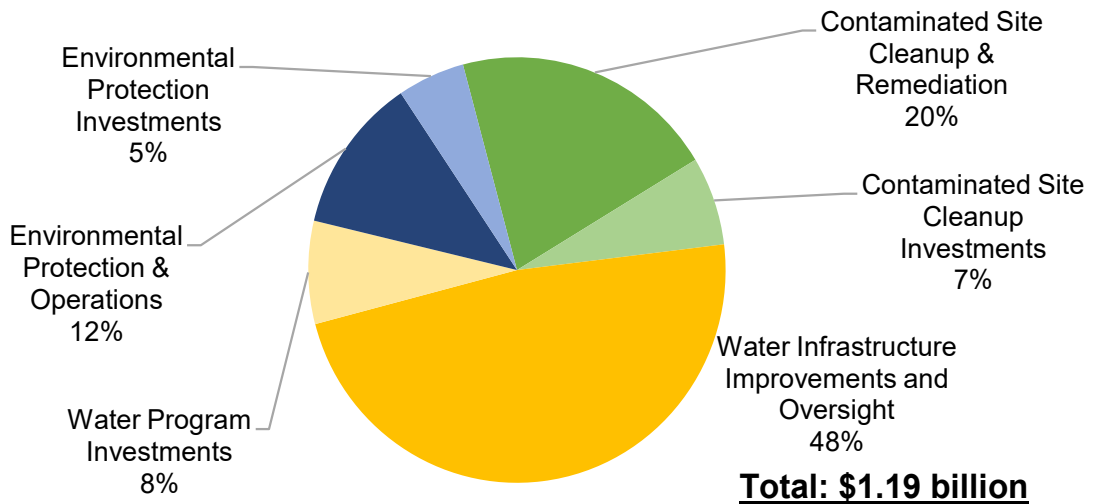
The Governor's recommended budget continues support for the following key programs:

- ♦ **\$80 million for Lead Service Line Replacement and Water Infrastructure Investment** (\$30 million ongoing and \$50 million one-time general fund) to support local communities with grants and low interest loans for replacing lead service lines, installing storm water management systems, and upgrading their water infrastructure.
- ♦ **\$80 million for Community Waste Management and Contaminated Site Clean-Up** (state restricted funds) to increase the lifespan of Michigan landfills, support recycling and waste diversion, and remediate contaminated sites by increasing the waste surcharge fee to competitive parity with neighboring states.
- ♦ **\$39 million for Increasing Permitting Efficiency** (general fund) by digitizing and indexing the department's extensive records to create a publicly accessible database, streamlining permitting, improving transparency, and saving taxpayers \$4 million annually.
- ♦ **\$12.8 million for Environmental Protection** (state restricted) to provide sustainable funding for the regulation and permitting of hazardous waste management, waterways, water use and discharge, and natural gas storage.
- ♦ **\$10 million for Deploying Electric Vehicle Charging Stations** (general fund) by providing grants for the installation of EV charging stations in local communities to facilitate the adoption of low emission vehicles.
- ♦ **\$7 million for a Septic System Database** (general fund) to establish a statewide database of septic systems to enhance protection of our lakes and streams.

Environment, Great Lakes, and Energy

- ♦ **\$6 million for Water Programs** (general fund) to build staff capacity, allowing the department to meet its enforcement, inspection, and permitting responsibilities to ensure clean drinking water for all Michigan residents.
 - ♦ **\$370,000 for Energy Programs** (general fund) to enable the department to more efficiently manage its energy efficiency programs and federal grants.
-

Continuing to Invest in EGLE's Core Areas



Department of Environment, Great Lakes, and Energy
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$260,710.3	\$1,039,098.6
Removal of FY 2025 One-Time Funding	(\$109,000.0)	(\$109,000.0)
FY 2026 Ongoing Investments		
Waste Surcharge Adjustment - Contaminated site clean-up support	\$0.0	\$80,000.0
Water Infrastructure Improvements - Grants and low interest loans to communities	\$30,000.0	\$30,000.0
Environmental Protection - Support preservation of Michigan's natural resources	\$0.0	\$12,777.8
Water Program - Capacity increase for water programs	\$5,955.7	\$5,955.7
Energy Program - Capacity increase for energy programs	\$370.0	\$370.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$2,346.3	\$4,933.7
Other Technical Adjustments	\$7.5	\$16,687.3
FY 2026 Total Executive Recommendation - Ongoing Funding	\$190,389.8	\$1,080,823.1
FY 2026 One-Time Investments		
Water Infrastructure Improvements - Grants and low interest loans to communities	\$50,000.0	\$50,000.0
Document Management Modernization - Digitization and indexing of paper records	\$39,000.0	\$39,000.0
Electric Vehicle Charging Stations - Grants for EV charger installation	\$10,000.0	\$10,000.0
Septic System Database - Creation of a statewide database	\$7,000.0	\$7,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$106,000.0	\$106,000.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$296,389.8	\$1,186,823.1
\$ Change from FY 2025 - Total Funding	\$35,679.5	\$147,724.5
% Change from FY 2025 - Total Funding	13.7%	14.2%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$296,389.8	\$1,186,823.1
Removal of FY 2026 One-Time Funding	(\$106,000.0)	(\$106,000.0)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$190,389.8	\$1,080,823.1
\$ Change from FY 2026 - Total Funding	(\$106,000.0)	(\$106,000.0)
% Change from FY 2026 - Total Funding	(35.8%)	(8.9%)



Executive Office

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Executive Office is the Office of the Governor. The budget provides funding for the Governor and her immediate staff, who assist in executing her constitutional responsibilities as chief executive of the State of Michigan. Additionally, the Governor's office aids Michiganders with matters pertaining to a state government department or agency through its Constituent Services office.

The budget also funds the office of the Lieutenant Governor, who represents the Governor in her absence, presides over the Senate, and serves on the State Administrative Board.

The Governor's proposed budget for fiscal years 2026 and 2027 recommends total ongoing funding of \$9.6 million, all general fund.

Executive Office
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$9,337.1	\$9,337.1
Removal of FY 2025 One-Time Funding	\$0.0	\$0.0
FY 2026 Ongoing Investments		
None	\$0.0	\$0.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$272.1	\$272.1
FY 2026 Total Executive Recommendation - Ongoing Funding	\$9,609.2	\$9,609.2
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$9,609.2	\$9,609.2
\$ Change from FY 2025 - Total Funding	\$272.1	\$272.1
% Change from FY 2025 - Total Funding	2.9%	2.9%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$9,609.2	\$9,609.2
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$9,609.2	\$9,609.2
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

Department of Health and Human Services

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Health and Human Services (DHHS) provides opportunities, services, and programs to protect public health and promote a healthy, safe, and stable environment allowing Michigan residents to be self-sufficient. DHHS operates a network of local offices throughout the state and administers critical programs, including Medicaid, behavioral health services and psychiatric hospitals, public health programs, child welfare services, and public assistance.

The Governor's recommended budget for fiscal year 2026 includes total ongoing funding of \$39 billion, of which \$7.4 billion comes from the state general fund. The Governor also recommends \$127.6 million in one-time funding, of which \$112.4 million comes from the state's general fund.

Highlights

The Executive Budget includes significant new investments to keep kids safe with enhancements to child welfare operations, capacity, and supports. It invests in new resources to make health care more accessible and affordable with Medicaid eligibility expansions, a rate increase for orthodontic services provided to children with special and complex health conditions, and an expansion of dementia services. It also prioritizes mental and behavioral health services and facilities by increasing investment of opioid settlement dollars where they are needed most, adding funding and staffing to transition care into a new state psychiatric hospital in Southeast Michigan, and continuing mental and behavioral health services for first responders and public safety staff.

Keeping Kids Safe

The Executive Budget prioritizes helping at-risk children to live in the safest, most familiar, and most stable settings possible. It also provides increased supports to young people aging out of the child welfare system to ensure they have what they need as they move toward independence and transition into adulthood.

- ◆ **\$24.4 million to keep children connected to their families** (\$22.6 million general fund) by investing in efforts to place more children in the child welfare system with relatives.
- ◆ **\$27 million to help at-risk families maintain independence outside of the child welfare system** (\$11.3 million general fund). This investment will add staff to serve as liaisons between families and child welfare workers. Staff will provide additional support to families working through the child welfare system and provide economic and concrete supports to at-risk families to avoid extended involvement.
- ◆ **\$17.5 million to improve adoption supports** (\$12.7 million general fund) by expanding access to the Adoption Medical Subsidy program, restructuring rates paid to private adoption agencies, and expanding Medicaid eligibility.

Health and Human Services

- ◆ **\$13.3 million to improve outcomes for children in Michigan’s child welfare system** (\$11.2 million general fund) by investing in initiatives designed to keep children in their homes, reduce placements for children in residential facilities, place more children with relatives, and reduce their lengths of stay outside of their homes.
- ◆ **\$1.9 million** (general fund) **to invest in independent living services** for older youth in foster care.
- ◆ **\$3.5 million** (general fund) **to help young adults exiting the child welfare system successfully transition to more independent living arrangements in adulthood** by ensuring they can retain their federal financial benefits, such as Social Security. On a national basis, 10% of foster children are each entitled to an average of \$700 in Social Security benefits every month.
- ◆ **\$325,700 to fully fund services designed to prevent the breakup of Native American families** (\$261,000 general fund) by increasing the rate paid to private agency foster care providers for these services.

Additionally, the Executive Budget builds on substantial improvements in the current year budget for Michigan’s Temporary Assistance for Needy Families (TANF) program by moving certain activities to the general fund. This makes funding available for new and expanded opportunities that are better aligned with TANF program goals and funding parameters.

- ◆ **\$5 million (TANF) to support fathers** by providing funding to local fatherhood organizations and other family support providers, training caseworkers to support fathers in their communities, and raising awareness within communities about the importance of fathers for young children.
- ◆ **\$1.2 million (TANF) for additional young child supplemental payments** to assist low-income families receiving cash assistance.

Making Health Care More Accessible

The Executive Budget recognizes the importance of health care accessibility, especially for our most vulnerable residents and neighbors. Investments to increase health care accessibility include:

- ◆ **\$96.4 million to expand Medicaid eligibility** (\$33.1 million general fund) with a new income disregard that will allow more people to gain access to coverage. Currently Medicaid requires elderly and disabled enrollees with income above 100% of federal poverty limits (FPL) to spend the majority of their income on health care costs each month – until their remaining income is less than 40% FPL – to access Medicaid. This proposal would shift this level to 100% FPL, broadening access to Medicaid supports and preventing excessive spend down to help keep more seniors in their homes and prevent individuals from spending down into poverty.

- ♦ **\$3.3 million to increase orthodontic rates in the Children’s Special Health Care Program** (\$1.5 million general fund), to help address the complex needs of vulnerable children across the state.
- ♦ **\$2 million (general fund) for expansion of dementia services** to increase resources available to local communities for dementia care and support, supporting pilot projects aimed at improving dementia care practices, and providing training and education to healthcare professionals and caregivers.
- ♦ **\$400,000 to explore the feasibility of expanding Medicaid eligibility for children aged 0 - 6 years** (\$200,000 general fund). This will allow DHHS to prepare a feasibility study to determine long-term costs, benefits, potential barriers and any associated nuances of implementing continuous eligibility for Medicaid beneficiaries aged 0-6.

The Executive Budget also recognizes that challenges can arise for individuals transitioning out of correctional settings, with research showing that individuals who are released from an incarcerated setting have a disproportionate rate of physical and behavioral health diagnoses and are more likely to experience adverse health events. To address these challenges, the Executive Budget invests funds to ensure health care services, including mental and behavioral health services and supports, prescription drugs, and more, are available as individuals transition back into their communities.

- ♦ **\$40 million for the community reentry of incarcerated individuals** (\$20 million general fund) to provide coverage starting 90 days before an individual’s scheduled release. This will allow for health screenings and other services prior to reentry to identify key health needs and social determinants to facilitate a successful transition. Investing in these transition services will help improve health outcomes and access to community services, all of which will reduce recidivism.

Investing in Mental and Behavioral Health Services and Facilities

Finally, the Executive Budget devotes significant resources to help ensure the behavioral and mental health needs of Michigan residents are met.

- ♦ **\$46.8 million of opioid settlement dollars (\$31.8 million ongoing, \$15.0 million one-time)** for prevention, treatment, harm reduction, recovery, and data collection for those affected by the opioid epidemic. These funds will be strategically targeted to implement the department’s three-year plan to prevent opioid deaths and used to invest in new programs, provide further support to established and successful programs, and ensure these dollars will be wisely invested where they are needed most. The plan will protect Michiganders by minimizing opioid usage, reducing opioid overdoses, and addressing racial disparities in overdose deaths.
- ♦ **\$15.2 million to begin operating the new state psychiatric hospital in Northville**, replacing two old, outdated hospitals with a new, 264 bed facility, increasing systemwide capacity by 54 beds (32 adult beds and 22 pediatric beds). Successful staffing of this facility helps address a critical bed shortage and lack of capacity needed to access crisis mental health services.

Health and Human Services

- ◆ **\$2.5 million for access to mental health services** (general fund, one-time) to support behavioral health resources for first responders and public safety staff.
-

Department of Health and Human Services
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$6,717,231.0	\$37,646,231.1
Removal of FY 2025 One-Time Funding	(\$155,300.0)	(\$195,654.9)
FY 2026 Ongoing Investments		
Ensuring Children Remain Connected to Their Families	\$22,640.0	\$24,397.0
Improving Safety, Placement, and Permanency	\$11,242.0	\$13,333.4
Young Adults Exiting the Child Welfare System	\$3,500.0	\$0.0
Foster Care Indian Child Welfare Act Rate Increase	\$261.0	\$325.7
Foster Care Independent Living Plus Rate Increase	\$1,898.9	\$2,032.6
Improving Adoption Support	\$12,663.7	\$17,496.0
Promoting Family Unification	\$0.0	\$390.0
TANF Reallocation: GF Fund Shift	\$6,202.2	\$0.0
TANF Reallocation: Young Child Supplemental Payment	\$0.0	\$1,202.2
TANF Reallocation: Supporting Fathers	\$0.0	\$4,997.6
Ensuring Health Care Access for Vulnerable Adults	\$33,100.0	\$96,389.0
Supporting Orthodontic Benefits for Medicaid Enrollees	\$0.0	(\$1,040.8)
Dementia Services Enhancement	\$2,000.0	\$2,000.0
Incarcerated Individuals Community Reentry	\$20,000.0	\$40,000.0
Juvenile Justice Services	\$8,538.7	\$10,582.4
Improving Opioid Recovery	\$0.0	\$31,796.5
Transitioning to the New State Psychiatric Hospital	\$15,154.9	\$15,154.9
Investing in Victim Support Services	\$20,000.0	\$20,000.0
Paramedic Competency Exam	\$3,100.0	\$3,100.0
Home Help Caregiver Council	\$3,500.0	\$7,000.0
Tobacco Prevention and Smoking Cessation	\$1,496.3	\$22,871.3
Non-Clinical DCW Wage Increase	\$6,198.6	\$14,000.0
Energy Assistance and MEAP	\$0.0	\$50,000.0
Water Affordability	\$1,000.0	\$1,000.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
FY25 Increase: Federally Mandated Medicaid Phone Renewals	\$1,418.5	\$2,837.0
FY26 Increase: PACE Slot Expansion	\$1,006.1	\$2,899.4
FY26 Increase: CMS Prior Authorization Rule Change	\$1,816.7	\$3,633.4
FY26 Increase: Software, Hardware, and IT Contract Costs	\$4,240.1	\$9,016.0
FY26 Increase: State Psychiatric Hospital Pharmacy and Food Costs	\$727.6	\$727.6
Shawono Transition to Michigan Youth Treatment Center	(\$2,330.4)	\$2,172.7
State Restricted Revenue Adjustments	(\$43,510.2)	\$0.0
Caseload Adjustments	\$531,314.3	\$1,105,370.3

Health and Human Services

	<u>GF/GP</u>	<u>GROSS</u>
Other Technical Adjustments	\$0.0	\$20,317.0
Defined Calculation Adjustments	\$23,668.6	\$34,660.0
Other Adjustments	\$815.6	\$15,057.3
FY 2026 Total Executive Recommendation - Ongoing Funding	\$7,253,594.2	\$39,024,294.7
FY 2026 One-Time Investments		
Improving Opioid Recovery	\$0.0	\$15,000.0
State Psych DSH Disallowance	\$78,664.1	\$78,664.1
First Responder and Public Safety Staff Mental Health	\$2,500.0	\$2,500.0
Energy Assistance and MEAP	\$25,000.0	\$25,000.0
Water Affordability	\$6,000.0	\$6,000.0
Exploring Expanded Coverage for Children	\$200.0	\$400.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$112,364.1	\$127,564.1
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$7,365,958.3	\$39,151,858.8
\$ Change from FY 2025 - Total Funding	\$648,727.3	\$1,505,627.7
% Change from FY 2025 - Total Funding	9.7%	4.0%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$7,365,958.3	\$39,151,858.8
Removal of FY 2026 One-Time Funding	(\$112,364.1)	(\$127,564.1)
Current Services Baseline Annualizations	(\$2,125.0)	\$14,400.0
Current Services Baseline Technical Adjustments	\$0.0	\$680.8
Transitioning to the New State Psychiatric Hospital	\$20,221.5	\$20,221.5
Investing in Victim Support Services	\$8,000.0	\$8,000.0
Tobacco Prevention and Smoking Cessation	\$498.7	\$7,623.7
FY 2027 Total Executive Recommendation	\$7,280,189.4	\$39,075,220.7
\$ Change from FY 2026 - Total Funding	(\$85,768.9)	(\$76,638.1)
% Change from FY 2026 - Total Funding	(1.2%)	(0.2%)

Department of Insurance and Financial Services

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Insurance and Financial Services (DIFS) ensures access to safe and secure insurance and financial services fundamental for the opportunity, security and success of Michigan residents, while fostering economic growth and sustainability in both industries.

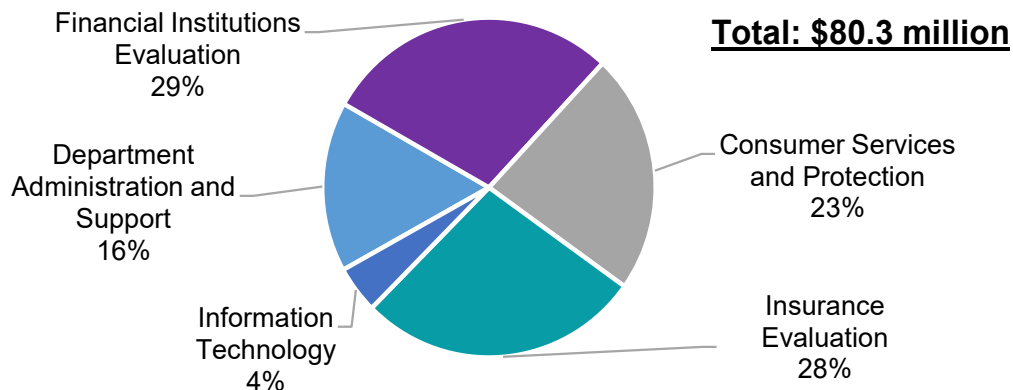
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$80.3 million, all of which is from restricted and federal fund sources. No one-time funding is recommended.

Highlights

The Governor's recommended budget adds funding for the following key DIFS programs:

- ♦ **\$849,200 for Insurance Sector Regulation, Enforcement and Consumer Protection Services** (state restricted fund) adds funding for 5 staff to handle increases in the volume and complexity of the department's regulatory, enforcement and consumer protection services related to Michigan's insurance sector.
- ♦ **\$330,000 for Attorney General Services** (state restricted fund) to support increased civil and criminal case referrals made by the department to the Attorney General.

80% of DIFS Funding Directly Supports Insurance and Financial Regulation and Consumer Protection Services



Department of Insurance and Financial Services
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$0.0	\$78,621.4
Removal of FY 2025 One-Time Funding	\$0.0	(\$500.0)
FY 2026 Ongoing Investments		
Insurance Regulation, Enforcement, and Consumer Protection - Adds 5.0 FTEs to support increases in the volume and complexity of activities associated with regulating the insurance sector	\$0.0	\$849.2
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Attorney General Services - Funding increase to support increased civil and criminal activity case referrals by the department	\$0.0	\$330.0
Employee Payroll Related Adjustments	\$0.0	\$955.0
Other Technical Adjustments	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$0.0	\$80,255.6
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$0.0	\$80,255.6
\$ Change from FY 2025 - Total Funding	\$0.0	\$1,634.2
% Change from FY 2025 - Total Funding	0.0%	2.1%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$0.0	\$80,255.6
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$0.0	\$80,255.6
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

Judiciary

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Michigan Constitution vests the judicial power of the state exclusively in a court system that comprises the Supreme Court, the Court of Appeals, the Circuit Court (as the trial court of general jurisdiction), the Probate Court, and other courts of limited jurisdiction, including the District Court and municipal courts. The judicial branch's budget includes support for court operations, judicial branch agencies, and local trial courts through caseload reimbursements, grants for problem solving courts and specialty programs, juror compensation, information technology, and judges' salaries.

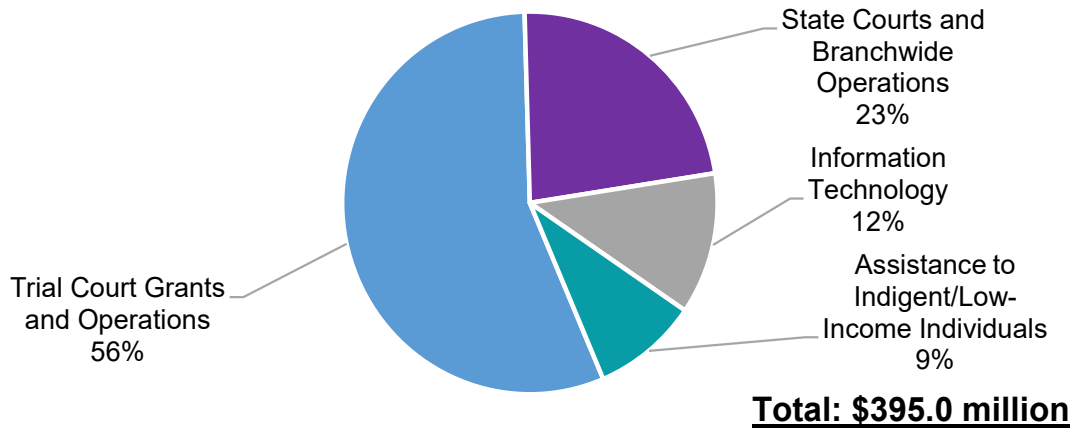
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$395.0 million, of which \$287.3 million comes from the state's general fund.

Highlights

The Governor's recommended provides increased support for judicial branch operations, focusing on branch administration, trial court support, and indigent and low-income litigants.

- ◆ **\$7.2 million for the continuing rollout of the statewide judicial case management system** (general fund) for additional personnel and operational costs as trial courts migrate from locally managed, locally funded case management systems to the state system.
- ◆ **\$3.8 million to implement a National Center for State Courts administrative staffing recommendation** (general fund), of which \$2.6 million is for regular financial audits of trial courts.
- ◆ **\$2.3 million for additional personnel for State Appellate Defender's Office** (general fund) to continue the planned, phased implementation of workload standards for attorney and non-attorney staff developed in concert with similar workload standards for trial level public defenders through the Michigan Indigent Defense Commission.
- ◆ **\$1.6 million in additional support for problem-solving courts** (general fund), supporting trial court programs that aim to address the underlying substance abuse or mental health issues that contribute to criminal behavior by focusing on treatment and supervision as an alternative to incarceration. Funds will support existing programs, build the capacity of the State Court Administrative Office, and allow for the establishment of new problem-solving courts.
- ◆ **\$533,700 increase for the Michigan Judicial Institute** (general fund) to expand the availability of training and education programs for judges and local court staff.
- ◆ **\$400,000 increase for Michigan Legal Help** (general fund). The program, through its website and affiliated local help centers, provides resources to help low- and moderate-income individuals representing themselves in civil legal matters, for which a court-appointed attorney is not provided.

More Than 2/3 of the Judiciary Budget Supports Trial Court Operations and Information Technology



Judiciary
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$266,113.9	\$373,441.4
Removal of FY 2025 One-Time Funding	(\$2,000.0)	(\$2,500.0)
FY 2026 Ongoing Investments		
Case Management System - Additional personnel and other operating costs as rollout to trial courts continues	\$7,200.0	\$7,200.0
Administrative Support - Implements a National Center for State Courts recommendation to increase human resources and financial administration and oversight	\$3,839.3	\$3,839.3
State Appellate Defender's Office - Year 2 of a planned, phased increase in personnel to implement to new staff workload standards	\$2,325.0	\$2,325.0
Problem Solving Courts - Supports increased local costs and services and the establishment of new problem solving courts	\$1,584.0	\$1,584.0
Michigan Judicial Institute - Expands training opportunities for judges and court staff	\$533.7	\$533.7
State Court Administrative Office - Additional field staff supporting trial court operations	\$355.0	\$532.5
Supreme Court Administration - Creates a grants officer position to pursue and manage federal and philanthropic grant opportunities	\$210.0	\$210.0
Supreme Court Administration - Additional personnel in the Office of the Reporter of Decisions supporting the editing and final publication of court opinions and decisions	\$167.4	\$167.4
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
State Appellate Defender's Office - Negotiated salary increases for unionized staff and equitable pay increases for non-unionized staff	\$591.0	\$591.0
Judgeship Changes - Statutorily-added judgeships in Allegan, Kalamazoo, Kent, and Macomb counties	\$123.5	\$539.2
Michigan Legal Help - Recognizes increased technology and operating costs	\$400.0	\$400.0
Problem Solving Courts - Funds contractual increases for the maintenance of the Drug Court Case Management Information System	\$265.0	\$265.0
Supreme Court Justice Salaries - Reduces funding due to the non-approval of the 2023 State Officers Compensation Commission recommendation	(\$166.6)	(\$166.6)
Employee Payroll Related Adjustments	\$5,747.0	\$5,951.7
Other Technical Adjustments	\$0.0	\$100.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$287,288.2	\$395,013.6
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$287,288.2	\$395,013.6
\$ Change from FY 2025 - Total Funding	\$21,174.3	\$21,572.2
% Change from FY 2025 - Total Funding	8.0%	5.8%

Judiciary

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$287,288.2	\$395,013.6
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$287,288.2	\$395,013.6
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

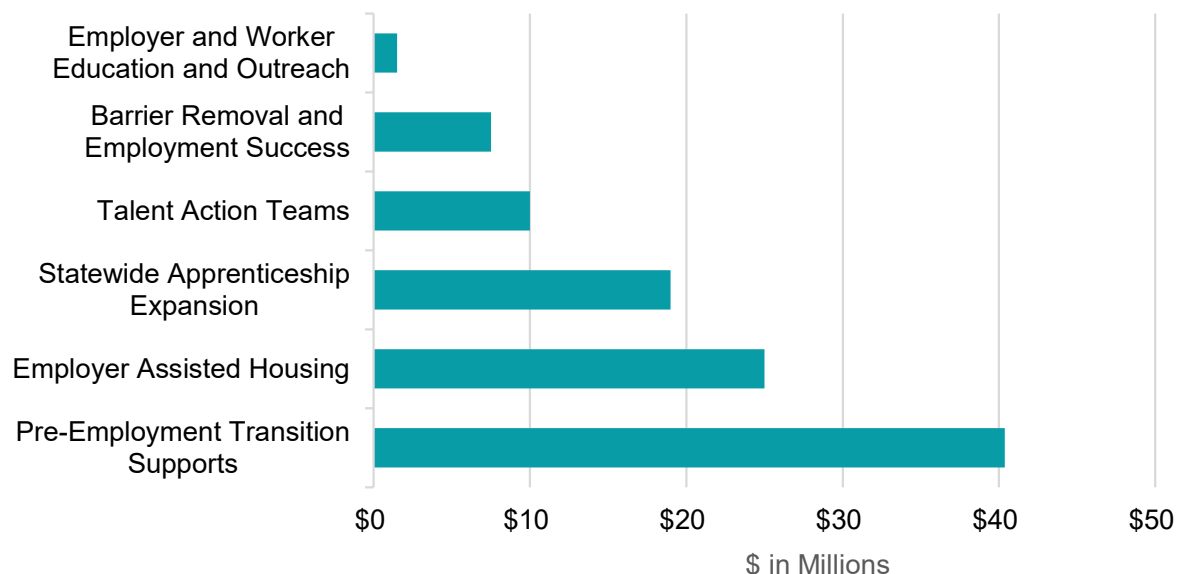
Department of Labor and Economic Opportunity

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Labor and Economic Opportunity (LEO) coordinates economic, labor, housing and workforce development efforts across the state through the Michigan Strategic Fund, the Michigan State Housing Development Authority, the State Land Bank Authority, and other employment and workforce programs and commissions. LEO works to drive economic development; build vibrant communities; attract and retain talent; grow the state's population; protect health, safety, and economic security of workers; and create affordable housing.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$1.8 billion, of which \$239.5 million comes from the state's general fund. The Governor also recommends \$83.5 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Governor Whitmer's fiscal year 2026 budget invests over \$100 million to support the workforce.



Highlights

The Governor's recommended budget provides support for a wide range of programs that will help ensure a strong and prosperous state, through investments in workers and businesses, efforts to grow the state's economy, and support for programs that level the playing field for Michigan residents. To ensure workers have the skills needed for in-demand jobs, and employers have the talent they need to grow and succeed, Governor Whitmer recommends additional investments in the following programs:

- ♦ **\$40.4 million for Pre-Employment Transition Support for Students with Disabilities** (\$8.4 million general fund) to provide concentrated academic remediation, specialized

Labor and Economic Opportunity

tutoring, and enrollment into career and technical training or college, with the goal of assisting individuals with disabilities on a pathway to in-demand jobs.

- ◆ **\$19 million to Expand Access to Registered Apprenticeships** (general fund) to strengthen Michigan's talent pool and ensure students and job seekers gain in-demand skills, while also providing employers with the talent they need to grow their businesses. This funding will expand opportunities in traditional and non-traditional industries while offering training, wages, and credentials to employees.
- ◆ **\$10 million for Talent Action Teams** (general fund) to continue providing tailored talent solutions to businesses in strategic industries. This program helps businesses meet their talent needs by leveraging and building partnerships with educational institutions, connecting businesses to other state programs and resources, and implementing talent marketing efforts to attract and retain top talent.
- ◆ **\$7.5 million to Remove Barriers to Work** (general fund) for low-income, poor and working poor residents, including those who earn above the poverty level but not enough to adequately sustain a household. These supportive services will address transportation, legal services, childcare, clothing needs, tools for work, and other barriers that keep people from participating in the workforce.
- ◆ **\$1.5 million to Educate Employers and Workers** (general fund) through enhanced engagement and outreach focused on workplace operations.

Building off the strong investments in the workforce, the Executive Budget also invests significantly in programs that will boost the economy:

- ◆ **\$35.8 million to create a Transmission Siting and Economic Development program** (federal funds) in a fiscal year 2025 supplemental that will support an apprenticeship program for utility infrastructure employees, weatherization efforts to lower energy costs for low-income residents, and workforce training to create a talent pool ready to support Michigan's energy infrastructure of the future.
- ◆ **\$25 million for Employer Assisted Housing** (general fund) which will leverage investments from employers to support a range of housing projects that include housing acquisition, rental housing, down payment assistance, and rehabilitation, targeting those households earning under 120% of the area median income.
- ◆ **\$22.7 million for Auto Supplier Retooling Grants** (federal funds) in a fiscal year 2025 supplemental to provide grants to small and medium sized auto suppliers for retooling efforts to help Michigan develop a domestic and diversified supply chain and retain high-quality, good-paying jobs.
- ◆ **\$10 million for Small Business Support Hubs** (general fund) to enhance a statewide network of service providers that offer comprehensive resources and support to Michigan's small businesses. Additional funding will continue efforts to help ensure broad and easy access to critical resources, alignment with federal funding initiatives, and improved

outreach and education to ensure small businesses are receiving the supports that will benefit them.

- ♦ **\$10 million for Growing the Population** (general fund) to retain and attract talent with strategic pilots and public engagement efforts that aim to support population growth trends statewide.
- ♦ **\$1 million for the Office of Rural Prosperity** (general fund) to support grants that enhance regional and statewide coordination of services and programming in rural communities and help develop the plans and partnerships needed for economic growth.
- ♦ **\$1 million for Focus: HOPE** (general fund) to support workforce development, youth development and community empowerment and advocacy programs.

Finally, to ensure both current and future Michigan residents can envision a prosperous future in Michigan, the fiscal year 2026 budget invests in programs that will level the playing field and provide needed supports to residents across the state. These investments include:

- ♦ **\$43.6 million to Support Communities Impacted by Severe Storms** (federal funds) in a fiscal year 2025 supplemental. These funds will support disaster recovery and mitigation efforts in Southeast and Central Michigan communities impacted by severe storms in August 2023.
 - ♦ **\$20 million to Continue Modernization Efforts of the Unemployment Insurance Agency's Legacy IT System** (to be funded from the Information Technology Investment Fund in the Department of Technology, Management, and Budget). These funds will provide additional support for the replacement of the system used to collect unemployment taxes from employers and pay unemployment insurance benefits to claimants. A modernized system will improve services for claimants and employers, streamline manual processes, improve security, and increase data accuracy.
 - ♦ **\$9.2 million to Invest in Michigan Rehabilitation Services** (\$2 million general fund) and meet federal match requirements, allowing Michigan Rehabilitation Services to expand vocational rehabilitation services that will increase employment for individuals with disabilities.
 - ♦ **\$2.5 million for Increased Support to First Responders During Cancer Treatment** (restricted funds) to support payments for wage loss and medical care expenses for first responders who have been diagnosed with specified cancers. This investment is paired with a proposed statutory change to increase the allocation of sports betting and internet gaming revenues to the First Responder Presumed Coverage Fund to ensure sustainability of these critical payments.
-

Department of Labor and Economic Opportunity
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$793,569.4	\$2,421,794.5
Removal of FY 2025 One-Time Funding	(\$564,812.0)	(\$638,812.0)
FY 2026 Ongoing Investments		
Michigan Rehabilitation Services and the Bureau of Services for Blind Persons - Expansion of Pre-Employment Transition Services for individuals and students with disabilities	\$8,390.9	\$40,375.6
Michigan Rehabilitation Services - Funding to secure full federal grant and provide required match	\$1,963.4	\$9,217.8
Wage and Hour - 10.0 FTEs to proactively engage and educate workers and employers on workplace operations	\$1,500.0	\$1,500.0
First Responder Presumed Coverage Fund - Increased support for wage loss and medical payments for first responders diagnosed with certain cancers	\$0.0	\$2,500.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Planned removal of Revitalization and Placemaking Program as revenue source sunsets per PA 4 of 2023	\$0.0	(\$50,000.0)
Removal of one-time earmarks in ongoing line items	(\$2,650.0)	(\$2,650.0)
Michigan Rehabilitation Services - Increased federal authorization tied to ongoing Information Technology Investment Fund project	\$0.0	\$5,391.0
State Brownfield Redevelopment Fund - Aligns authorization with revenue collections and funds projects	\$0.0	\$4,000.0
Office of Rural Prosperity - Increases private and federal authorization	\$0.0	\$1,500.0
Michigan Office of Administrative Hearings and Rules - Increases authorization to align with anticipated expenditures	\$0.0	\$294.0
Employee Payroll Related Adjustments	\$1,535.0	\$9,899.5
Other Technical Adjustments	\$0.0	(\$2,378.3)
FY 2026 Total Executive Recommendation - Ongoing Funding	\$239,496.7	\$1,802,632.1
FY 2026 One-Time Investments		
Employer Assisted Housing Program - Leverages employer investments to fund wide range of housing projects	\$25,000.0	\$25,000.0
Registered Apprenticeship Expansion - Expands access to apprenticeship and apprenticeship readiness programs and creates new opportunities in traditional and non-traditional industries	\$19,000.0	\$19,000.0
Talent Action Teams - Provides customized talent solutions to employers in strategic industries	\$10,000.0	\$10,000.0
Growing the Population - Continued support for growth programming and initiatives	\$10,000.0	\$10,000.0
Small Business Entrepreneurial Support Hubs - Continued support and program enhancements to facilitate access to small business resources	\$10,000.0	\$10,000.0
Removing Barriers to Work - Support for individuals to get back in and stay in the workforce	\$7,500.0	\$7,500.0
Office of Rural Prosperity - Grants for services and programming in rural communities	\$1,000.0	\$1,000.0
Support for Focus: HOPE	\$1,000.0	\$1,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$83,500.0	\$83,500.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$322,996.7	\$1,886,132.1

DEPARTMENT DETAIL

	<u>GF/GP</u>	<u>GROSS</u>
\$ Change from FY 2025 - Total Funding	(\$470,572.7)	(\$535,662.4)
% Change from FY 2025 - Total Funding	(59.3%)	(22.1%)

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$322,996.7	\$1,886,132.1
Removal of FY 2026 One-Time Funding	(\$83,500.0)	(\$83,500.0)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$239,496.7	\$1,802,632.1
\$ Change from FY 2026 - Total Funding	(\$83,500.0)	(\$83,500.0)
% Change from FY 2026 - Total Funding	(25.9%)	(4.4%)



Legislature

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Michigan Constitution entrusts the state's lawmaking power to a bicameral Legislature consisting of a 38 member Senate and a 110 member House of Representatives. The Legislature is an independent branch of state government with the authority to enact laws that regulate the actions of the government and protect the interests of the people.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$235.8 million, of which \$219.6 million comes from the state's general fund.

Highlights

The Governor's recommended budget provides a 3% increase and continues support for the following legislative entities:

- ♦ **\$151.3 million for the Senate and the House of Representatives** (\$149.8 million general fund), associated fiscal agencies, and supporting entities.
 - ♦ **\$24.2 million for the Legislative Council** (general fund) to support council operations which include bill drafting and research services for the Legislature.
 - ♦ **\$32.2 million for the Office of Auditor General** (\$22.1 million general fund), with constitutional responsibility for financial and performance audits of all state branches, departments, offices, boards, authorities, and other institutions.
 - ♦ **\$17.2 million for Property Management** (general fund) to finance operations of the Binsfeld and Anderson office buildings.
 - ♦ **\$10.9 million for the State Capitol Historic Site** (\$6.3 million general fund) for the maintenance and restoration of the State Capitol building and grounds.
-

Legislature
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$216,180.1	\$231,881.0
Removal of FY 2025 One-Time Funding	\$0.0	\$0.0
FY 2026 Ongoing Investments		
Legislature 3% Operational Increase	\$5,753.0	\$5,929.6
Auditor General 3% Operational Increase	\$642.8	\$937.1
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Independent Citizens Redistricting Commission - Dormant until 2030 census	(\$2,992.3)	(\$2,992.3)
FY 2026 Total Executive Recommendation - Ongoing Funding	\$219,583.6	\$235,755.4
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$219,583.6	\$235,755.4
\$ Change from FY 2025 - Total Funding	\$3,403.5	\$3,874.4
% Change from FY 2025 - Total Funding	1.6%	1.7%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$219,583.6	\$235,755.4
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$219,583.6	\$235,755.4
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

Department of Licensing and Regulatory Affairs

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Licensing and Regulatory Affairs (LARA) serves as Michigan's principal regulatory agency, providing oversight of business, utilities, health care, construction, liquor, cannabis, indigent criminal defense, and professional occupations.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$650.6 million, of which \$301.5 million comes from the state's general fund. No one-time funding is recommended.

Highlights

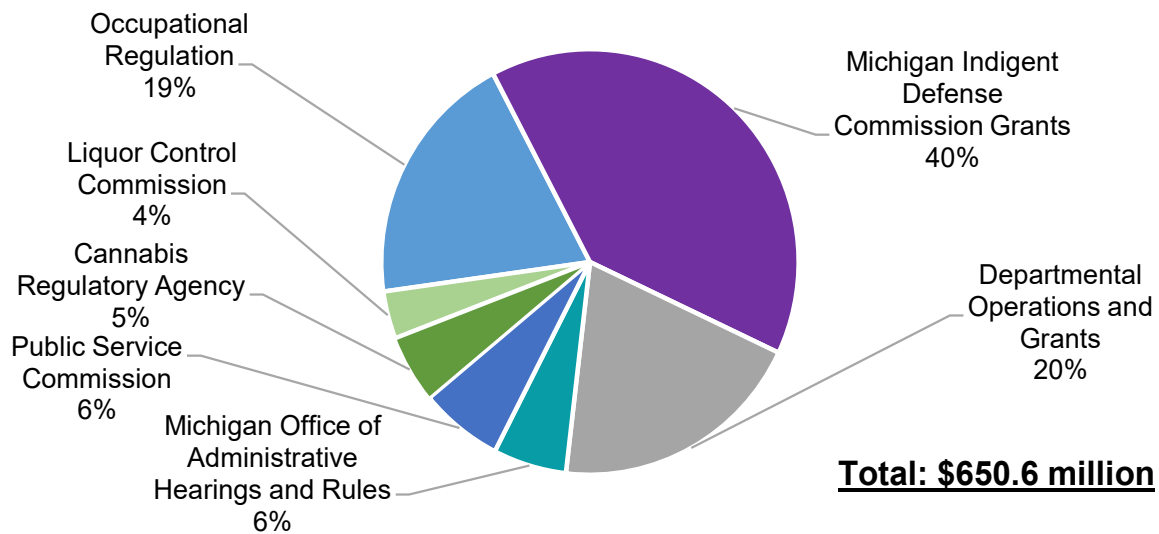
The Governor's recommended budget includes increased support for the following key LARA programs:

- ◆ **\$4.1 million for federal energy code grants** (federal funds) to provide for recently awarded grant funding from the U.S. Department of Energy. This will support development of a statewide energy code and energy benchmarking within the construction sector. An additional \$3.1 million is included in an accompanying fiscal year 2025 supplemental request in support of the same grant awards to begin implementation in the current fiscal year.
- ◆ **\$2.7 million additional to protect nursing home residents** (general fund). The Governor's recommendation will support 9.0 new positions to provide more timely and comprehensive oversight of Michigan's 424 nursing homes and acute and continuing care facilities and augment the existing department services that protect nursing home residents and staff.
- ◆ **\$700,000 to enhance oversight of Homes for the Aged** (general fund). This will support 3.0 additional positions to assure timely issuances of new licenses and renewals of existing licenses, routine inspections and complaint investigations at Michigan's 348 homes for the aged.
- ◆ **\$769,100 to increase transparency for Michigan indigent defense standards** (general fund) associated with 4.0 additional positions in support of planning and increased financial oversight over the state's 120 local indigent defense systems. The Governor's recommendation maintains the annual appropriation for local indigent defense system grants at \$258.3 million.
- ◆ **\$490,000 to increase financial oversight and accountability over LARA program areas** (state restricted funds) with 3.0 positions and a new internal Compliance and Risk Management section within the department.

Licensing and Regulatory Affairs

- ♦ **\$297,300 to increase liquor control and product oversight** (state restricted funds). This investment will support 2.0 positions to enhance tracking of the Michigan Liquor Control Commission's annual inventory of more than 10 million cases of spirits.
 - ♦ **Fee adjustments in six areas** to ensure that LARA can continue to fulfill its regulatory responsibilities to protect consumers while supporting businesses and the services and products that they provide to residents.
-

Major LARA Program Areas



Department of Licensing and Regulatory Affairs
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments		
	GF/GP	GROSS
FY 2025 Original Enacted	\$308,605.7	\$648,739.0
Removal of FY 2025 One-Time Funding	(\$12,000.0)	(\$14,250.0)
FY 2026 Ongoing Investments		
Protecting Nursing Home Residents - Funding increase and 7.0 FTEs to support timely immediate jeopardy complaint investigations of nursing homes and acute and continuing care providers	\$2,400.0	\$2,400.0
Protecting Nursing Home Residents - Funding increase and 2.0 FTEs to better assist the public with questions and complaints related to nursing homes	\$316.9	\$316.9
Enhancing Oversight of Homes for the Aged - Funding increase and 3.0 FTEs to enhance oversight of state-licensed homes for the aged	\$700.0	\$700.0
Increasing Transparency for Indigent Defense Standards - Funding increase and 4.0 FTEs to support increased financial monitoring, transparency and planning efforts	\$769.1	\$769.1
Compliance and Risk Management Section - Funding increase and 3.0 FTEs to better focus oversight and resources on LARA program areas	\$0.0	\$490.0
Increasing Liquor Control and Product Oversight - Funding increase and 2.0 FTEs to further enhance oversight and management of the MLCC's product inventory	\$0.0	\$297.3
Cannabis Regulatory Agency Staffing Increase - Funding increase and 1.0 FTE to provide agency human resources support	\$0.0	\$151.2
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Federal Energy Code and Benchmarking Grants - Reflects federal grant funding focused on the development of a statewide energy code and energy benchmarking	\$0.0	\$4,109.1
New Mortuary Science Licensing Types - Funding increase and 2.0 FTEs to administer two new license types in the mortuary science profession created by Public Act 107 of 2024	\$0.0	\$305.7
Interdepartmental Grant Adjustments - Includes a \$2.2M increase in IDG funding for the Michigan Office of Administrative Hearings and Rules to align with anticipated caseloads and expenditures	\$0.0	\$2,234.6
Employee Payroll Related Adjustments	\$747.6	\$4,377.6
Other Technical Adjustments	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$301,539.3	\$650,640.5
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$301,539.3	\$650,640.5
\$ Change from FY 2025 - Total Funding	(\$7,066.4)	\$1,901.5
% Change from FY 2025 - Total Funding	(2.3%)	0.3%

Licensing and Regulatory Affairs

FY 2027 Adjustments		<u>GF/GP</u>	<u>GROSS</u>
		<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation		\$301,539.3	\$650,640.5
	Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
	None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation		\$301,539.3	\$650,640.5
	\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
	% Change from FY 2026 - Total Funding	0.0%	0.0%

Department of Lifelong Education, Advancement, and Potential

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Lifelong Education, Advancement, and Potential (MiLEAP) implements a statewide vision for lifelong education from preschool to postsecondary attainment. MiLEAP is tasked with building strategic educational partnerships for student learning outside the classroom and with expanding equitable access to affordable programs in early learning and higher education. MiLEAP administers pre-kindergarten and childcare programs, as well as student financial aid in higher education.

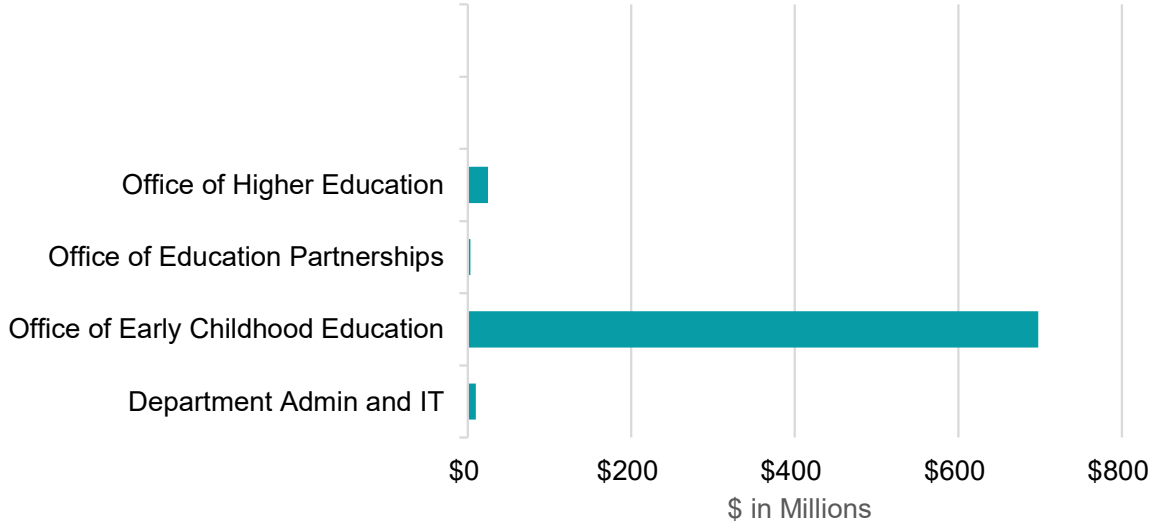
The Governor's recommended budget for fiscal year 2026 includes total ongoing funding of \$671.2 million, of which \$161.9 million comes from the state's general fund. The Governor also recommends \$65 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

The Governor's recommended budget provides additional support for the following key MiLEAP programs:

- ♦ **\$50 million for Child Care Contracts and Prospective Payments** (general fund, one-time) for the first step toward meeting new federal requirements to prepay care providers for services, which is a change from Michigan's current process of paying two weeks after services are provided. In addition, funding will allow for contracting of services for vulnerable populations to ensure all children have care options available to them. These contracts will support services for infants and toddlers, children with disabilities, and children living in areas where child care options are scarce.
- ♦ **\$15 million for College Success Fund** (general fund, one-time) to support student success through continuation of grants to public and private universities as well as community colleges. These grants focus on implementing best practices for student wraparound services to improve student retention and completion of postsecondary degrees. College success grants help postsecondary institutions better serve students and move Michigan closer to achieving the Governor's Sixty by 30 goal, to have 60% of adults obtain a post-secondary degree or skills credential by 2030.

MiLEAP Budget Programs



Reductions

The recommended budget reduces funding for the following programs:

- ♦ **\$3.5 million for nonpublic school student dual enrollment** (general fund) is recommended to be reduced. This program pays for nonpublic students to be able to attend classes at postsecondary institutions. Nonpublic school students will continue to have the opportunity to dual enroll in a postsecondary institution through their local public school.

Department of Lifelong Education, Advancement, and Potential
Governor's Recommended Budget for Fiscal Years 2026 and 2027

\$ in Thousands

FY 2026 Adjustments		
	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$136,489.3	\$643,994.2
Removal of FY 2025 One-Time Funding	(\$35,000.0)	(\$35,000.0)
FY 2026 Ongoing Investments		
None	\$0.0	\$0.0
	\$0.0	\$0.0
	\$0.0	\$0.0
FY 2026 Reductions		
Nonpublic Dual Enrollment - Nonpublic students would no longer receive dual enrollment through the state but instead revert to going through a local school district	(\$3,500.0)	(\$3,500.0)
FY 2026 Baseline Adjustments		
Private Funds - Increase authority to allow the department to use all private revenue received	\$0.0	\$750.0
Attorney General - Increased Attorney General costs	\$569.5	\$569.5
Student Scholarship and Grants system - Increased baseline information technology expenditures for the state's financial aid system	\$300.0	\$300.0
Preschool Development Grant transfer - Transfer preschool development grant federal administrative dollars and staff to the MiLEAP budget from school aid	\$0.0	\$300.0
Transfer OGS to Family Engagement - Reorganization of staff from office of early childhood to the office of education partnerships	\$0.0	\$0.0
Caseload Adjustments - \$63m baseline general fund increase to continue to fund the program at current levels without cuts and FMAP adjustment	\$62,815.5	\$63,000.0
Employee Payroll Related Adjustments	\$230.4	\$797.3
Other Technical Adjustments	\$4.1	\$6.0
FY 2026 Total Executive Recommendation - Ongoing Funding	\$161,908.8	\$671,217.0
FY 2026 One-Time Investments		
Child Care Federal Requirements - Step 1 in paying prospectively to child care providers and contracting for vulnerable child populations	\$50,000.0	\$50,000.0
College Success Fund - Competitive grants for implementing best practices for student wraparound services to improve student retention and completion of postsecondary degrees	\$15,000.0	\$15,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$65,000.0	\$65,000.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$226,908.8	\$736,217.0
\$ Change from FY 2025 - Total Funding	\$90,419.5	\$92,222.8
% Change from FY 2025 - Total Funding	66.2%	14.3%

FY 2027 Adjustments		
	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$226,908.8	\$736,217.0
Removal of FY 2026 One-Time Funding	(\$65,000.0)	(\$65,000.0)
CSB Caseload - Increased general fund to continue to fund the program at current levels and avoid cuts to services	\$73,295.4	\$73,295.4
FY 2027 Total Executive Recommendation	\$235,204.2	\$744,512.4
\$ Change from FY 2026 - Total Funding	\$8,295.4	\$8,295.4
% Change from FY 2026 - Total Funding	3.7%	1.1%



Department of Military and Veterans Affairs

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Military and Veterans Affairs provides resources and training for Army and Air National Guard forces in support of domestic and foreign operations. The Michigan Veterans Affairs Agency serves more than 500,000 veterans in the state, providing support for employment, education, health care, and quality of life needs following their military service. Through its three homes, the Michigan Veterans' Facility Authority provides quality, long-term care for veterans and eligible family members.

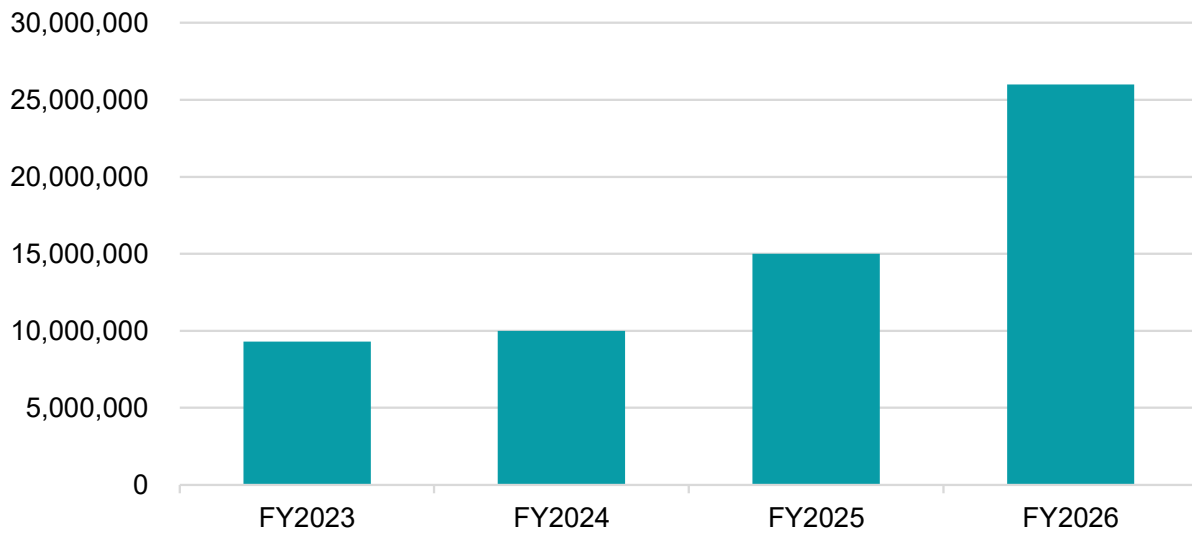
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$262.1 million, of which \$100.1 million comes from the state's general fund. The Governor also recommends \$31.0 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

The Governor's recommended budget continues support for the following key programs:

- ◆ **\$26 million one-time for Selfridge Air National Guard Base** (general fund) for continuing capital improvements at the base.
 - ◆ **\$5 million one-time for a state veterans cemetery located in Crawford County** (general fund) to support land acquisition and design and engineering costs.
 - ◆ **\$2.8 million for the Michigan Veterans' Facility Authority** to realign federal and state restricted resources based on current operating costs of the state's three veterans' homes.
 - ◆ **\$2.3 million for a child care subsidy for National Guard members** (general fund) to support families while guard members are on drilling status. This new program, supported from existing funds, will enhance the guard's recruiting and retention efforts.
-

Investing in Selfridge, Securing Our Future



Department of Military and Veterans Affairs
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$117,694.1	\$275,904.1
Removal of FY 2025 One-Time Funding	(\$19,000.0)	(\$19,000.0)
FY 2026 Ongoing Investments		
Michigan National Guard Member Benefit Fund - Expands the uses of the existing \$11.2 million appropriation for the Michigan National Guard State Tuition Assistance program, to include child care subsidy during a member's monthly and annual training	\$0.0	\$0.0
Audit Support - Supports internal controls, audit response, and other reviews of departmental processes and procedures	\$175.0	\$175.0
FY 2026 Baseline Adjustments		
Veterans' Facility Authority - Aligns federal and state restricted funding sources	\$0.0	\$2,775.0
Accounting Services - Aligns costs paid to the Department of Technology, Management, and Budget for accounting services	\$107.0	\$107.0
Veterans' Facility Authority - Aligns operating costs for the Grand Rapids veterans home cemetery	\$40.0	\$40.0
Military Retirement - Decreases employer contribution based on the most recent actuarial valuation	(\$185.0)	(\$185.0)
Employee Payroll Related Adjustments	\$1,400.7	\$2,411.0
Other Technical Adjustments	(\$147.0)	(\$147.0)
FY 2026 Total Executive Recommendation - Ongoing Funding	\$100,084.8	\$262,080.1
FY 2026 One-Time Investments		
Selfridge Air National Guard Base - Continuing capital improvements at the base	\$26,000.0	\$26,000.0
State Veterans Cemetery - Land acquisition and design and engineering	\$5,000.0	\$5,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$31,000.0	\$31,000.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$131,084.8	\$293,080.1
\$ Change from FY 2025 - Total Funding	\$13,390.7	\$17,176.0
% Change from FY 2025 - Total Funding	11.4%	6.2%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$131,084.8	\$293,080.1
Removal of FY 2026 One-Time Funding	(\$31,000.0)	(\$31,000.0)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$100,084.8	\$262,080.1
\$ Change from FY 2026 - Total Funding	(\$31,000.0)	(\$31,000.0)
% Change from FY 2026 - Total Funding	(23.6%)	(10.6%)



Department of Natural Resources

Governor's Recommended Budget for Fiscal Years 2026 and 2027

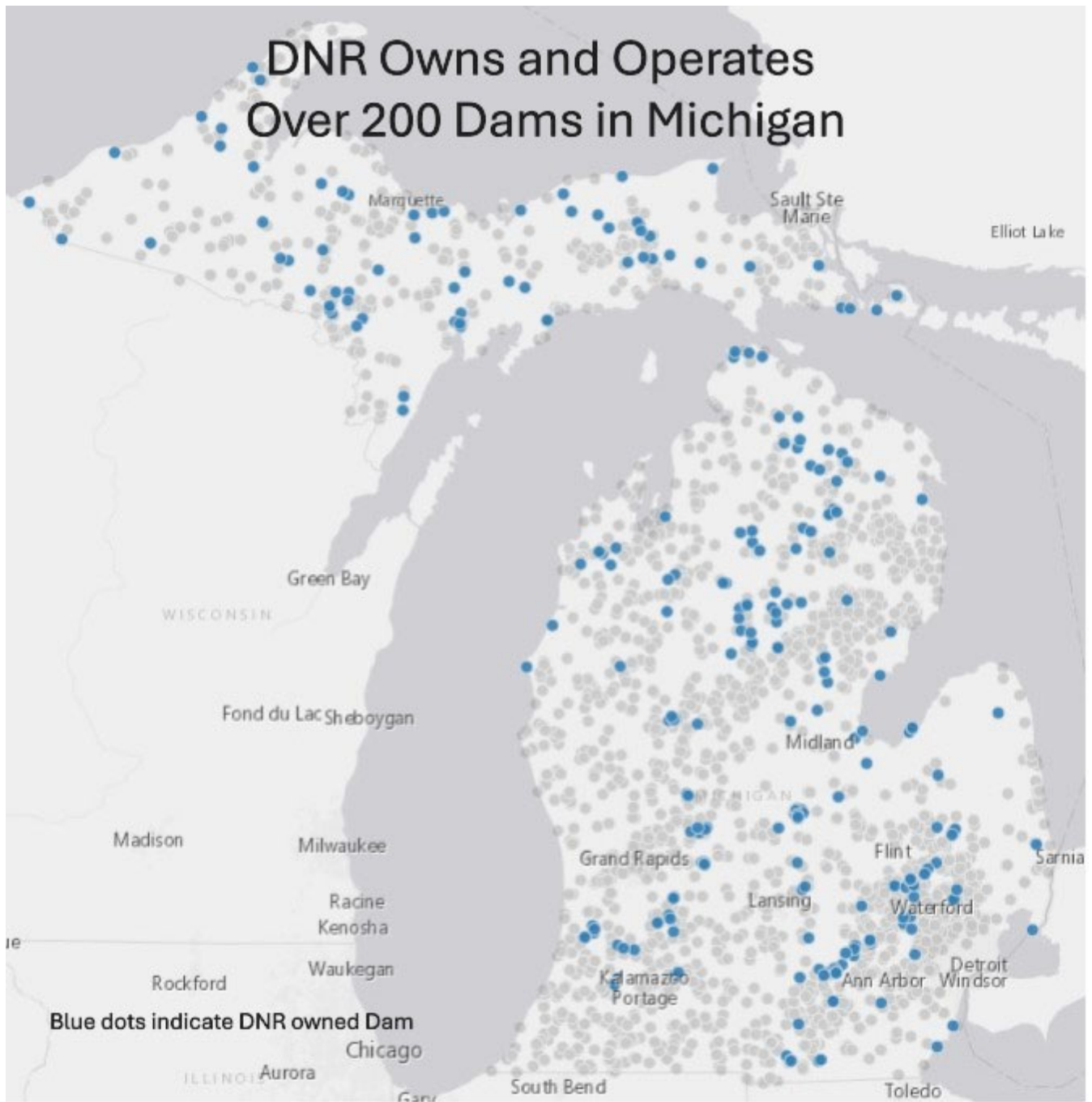
The Department of Natural Resources plays a vital role in the stewardship of Michigan's environmental and cultural legacy, striving to maintain a balance between preservation and access. Through management of state parks, waterways, and forests, the department enhances recreational opportunities while upholding ecological integrity. The department's initiatives exemplify a commitment to safeguarding Michigan's resources for the enjoyment of residents and visitors alike.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$583.1 million, of which \$66.8 million comes from the state's general fund. The Governor also recommends \$21.4 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

The Governor's recommended budget supports the following key programs:

- ♦ **\$28.9 million for Investing in Natural Resources** (state restricted) to expand access to outdoor recreation and improve maintenance of state parks. Funding from hunting, fishing, and boating fees will ensure the long-term durability and ecological stability of Michigan's state parks and statewide facilities.
- ♦ **\$17.2 million for State Park Improvements** (state restricted) to update state parks and improve visitor experiences when exploring Michigan's natural resources. The recreation passport will be expanded through an opt-out process to increase access to the state park system for residents while providing free access for all Michigan veterans.
- ♦ **\$15 million for Dam Safety and Management** (general fund) to support removal, maintenance, and engineering studies associated with the 200 plus dams currently under the department's jurisdiction. The department's dam management and land strategy policies will be utilized to focus these funds on the most critical dams that require removal and maintenance. Dam removals increase safety for communities nearby or downriver, restore river health, and enhance fish and wildlife habitats.
- ♦ **\$6.4 million for Enterprise Management Systems** (general fund) to provide an information technology solution for managing department assets. This system will enable the department to improve and refine its tracking, maintenance, and replacement of department equipment, facilities, and vehicles.



Department of Natural Resources
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$76,757.0	\$534,579.8
Removal of FY 2025 One-Time Funding	(\$9,000.0)	(\$9,000.0)
FY 2026 Ongoing Investments		
Investing in Natural Resources - License Fee Adjustments	\$0.0	\$28,953.3
Recreation Passport - Change to Opt-Out and provide a veteran's exemption	\$0.0	\$17,190.3
Employee Recruitment & Retention - State Park supervisor capacity increase	\$0.0	\$355.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Capital Outlay Alignment - Annual capital outlay authorization adjustments	\$0.0	\$5,283.3
High-Speed Internet Infrastructure - Federal grant for facilitating easements	\$0.0	\$1,417.5
Shooting Range Operations - Federal grant for shooting range maintenance	\$0.0	\$481.3
Nature Awaits - Shifts bus grants to School Aid Fund support	(\$1,800.0)	(\$1,800.0)
Employee Payroll Related Adjustments	\$852.4	\$4,913.8
Other Technical Adjustments	\$0.0	\$763.6
FY 2026 Total Executive Recommendation - Ongoing Funding	\$66,809.4	\$583,137.9
FY 2026 One-Time Investments		
Dam Safety and Removal - Removal of state-owned dams	\$15,000.0	\$15,000.0
Enterprise Asset Management System - Implementation of an IT system	\$6,391.8	\$6,391.8
FY 2026 Total Executive Recommendation - One-Time Funding	\$21,391.8	\$21,391.8
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$88,201.2	\$604,529.7
\$ Change from FY 2025 - Total Funding	\$11,444.2	\$69,949.9
% Change from FY 2025 - Total Funding	14.9%	13.1%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$88,201.2	\$604,529.7
Removal of FY 2026 One-Time Funding	(\$21,391.8)	(\$21,391.8)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$66,809.4	\$583,137.9
\$ Change from FY 2026 - Total Funding	(\$21,391.8)	(\$21,391.8)
% Change from FY 2026 - Total Funding	(24.3%)	(3.5%)



Department of State

Governor's Recommended Budget for Fiscal Years 2026 and 2027

Through its branch offices, online services, renewal by mail, and self-service transactions, the Department of State administers Michigan's motor vehicle programs across the state. Key services include vehicle registration and titling, as well as operator licensing. The department's other critical functions include the supervision of statewide elections and the administration of state election laws.

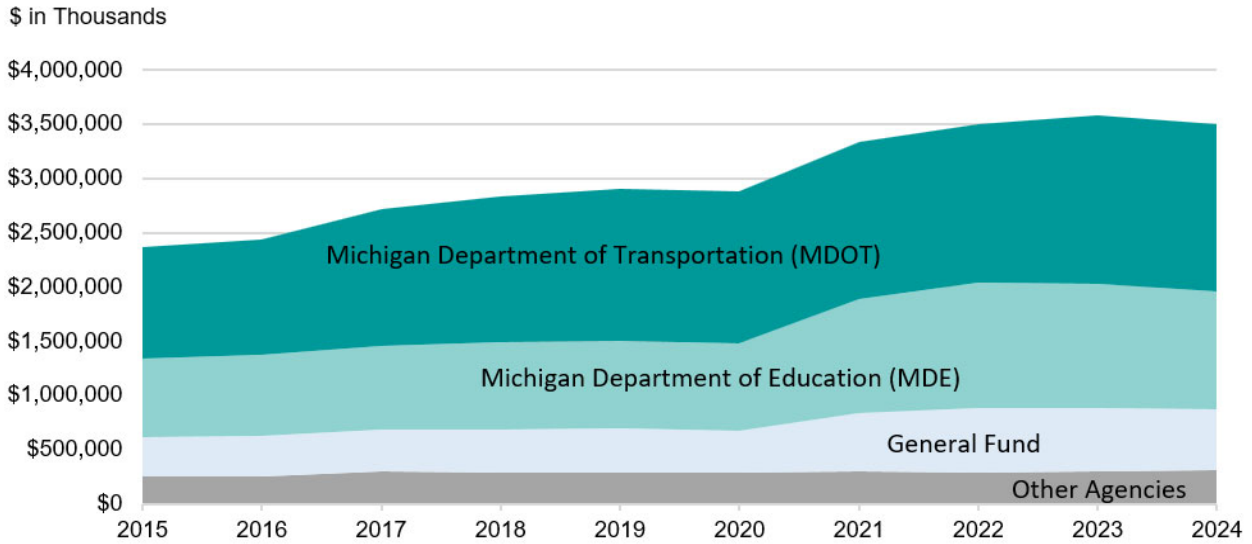
The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$296.6 million, of which \$12.2 million comes from the state's general fund.

Highlights

The Governor's recommended budget includes continued support and augmentation for the following key program areas:

- ♦ **\$99.9 million for Branch Office Operations** (\$561,100 general fund) is included to maintain the state's existing 131 regional offices and seven mobile branch offices. While the department continues to expand online service offerings, more than 40% of over 16 million transactions processed occurred on-site in the fiscal year ending 2024, and the Governor's budget recommends funding to continue support of accessible service locations for every resident.
 - ♦ **\$28.9 million for Election Regulation and Security** (\$8.3 million general fund) to ensure Michigan's 7.2 million active registered voters can continue to cast their ballots in a convenient, safe, and secure environment.
 - ♦ **\$9.6 million to Leverage Help America Vote Act Resources** (federal funds) awarded to the department as part of a 2025 fiscal year supplemental to enhance voting systems and election operations.
 - ♦ **\$1.6 million for Key Strategic Staffing Needs in Legal and Central Operations** (restricted funds) that will strengthen consumer protection and business compliance efforts to ensure services are consistent with state driver and vehicle laws, as well as information technology system support to continue increasing the quality and efficiency of service options available to residents.
-

Over the last decade, the department has averaged \$3 billion in annual revenue collections. 90% of these collections, \$2.7 billion each year, supports roads, education, and the General Fund



Department of State
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$11,969.1	\$291,839.9
Removal of FY 2025 One-Time Funding	\$0.0	\$0.0
FY 2026 Ongoing Investments		
Legal and Central Operations - Strengthen support for consumer protection, business compliance, and information technology efficiencies for services to residents	\$0.0	\$1,614.4
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Employee Payroll Related Adjustments	\$182.7	\$3,583.3
Other Technical Adjustments	\$0.0	(\$440.2)
FY 2026 Total Executive Recommendation - Ongoing Funding	\$12,151.8	\$296,597.4
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$12,151.8	\$296,597.4
\$ Change from FY 2025 - Total Funding	\$182.7	\$4,757.5
% Change from FY 2025 - Total Funding	1.5%	1.6%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$12,151.8	\$296,597.4
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$12,151.8	\$296,597.4
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%



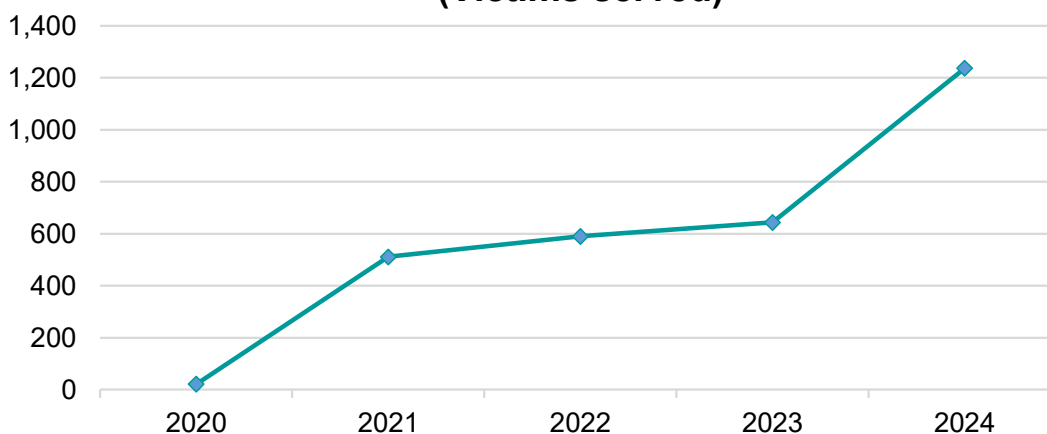
State Police

Governor's Recommended Budget for Fiscal Years 2026 and 2027

As a statewide law enforcement and public safety agency, the Michigan State Police provides law enforcement and public safety services including intelligence operations, forensic science services, and emergency management in partnership with local law enforcement agencies.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$992 million, of which \$674.3 million comes from the state's general fund.

Budget Expands Support for Victims of Crime (Victims served)



Highlights

The Governor's recommended budget expands support for the following public safety programs:

- ♦ **\$1.3 million to expand the Victim Support Program** (general fund) by adding eight additional victim advocate positions. This investment increases statewide capacity to support victims' needs early in their interactions with the criminal justice system while also building partnerships with community organizations in support of victim advocacy.
- ♦ **\$1 million to increase intelligence operations** (general fund) by adding seven civilian positions to expand capacity within the Michigan Intelligence Operations Center to provide analytical and investigative support to all law enforcement in Michigan including local, state, federal, and tribal agencies.
- ♦ **The budget allows the department to hire and train 120 new troopers** from existing resources to increase enlisted strength and continue making the department more reflective of the communities it serves.

State Police
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$646,861.0	\$953,108.5
Removal of FY 2025 One-Time Funding	(\$24,900.0)	(\$24,900.0)
FY 2026 Ongoing Investments		
Victim Support Program - Expands capacity to provide support services to victims of crime	\$1,304.2	\$1,304.2
Intelligence Operations - Expands capacity to provide analytics and investigative support to law enforcement statewide	\$1,043.5	\$1,043.5
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Intelligence Operations Software Licensing - Supports increased licensing costs	\$143.6	\$143.6
Employee Payroll Related Adjustments	\$49,830.5	\$59,453.9
Other Technical Adjustments	\$0.0	\$1,880.6
FY 2026 Total Executive Recommendation - Ongoing Funding	\$674,282.8	\$992,034.3
FY 2026 One-Time Investments		
None	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$674,282.8	\$992,034.3
\$ Change from FY 2025 - Total Funding	\$27,421.8	\$38,925.8
% Change from FY 2025 - Total Funding	4.2%	4.1%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$674,282.8	\$992,034.3
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$674,282.8	\$992,034.3
\$ Change from FY 2026 - Total Funding	\$0.0	\$0.0
% Change from FY 2026 - Total Funding	0.0%	0.0%

Department of Technology, Management and Budget

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Technology, Management and Budget (DTMB) supports the business operations of state agencies through a variety of centralized services, such as information technology, contracting and procurement, construction and building management, space planning and leasing, motor vehicle fleet operations, oversight of state retirement systems, and operations of the statewide interoperable communications network for first responders. The department also includes several autonomous agencies, including the Office of the Child Advocate, Michigan Civil Service Commission, Office of the State Employer, and the State Budget Office.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$1.8 billion, of which \$531.7 million comes from the state's general fund. The Governor also recommends \$82.6 million in one-time funding in fiscal year 2026, all of which comes from the general fund.

Highlights

The Governor's recommended budget for the department prioritizes a government that works smarter and more efficiently for every Michigander with investments to critical information technology systems; protection and maintenance of state buildings and projects to make our facilities more energy efficient and less costly to operate; and increasing human resource support so state agencies can effectively deliver their programs. More specifically, new and increased investments include the following:

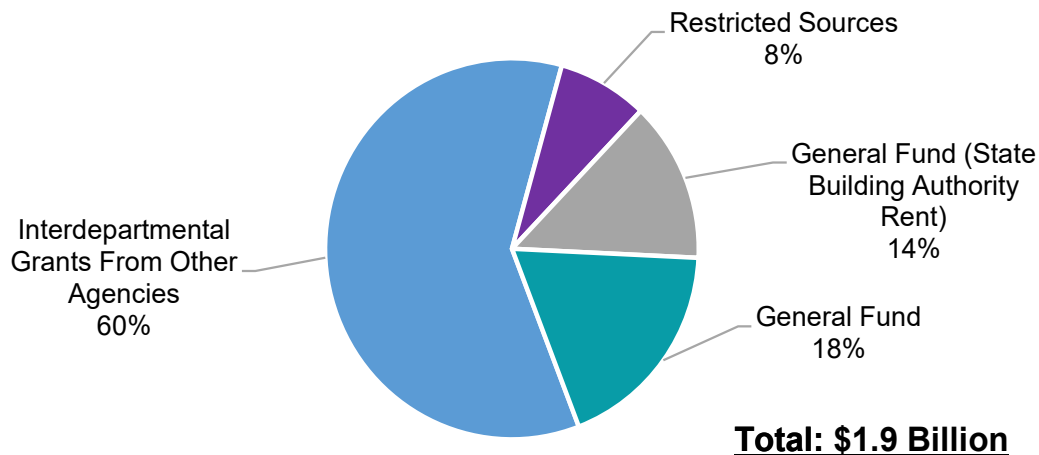
- ♦ **\$42.6 million to Modernize and Upgrade Legacy IT Systems** (general fund) through the state's Information Technology Investment Fund (ITIF). As a vehicle for successful information technology outcomes, the ITIF utilizes industry best practices and a rigorous project oversight, quality assurance, and governance structure to ensure successful project completions. Project areas selected for investment in 2026 are focused on the unemployment insurance benefits system; educational performance data collection and reporting; management of state human resources, payroll, and benefits; state facility asset management; and enterprise-wide electronic payment processing technology.
- ♦ **\$25 million to Improve Infrastructure at State-owned Spaces** (general fund) through enterprise-wide special maintenance, which supports a portfolio of nearly 800 diverse building complexes, more than 5,000 individual structures, and over 41.5 million square feet of building space throughout the state.
- ♦ **\$10 million to Self-insure DTMB Facilities** (general fund) through a new State Property Self-Insurance Fund. This new fund will be self-sustaining once capitalized with a one-time infusion of resources that will be the first source to draw from for damage claims. As a strategic reserve, the assets in this new fund will serve to mitigate prospective high-cost premiums and claims and avoid unexpected negative budget impacts.

Technology, Management and Budget

- ♦ **\$5 million to the State’s Energy Efficiency Revolving Fund (EERF)** (general fund) through a one-time infusion of resources to support strategic investments in clean energy technology, renewable energy, and initiatives that reduce energy consumption and lower costs for state operations. Through changes to the Management and Budget Act, the EERF will be able to sustain project financing to support more clean energy technology projects on an ongoing basis to achieve long-term energy efficiency.
- ♦ **\$1.3 million for an Increase to Agency Human Resource Staffing** (\$628,500 general fund) in the Michigan Civil Service Commission (MCSC) to improve the efficiency and effectiveness of human resource operations. The MCSC provides human resource services to all participating state agencies to meet their individual needs and serves as a critical component to ensuring state programs meet their program objectives through timely recruitment, onboarding, and retention of talent.

In addition, the Governor’s budget includes **\$3 million to make State Web Information and Services Accessible** (general fund) as part of a 2025 fiscal year supplemental in compliance with federal technical standards under Title II of the Americans with Disabilities Act. These additional funds will ensure all public facing state executive branch internet and mobile-based applications are accessible to individuals with disabilities as required by the spring of 2026.

Nearly 2/3 of the DTMB Budget Supports Central Services to Other State Agencies



Department of Technology, Management and Budget
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$539,964.0	\$1,796,825.2
Removal of FY 2025 One-Time Funding	(\$26,400.0)	(\$26,400.0)
FY 2026 Ongoing Investments		
Civil Service Commission - Information technology upgrades to the Human Resource Management Network System (state restricted portion)	\$0.0	\$7,528.7
Civil Service Commission - Provides funds and 9.0 FTEs to support agency human resource functions	\$628.5	\$1,282.8
Office of the State Employer - Labor relations and training support for managers and supervisors in the state classified service	\$288.0	\$404.0
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Information Technology - Alignment of agency service support	\$0.0	\$19,166.0
State Building Authority Rent - Estimated payments for existing and anticipated capital construction projects	\$15,481.1	\$15,481.1
Vehicle and Travel Services - Alignment of agency service support	\$0.0	\$5,426.6
Building Occupancy Charges - Rate increase for utility costs	\$0.0	\$3,820.0
State Budget Office - Provides funds and 11.0 FTEs to support budget development, financial management, and internal auditing services	\$771.7	\$771.7
State Records Center - Alignment of staffing costs to support operations	\$0.0	\$272.4
Statewide Cost Allocation Plan - Annual adjustment of costs for centralized services	(\$2,056.9)	\$0.0
Enterprise Licensing Agreement - Contractual cost adjustment	(\$400.0)	(\$400.0)
Employee Payroll Related Adjustments	\$3,459.0	\$9,449.0
Other Technical Adjustments	\$0.0	\$137.4
FY 2026 Total Executive Recommendation - Ongoing Funding	\$531,735.4	\$1,833,764.9
FY 2026 One-Time Investments		
Updating Legacy IT Systems - Increased support for enterprise-wide applications and modernization of legacy information technology systems	\$42,600.0	\$42,600.0
Improving Infrastructure at State-owned Spaces - Support for Infrastructure enhancements and maintenance at state-owned and managed facilities	\$25,000.0	\$25,000.0
Self-insuring DTMB Facilities - Strategic reserve to mitigate unexpected budget impacts due to insurance market pricing uncertainties and unanticipated weather events	\$10,000.0	\$10,000.0
Energy Efficiency Revolving Fund - Support for clean energy technology projects through sustainable financing that lowers costs	\$5,000.0	\$5,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$82,600.0	\$82,600.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$614,335.4	\$1,916,364.9
\$ Change from FY 2025 - Total Funding	\$74,371.4	\$119,539.7
% Change from FY 2025 - Total Funding	13.8%	6.7%

Technology, Management and Budget

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$614,335.4	\$1,916,364.9
Removal of FY 2026 One-Time Funding	(\$82,600.0)	(\$82,600.0)
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation	\$531,735.4	\$1,833,764.9
\$ Change from FY 2026 - Total Funding	(\$82,600.0)	(\$82,600.0)
% Change from FY 2026 - Total Funding	(13.4%)	(4.3%)

Department of Transportation

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Transportation provides for the efficient and effective movement of people and goods through support for the state's network of roads and bridges, public transportation systems, and rail and aviation programs.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$6.7 billion, none of which comes from the state's general fund. The Governor also recommends \$119.8 million in one-time funding in fiscal year 2026, \$112.2 million of which comes from the general fund.

Highlights

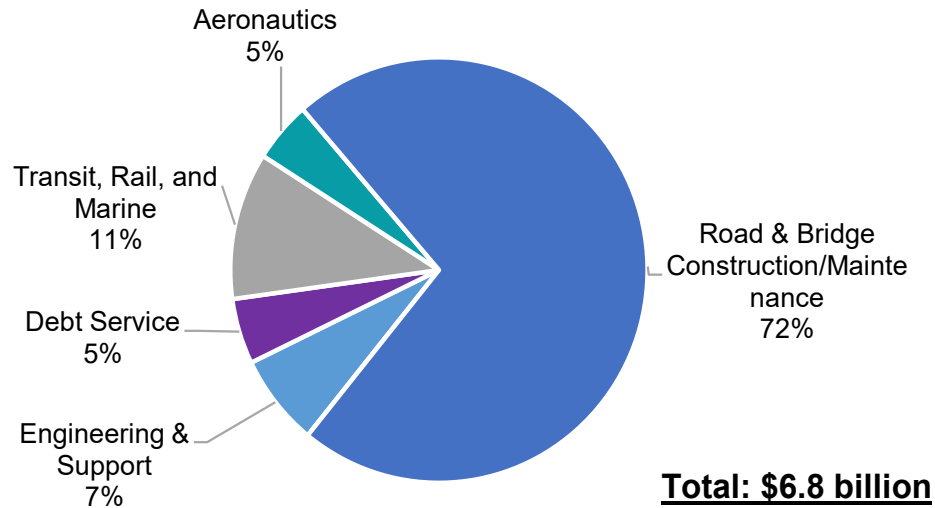
For fiscal year 2026, the Governor's recommended budget for transportation includes critical funding across all major modes of transportation:

- ◆ For Michigan's roads and bridges, an increase of **\$211 million**. This includes:
 - ◆ **\$112.2 million to match every federal dollar** (general fund). To ensure that Michigan fully matches all \$1.8 billion in federal highway aid, the Governor's recommendation includes a one-time general fund appropriation of \$112.2 million.
 - ◆ **\$98.8 million to support revenue increases for state and local roads**, highways, and bridges (federal and state restricted funds). This reflects an additional \$71.3 million of federal funding, with the remaining \$27.5 million attributable to net increases in baseline state restricted revenues. Cities, villages, and county road commissions will receive \$27.3 million of additional road and bridge construction funds, with a \$53.6 million increase for state-owned roads. In total, the Governor's budget provides nearly \$5 billion of support for road and bridge construction and maintenance.
- ◆ **\$767.1 million of total ongoing support for Transit and Rail Programs** (state restricted, federal, and local funds). This reflects a \$4.7 million increase in federal funding and includes \$2.9 million for anticipated federal transit capital grants. To align with projections of available revenue in the Comprehensive Transportation Fund (CTF), the Executive Recommendation also includes a \$6.8 million reduction in CTF funding for transit capital assistance and a \$4.5 million reduction in state funding for rail operations and infrastructure.
- ◆ **\$7.8 million to explore road funding options** (state restricted funds). The Governor's budget reflects a one-time appropriation of \$7.7 million from the Michigan Transportation Fund and \$171,900 of ongoing support (and 1.0 FTE) to conduct a study and pilot of potential road usage charge revenue options to provide a stable future base of support for Michigan's transportation network.

Transportation

- ♦ **\$5.3 million for capital improvements at Michigan airports** (state restricted funds). This funding reflects a \$5 million increase in baseline State Aeronautics Fund revenues, driven in part by a \$2.5 million recommended increase to the state's aircraft registration fee (last increased in 1988). Detroit Metropolitan Airport will also see a baseline revenue increase of \$260,000 from the Qualified Airport Fund.
-

Nearly \$5 Billion Supports State and Local Roads



Department of Transportation
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$193,000.0	\$6,807,900.3
Removal of FY 2025 One-Time Funding	(\$193,000.0)	(\$213,990.0)
FY 2026 Ongoing Investments		
Exploring Road Funding Options - Funding and 1.0 FTE to support a study and pilot of potential road usage charge revenue options (includes both ongoing and one-time funding)	\$0.0	\$171.9
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Road and Bridge Program Revenue Adjustments - Federal and statutory revenue distributions under PA 51 of 1951 for road construction and transportation economic development programs	\$0.0	\$98,810.0
Highway Maintenance Cost Increases - Inflationary adjustments for the cost of contracted services and materials such as, concrete, aggregate and vegetation control	\$0.0	\$15,446.9
Debt Service Adjustments - Statutorily required debt service payments	\$0.0	\$100.5
Transit and Rail Program Revenue Adjustments - Allocation of projected federal and Comprehensive Transportation Fund revenues	\$0.0	(\$6,589.1)
Aeronautics Program Revenue Adjustments - Allocation of additional federal, State Aeronautics Fund, local matching and Qualified Airport Fund revenues	\$0.0	\$5,251.6
Signal Maintenance and Energy Programs - Supports traffic signal energy and maintenance cost increases	\$0.0	\$1,000.0
Employee Payroll Related Adjustments	\$0.0	\$10,907.2
Other Technical Adjustments	\$0.0	\$2,266.5
FY 2026 Total Executive Recommendation - Ongoing Funding	\$0.0	\$6,721,275.8
FY 2026 One-Time Investments		
Matching Every Federal Dollar - One-time general fund to support state match for federal highway aid	\$112,183.9	\$112,183.9
Exploring Road Funding Options - Funding increase and 1.0 FTE to support a study and pilot of potential road usage charge revenue options (includes both ongoing and one-time funding)	\$0.0	\$7,650.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$112,183.9	\$119,833.9
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$112,183.9	\$6,841,109.7
\$ Change from FY 2025 - Total Funding	(\$80,816.1)	\$33,209.4
% Change from FY 2025 - Total Funding	(41.9%)	0.5%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$112,183.9	\$6,841,109.7
Removal of FY 2026 One-Time Funding	(\$112,183.9)	(\$119,833.9)

Transportation

	<u>GF/GP</u>	<u>GROSS</u>
Baseline Adjustments - Revenue Adjustments (Road and Bridge, Comprehensive Transportation, Aeronautics, and Transportation Economic Development Programs)	\$0.0	\$81,139.6
FY 2027 Total Executive Recommendation	\$0.0	\$6,802,415.4
\$ Change from FY 2026 - Total Funding	(\$112,183.9)	(\$38,694.3)
% Change from FY 2026 - Total Funding	(100.0%)	(0.6%)

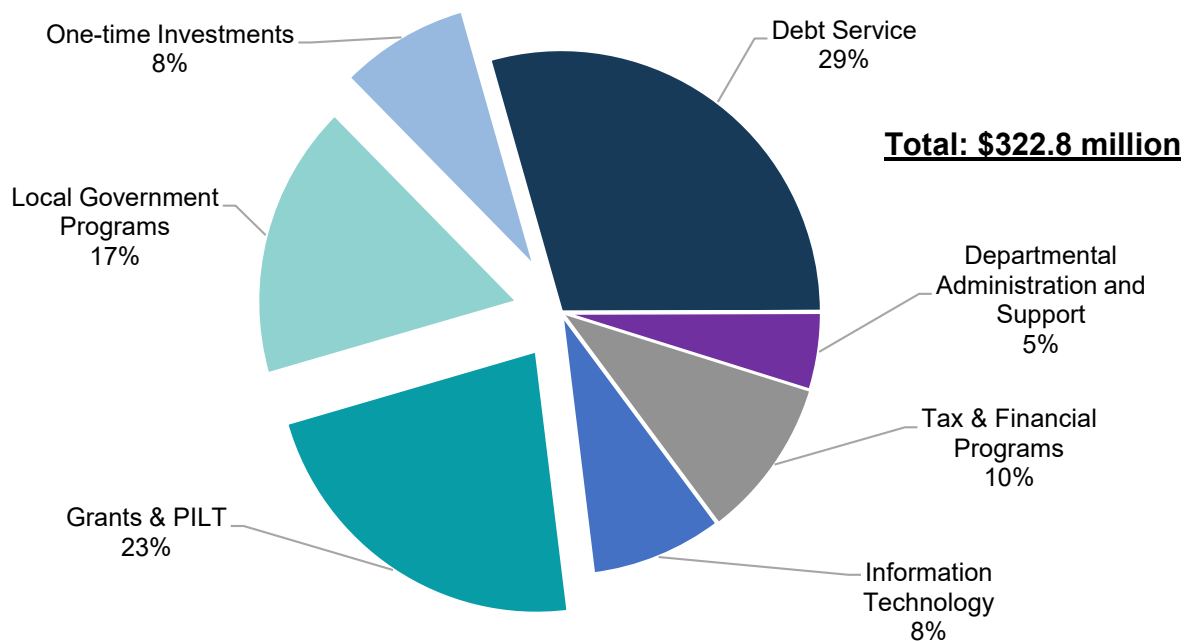
Department of Treasury

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Department of Treasury administers the state's tax system, invests state funds, safeguards the credit rating of the state, forecasts economic activity and revenue, enforces property tax laws, and audits county and municipal financial records. Treasury also houses the Michigan Lottery which generates revenue for the School Aid Fund, and the Michigan Gaming Control Board which provides for regulation of casinos, sports betting and internet gaming operations.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$966.3 million, of which \$322.8 million comes from the state's general fund. The Governor also recommends \$28.75 million in one-time funding in fiscal year 2026, \$25.75 million of which comes from the general fund.

48% of All Treasury General Fund Supports Local Governments and Citizens



Highlights

The Governor's recommended budget provides additional investments for the following key Treasury programs:

- ♦ **\$25 million one-time to support hazardous arc wiring removal** of over 1,300 miles of obsolete power lines that formerly powered the City of Detroit's street lighting system. This abandoned arc wiring can become hazardous to the public if it comes into contact and is energized by live utility lines that are co-located on the same overhead distribution system.

Treasury

- ◆ **\$5 million** ongoing **for the Michigan Achieving a Better Life Experience (MiABLE) program** (general fund) that allows individuals who are disabled to save money on certain expenses without impacting their eligibility for other benefits. This funding will be used to promote and educate Michiganders on the availability of this program and support operations during an impending federal expansion that will make 500,000 additional residents eligible for the program.
 - ◆ **\$2.45 million** ongoing **administrative support for a new tax on vaping and non-tobacco nicotine products**. Treasury would be responsible for revenue collection, field enforcement, as well as licensing and compliance processes.
 - ◆ **\$892,700** ongoing (\$772,700 general fund) to support **compliance and fraud monitoring activities** in key areas in the Bureau of Financial and Accounting Services related to the implementation of payment card industry data compliance requirements, fraud monitoring activities, as well as expansion in the optional city income tax program.
 - ◆ **\$1,131,000** (\$750,000 one-time general fund) to support the **deployment of predictive analytics** systems within Treasury. These artificial intelligence tools will focus on analyzing large data sets and fraud prevention to ensure the integrity of state tax collection efforts.
 - ◆ **\$3 million** one-time in private funds for a **new MI Financial Empowerment** program to support financial literacy for all Michiganders.
 - ◆ **\$4.8 million** in restricted state lottery funds to **support Lottery operations** to sell and promote its products through online and retail outlets that provide revenues to support K-12 education in Michigan.
-

Department of Treasury – Revenue Sharing

Governor’s Recommended Budget for Fiscal Years 2026 and 2027

Michigan’s revenue sharing program distributes sales tax revenues collected by the state to local units of government, allowing communities to determine how best to fund local services. A constitutionally dedicated portion of sales tax revenue is distributed to cities, villages, and townships on a per capita basis; the remainder is subject to annual appropriation.

The FY26 Executive Recommendation includes \$1.8 billion for revenue sharing, of which \$1.1 billion is for constitutional revenue sharing, \$345.5 million for statutory revenue sharing to cities, villages, and townships, and \$301.6 million for statutory revenue sharing to counties. An additional \$2.5 million is recommended for the Financially Distressed Cities, Villages, or Townships grant program. The Public Safety and Violence Prevention program is also included as part of revenue sharing, recommended at \$75 million.

Highlights

The Governor’s recommended budget continues support for the following key revenue sharing programs:

- ♦ **\$1.1 billion in estimated Constitutional Revenue Sharing** (sales tax revenue) payments made only to cities, villages, and townships (CVTs), these payments constitute a significant portion of many municipalities’ local budgets. This represents a *\$25.7 million increase* over the fiscal year 2025 enacted appropriation.
- ♦ **\$22.4 million total increase in Statutory Revenue Sharing** (sales tax revenue) payments, representing an overall *3.6% increase* compared to enacted fiscal year 2025 statutory appropriations. This total increase represents the following:
 - ♦ A 4% ongoing increase in general statutory revenue sharing compared to enacted fiscal year 2025 base statutory appropriations for CVTs and counties distributed as defined in sections 952(2) and 955(2) of PA 121 of 2024, respectively.
 - ♦ Local tax equalization payments for CVTs and counties, as defined in sections 952(3)-(6) and 955(3) of PA 121 of 2024, respectively, maintain the existing amounts and distribution methodology as in fiscal year 2025.

FISCAL YEAR 2026 EXECUTIVE RECOMMENDATION FOR STATUTORY REVENUE SHARING PROGRAM

	FY25 Enacted	Unrolling Local Tax Equalization Payments	% Change	\$ Change	FY26 Recommended
Cities, Villages and Townships (CVT) Base	\$ 333,547,300	\$ 299,126,400	4%	\$ 11,965,100	\$ 311,091,500
Counties Base	\$ 291,111,400	\$ 261,069,700	4%	\$ 10,442,800	\$ 271,512,500
CVT Local Tax Equalization	\$ -	\$ 34,420,900	0%	\$ -	\$ 34,420,900
County Local Tax Equalization	\$ -	\$ 30,041,700	0%	\$ -	\$ 30,041,700
Total	\$ 624,658,700	\$ 624,658,700		\$ 22,407,900	\$ 647,066,600

Treasury

- ◆ **\$75 million for Public Safety and Violence Prevention Trust Fund** (sales tax revenue) in both fiscal year 2026 and a fiscal year 2025 supplemental to support public safety initiatives and services in cities, villages, and townships. Funds will be distributed in proportion to violent crime data collected by the Michigan State Police. Nearly \$6.5 million will also be used to augment existing community violence intervention grants and the crime victims' rights fund within the Department of Health and Human Services.
-

Department of Treasury
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$308,655.7	\$2,703,250.2
Removal of FY 2025 One-Time Funding	(\$25,000.0)	(\$25,592.0)
FY 2026 Ongoing Investments		
Expansion of MiABLE Eligibility - Supports federal program that allows disabled Michiganders to save more without impacting benefit eligibility.	\$5,000.0	\$5,000.0
Administer Vaping and Non-Tobacco Nicotine Products Tax - Supports enforcement and collections for the new vaping and non-tobacco nicotine products tax.	\$2,450.0	\$2,450.0
Protecting State Tax Dollars - Improves compliance and fraud detection capabilities.	\$772.7	\$892.7
Deploying Predictive Analytics - Utilizes new artificial intelligence tools to assist Treasury in data analytics and fraud prevention.	\$381.0	\$381.0
Statutory Revenue Sharing - 4% increase to the base portion of city, village and township and county revenue sharing.	\$0.0	\$22,407.9
Lottery - Increase to support the sale and promotion of online and retail products.	\$0.0	\$4,873.2
FY 2026 Reductions		
None	\$0.0	\$0.0
FY 2026 Baseline Adjustments		
Payments in Lieu of Taxes - Aligns payments to locals with current property tax estimates.	\$2,420.5	\$3,155.7
Bureau of Local Government Contracts - Increase associated with audit and assessment costs.	\$695.0	\$695.0
Senior Citizen Cooperative Housing - Aligns payments with current property tax estimates.	\$612.7	\$612.7
Language Access Plan - Ensures Treasury services and tax collection documents are translated into major languages.	\$245.0	\$245.0
Debt Service - Adjusts for changes to debt service payments.	(\$206.0)	(\$206.0)
Constitutional Revenue Sharing - Aligns payments to local governments with Consensus Revenue Estimating Conference (CREC) estimates.	\$0.0	\$25,697.0
Recreational Marijuana Grants - Aligns payments to local governments with CREC estimates.	\$0.0	\$9,220.0
Gaming IDG Adjustments - Aligns Gaming appropriation with IDGs in other departments	\$0.0	\$703.3
Administrative Fee Adjustments - Increases to three restricted revenue sources.	\$0.0	\$604.4
Michigan Transportation Fund (MTF) - Increase in MTF authorization for increased contractual costs related to collections of motor vehicle revenues.	\$0.0	\$400.0
Employee Payroll Related Adjustments	\$1,035.2	\$4,904.9
Other Technical Adjustments	\$0.0	\$1,407.4
FY 2026 Total Executive Recommendation - Ongoing Funding	\$297,061.8	\$2,761,102.4
FY 2026 One-Time Investments		
Hazardous Arc Wiring Removal – Removes abandoned arc wiring posing a public safety hazard in Detroit.	\$25,000.0	\$25,000.0
Deploying Predictive Analytics - Utilizes new artificial intelligence tools to assist Treasury in data analytics and fraud prevention.	\$750.0	\$750.0
MI Financial Empowerment - Leverages private funds to provide financial literacy education to Michiganders.	\$0.0	\$3,000.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$25,750.0	\$28,750.0

Treasury

	GF/GP	GROSS
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$322,811.8	\$2,789,852.4
\$ Change from FY 2025 - Total Funding	\$14,156.1	\$86,602.2
% Change from FY 2025 - Total Funding	4.6%	3.2%

FY 2027 Adjustments

	GF/GP	GROSS
FY 2026 Total Executive Recommendation	\$322,811.8	\$2,789,852.4
Removal of FY 2026 One-Time Funding	(\$25,750.0)	(\$28,750.0)
FY27 Constitutional Revenue Sharing	\$0.0	\$23,923.9
FY27 Recreational Marihuana Grants	\$0.0	\$3,330.0
FY 2027 Total Executive Recommendation	\$297,061.8	\$2,788,356.3
\$ Change from FY 2026 - Total Funding	(\$25,750.0)	(\$1,496.1)
% Change from FY 2026 - Total Funding	(8.0%)	(0.1%)

Community Colleges

Governor's Recommended Budget for Fiscal Years 2026 and 2027

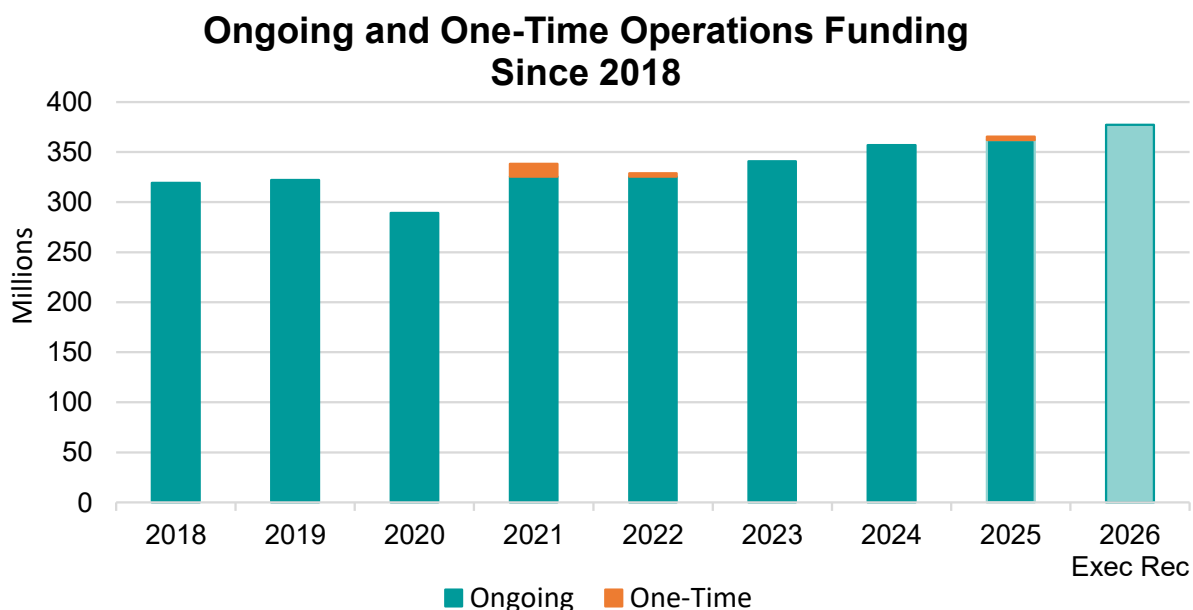
Michigan's 28 public community colleges are vital to the state's postsecondary education system, serving more than 283,000 students each year. These colleges prioritize affordable education, particularly for adult learners, while aligning closely with local workforce training needs. Their efforts play a key role in advancing Michigan's Sixty by 30 goal to increase the percentage of working-age adults with skills certificates or degrees to 60% by 2030.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$496.7 million, all of which comes from the school aid fund.

Highlights

The Governor's recommended budget includes the following supports for community colleges:

- ♦ **\$14.6 million in additional ongoing funding for community college operations**, increasing total operations funding to \$378.2 million. The additional funding represents a 4% increase over fiscal year 2025 total base operations (ongoing and one-time), to be distributed through the existing performance funding formula. The Governor's recommended budget reinforces ongoing operational support for colleges by giving an above inflationary increase to operations funding, demonstrating the importance of postsecondary education.



- ♦ **\$116.3 million for community college retirement obligations.** The Governor's recommended budget sustains state support for retirement contributions to the Michigan Public School Employees' Retirement System (MPERS), ensuring fiscal stability for

Community Colleges

MPSERS members. This includes the continuation of the MPSERS stabilization payments, which cover the state's share of the unfunded liability exceeding the statutory community college payroll rate cap of 15.21%, and the MPSERS normal cost offset payments to cover costs associated with previous state policy changes that enhance the long-term financial health of the retirement system.

- ♦ **\$1.4 million for the North American Indian Tuition Waiver** to continue to fully fund program costs. This reinforces the Governor's commitment to accessible education by waiving tuition costs for more than 600 eligible Native Americans at Michigan community colleges.
-

FY 2026 Community Colleges Funding (\$ in thousands)				
Community College	FY 2025 Base Operations Funding	FY 2026 Ongoing Increase	FY 2026 Indian Tuition Waiver Funding	FY 2026 Total Funding
Alpena	\$6,403.3	\$361.6	\$13.5	\$6,778.4
Bay de Noc	\$6,298.0	\$237.6	\$92.0	\$6,627.6
Delta	\$16,882.4	\$657.8	\$51.8	\$17,592.0
Glen Oaks	\$2,984.1	\$121.5	\$2.9	\$3,108.5
Gogebic	\$5,399.0	\$186.0	\$40.1	\$5,625.1
Grand Rapids	\$21,184.2	\$914.0	\$153.1	\$22,251.3
Henry Ford	\$25,300.7	\$1,001.2	\$4.5	\$26,306.4
Jackson	\$14,032.6	\$486.4	\$27.1	\$14,546.1
Kalamazoo Valley	\$14,704.4	\$578.2	\$46.9	\$15,329.5
Kellogg	\$11,426.7	\$432.5	\$26.7	\$11,885.9
Kirtland	\$3,835.1	\$195.4	\$46.3	\$4,076.8
Lake Michigan	\$6,408.2	\$256.3	\$19.4	\$6,683.9
Lansing	\$36,134.4	\$1,232.9	\$82.1	\$37,449.4
Macomb	\$38,160.6	\$1,454.2	\$90.9	\$39,705.7
Mid Michigan	\$5,837.0	\$258.5	\$82.5	\$6,178.0
Monroe County	\$5,368.5	\$275.4	\$0.4	\$5,644.3
Montcalm	\$4,033.3	\$163.1	\$1.7	\$4,198.1
Mott	\$18,017.8	\$655.6	\$10.3	\$18,683.7
Muskegon	\$10,359.9	\$398.1	\$43.5	\$10,801.5
North Central MI	\$3,947.7	\$192.4	\$162.4	\$4,302.5
Northwestern MI	\$10,619.8	\$385.9	\$254.7	\$11,260.4
Oakland	\$25,130.0	\$1,088.6	\$38.4	\$26,257.0
Schoolcraft	\$14,972.0	\$670.9	\$25.3	\$15,668.2
Southwestern MI	\$7,786.6	\$280.6	\$19.1	\$8,086.3
St. Clair	\$8,342.0	\$344.2	\$13.3	\$8,699.5
Washtenaw	\$16,257.3	\$886.5	\$19.0	\$17,162.8
Wayne County	\$19,460.3	\$801.2	\$2.5	\$20,264.0
West Shore	\$2,896.7	\$113.4	\$17.6	\$3,027.7
Operations Subtotal	\$362,182.6	\$14,630.0	\$1,388.0	\$378,200.6
MPERS Retirement Subtotal				\$116,289
Renaissance Zone Reimbursement				\$2,200
Total				\$496,689.6

Community Colleges
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2025 Original Enacted	\$500.0	\$461,720.8	\$462,220.8
Removal of FY 2025 One-Time Funding	(\$500.0)	(\$5,068.3)	(\$5,568.3)
FY 2026 Ongoing Investments			
Community College Operations Increase - Includes an ongoing 4% increase to base operations funding distributed through the performance funding formula. The 4% increase was added to the total amount of operations (ongoing and one-time) appropriated to community colleges in FY 2025.	\$0.0	\$14,630.0	\$14,630.0
FY 2026 Reductions			
None	\$0.0	\$0.0	\$0.0
FY 2026 Baseline Adjustments			
Community College MPSERS UAAL Stabilization Payment - Annual adjustment for the state's share of MPSERS UAAL costs that exceed the statutory community college payroll rate cap of 15.21%. Total payment of \$89.5 million.	\$0.0	\$27,400.0	\$27,400.0
Community College MPSERS Normal Cost Offset - Funding to offset normal cost contributions associated with other enacted state policy decisions. Total payment of \$19.6 million.	\$0.0	(\$2,200.0)	(\$2,200.0)
Community College Indian Tuition Waiver - Annual adjustment needed to fully fund the costs of tuition waivers for eligible Native American students. Total payment of \$1.4 million.	\$0.0	\$207.1	\$207.1
FY 2026 Total Executive Recommendation - Ongoing Funding	\$0.0	\$496,689.6	\$496,689.6
FY 2026 One-Time Investments			
None	\$0.0	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$0.0	\$496,689.6	\$496,689.6
\$ Change from FY 2025 - Total Funding	(\$500.0)	\$34,968.8	\$34,468.8
% Change from FY 2025 - Total Funding	(100.0%)	7.6%	7.5%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$0.0	\$496,689.6	\$496,689.6
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0	\$0.0
FY 2027 Baseline Adjustment - Annual adjustment for the state's share of MPSERS UAAL costs above the cap. Total payments of \$87.2 million.	\$0.0	(\$2,300.0)	(\$2,300.0)
FY 2027 Baseline Adjustment - Adjustments to normal cost contributions for MPSERS. Total payments of \$18.4 million.	\$0.0	(\$1,200.0)	(\$1,200.0)
FY 2027 Total Executive Recommendation	\$0.0	\$493,189.6	\$493,189.6
\$ Change from FY 2026 - Total Funding	\$0.0	(\$3,500.0)	(\$3,500.0)
% Change from FY 2026 - Total Funding		(0.7%)	(0.7%)

Universities and Financial Aid

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The Universities and Financial Aid budget provides operation supports to Michigan's 15 public universities and student financial aid programs. Public universities play a critical role in expanding access to higher education and fostering regional workforce development, driving Michigan's economy. These institutions are integral to achieving the state's Sixty by 30 goal, to have 60% of working-age adults hold a skills certificate or degree by 2030. Michigan's public universities collectively enroll more than 258,000 students, underscoring their significant contribution to improving the state's educational and economic landscape.

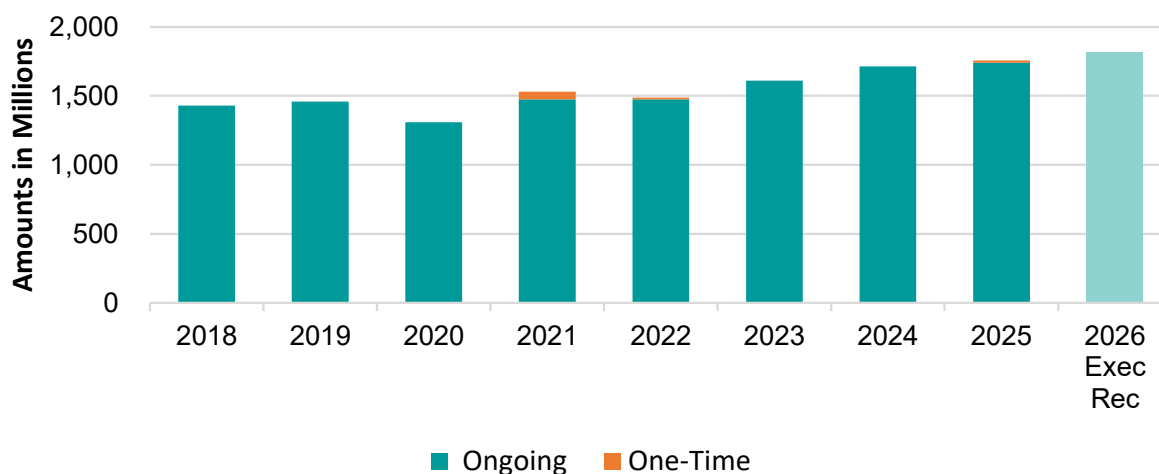
The Governor's recommended budget for fiscal year 2026 includes total ongoing funding of \$2.4 billion, of which \$1.8 billion comes from the state's general fund and \$550.8 million comes from the school aid fund. Within this allocation, a historic \$556.9 million is dedicated to student financial aid, all funded from the state's general fund.

Highlights

The Governor's recommended budget includes:

- ◆ **\$69.8 million in additional ongoing funding for university operations**, a 4% across the board increase over fiscal year 2025 total base operations (ongoing and one-time). This investment also includes a 4% increase to MSU AgBioResearch and MSU Extension. The Governor's recommended budget recognizes the valuable role universities play in our state by giving an above inflationary increase to university operations to help continue developing the workforce of the state's next generation.

Ongoing and One-Time Operations Funding Since 2018



Universities and Financial Aid

- ♦ **\$14.5 million for the North American Indian Tuition Waiver**, to continue fully funding program costs. This reinforces the Governor's commitment to accessible education by waiving tuition costs for more than 1,100 eligible Native Americans at Michigan public universities and tribal colleges.
 - ♦ **\$7.6 million for university retirement obligations**, to sustain state support for retirement contributions to the Michigan Public School Employees' Retirement System (MPERS), for the seven eligible public universities. These MPERS normal cost offset payments cover costs associated with other state policy changes that enhance the long-term financial health of the retirement system.
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Sustainable Investments in College Scholarships

In addition to the investments above, the Governor's recommended budget includes multiple investments in financial aid to lower cost for postsecondary students:

- ♦ **\$50 million increased deposit into the Postsecondary Scholarship Fund**, raising the total ongoing investment to \$350 million. This funding bolsters the Michigan Achievement Scholarship annual appropriation for the state's flagship financial aid program, to help ensure it is sufficient to fund the program at full implementation. The Governor's recommended budget reinforces a strong commitment to long-term investments in student financial aid and reducing barriers to postsecondary attainment.
- ♦ Through the Community College Guarantee, the Michigan Achievement Scholarship provides full-time, community college students with free in-district tuition and an additional \$1,000 for Pell Grant recipients to cover living expenses. For eligible students attending public or private four-year institutions, the scholarship offers up to \$5,500 annually toward the cost of attendance. An estimated two out of three university students are eligible statewide.
- ♦ **\$28.5 million increase in the Tuition Incentive Program**, bringing the total to \$122.3 million ongoing. The Tuition Incentive Program provides tuition support to lower-income students in Michigan's community colleges, public universities, and private universities. The Governor's recommended budget provides increased funding to support heightened student participation rates, as more students gain access to postsecondary education and workforce credentials.

FY 2026 Public University Operations (\$ in Thousands)				
University	FY 2025 Base Operations Funding	FY 2026 Ongoing Increase	FY 2026 Indian Tuition Waiver	FY 2026 Total Funding
Central Michigan University	\$95,226.9	\$3,846.6	\$1,680.4	\$100,753.9
Eastern Michigan University	\$83,979.8	\$3,392.3	\$412.9	\$87,785.0
Ferris State University	\$59,816.3	\$2,416.2	\$798.3	\$63,030.8
Grand Valley State University	\$97,552.9	\$3,940.6	\$1,219.1	\$102,712.6
Lake Superior State University	\$14,465.6	\$584.3	\$1,447.1	\$16,497.0
Michigan State University	\$321,516.9	\$12,987.4	\$2,508.8	\$337,013.1
Michigan Technological University	\$54,463.7	\$2,200.0	\$731.9	\$57,395.6
Northern Michigan University	\$52,850.3	\$2,134.8	\$1,417.8	\$56,402.9
Oakland University	\$73,036.4	\$2,950.2	\$325.2	\$76,311.8
Saginaw Valley State University	\$34,196.0	\$1,381.3	\$183.0	\$35,760.3
University of Michigan - Ann Arbor	\$360,607.3	\$14,566.4	\$1,900.6	\$377,074.3
University of Michigan - Dearborn	\$31,513.7	\$1,273.0	\$194.3	\$32,981.0
University of Michigan - Flint	\$26,403.7	\$1,066.6	\$480.9	\$27,951.2
Wayne State University	\$227,310.2	\$9,182.0	\$477.1	\$236,969.3
Western Michigan University	\$121,231.8	\$4,897.0	\$757.4	\$126,886.2
MSU AgBioResearch & Extension	\$72,819.6	\$2,941.5		\$75,761.1
Operations Total	\$1,726,991.1	\$69,760.2	\$14,534.8	\$1,811,286.1
MPSERS Total				\$7,600.0
Regional Programs Total				\$322.1
KCP Total				\$2,691.5
Michigan Achievement Scholarship				\$350,000.0
Michigan Competitive Scholarship				\$10,930.9
Project GEAR-UP				\$3,200.0
Michigan Reconnect				\$52,000.0
Michigan Tuition Grant				\$16,522.7
Tuition Incentive Program				\$122,300.0
Veterans/Survivors Tuition Grant				\$2,000.0
Grants & Financial Aid Total				\$556,953.6
Grand Total				\$2,378,853.3

Universities
Governor's Recommended Budget for Fiscal Years 2026 and 2027
 \$ in Thousands

FY 2026 Adjustments		GF/GP	SAF	GROSS
FY 2025 Original Enacted		\$1,859,424.3	\$461,668.3	\$2,324,292.6
	Removal of FY 2025 One-Time Funding	(\$50,014.7)	(\$10,000.0)	(\$60,014.7)
FY 2026 Ongoing Investments				
	Universities Operations Increase - Includes an ongoing 4% increase to base operations distributed across-the-board and includes the same 4% increase for MSU AgBioResearch and MSU Extension. The 4% increase was applied to the total operations (ongoing and one-time) appropriated to universities in FY 2025.	\$69,760.2	\$0.0	\$69,760.2
	Postsecondary Scholarship Fund - Increase of \$50 million to continue phasing in full funding of Michigan Achievement Scholarship	\$50,000.0	\$0.0	\$50,000.0
	School Aid Fund Increase in University Operations - Replaced \$100 million General Fund with School Aid Fund in University Operations payments.	(\$100,000.0)	\$100,000.0	\$0.0
FY 2026 Reductions				
	Michigan Competitive Scholarship - Reduced by \$9 million to continue to phase out scholarship.	(\$9,000.0)	\$0.0	(\$9,000.0)
	Michigan Tuition Grant - Reduced by \$25 million to continue to phase out scholarship.	(\$25,000.0)	\$0.0	(\$25,000.0)
FY 2026 Baseline Adjustments				
	University MPSERS Normal Cost Offset - Funding to offset normal cost contributions associated with other enacted state policy decisions, for a total of \$7.6 million.	\$0.0	(\$900.0)	(\$900.0)
	Midwestern Higher Education Compact - Increases funding to account for an increase in annual state dues.	\$5.3	\$0.0	\$5.3
	University Indian Tuition Waiver - Annual adjustment needed to fully fund the costs of tuition waivers for eligible Native American students. Total payment of \$14.5 million.	\$1,209.9	\$0.0	\$1,209.9
	Tuition Incentive Program - Increases funding to total \$122.3 million to cover elevated costs and increased student participation.	\$28,500.0	\$0.0	\$28,500.0
FY 2026 Total Executive Recommendation - Ongoing Funding		\$1,824,885.0	\$550,768.3	\$2,378,853.3
FY 2026 One-Time Investments				
	None.	\$0.0	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - One-Time Funding		\$0.0	\$0.0	\$0.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time		\$1,824,885.0	\$550,768.3	\$2,378,853.3
	\$ Change from FY 2025 - Total Funding	(\$34,539.3)	\$89,100.0	\$54,560.7
	% Change from FY 2025 - Total Funding	(1.9%)	19.3%	2.3%
FY 2027 Adjustments		GF/GP	SAF	GROSS
FY 2026 Total Executive Recommendation		\$1,824,885.0	\$550,768.3	\$2,378,853.3
	Removal of FY 2026 One-Time Funding	\$0.0	\$0.0	\$0.0
	FY 2027 Baseline Adjustment - Adjustments to normal cost contributions in the MPSERS system, for a total of \$6.9 million.	\$0.0	(\$700.0)	(\$700.0)
FY 2027 Total Executive Recommendation		\$1,824,885.0	\$550,068.3	\$2,378,153.3
	\$ Change from FY 2026 - Total Funding	\$0.0	(\$700.0)	(\$700.0)
	% Change from FY 2026 - Total Funding	0.0%	(0.1%)	(0.0%)

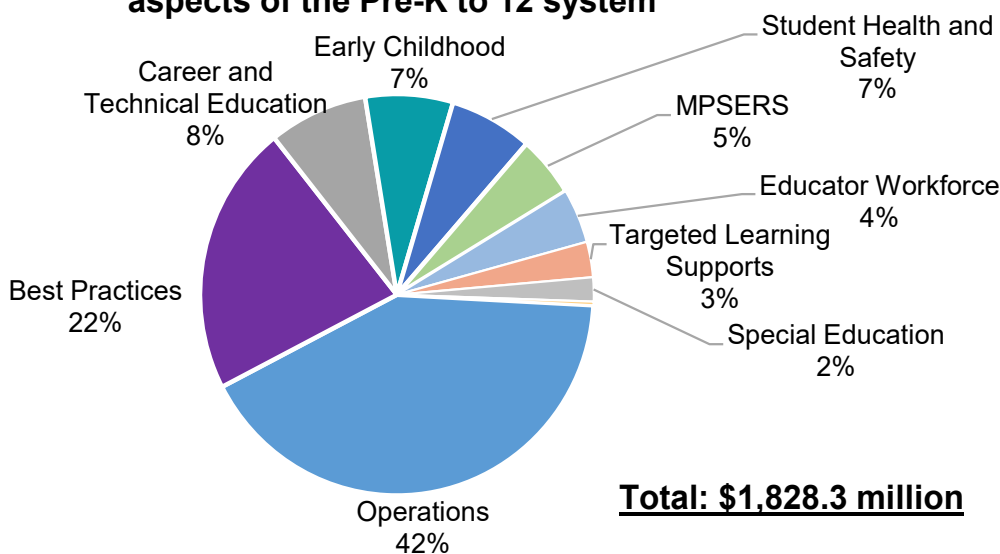
School Aid

Governor's Recommended Budget for Fiscal Years 2026 and 2027

The School Aid budget provides operational support for the public education system to ensure the state's nearly 1.4 million students have access to high-quality learning opportunities. The budget continues to provide equitable funding that connects the most resources to students with the most needs. In addition, the budget continues significant investments in pre-K education, early literacy, mental health and student safety, career readiness, and improvements in academic outcomes.

The Governor's recommended budget includes total funding of \$21.2 billion in fiscal year 2026 (\$20.3 billion ongoing and \$863 million one-time), with \$18.5 billion from the School Aid Fund, \$53.6 million from the state's general fund, \$244 million from other restricted fund sourcing, and \$2.4 billion in federal funding authorization.

Recommended total funding increase of \$1.8 billion supports all aspects of the Pre-K to 12 system



Highlights

Supports for School Operations

- ♦ **\$516 million to support school operations through a 4.1% increase to the per-pupil foundation allowance.** This increase will guarantee districts receive at least \$10,000 per pupil. This level of per pupil funding represents a 27% increase since the Governor's first budget. Funding for 100% online cyber schools is recommended to be funded at 20% less, \$8,000 per pupil, in recognition of lower operating costs (a reduction of \$36 million). Nearly \$10.4 billion is appropriated to support K-12 operations through the foundation allowance.
- ♦ **\$94 million to provide a 4.1% increase to other elements of the weighted funding model,** which provides additional dollars for students with higher educational costs. This

School Aid

includes funding for English language learners, pre-K students, vocational education students, economically disadvantaged students, and students in rural school districts. Total weighted funding for students in these categories exceeds \$1.9 billion. The budget also includes more than \$2.8 billion to support special education pupils.

- ♦ **\$2.2 billion for state contributions toward the Michigan Public Employees' Retirement System** and to reimburse districts for a portion of costs associated with retirement benefits for educators. This continues funding to reduce contribution requirements for school districts, which is projected to save districts nearly \$400 per pupil compared to contributions in fiscal year 2024. It also includes \$90 million for the final year phase-out to assist districts by covering half of their responsibility for increased healthcare costs for current educators.
- ♦ **\$145 million to support career pathways for students.** Funding is established to provide new and expanded career and technical education programs in areas of the state that lack access. The budget also continues to support the purchase of new equipment.
- ♦ **\$106 million for student literacy supports.** The budget expands funding for literacy coaches, continues professional development opportunities, and doubles funding available for extra instructional time necessary to get students on track toward academic success.
- ♦ **\$125 million to continue reimbursements to districts for transportation costs.** This investment will continue to help ease the disproportionate financial impact faced by some districts to transport students, enabling those districts to devote more resources to the classroom.
- ♦ **\$71 million to continue addressing the challenges faced by districts with declining enrollment.** These dollars help reduce financial uncertainty for school district — helping districts maintain stable learning environments for students.

Supporting Student Needs

- ♦ **\$200 million to continue helping students thrive by providing universally free breakfast and lunch.** The Governor's budget addresses student nutritional needs by ensuring that every student who wants a healthy breakfast and lunch can receive them at no cost, which supports the ability of students to learn in the classroom.
- ♦ **\$150 million for student mental health and school safety.** The budget supports district efforts to manage individualized mental health needs and enhances the safety of school buildings. This appropriation is recommended as ongoing funding to provide districts with a stable financial source to support this important work. In total, the budget includes \$303 million for student mental and physical health.
- ♦ **\$2.2 million to continue a program that provides testing fee support** for low income students participating in Advancement Placement, International Baccalaureate, or the

College Level Examination Programs. This represents a \$1.2 million increase over current funding levels.

Expanded Investment in Early Childhood Education

- ◆ **\$676 million to continue funding free preschool programming for all 4-year-olds in the state**, including an additional \$25 million to provide startup funding for new or expanded classrooms.
- ◆ **\$61 million to continue and expand programs that pilot free preschool for eligible 3-year-olds.**

Creating Efficiencies and Saving for the Future

- ◆ **\$150 million to encourage consolidation of district administrative services.** This will free up time and resources that can be re-deployed in the classroom to help students learn.
- ◆ **A deposit of \$155 million in the school district infrastructure reserve fund.** Funding will be made available to districts in a future appropriation, after the completion of an ongoing study of district infrastructure needs. With prior year deposits, more than \$430 million will be available for this purpose.
- ◆ **A deposit of \$50 million in the school aid rainy day fund** to ensure stability in state funding for districts in the event of unforeseen revenue shortfalls. With prior year deposits, more than \$550 million will be set aside for such emergencies.

Providing Targeted Supports for Students and Improving Parental Engagement

- ◆ The Governor's budget recommends new spending frameworks for certain state aid funding to **empower districts to reprioritize dollars toward buildings with students that need the most support.** These dollars must be used for proven methods that will improve student academic achievement.
 - ◆ Student success is often dependent upon high levels of **engagement from parents and legal guardians.** The budget recognizes this by including new requirements for districts to inform parents and legal guardians about the academic standing of their child's school and the availability of targeted student interventions.
 - ◆ Improving student academic outcomes often requires additional resources like classroom time and tutoring services. In addition to the reprioritization of existing dollars, **the budget includes \$250 million for districts to implement effective targeted intervention supports.**
-

School Aid

FY 2026 Adjustments

	GF/GP	SAF	GROSS
FY 2025 Original Enacted	\$78,830.6	\$17,643,551.3	\$20,644,275.4
Removal of FY 2025 One-Time Funding	(\$28,850.0)	(\$546,958.7)	(\$1,183,908.7)
FY 2026 Ongoing Investments			
Foundation Allowance Increase - 4.1% - Brings base per pupil payments to \$10,000	\$0.0	\$516,000.0	\$516,000.0
Best Practices to Improve Student Outcomes - Provides additional \$250 million (half ongoing) for targeted funding to buildings identified by the state accountability system as needing additional student supports	\$0.0	\$125,000.0	\$125,000.0
School Mental Health/School Safety Funding - Provides ongoing funding for student mental health and safety supports at \$150 million (increase of \$125 million over baseline budget)	\$0.0	\$125,000.0	\$125,000.0
Weighted Foundation Allowance Components - 4.1% - increases to weighted funding categoricals tied to the foundation allowance (at-risk, special education foundations, GSRP, ELL, ISD Operations, and CTE)	\$0.0	\$94,000.0	\$94,000.0
Continuation of Various FY25 One-Time Items as Ongoing - Includes LETRS (\$10 million), FAFSA Completion (\$10 million), Reading Corps (\$5 million), Books at Home (\$4 million), and Michigan Education Research Initiative (\$1 million)	\$0.0	\$30,000.0	\$30,000.0
Continuation of Authorization from Reserve Funds - educator fellowships and stipends (shifts to ongoing)	\$0.0	\$0.0	\$30,000.0
Student Literacy Supports - Provides additional funding to ensure all ISDs have access to at least 3 literacy coaches (\$3.25 million) and doubles amount of funding for additional literacy supports (\$19.9 million)	\$0.0	\$23,150.0	\$23,150.0
Special Education Millage Equalization Formula Change - Additional funding to better equalize revenue generated by ISDs for special education services. The budget also revises the allocation formula to improve equitable distribution	\$0.0	\$15,000.0	\$15,000.0
Early On Increase - Increases support for programs to assist with early developmental delays by 20%	\$0.0	\$4,734.0	\$4,734.0
CEPI Digital Transformation Unit - Provides additional staff report in CEPI to implement work recommended by Guidehouse necessary for the ongoing digital modernization project. Used in conjunction with ITIF data modernization project	\$1,250.0	\$0.0	\$1,250.0
AP Incentive Program - Continues program to provide testing fee support for low income students. Due to increasing program participation, additional dollars are required to continued full funding	\$1,000.0	\$0.0	\$1,000.0
MiSTEM Network Regions - Support for operational costs of MiSTEM Centers, raising base funding from \$200,000 to \$250,000	\$0.0	\$320.0	\$320.0
FY 2026 Reductions	\$0.0	\$0.0	\$0.0
Cyber School Foundation Allowance Adjustment - Sets cyber school foundation allowance payments at 80% of the amount received by non-cyber schools	\$0.0	(\$36,000.0)	(\$36,000.0)
Nonpublic School Health and Safety Compliance Payments - Removes funding to reimburse nonpublic schools for complying with certain statutory health and safety requirements (teacher licensure, food safety laws, record retention, and other safety laws)	(\$1,000.0)	\$0.0	(\$1,000.0)
Nonpublic Schools - FIRST Robotics - Removes funding for nonpublic school students to participate in robotics education through programs like FIRST Robotics. Such students could still participate in eligible programs, but the cost would be a responsibility of the nonpublic school	(\$600.0)	\$0.0	(\$600.0)
FY 2026 Baseline Adjustments			
Foundation Allowance Adjustments for Pupils and Taxable Value - Makes adjustments for cost savings related to taxable value changes and declining pupils	\$0.0	(\$307,000.0)	(\$348,000.0)
MPERS Cost Adjustments - Cost adjustments based on updated valuations for state costs associated with the Michigan Public School Employees' Retirement System	\$0.0	(\$21,700.0)	(\$21,700.0)
Federal Funds Adjustments - Adjustments based on projected available federal revenues	\$0.0	\$0.0	\$134,915.0
Special Education Cost Changes - Cost adjustments related to special education cost reimbursements and pupil counts	\$0.0	\$131,000.0	\$131,000.0
Nature Awaits - Bus Grants (Shift from DNR GF to SAF) - Shifts \$1.8m in GF from DNR to School Aid SAF for transportation costs in the Nature Awaits program, which provides field trip opportunities to state parks	\$0.0	\$1,800.0	\$1,800.0
Other Technical Adjustments (Promise Zones, PILT, Renaissance Zones, Brownfield Zones, Cash Flow Borrowing Costs, defined calculation adjustments, and adjustments for school meal costs)	\$145.5	\$43,101.4	\$43,246.9
FY 2026 Total Executive Recommendation - Ongoing Funding	\$50,776.1	\$17,840,998.0	\$20,329,482.6
FY 2026 One-Time Investments			

DEPARTMENT DETAIL

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
Continuation of Authorization from Reserve Funds - School transportation, enrollment stability, and GSRP transportation	\$0.0	\$0.0	\$214,000.0
Consolidation Grants - Funding for building closure and demolition and the creation and deployment of regional and statewide shared administrative services	\$0.0	\$150,000.0	\$150,000.0
Best Practices to Improve Student Outcomes - One-time component of best practices funding included above	\$0.0	\$125,000.0	\$125,000.0
CTE Pathways to Success - Provides funding to districts and intermediate districts to open new programs in CTE deserts and programs with demonstrated opportunity gaps. Intended to be spent over 5 years	\$0.0	\$125,000.0	\$125,000.0
MPERS 3% - Pay 1/2 of District Cost - Recent MPERS reforms removed the requirement that educators contribute 3% of pay for cost associated with healthcare costs in retirement, which shifted this cost to school districts. This funding offsets half of this added cost to districts	\$0.0	\$90,000.0	\$90,000.0
3-year-old PreK Pilot Continuation - Continued support for the Strong Beginnings program, which is piloting the expansion of free preschool for eligible 3-year-olds. Intended to be spent over multiple years	\$0.0	\$61,000.0	\$61,000.0
Continuation of Grow Your Own Educators Supports - Continues existing one-time program, which provides pathways for staff working in schools to become certificated teachers. Intended over 2 years	\$0.0	\$50,000.0	\$50,000.0
GSRP Startup Grants - Continued support for grants to new and expanding GSRP programs for classroom space and capacity-building	\$0.0	\$25,000.0	\$25,000.0
CTE Equipment Grants - Funding to continue payments to support the purchase of CTE equipment	\$0.0	\$20,000.0	\$20,000.0
Continuation of One-Time GF Funded Items - Michigan Virtual (\$1.8 million) and Michigan College Access Network (\$1.0 million)	\$2,800.0	\$0.0	\$2,800.0
FY 2026 Total Executive Recommendation - One-Time Funding	\$2,800.0	\$646,000.0	\$862,800.0
FY 2026 Total Executive Recommendation - Ongoing and One-Time	\$53,576.1	\$18,486,998.0	\$21,192,282.6
\$ Change from FY 2025 - Total Funding	(\$25,254.5)	\$843,446.7	\$548,007.2
% Change from FY 2025 - Total Funding	(32.0%)	4.8%	2.7%

FY 2027 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2026 Total Executive Recommendation	\$53,576.1	\$18,486,998.0	\$21,192,282.6
Removal of FY 2026 One-Time Funding	(\$2,800.0)	(\$646,000.0)	(\$862,800.0)
Foundation Allowance Adjustments for Pupils and Taxable Value - Makes adjustments for cost savings related to taxable value changes and declining pupils	\$0.0	(\$170,000.0)	(\$170,000.0)
Special Education Cost Changes - Cost adjustments related to special education cost reimbursements and pupil counts	\$0.0	\$186,400.0	\$186,400.0
MPERS Cost Adjustments - Cost adjustments based on updated valuations for state costs associated with the Michigan Public School Employees' Retirement System	\$0.0	(\$41,100.0)	(\$41,100.0)
Other Technical Adjustments	\$0.0	\$5,000.0	\$5,000.0
FY 2027 Total Executive Recommendation	\$50,776.1	\$17,821,298.0	\$20,309,782.6
\$ Change from FY 2026 - Total Funding	(\$2,800.0)	(\$665,700.0)	(\$882,500.0)
% Change from FY 2026 - Total Funding	(5.2%)	(3.6%)	(4.2%)



BACKGROUND INFORMATION

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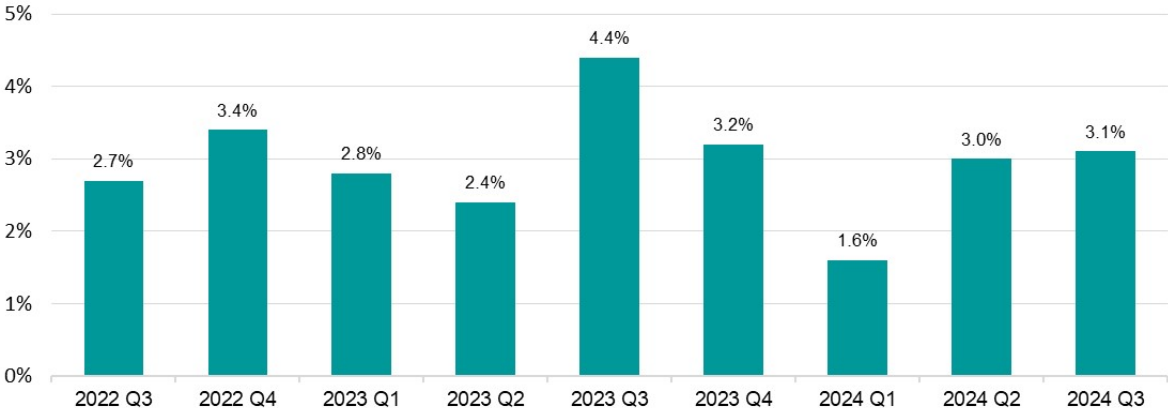
Consensus Economic Outlook

The January 2025 Consensus Revenue Estimating Conference (CREC) updated the economic and revenue outlook for 2025, 2026, and 2027. The principals of the conference, the State Treasurer and the Directors of the House Fiscal Agency and Senate Fiscal Agency, agreed to a revised economic forecast for the calendar year (CY) 2025 and 2026 and an initial forecast for 2027. Table 1 provides the figures agreed upon at the conference. The summary text incorporates some economic data released since the conference.

2024 U.S. Economic Review

During 2024, the economy continued to expand, benefiting from strong employment growth, low unemployment rates, and inflation falling from recent highs. Since the third quarter of 2022, real GDP has grown at a solid rate, with annual growth rates ranging from 2.7 percent to 4.4 percent in the period. Real GDP growth was strong in 2024Q3 and increased 3.1 percent boosted by personal consumption, government spending, and fixed investment exports.

Real Gross Domestic Product Remains Strong in 2024



Source: Bureau of Economic Analysis

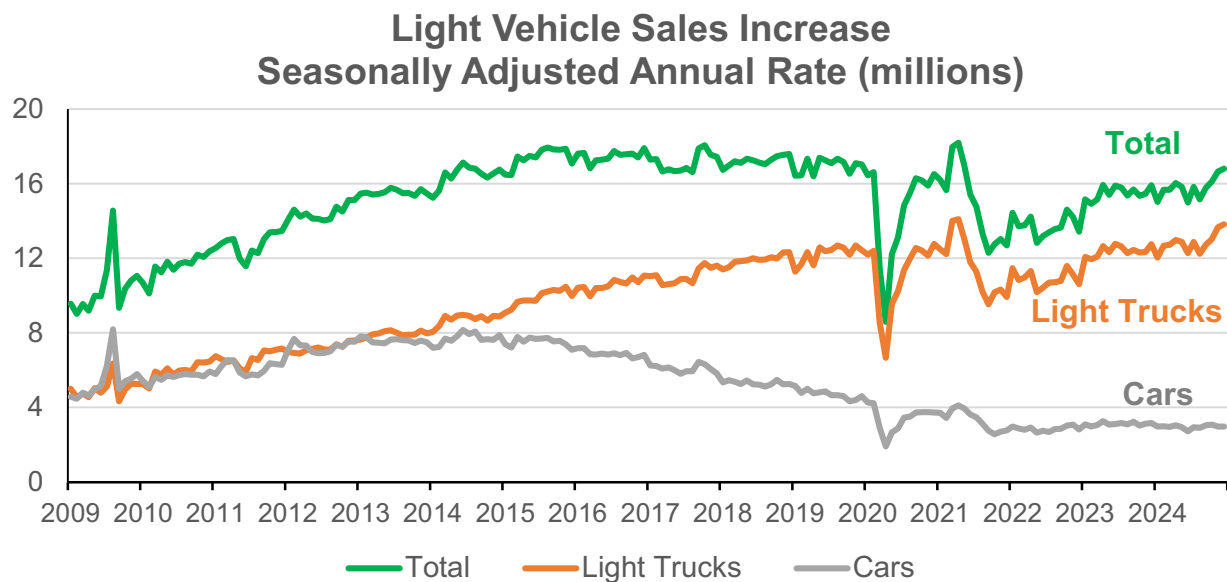
U.S. wage and salary employment growth slowed in 2024 compared to the historically high rates observed in 2022 and 2023 but remained on solid ground. After averaging 377,000 jobs per month in 2022, average monthly employment gains slowed to 251,000 in 2023 and 186,000 in 2024. December 2024 nonfarm employment growth of 256,000 jobs led to an employment level 1.4 percent above a year ago, and 7.2 million jobs above its pre-pandemic peak level.

The U.S. unemployment rate remained historically low and was between 3.7 percent and 4.3 percent during 2024. By December 2024, the rate rose to 4.1 percent, reflecting a less constrained labor market, and more in line with the Federal Reserve’s projections. The 4.0

percent annual employment rate for 2024 marks the first increase in the rate, after registering 3.6 percent rate on an annual basis in both 2022 and 2023.

Consumer sentiment continued to recover in 2024 from the lows recorded in 2022 when high inflation was of paramount concern to consumers (the June 2022 index of 50.0 is the lowest reading on record). While concerns about the effect of high prices and weakening incomes on personal finances persisted throughout the past two years, the index has gradually improved, finishing 2024 with a reading of 74.0 in December.

With supply chain constraints largely overcome and sustainable inventory production restored, light vehicle sales advanced from 13.8 million average units in 2022 to 15.5 million average units in 2023. Sales continued to increase in 2024, reaching 15.8 million average units, 1.9 percent higher than sales recorded a year ago. Total light vehicle sales are expected to continue to be driven by light trucks sales in the coming years.



Source: Bureau of Economic Analysis

Over the course of 2024, price inflation continued to slow from its historic highs reached in 2022. Between October 2022 and September 2024, year-over-year increases in the U.S. Consumer Price Index (CPI) decelerated from 7.7 percent to 2.4 percent, on a not seasonally adjusted basis. The 2.4 percent September increase was the lowest one-year change since February 2021. Since then, progress in lowering inflation has slowed, with the index increasing 2.9 percent from last year in December. The less volatile U.S. Core Consumer Price Index, which excludes food and energy, also continued to move at a slower pace during 2024. Year over-year core CPI increases decelerated from 6.6 percent in September 2022 to 3.2 percent in July 2024, the slowest pace since April 2021. Since then, core CPI year-over-year rates edged slightly up to 3.3 percent for three consecutive months ending in November, before finally slowing to 3.2 percent in December. The year-over-year increase in the Personal Consumption Expenditure (PCE) deflator decelerated from 6.5 percent in October 2022 to 2.1 percent in September 2024, the lowest yearly increase since February 2021. The deflator increased slightly in the following

months, registering a year-over-year increase of 2.3 percent in October, and 2.4 percent in November.

The Federal Reserve maintained a contractionary policy regime through July 2023. After raising the federal funds rate 4.25 percentage points in CY 2022, the Fed increased the rate an additional 1.00 percentage point in CY 2023, to a 22-year high range of 5.25-5.50 percent. During 2024, with inflation stabilizing and worries about economic growth, the Federal Reserve decreased the federal funds rate a total of 1.00 percentage points by December with a target range of 4.25-4.50 percent. Since unemployment has increased and job growth has slowed over 2024, officials are balancing those risks against inflationary pressures with future rate cuts as 2025 begins. The Fed has continued to decrease its asset holdings in calendar year 2024. As of January 1st, 2025, the Federal Reserve reduced its asset holdings by 10.7 percent compared to its year-ago levels.

2024 Michigan Economic Review

After increasing an average of 8,600 net jobs per month during 2022, Michigan wage and salary employment decelerated in 2023 and 2024, to an average net gain of 4,400 jobs per month in 2023, and 3,600 jobs per month in 2024. Nonfarm employment losses in 2024 were concentrated in the middle of the year, notably impacting the manufacturing and professional and business services sectors. In December 2024, Michigan wage and salary employment stood at 4.5 million, with a year-to-date net gain of 42,900 jobs. Manufacturing and professional and business services employment receded in 2024, ending the year with 11,200 and 3,200 fewer jobs than in December 2023.

The deceleration of the job market in Michigan resulted in an increase in the state unemployment rate in 2024. The unemployment rate had declined to 3.6 percent in June 2023 – the lowest unemployment rate in more than two decades – and remained under 4.5 percent until July 2024. The rate increased in the second half of 2024, finishing the year at 5.0 percent in December – the highest unemployment rate since October 2021(5.1 percent). As a result, the annual average unemployment rate of 4.3 percent for 2024 marks the first increase in the Michigan annual average jobless rate after three consecutive years of decline. The annual average unemployment rate reached 10.0 percent in 2020 but gradually declined in the following years to 5.7 percent in 2021, 4.1 percent in 2022, and 3.9 percent in 2023.

Michigan's labor force participation rate stabilized in 2024, after consistent increases in the prior two years. From the 2021 annual average labor force participation rate of 59.4 percent, the Michigan rate increased to 60.4 percent in 2022, and 61.9 percent in 2023. Throughout 2024, the monthly labor force participation rate alternated between 62.2 to 62.3 percent, resulting in an average annual rate of 62.3 percent in 2024.

Michigan personal income increased in all quarters from 2023Q1 through 2024Q3, reflecting the strength in earnings from work, and in dividends, interest and rent income during the period. Overall, Michigan personal income increased at a year-over-year rate of 4.8 percent in 2024Q3, which is the latest data available.

Economic Outlook

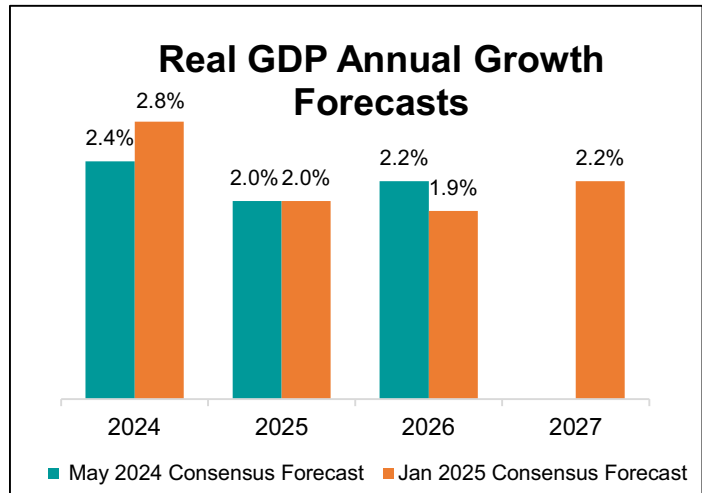
In 2024, Michigan motor vehicle production increased to 2.0 million units, recovering from the weaker production in 2023 that was aggravated by the UAW strike in the latter half of that year. The 2024 total Michigan motor vehicle production is 4.7 percent higher than in 2023, reflecting strong light truck production (just under 2.0 million units, or a 10.7 percent increase from 2023) that more than compensated for profound low car production in the year (90,400 units, or a -51.8 percent change from 2023).

U.S. Consensus Economic Outlook: 2025 - 2027

Despite the global economic and geopolitical issues, the U.S. economy continued to expand in 2024, benefiting from slower inflation, resilient consumer spending, and steady growth in labor markets. It is poised to continue to grow in the coming years.

Real GDP is projected to grow 2.0 percent in 2025, 1.9 percent in 2026 and 2.2 percent in 2027 (see Table 1).

U.S. wage and salary employment is projected to rise 0.9 percent in 2025, and at a more moderate pace in the next years, increasing 0.7 percent in 2026, and 0.6 percent in 2027. The U.S. unemployment rate is forecast to rise from 4.0 percent in 2024 to 4.4 percent in 2025 and remain at the 4.4 percent level through 2027. Inflation in consumer prices, as measured by the U.S. Consumer Price Index, are expected to rise 2.3 percent in 2025, and increase 2.4 percent in both 2026 and 2027.



Michigan Consensus Economic Outlook: 2025 - 2027

Michigan's moderate economic performance in 2024 benefited from the national economic expansion that exceeded expectations.

Michigan wage and salary employment is expected to increase 0.6 percent in 2025, 0.5 percent in 2026, and 0.3 percent in 2027. Michigan's unemployment rate is expected to rise from an estimated 4.2 percent in 2024 to 4.7 percent in 2025. The unemployment rate is expected to decrease to 4.6 percent in 2026, before increasing to 4.7 percent in 2027. Michigan personal income is projected to rise 3.7 percent in 2025 and then increase 4.0 percent in 2026 and 3.9 percent in 2027.

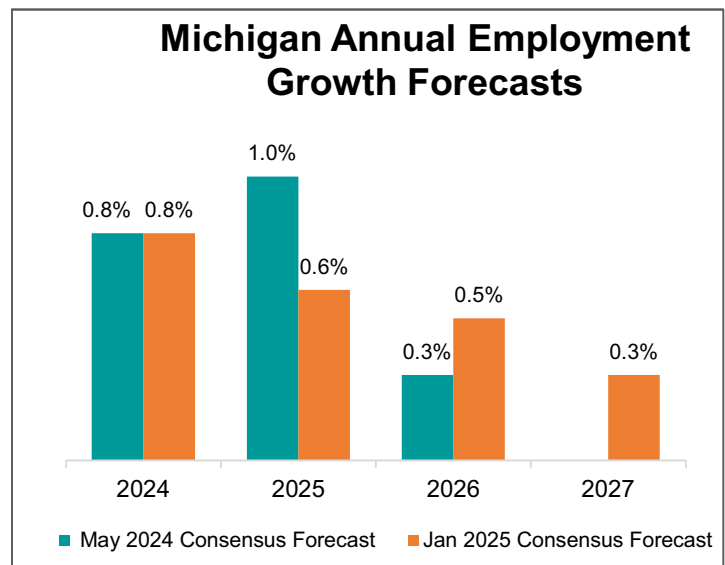


Table 1
Consensus Economic Forecast

	January 2025							
	Calendar	Percent	Calendar	Percent	Calendar	Percent	Calendar	Percent
	2024	Change	2025	Change	2026	Change	2027	Change
	Forecast	from Prior	Forecast	from Prior	Forecast	from Prior	Forecast	from Prior
		Year		Year		Year		Year
United States								
Real Gross Domestic Product (Billions of Chained 2017 Dollars)	\$23,306	2.8%	\$23,772	2.0%	\$24,224	1.9%	\$24,757	2.2%
Implicit Price Deflator GDP (2017 = 100)	125.2	2.4%	128.1	2.3%	131.2	2.4%	134.3	2.4%
Consumer Price Index (1982-84 = 100)	313.536	2.9%	321.455	2.5%	331.277	3.1%	340.819	2.9%
Consumer Price Index - Fiscal Year (1982-84 = 100)	311.581	3.1%	319.253	2.5%	328.735	3.0%	338.545	3.0%
Personal Consumption Deflator (2012 = 100)	123.5	2.5%	126.2	2.2%	129.5	2.6%	132.5	2.3%
3-month Treasury Bills Interest Rate (percent)	5.0		4.0		3.6		3.5	
Unemployment Rate - Civilian (percent)	4.0		4.4		4.4		4.4	
Wage and Salary Employment (millions)	158,548	1.6%	159,975	0.9%	161,095	0.7%	162,061	0.6%
Housing Starts (millions of starts)	1,356	-4.5%	1,360	0.3%	1,400	2.9%	1,430	2.1%
Light Vehicle Sales (millions of units)	15.7	1.3%	16.1	2.5%	16.1	0.0%	16.3	1.2%
Passenger Car Sales (millions of units)	3.0	-4.7%	3.0	2.1%	3.0	-0.9%	3.0	-0.7%
Light Truck Sales (millions of units)	12.7	2.8%	13.1	2.7%	13.1	0.2%	13.3	1.7%
Big 3 Share of Light Vehicles (percent)	34.2		34.1		33.5		32.8	
Michigan								
Wage and Salary Employment (thousands)	4,487	0.8%	4,514	0.6%	4,536	0.5%	4,550	0.3%
Unemployment Rate (percent)	4.2		4.7		4.6		4.7	
Personal Income (millions of dollars)	\$643,791	4.9%	\$667,612	3.7%	\$694,316	4.0%	\$721,395	3.9%
Real Personal Income (millions of 1982-84 dollars)	\$219,570	1.5%	\$222,448	1.3%	\$224,320	0.8%	\$226,426	0.9%
Wages and Salaries (millions of dollars)	\$312,269	5.4%	\$324,135	3.8%	\$335,156	3.4%	\$346,216	3.3%
Detroit CPI (1982-84 = 100)	293.206	3.3%	300.120	2.4%	309.520	3.1%	318.601	2.9%
Detroit CPI - Fiscal Year (1982-84 = 100)	289.914	3.2%	297.245	2.5%	306.407	3.1%	315.727	3.0%



Fiscal Year 2026
Sources and Uses of General Fund/General Purpose
(\$ in Millions)

	Fiscal Year 2026
REVENUES:	
General Fund - General Purpose (GF/GP)	
Estimated Unassigned Beginning Fund Balance	\$721.6
Research & Development Tax Credit	(\$100.0)
Consensus Estimate	\$15,477.7
Payments to Local Government	(\$702.2)
Payments to Local Government Increase	(\$22.4)
Other Adjustments	(\$2.7)
Total Adjustments	(\$727.3)
Total Sources of General Fund/General Purpose Revenues	\$15,372.0
EXPENDITURES:	
Executive Recommendation	\$15,360.3
Total Uses of General Fund/General Purpose Revenues	\$15,360.3
Estimated Ending Fund Balance, September 30	<u>\$11.7</u>

Revenues and Expenditures Summary

Fiscal Year 2026
Sources and Uses of All Funds
(\$ in Millions)

	Fiscal Year 2026
REVENUES:	
General Fund - General Purpose (GF/GP)	
Consensus Estimate	\$15,477.7
Total Adjustments	(\$827.3)
Total GF/GP Revenue	\$14,650.4
School Aid Fund (SAF)	
Consensus Estimate	\$18,891.4
Total Adjustments	\$341.0
Transfers and Federal Aid	\$2,705.3
Total SAF Revenue	\$21,937.7
Transportation Funds	\$8,583.1
Special Revenue and Permanent Funds	\$11,612.9
Federal Aid Not Elsewhere Itemized	\$28,767.3
Available Fund Balances Not Elsewhere Itemized	\$4,512.4
Total All Resources	\$90,063.8
LESS: Interfund Transfers	(\$2,156.3)
Total Sources of All Funds Less Interfund Transfers	\$87,907.5
 EXPENDITURES:	
Executive Recommendation	\$81,993.3
LESS: Interdepartmental Grants and Transfers	(\$1,271.7)
Total Uses of All Funds	\$80,721.6
 Estimated Ending Fund Balance, September 30	 \$7,185.9

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
GENERAL FUND - GENERAL PURPOSE (GF/GP) ANNUAL REVENUE				
TAX REVENUE				
Personal Income Tax				
Individual Income Tax ⁽¹⁾	11,452,300,000	12,027,900,000	12,268,000,000	12,486,900,000
LESS: Refunds	(3,121,500,000)	(3,150,000,000)	(3,208,500,000)	(3,267,700,000)
Subtotal Personal Income Tax	8,330,800,000	8,877,900,000	9,059,500,000	9,219,200,000
Consumption Taxes				
Sales Tax ⁽²⁾	1,570,100,000	1,637,300,000	1,656,200,000	1,699,100,000
Use Tax ⁽¹⁾	1,195,900,000	1,245,200,000	1,310,200,000	1,366,200,000
Tobacco Taxes ⁽¹⁾	132,000,000	129,200,000	127,500,000	125,800,000
Beer and Wine Excise Tax	44,900,000	45,600,000	46,600,000	47,600,000
Liquor Specific Tax ⁽¹⁾	68,700,000	69,100,000	70,000,000	71,200,000
Subtotal Consumption Taxes	3,011,600,000	3,126,400,000	3,210,500,000	3,309,900,000
Other Taxes				
Single Business Tax	(30,000)	0	0	0
Insurance Company Premium Retaliatory Tax	537,400,000	563,500,000	580,400,000	596,700,000
Michigan Business Tax	(356,900,000)	(496,900,000)	(507,700,000)	(527,000,000)
Corporate Income Tax	1,575,000,000	1,620,000,000	2,228,500,000	2,284,700,000
Telephone and Telegraph Tax	43,000,000	42,000,000	41,000,000	40,000,000
Estate/Inheritance	0	0	0	0
Essential Services Assessment	147,900,000	157,000,000	162,500,000	167,500,000
Oil and Gas Severance Tax	21,900,000	22,000,000	23,000,000	23,900,000
Penalties and Interest	171,900,000	157,000,000	158,000,000	160,200,000
Quality Assurance Assessment	0	0	0	0
Marihuana Tax	0	0	0	0
Convention Facilities Fund	0	0	0	0
Other	10,700,000	8,000,000	8,000,000	8,000,000
Enhanced Enforcement ⁽³⁾	(147,400,000)	(150,000,000)	(151,000,000)	(153,000,000)
Subtotal Other Taxes	2,003,470,000	1,922,600,000	2,538,700,000	2,601,000,000
TOTAL GF/GP TAX REVENUE	13,345,870,000	13,926,900,000	14,809,700,000	15,130,100,000

⁽¹⁾ See also School Aid Fund.

⁽²⁾ See General Fund Special Purpose Revenue, School Aid Fund, Aeronautics Fund, Comprehensive Transportation Fund and Qualified Airport Fund.

⁽³⁾ Restricted revenues supporting Treasury collection activities are shown here as negatives.

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
GF/GP ANNUAL REVENUE				
NON-TAX REVENUE				
Federal Aid	13,900,000	10,000,000	10,000,000	10,000,000
Local Agencies	10,000	100,000	100,000	100,000
Services	4,200,000	7,000,000	7,000,000	7,000,000
Licenses and Permits	10,700,000	14,000,000	14,000,000	14,000,000
Miscellaneous	30,800,000	35,000,000	35,000,000	35,000,000
Driver Responsibility Fee	0	0	0	0
Short-Term Note Costs	0	0	0	0
Interest/Borrowing Costs	593,300,000	285,000,000	160,000,000	100,000,000
Unclaimed Property Transfer	0	140,000,000	140,000,000	140,000,000
Subtotal Non-Tax Revenue	652,910,000	491,100,000	366,100,000	306,100,000
Transfers to GF/GP				
Liquor Purchase Revolving Fund Transfer	301,200,000	293,500,000	297,900,000	303,300,000
Charitable Games and Other Funds	7,100,000	4,000,000	4,000,000	4,000,000
Escheats	200,600,000	0	0	0
Subtotal Transfers to GF/GP	508,900,000	297,500,000	301,900,000	307,300,000
TOTAL GF/GP NON-TAX REVENUE	1,161,810,000	788,600,000	668,000,000	613,400,000
CONSENSUS TOTAL GF/GP REVENUE	14,507,680,000	14,715,500,000	15,477,700,000	15,743,500,000
BUDGET ADJUSTMENTS				
Payments to Local Government	(562,700,000)	(702,200,000)	(702,200,000)	(702,200,000)
Research & Development Tax Credit	n/a	n/a	(100,000,000)	(100,000,000)
Recommended CIT Allocations	0	0	0	(500,000,000)
Other Adjustments	197,300,000	77,300,000	(2,700,000)	(2,700,000)
TOTAL BUDGET ADJUSTMENTS	(365,400,000)	(624,900,000)	(804,900,000)	(1,304,900,000)
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET				
Payments to Local Government	n/a	n/a	(22,400,000)	(22,400,000)
TOTAL RECOMMENDED ADJUSTMENTS	0	0	(22,400,000)	(22,400,000)
TOTAL GF/GP WITH ADJUSTMENTS LESS INTERFUND TRANSFERS	14,142,280,000	14,090,600,000	14,650,400,000	14,416,200,000

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
GENERAL FUND-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS, INCLUDING BEGINNING FUND BALANCES				
Agriculture and Rural Development	111,778,999	115,644,100	115,812,900	114,032,900
Attorney General	11,899,742	11,703,200	11,355,200	11,007,200
Casino Gaming	65,128,570	72,130,000	70,874,900	69,089,100
Civil Rights	0	18,700	18,700	18,700
Corrections	27,576,883	36,989,700	37,475,000	37,475,000
Education	33,701,328	38,643,400	43,684,400	48,826,300
Environment, Great Lakes, and Energy	680,252,738	657,186,800	686,359,500	687,642,800
Health and Human Services	4,254,073,598	4,218,011,700	4,205,142,200	4,204,547,300
Insurance and Financial Services	85,085,004	91,151,800	92,440,800	92,328,600
Judiciary	107,105,144	112,338,200	107,401,600	100,510,600
Labor and Economic Opportunity	1,538,083,063	1,671,505,600	899,853,000	887,391,700
Legislative Auditor General	334,100	284,800	293,400	302,300
Legislative Services Bureau	0	0	0	0
Licensing and Regulatory Affairs	586,335,760	620,184,600	638,551,200	643,595,000
Lifelong Education, Advancement and Potential	1,987,720	2,038,700	2,569,800	3,319,800
Lottery	36,917,500	40,729,600	40,729,600	40,729,600
Military and Veterans Affairs	95,596,352	96,073,400	95,803,500	96,505,400
Natural Resources	781,956,549	709,297,100	560,131,900	586,984,100
State	289,514,975	302,577,300	290,582,600	273,588,000
State Capitol Historic Site	2,715,171	3,848,300	3,963,700	4,082,600
State Police	271,398,310	278,445,400	274,305,400	289,065,400
Technology, Management and Budget	980,733,788	1,199,964,700	1,100,278,100	923,516,300
Treasury	2,133,523,770	2,326,145,600	2,335,279,200	2,371,104,400
TOTAL GF-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS	12,095,700,064	12,604,912,700	11,612,906,600	11,465,663,100

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
FEDERAL AID NOT ELSEWHERE ITEMIZED				
Agriculture and Rural Development	10,800,388	20,357,900	20,079,600	20,079,600
Attorney General	8,263,380	10,391,600	10,991,800	11,241,800
Civil Rights	1,518,965	2,890,900	2,890,900	2,890,900
Corrections	82,685,314	5,180,500	5,203,700	5,203,700
Education	471,200,103	82,550,500	83,575,100	83,575,100
Environment, Great Lakes, and Energy	452,658,251	463,588,800	463,588,800	463,588,800
Health and Human Services	25,133,658,605	26,019,936,100	25,934,437,100	25,934,437,100
Higher Education	17,365,550	0	0	0
Insurance and Financial Services	0	700,000	250,000	250,000
Judiciary	6,753,650	7,232,600	7,270,900	7,270,900
Labor and Economic Opportunity	758,353,434	1,303,006,200	1,227,473,300	1,227,473,300
Licensing and Regulatory Affairs	23,324,504	33,524,900	34,478,800	34,478,800
Lifelong Education, Advancement, and Potential	0	505,391,000	506,428,200	506,428,200
Military and Veterans Affairs	186,451,711	144,786,800	148,840,000	148,840,000
Natural Resources	154,209,062	100,058,200	99,684,100	99,684,100
State	540,698	11,043,500	1,460,000	1,460,000
State Police	74,720,510	190,974,200	190,974,200	190,974,200
Technology, Management and Budget	95,374,373	4,393,200	4,393,200	4,393,200
Treasury	10,376,292	25,011,400	25,254,000	25,254,000
TOTAL FEDERAL AID (excluding General Fund, Transportation and School Aid)	27,488,254,790	28,931,018,300	28,767,273,700	28,767,523,700

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
SCHOOL AID FUND (SAF) ANNUAL REVENUE				
TAXES AND LOTTERY				
Sales Tax	7,751,400,000	7,830,800,000	7,966,700,000	8,158,200,000
Use Tax	944,100,000	989,800,000	993,500,000	1,022,200,000
Income Tax	3,962,600,000	4,104,800,000	4,237,300,000	4,347,500,000
Liquor Excise Tax	75,500,000	80,900,000	82,900,000	84,200,000
Tobacco Taxes	228,800,000	223,300,000	219,100,000	214,800,000
State Education Property Tax	2,756,800,000	2,870,000,000	2,956,100,000	3,053,700,000
Real Estate Transfer Tax	404,500,000	412,000,000	431,800,000	444,800,000
Industrial and Commercial Facilities Tax	53,700,000	50,000,000	50,000,000	50,000,000
Marijuana Excise Tax	116,000,000	118,000,000	123,200,000	127,100,000
Casino Wagering Tax	500,700,000	102,000,000	103,800,000	105,300,000
iGaming, Sports Betting, Fantasy Sports Tax	4,100,000	425,000,000	443,700,000	463,200,000
Commercial Forest Tax	4,000,000	4,000,000	4,000,000	4,000,000
Other Specific Taxes	24,600,000	24,000,000	24,000,000	24,000,000
Subtotal SAF Taxes	16,823,800,000	17,204,600,000	17,636,100,000	18,089,000,000
Transfer from Lottery	1,249,000,000	1,255,000,000	1,255,300,000	1,255,500,000
CONSENSUS TOTAL SAF	18,072,800,000	18,459,600,000	18,891,400,000	19,354,500,000
NON-TAX REVENUE				
Federal Aid	2,219,100,000	2,272,800,000	2,407,700,000	2,407,700,000
Transfer from General Fund	87,900,000	78,800,000	53,600,000	50,800,000
Transfer from Community District Trust Fund	72,000,000	41,000,000	0	0
MPERS Reserve Fund	240,650,000	334,100,000	0	0
School Meals Reserve Fund	90,000,000	30,000,000	0	0
School Transportation Fund	125,000,000	125,000,000	125,000,000	125,000,000
Enrollment Stabilization Fund	71,000,000	71,000,000	71,000,000	71,000,000
Great Start Readiness Program Reserve Fund	18,000,000	18,000,000	18,000,000	18,000,000
School Consolidation and Infrastructure Fund	245,000,000	0	0	0
Educator Fellowship Public Provider Fund	0	30,000,000	30,000,000	30,000,000
Subtotal SAF Non-Tax Revenues	3,168,650,000	3,000,700,000	2,705,300,000	2,702,500,000
TOTAL SAF	21,241,450,000	21,460,300,000	21,596,700,000	22,057,000,000
LESS Interfund Transfers	(949,550,000)	(727,900,000)	(297,600,000)	(294,800,000)
TOTAL SAF LESS INTERFUND TRANSFERS	20,291,900,000	20,732,400,000	21,299,100,000	21,762,200,000
BUDGET ADJUSTMENTS				
Transfer to Countercyclical Budget and Foundation Stabilization Fund	0	25,000,000	50,000,000	0
Transfer to Enrollment Stabilization Fund	0	0	0	0
Transfer to Great Start Readiness Program Reserve Fund	0	0	0	0
Transfer to MPERS Retirement Obligation Reform Reserve Fund	0	0	0	0
Transfer to School Meals Reserve Fund	0	0	0	0
Transfer to School Transportation Fund	0	0	136,000,000	0
Transfer to School Consolidation and Infrastructure Fund	0	0	155,000,000	0
TOTAL BUDGET ADJUSTMENTS	0	25,000,000	341,000,000	0
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET				
None	0	0	0	0
TOTAL RECOMMENDED ADJUSTMENTS	0	0	0	0
TOTAL SCHOOL AID FUND WITH ADJUSTMENTS LESS INTERFUND TRANSFERS	20,291,900,000	20,757,400,000	21,640,100,000	21,762,200,000

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
TRANSPORTATION FUNDS ANNUAL REVENUES				
STATE AERONAUTICS FUND				
Aviation Fuel Tax	10,572,624	6,000,000	6,100,000	6,200,000
Sales Tax	3,641,093	3,710,000	3,780,000	3,850,000
Federal Aid	273,862,570	270,000,000	270,000,000	270,000,000
Local Agencies	0	17,500,000	17,500,000	17,500,000
Private Revenues	0	2,000,000	2,000,000	2,500,000
Airport Parking Tax	6,000,000	6,000,000	6,000,000	6,000,000
Interest from Common Cash	296,414	100,000	100,000	100,000
Miscellaneous	2,291,951	1,116,000	3,645,000	3,662,000
TOTAL STATE AERONAUTICS FUND	296,664,653	306,426,000	309,125,000	309,812,000
QUALIFIED AIRPORT FUND				
Sales Tax	6,762,033	6,890,000	7,020,000	7,150,000
TOTAL QUALIFIED AIRPORT FUND	6,762,033	6,890,000	7,020,000	7,150,000
STATE TRUNKLINE FUND				
Federal Aid	1,202,652,582	1,722,992,800	1,794,316,500	1,794,316,500
Private Revenues	384,416	10,000,000	10,000,000	10,000,000
Local Agencies	13,316,882	30,003,500	30,003,500	30,003,500
Licenses and Permits	17,582,051	18,120,000	18,120,000	18,120,000
Transfer from Michigan Transportation Fund and Other Funds	1,461,882,489	1,524,072,200	1,564,447,600	1,589,788,100
Interest from Common Cash Investment	68,961,803	36,860,000	32,365,000	28,769,000
Miscellaneous	52,423,359	37,549,000	37,552,000	37,554,000
TOTAL STATE TRUNKLINE FUND	2,817,203,581	3,379,597,500	3,486,804,600	3,508,551,100
BLUE WATER BRIDGE FUND				
Tolls and Rentals	22,028,187	27,751,000	33,273,000	34,805,000
Interest from Common Cash Investment	4,410,280	3,282,000	2,882,000	2,562,000
Miscellaneous	119,691	0	0	0
TOTAL BLUE WATER BRIDGE	26,558,159	31,033,000	36,155,000	37,367,000
MICHIGAN TRANSPORTATION FUND				
Diesel and Motor Carrier Fuel Tax	272,096,463	279,000,000	286,000,000	293,000,000
Gasoline and Liquefied Petroleum Gas Tax	1,284,207,631	1,305,250,000	1,343,350,000	1,380,450,000
Motor Vehicle Registration Tax	1,490,446,735	1,532,000,000	1,585,000,000	1,625,000,000
Individual Income Tax	600,000,000	600,000,000	600,000,000	600,000,000
Other Licenses and Permits	43,279,812	41,630,000	41,630,000	41,630,000
Excise Tax on Recreational Marijuana	116,030,308	118,000,000	123,200,000	127,100,000
Interest from Common Cash Investment	13,126,679	12,995,000	11,411,000	10,143,000
TOTAL MICHIGAN TRANSPORTATION FUND	3,819,187,628	3,888,875,000	3,990,591,000	4,077,323,000
COMPREHENSIVE TRANSPORTATION FUND				
Sales Tax	125,443,586	123,900,000	128,000,000	129,900,000
Federal Aid	86,627,258	260,682,800	265,289,000	265,289,000
Local Agencies	0	39,945,000	39,945,000	39,945,000
Transfer from Michigan Transportation Fund and Other Funds	276,545,973	285,603,700	294,301,800	303,340,200
Interest from Common Cash Investment	24,248,521	14,612,000	12,830,000	11,404,000
Private Revenue	0	6,800,000	6,800,000	6,800,000
Miscellaneous	3,973,350	6,265,400	6,270,400	6,275,400
TOTAL COMPREHENSIVE TRANSPORTATION FUND	518,838,688	737,808,700	753,436,200	762,953,600
TOTAL TRANSPORTATION REVENUE	7,483,214,742	8,350,630,200	8,583,131,800	8,703,156,700
LESS: Interfund Transfers	(1,740,428,461)	(1,809,675,900)	(1,858,749,400)	(1,893,128,300)
TOTAL TRANSPORTATION REVENUE LESS TRANSFERS	5,744,786,281	6,540,954,300	6,724,382,400	6,810,028,400

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2024	CURRENT YEAR ESTIMATES FY 2025	BUDGET YEAR 1 ESTIMATES FY 2026	BUDGET YEAR 2 ESTIMATES FY 2027
OTHER AVAILABLE FUND BALANCES NOT ELSEWHERE ITEMIZED				
General Fund - General Purpose Unassigned Beginning Balance		2,054,100,000	721,600,000	11,700,000
Budget Stabilization Fund Revenue	3,529,000,000	152,000,000	129,000,000	83,700,000
Budget Stabilization Fund Beginning Balance	212,400,000	1,992,700,000	2,144,700,000	2,273,700,000
School Aid Stabilization Fund Beginning Balance	1,780,300,000	1,129,000,000	1,002,600,000	18,600,000
School Aid Countercyclical Budget and Foundation Stabilization Fund Beginning Balance	2,192,500,000	477,000,000	514,500,000	564,500,000
TOTAL AVAILABLE FUND BALANCES NOT ELSEWHERE ITEMIZED	8,166,900,000	5,804,800,000	4,512,400,000	2,952,200,000
ALL RESOURCES SUMMARY				
General Fund - General Purpose with Budget Adjustments	14,142,280,000	14,090,600,000	14,650,400,000	14,416,200,000
General Fund - Special Purpose/Special Revenue and Permanent Funds	12,095,700,064	12,604,912,700	11,612,906,600	11,465,663,100
Federal Aid Not Elsewhere Itemized	27,488,254,790	28,931,018,300	28,767,273,700	28,767,523,700
School Aid Fund with Budget Adjustments	21,241,450,000	21,485,300,000	21,937,700,000	22,057,000,000
Transportation Revenues	7,485,214,742	8,350,630,200	8,583,131,800	8,703,156,700
Available Beginning Fund Balances Not Elsewhere Itemized	8,166,900,000	5,804,800,000	4,512,400,000	2,952,200,000
TOTAL ALL RESOURCES	90,619,799,596	91,267,261,200	90,063,812,100	88,361,743,500
LESS: Interfund Transfers	(2,689,978,461)	(2,537,392,500)	(2,156,349,400)	(2,187,928,300)
TOTAL ALL RESOURCES LESS TRANSFERS	87,929,821,134	88,729,868,500	87,907,462,700	86,173,815,200



CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

ALN	ALN Title	FY 2026 Recommendation	FY 2027 Recommendation
10.561	Match Grant for Supplemental Nutrition Assistance Program		
	Grantee: Health and Human Services	199,327,900	199,327,900
	Subrecipient State Department: Labor and Economic Opportunity	4,000,400	4,000,400
	Subrecipient State Department: Attorney General	37,000	37,000
10.579	Child Nutrition Discretionary Grants Limited Availability		
	Grantee: Education	809,600	809,600
	Subrecipient State Department: Health and Human Services	8,799,600	8,799,600
15.608	Fish and Wildlife Management Assistance		
	Grantee: Natural Resources	226,800	226,800
	Subrecipient State Department: Environment, Great Lakes, and Energy	115,600	115,600
15.662	Great Lakes Restoration		
	Grantee: Environment, Great Lakes, and Energy	861,500	861,500
	Subrecipient State Department: Natural Resources	1,712,700	1,712,700
16.588	Violence Against Women Formula Grants		
	Grantee: Health and Human Services	3,807,900	3,807,900
	Subrecipient State Department: State Police	278,700	278,700
17.207	Employment Service/Wagner-Peyser Funded Activities		
	Grantee: Labor and Economic Opportunity	46,910,400	46,910,400
	Subrecipient State Department: Technology, Management and Budget	1,942,500	1,942,500
20.616	National Priority Safety Programs		
	Grantee: State Police	8,169,500	8,169,500
	Subrecipient State Department: Judiciary	2,358,700	2,358,700
	Subrecipient State Department: State	600,000	600,000
20.703	Interagency Hazardous Mat Public Sector Training		
	Grantee: State Police	440,000	440,000
	Subrecipient State Department: Licensing and Regulatory Affairs	20,000	20,000
66.469	Great Lakes Program		
	Grantee: Environment, Great Lakes, and Energy	7,245,000	7,245,000
	Subrecipient State Department: Agriculture and Rural Development	564,000	564,000
	Subrecipient State Department: Health and Human Services	99,700	99,700

Capped Federal Funds Shared Between Departments

CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

ALN	ALN Title	FY 2026 Recommendation	FY 2027 Recommendation
66.605	Performance Partnership Grants		
	Grantee: Agriculture and Rural Development	759,300	759,300
	Grantee: Environment, Great Lakes, and Energy	15,755,100	15,755,100
66.802	Superfund State, Political Subdivision, and Indian Tribe		
	Grantee: Environment, Great Lakes, and Energy	10,014,100	10,014,100
	Subrecipient State Department: Health and Human Services	274,300	274,300
84.002	Adult Education - State Program		
	Grantee: Labor and Economic Opportunity	20,000,000	20,000,000
	Subrecipient State Department: Corrections	382,000	382,000
84.013	Title I Program for Neglected and Delinquent Children		
	Grantee: Education	19,900	19,900
	Subrecipient State Department: Corrections	963,400	963,400
84.027	Special Education - Grants to States		
	Grantee: Education	19,770,800	19,770,800
	Subrecipient State Department: Corrections	124,200	124,200
	Subrecipient State Department: Health and Human Services	119,600	119,600
84.048	Vocational Education - Basic Grants to States		
	Grantee: Education	3,445,900	3,445,900
	Subrecipient State Department: Labor and Economic Opportunity	19,000,000	19,000,000
	Subrecipient State Department: Corrections	163,200	163,200
93.243	Sub Abuse and Mental Health Svs - Proj Reg and National Sign		
	Grantee: Education	702,400	702,400
	Subrecipient State Department: Health and Human Services	747,500	747,500
93.558	Temporary Assistance for Needy Families		
	Grantee: Health and Human Services	595,716,000	595,716,000
	Subrecipient State Department: Labor and Economic Opportunity	63,698,800	63,698,800
93.563	Child Support Enforcement		
	Grantee: Health and Human Services	192,007,800	192,007,800
	Subrecipient State Department: Attorney General	3,750,700	4,000,700
	Subrecipient State Department: Judiciary	891,400	891,400

CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

ALN	ALN Title	FY 2026 Recommendation	FY 2027 Recommendation
93.566	Refugee and Entrant Assistance State/Replacement Designee Grantee: Labor and Economic Opportunity Subrecipient State Department: Health and Human Services	37,869,100 3,056,700	37,869,100 3,056,700
93.568	Low-Income Home Energy Assistance Grantee: Health and Human Services Subrecipient State Department: Treasury	221,239,500 3,131,400	221,239,500 3,131,400
93.643	Children's Justice Grants to States Grantee: Health and Human Services Subrecipient State Department: Judiciary	465,700 256,800	465,700 256,800
93.658	ARRA - Foster Care - Title IV-E Grantee: Health and Human Services Subrecipient State Department: Judiciary	136,113,900 328,000	136,113,900 328,000
93.788	Opioid State Targeted Response Grantee: Health and Human Services Subrecipient State Department: Judiciary	66,929,900 352,200	66,929,900 352,200



SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2026 Recommendation	FY 2027 Recommendation
Bottle Deposits Fund		
Treasury (owner)	250,000	250,000
Environment, Great Lakes, and Energy	60,335,400	60,335,400
Children's Trust Fund		
Health and Human Services (owner)	2,895,300	2,895,300
Treasury	33,500	33,500
Comprehensive Transportation Fund		
Transportation (owner)	448,199,100	448,199,100
Technology, Management and Budget	546,500	546,500
Civil Service Commission	225,300	225,300
Attorney General	111,500	111,500
Treasury	54,900	54,900
Legislative Auditor General	48,500	48,500
Forest Development Fund		
Natural Resources (owner)	49,484,200	49,484,200
Technology, Management and Budget	354,600	354,600
Treasury	7,700	7,700
Game and Fish Protection Account		
Natural Resources (owner)	111,103,600	111,103,600
Treasury	4,374,900	4,374,900
Attorney General	687,600	687,600
Technology, Management and Budget	659,600	659,600
Legislative Auditor General	39,100	39,100
Michigan Game and Fish Protection Trust Fund		
Natural Resources (owner)	6,000,000	6,000,000
Treasury	226,200	226,200

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2026 Recommendation	FY 2027 Recommendation
Michigan Merit Award Trust Fund		
Health and Human Services (owner)	86,768,700	86,768,700
Lifelong Education, Advancement, and Potential	1,270,800	1,270,800
State Police	886,300	886,300
Attorney General	542,400	542,400
Treasury	158,500	158,500
Michigan Natural Resources Trust Fund		
Natural Resources (owner)	1,754,500	1,754,500
Treasury	3,289,700	3,289,700
Michigan Nongame Fish and Wildlife Trust Fund		
Natural Resources (owner)	540,100	540,100
Treasury	4,600	4,600
Michigan State Parks Endowment Fund		
Natural Resources (owner)	22,050,500	22,050,500
Treasury	352,800	352,800
Michigan State Waterways Account		
Natural Resources (owner)	44,413,900	44,413,900
State	1,579,000	1,579,000
Treasury	495,000	495,000
Technology, Management and Budget	177,200	177,200
Attorney General	153,600	153,600
Legislative Auditor General	14,100	14,100

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2026 Recommendation	FY 2027 Recommendation
Michigan Transportation Fund		
Transportation (owner)	2,171,162,000	2,215,190,000
State	20,000,000	20,000,000
Treasury	3,761,300	3,761,300
Environment, Great Lakes, and Energy	2,202,200	2,202,200
Legislative Auditor General	393,900	393,900
Technology, Management and Budget	311,200	311,200
Off-Road Vehicle Account		
Natural Resources (owner)	9,069,500	9,069,500
State	170,700	170,700
Treasury	4,300	4,300
Second Injury Fund		
Labor and Economic Opportunity (owner)	2,979,400	2,979,400
Attorney General	670,400	670,400
Treasury	1,100	1,100
Silicosis, Dust Disease, and Logging Industry Compensation Fund		
Labor and Economic Opportunity (owner)	773,000	773,000
Attorney General	117,900	117,900
Treasury	200	200
Snowmobile Account		
Natural Resources (owner)	12,364,400	12,364,400
State	390,000	390,000
Treasury	1,900	1,900

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2026 Recommendation	FY 2027 Recommendation
State Aeronautics Fund		
Transportation (owner)	25,027,700	25,027,700
Technology, Management and Budget	233,600	233,600
Attorney General	196,400	196,400
Civil Service Commission	140,000	140,000
Treasury	72,200	72,200
Legislative Auditor General	38,100	38,100
State Park Improvement Account		
Natural Resources (owner)	130,721,000	130,721,000
State	1,000,000	1,000,000
Technology, Management and Budget	158,300	158,300
Treasury	9,300	9,300
State Trunkline Fund		
Transportation (owner)	1,404,909,300	1,434,732,100
Technology, Management and Budget	50,045,200	50,045,200
State Police	13,945,400	13,945,400
Civil Service Commission	7,160,100	7,160,100
Attorney General	2,236,500	2,236,500
Legislative Auditor General	914,900	914,900
Treasury	167,000	167,000
Utility Consumer Representation Fund		
Licensing and Regulatory Affairs (owner)	2,154,700	2,154,700
Attorney General	1,962,600	1,962,600
Treasury	600	600

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
21st century jobs trust fund	0	75,000,000	(75,000,000)	0	75,000,000	(75,000,000)	0
Abandoned vehicle fees	0	267,965	(267,965)	0	690,700	(690,700)	0
Aboveground storage tank fees	20,607	427,065	(366,684)	80,988	370,500	(370,000)	81,488
Accountancy enforcement fund	6,852,421	391,843	(713,900)	6,530,364	1,942,700	(948,300)	7,524,764
Administrative order processing fee	0	10,030	(10,030)	0	11,800	(11,800)	0
Adult foster care facilities licenses fund	1,424,423	566,371	(416,500)	1,574,294	501,100	(373,600)	1,701,794
AFIS fees	0	76,437	(76,437)	0	80,000	(80,000)	0
Agricultural preservation fund	7,978,939	3,801,985	(2,638,305)	9,142,619	3,500,000	(2,900,000)	9,742,619
Agriculture equine industry development fund	8,398,582	5,274,688	(4,356,545)	9,316,725	3,700,000	(2,800,000)	10,216,725
Agriculture licensing and inspection fees	8,468,542	4,071,462	(3,164,687)	9,375,317	3,545,000	(3,900,000)	9,020,317
Air emissions fees	10,228,769	10,063,020	(6,355,785)	13,936,004	9,341,100	(7,250,400)	16,026,704
Amanda's fund for breast cancer prevention and treatment	581,678	121,400	(7,300)	695,778	112,000	(500,000)	307,778
Animal welfare fund	334,947	141,913	(149,252)	327,608	150,000	(150,000)	327,608
Antitrust enforcement collections	250,000	2,382,989	(1,632,989)	1,000,000	843,500	(993,500)	850,000
Aquatic nuisance control fund	635,616	1,072,002	(888,541)	819,077	1,086,300	(843,700)	1,061,677
Aquifer protection revolving fund	574,851	30,893	(100)	605,645	0	(3,100)	602,545
Asbestos abatement fund	2,741,974	1,664,400	(476,000)	3,930,374	1,302,800	(510,000)	4,723,174
Asbestos inspection fund	0	0	0	0	800,000	(520,000)	280,000
Assessor training fees	122,795	551,515	(556,998)	117,313	580,000	(580,000)	117,313
Attorney general's operations fund	3,467,058	1,102,465	(1,108,557)	3,460,966	1,118,400	(1,318,400)	3,260,966
Audit charges	776,019	354,892	(300,020)	830,892	405,000	(350,000)	885,892
Auto repair facilities fees	0	4,389,456	(4,389,456)	0	4,587,600	(4,587,600)	0
Auto theft prevention fund	6,616,221	8,505,245	(8,727,437)	6,394,029	8,000,000	(9,000,000)	5,394,029

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Bank fees	2,328,727	7,199,745	(7,020,328)	2,508,145	7,350,000	(7,746,200)	2,111,945
Billiing fund	2,036,391	940,478	(1,245,529)	1,731,341	1,378,200	(1,378,200)	1,731,341
Blind services, local	0	75,000	(75,000)	0	85,900	(85,900)	0
Blind services, private	0	23,500	(23,500)	0	13,700	(13,700)	0
Blue water bridge fund	83,238,744	26,558,159	(101,042,703)	8,754,200	31,033,000	(31,884,300)	7,902,900
Boiler inspection fund	0	2,646,001	(2,646,001)	0	2,689,000	(2,689,000)	0
Bottle bill enforcement fund	1,792,874	1,000,000	(395,016)	2,397,858	1,000,000	(1,030,000)	2,367,858
Bottle deposit fund	0	245,892	(245,892)	0	245,900	(245,900)	0
Brownfield development fund	2,722,023	1,384,316	(11,142)	2,612,402	1,750,000	(1,100,000)	3,262,402
Builder enforcement fund	2,845,317	239,368	(514,044)	2,570,641	199,800	(520,000)	2,250,441
Campground fund	150,599	368,443	(385,552)	133,490	379,500	(412,500)	100,490
Capitol historic site fund	2,715,171	0	(2,715,171)	0	3,848,300	(3,848,300)	0
Captive insurance regulatory and supervision fund	1,142,359	852,036	(803,652)	1,190,743	855,000	(727,300)	1,318,443
Casino gambling agreements	1,576,071	791,616	(754,587)	1,613,100	791,700	(769,700)	1,635,100
Certificate of need fees	4,579,755	1,583,400	(2,262,200)	3,900,955	1,532,800	(2,194,500)	3,239,255
Cervidae licensing and inspection fees	0	85,117	(85,117)	0	69,700	(69,700)	0
Child advocacy centers fund	130,714	532,000	(463,400)	199,314	535,000	(468,600)	265,714
Child care home and center licenses fund	1,538,670	449,050	(82,036)	1,538,670	500,000	(250,000)	2,069,756
Child support clearance fees	0	51,255	(51,255)	0	100,000	(100,000)	0
Child support collections	0	7,497,900	(7,497,900)	0	7,600,000	(7,600,000)	0
Children with special needs donations	0	811,500	(793,700)	17,800	800,000	(800,000)	17,800
Children's protection registry fund	1,105,860	153,211	(116,751)	1,142,320	153,200	(270,700)	1,024,820
Children's trust fund	15,331,734	929,200	(2,230,800)	14,030,134	1,072,000	(1,372,000)	13,730,134

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
City income tax fund	0	8,868,307	(8,868,307)	0	10,260,000	(10,260,000)	0
Clean Michigan initiative, implementation bond fund	0	62,900	(62,900)	0	0	0	0
Clean Michigan initiative, pollution prevention activities	0	235,390	(228,556)	0	0	0	0
Clean Michigan initiative, response activities	0	146,480	(146,480)	0	0	0	0
Cleanup and redevelopment fund	102,033,701	70,223,883	(28,427,156)	49,826,778	70,000,000	(59,985,100)	59,841,678
Coal ash care fund	163,318	191,675	(122,722)	232,271	209,700	(138,400)	303,571
Collections	1,177,645	1,470,600	(1,549,000)	1,099,245	1,211,800	(1,211,800)	1,099,245
Commercial forest fund	132,033	36,346	(28,100)	140,278	40,700	(28,100)	152,878
Commodity distribution fees	58,923	4,600	(15,227)	48,295	4,700	(15,500)	37,495
Commodity inspection fees	0	779,730	(487,090)	292,640	566,800	(487,700)	371,740
Community dispute resolution fund	2,901,277	1,945,291	(1,953,242)	2,893,326	1,810,000	(2,065,500)	2,637,826
Community pollution prevention fund	36,904,785	10,038,756	(38,267)	46,905,273	10,000,000	(250,000)	56,655,273
Community tether program reimbursement	0	182,449	(182,449)	0	275,000	(275,000)	0
Comprehensive transportation fund	410,627,813	432,908,043	(793,866,656)	49,669,200	424,335,700	(460,175,900)	13,829,000
Compulsive gaming prevention fund	691,530	4,111,800	(2,482,600)	2,320,730	7,998,000	(5,108,000)	5,210,730
Construction code fund	37,755,206	18,219,334	(12,971,758)	43,002,782	19,503,100	(13,620,300)	48,885,582
Consumer finance fees	1,955,483	3,622,300	(3,283,093)	2,294,690	3,271,200	(3,196,300)	2,369,590
Consumer food safety education fund	391,550	190,899	(154,135)	428,314	264,000	(220,000)	472,314
Contingent fund, penalty and interest account	101,953,086	38,499,878	(93,288,600)	47,164,364	29,000,000	(44,329,500)	31,834,864
Convention facility development fund	4,272,141	114,258,109	(114,106,459)	4,423,791	114,477,500	(114,477,500)	4,423,791
Corporation fees	38,160,515	39,490,952	(35,717,729)	41,933,738	40,389,400	(36,996,200)	45,326,938
Correctional industries revolving fund	0	6,412,623	(6,412,623)	0	8,472,000	(8,472,000)	0
Cost sharing, schools for deaf and blind	0	3,445,411	(3,445,411)	0	3,514,300	(3,514,300)	0

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Counties, equally 911 fund	0	9,454,097	(9,454,097)	0	9,739,500	(9,739,500)	0
Counties, per capita 911 fund	0	14,181,272	(14,181,272)	0	14,609,400	(14,609,400)	0
County chargeback	0	43,261,600	(43,261,600)	0	43,912,600	(43,912,600)	0
Court equity fund	0	33,314,315	(33,314,315)	0	33,624,300	(33,624,300)	0
Court fee fund	3,306,186	6,881,268	(3,871,998)	6,315,456	6,926,800	(6,853,800)	6,388,456
Court of appeals filing/motion fees	0	1,412,278	(1,412,278)	0	1,426,400	(1,426,400)	0
Credit union fees	2,821,871	8,394,523	(9,868,043)	1,348,351	9,500,000	(10,212,100)	636,251
Crime victims rights fund	3,669,502	12,481,700	(12,502,900)	3,648,302	12,000,000	(12,823,800)	2,824,502
Criminal justice information center service fees	15,439,532	37,357,955	(40,235,874)	12,561,612	37,000,000	(38,000,000)	11,561,612
Dairy and food safety fund	15,728,905	6,648,522	(5,576,106)	16,801,321	6,686,000	(6,582,000)	16,905,321
Deer habitat reserve	3,286,394	2,039,140	(2,251,099)	3,074,436	1,828,600	(2,266,600)	2,636,436
Defaulted loan collection fees	0	83,000	(83,000)	0	83,000	(83,000)	0
Deferred compensation	0	2,778,942	(2,778,942)	0	5,162,600	(5,162,600)	0
Deferred presentment service transaction fees	1,076,319	2,794,828	(3,343,235)	527,912	2,788,700	(2,699,400)	617,212
Defined contribution administrative fee revenue	0	300,000	(300,000)	0	300,000	(300,000)	0
Delinquent tax collection revenue	1,195,190	119,931,689	(121,086,625)	40,254	136,726,700	(136,726,700)	40,254
Direct shipper enforcement revolving fund	492,593	201,862	(182,218)	512,237	193,700	(313,900)	392,037
Distance education fund	1,013,320	380,900	(373,800)	1,020,420	380,700	(392,800)	1,008,320
Division on deafness fund	66,532	59,584	(73,400)	52,716	54,000	(50,000)	56,716
Donated funds, local	0	4,480,200	(4,480,200)	0	4,378,900	(4,378,900)	0
Donated funds, private	0	6,410,500	(6,410,500)	0	6,500,000	(6,500,000)	0
Driver education provider and instructor fund	417,894	70,440	(150,000)	338,334	150,000	(150,000)	338,334
Driver fees	0	25,721,101	(25,721,101)	0	27,931,300	(27,931,300)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Driver improvement course fund	0	773,934	(773,934)	0	800,000	(800,000)	0
Drug case information management fund	0	362	(362)	0	0	0	0
Drug treatment court fund	2,499,448	933,060	(198,230)	3,234,278	910,000	(1,300,000)	2,844,278
Drunk driving caseflow assistance fund	0	1,105,918	(1,105,918)	0	1,117,000	(1,117,000)	0
Economic development fund	103,403,598	56,463,070	(36,938,268)	122,928,400	54,350,000	(54,350,000)	122,928,400
Election administration support fund	97,223	28,107,272	(25,124,863)	3,079,632	20,255,500	(20,255,500)	3,079,632
Electronic waste recycling fund	200,646	207,279	(190,080)	217,845	232,500	(258,400)	191,945
Elevator fees	0	5,773,632	(5,546,296)	227,336	6,250,000	(5,823,600)	653,736
Emergency medical services fees	1,174,660	587,100	(571,400)	1,190,360	600,000	(575,000)	1,215,360
Energy efficiency and renewable energy revolving loan fund	11,028,748	1,208,234	(219,065)	12,017,917	900,000	(10,000)	12,907,917
Enhanced driver license and enhanced official driver's license fund	8,855,861	19,373,048	(20,266,175)	7,962,734	19,400,000	(19,471,700)	7,891,034
Environmental education fund	241,202	178,866	(171,624)	248,445	220,300	(184,000)	284,745
Environmental pollution prevention fund	3,239,633	3,540,527	(3,727,166)	3,052,994	3,490,000	(4,162,300)	2,380,694
Environmental response fund	26,531,216	4,510,840	(1,577,332)	29,464,725	3,700,000	(2,287,200)	30,877,525
Equalization study chargebacks	0	0	0	0	40,000	(40,000)	0
Escheats revenue	2,933	4,885,475	(4,880,122)	8,286	5,100,000	(5,100,000)	8,286
Expedient service fees	0	3,314,197	(3,314,197)	0	3,800,000	(3,800,000)	0
Fantasy contest fund	0	712,123	(712,123)	0	1,066,600	(1,066,600)	0
Feed control fund	1,508,505	1,346,614	(1,205,691)	1,649,428	1,432,000	(1,250,000)	1,831,428
Fees and collections	12,418,678	9,655,260	(9,554,960)	12,518,978	10,016,300	(9,953,800)	12,581,478
Fertilizer control fund	1,874,839	1,077,273	(1,234,648)	1,717,464	1,041,000	(1,296,400)	1,462,064
Financial instruments	1,044,617	3,983,766	(4,584,771)	443,612	5,105,200	(5,548,800)	0
Fire alarm fees	36,336	81,489	(102,090)	15,735	123,300	(105,000)	34,035

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Fire equipment fund	760,673	154,243	(208,434)	706,481	180,400	(465,000)	421,881
Fire safety standard and enforcement fund	318,134	31,381	(38,776)	310,739	85,000	(37,400)	358,339
Fire service fees	9,850,779	4,306,607	(3,593,594)	10,563,792	3,599,700	(3,600,000)	10,563,492
Fireworks safety fund	10,734,068	4,788,818	(3,591,859)	11,931,027	3,806,000	(3,681,100)	12,055,927
First responder presumed coverage fund	10,340,848	4,448,400	(5,288,076)	9,501,172	4,354,000	(6,500,000)	7,355,172
Fisheries settlement	1,332,910	639,833	(1,213,466)	759,277	638,600	(741,400)	656,477
Forest development fund	32,766,417	45,665,993	(65,320,306)	13,112,104	44,204,300	(52,795,900)	4,520,504
Forest land user charges	690,017	176,468	(273,189)	593,297	271,600	(278,100)	586,797
Forest recreation account	7,558,336	4,393,929	(5,215,006)	6,737,258	4,468,000	(6,218,500)	4,986,758
Foster children SSA	796,691	3,925,800	(3,741,300)	981,191	3,724,600	(3,724,600)	981,191
Franchise fees	0	414,800	(414,800)	0	423,000	(423,000)	0
Freshwater protection fund	3,278,017	7,165,788	(5,768,344)	4,675,461	6,600,000	(7,000,000)	4,275,461
Game and fish protection fund	8,280,054	85,054,509	(90,273,981)	3,060,582	86,541,100	(89,601,700)	0
Garnishment fees	0	2,801,300	(2,801,300)	0	2,845,100	(2,845,100)	0
Gasoline inspection and testing fund	5,834,868	1,540,321	(976,701)	6,398,488	1,550,000	(1,400,000)	6,548,488
Gifts, bequests, and donations	12,374,326	3,266,100	(851,004)	14,789,423	3,372,200	(908,800)	17,252,823
Grain dealers fee fund	161,426	624,165	(603,786)	181,805	634,000	(634,000)	181,805
Great Lakes protection fund	1,008,505	603,996	(353,556)	1,258,945	400,000	(558,000)	1,100,945
Groundwater discharge permit fees	120,020	1,904,572	(1,702,761)	321,831	1,921,000	(1,784,500)	458,331
Health and safety fund	957,445	41,327	0	998,772	100,000	(100,000)	998,772
Health insurance claims assessment fund	0	670,800	(670,800)	0	0	0	0
Health management funds	0	331,318	(331,318)	0	434,200	(434,200)	0
Health professions regulatory fund	47,158,496	39,486,986	(29,158,225)	57,487,257	32,998,900	(32,023,600)	58,462,557

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Health systems fees	6,025,629	3,361,876	(4,151,933)	5,235,572	3,541,000	(3,541,000)	5,235,572
Healthy Michigan fund	77,097	20,550,400	(20,419,400)	208,097	19,849,200	(19,849,200)	208,097
Highway safety fund	7,491,994	6,567,681	(3,816,639)	10,243,037	5,500,000	(6,000,000)	9,743,037
Horticulture fund	41,141	49,888	(40,981)	50,048	60,000	(60,000)	50,048
Human trafficking commission fund	46,220	2,482	0	48,702	2,200	(200)	50,702
Income and assessments	139,415	5,999,658	(6,139,073)	0	6,580,400	(6,580,400)	0
Industrial hemp fund	1,806,747	138,303	(403,834)	1,541,216	112,000	(250,000)	1,403,216
Industrial hemp licensing and registration fund	290,250	330,525	(24,086)	596,689	95,600	(37,600)	654,689
Industry food-safety education fund	186,690	90,339	(123,093)	153,936	103,000	(113,200)	143,736
Industry support funds	146,154	317,560	(338,880)	124,834	320,000	(320,000)	124,834
Infrastructure construction fund	179,135	107,864	(54,646)	232,353	108,800	(55,200)	285,953
Insurance bureau fund	2,094,928	27,042,716	(27,885,944)	1,251,699	33,938,800	(33,747,200)	1,443,299
Insurance continuing education fees	541,501	658,396	(1,148,742)	51,154	650,000	(698,300)	2,854
Insurance licensing and regulation fees	4,226	10,456,655	(10,078,584)	382,296	10,500,000	(10,500,000)	381,396
Insurance provider fund	17,913,169	628,989,500	(646,902,600)	69	651,134,400	(651,134,400)	69
Intercity bus equipment fund	45,720	8,080	0	53,800	45,400	(45,400)	53,800
Interest on lawyers trust accounts	0	246,136	(246,136)	0	495,200	(495,200)	0
Internet gaming fund	0	12,547,759	(12,547,759)	0	15,889,700	(15,889,700)	0
Internet sports betting fund	0	2,100,878	(2,100,878)	0	2,979,600	(2,979,600)	0
Invasive species fund	4	1,541,117	(118,392)	1,422,729	62,600	0	1,485,329
Jail Diversion Fund	0	0	0	0	0	0	0
Jail reimbursement program fund	0	3,357,143	(3,357,143)	0	4,500,000	(4,500,000)	0
Judicial electronic filing fund	5,883,092	7,919,020	(8,858,102)	4,944,010	8,000,000	(9,074,500)	3,869,510

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Judicial technology improvement fund	3,975,401	4,045,204	(2,152,330)	5,868,275	4,000,000	(4,200,000)	5,668,275
Juror compensation reimbursement fund	19,549,841	2,859,918	(3,262,132)	19,147,626	2,080,000	(5,504,100)	15,723,526
Justice system fund	551,410	573,233	(377,965)	746,679	580,300	(703,500)	623,479
Laboratory services fees	3,275,007	3,803,360	(4,240,803)	2,837,563	7,800,000	(9,193,200)	1,444,363
Land and water permit fees	7,338,439	3,318,887	(618,131)	10,039,195	3,318,500	(2,450,500)	10,907,195
Land bank fast track fund	15,715,687	5,716,900	(2,236,400)	19,196,187	2,250,000	(3,236,000)	18,210,187
Land exchange facilitation and management fund	11,094,429	5,466,542	(2,913,083)	13,647,888	9,389,800	(8,636,000)	14,401,688
Land reutilization fund	7,939,414	2,257,076	(938,989)	9,257,501	2,260,000	(5,193,300)	6,324,201
Law enforcement officers training fund	20,430,046	19,809,339	(9,158,837)	31,080,548	25,000	(25,000)	31,080,548
Law exam fees	0	736,125	(736,125)	0	730,000	(730,000)	0
Lawsuit settlement proceeds fund	0	884,335	(884,335)	0	1,000,000	(1,000,000)	0
LEIN fees	0	700,971	(700,971)	0	700,000	(700,000)	0
Library Fees	324,167	1,313	(2,088)	323,392	1,300	(2,100)	322,592
Licensing and regulation fund	4,707,914	10,411,488	(12,953,084)	2,166,318	11,482,200	(12,991,400)	657,118
Liquor enf and license wholesale RF	892,738	550,523	(175,000)	1,268,261	453,800	(175,000)	1,547,061
Liquor license fee enhancement fund	1,490,516	173,125	(76,400)	1,587,241	76,900	(76,400)	1,587,741
Liquor license revenue	11,422,736	16,582,478	(15,534,555)	12,470,659	16,742,600	(16,581,900)	12,631,359
Liquor purchase revolving fund	0	20,300,683	(20,300,683)	0	20,933,300	(20,933,300)	0
Local agency wetland mitigation bank fund	6,304,021	2,526,513	(720,735)	8,109,800	2,000,000	(2,000,000)	8,109,800
Local bridge fund	1,814	27,995,078	(27,996,892)	0	27,083,800	(27,083,800)	0
Local funds	21,540,526	109,889,224	(109,889,208)	21,540,542	129,135,300	(124,835,300)	25,840,542
Local funds, aero	0	0	0	0	17,500,000	(17,500,000)	0
Local funds, CTF	0	0	0	0	39,945,000	(39,945,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Local funds, STF	0	13,316,882	(13,316,882)	0	30,003,500	(30,003,500)	0
Local indigent defense reimbursement	388,659	302,284	(300,000)	390,944	300,000	(300,000)	390,944
Local public recreation facilities fund	7,139,046	3,073,721	(5,617,936)	4,594,830	3,080,100	(2,231,300)	5,443,630
Low incidence outreach fund	105,615	189,043	(130,934)	163,725	192,800	(133,600)	222,925
Low-income energy assistance fund	6,995,532	50,469,005	(49,631,757)	7,832,779	50,000,000	(50,000,000)	7,832,779
Mackinac Island State Park fund	0	904,228	(904,228)	0	1,697,500	(1,697,500)	0
Mackinac Island State Park operation fund	0	123,300	(123,300)	0	136,400	(136,400)	0
MacMullan conference center account	0	1,191,686	(1,191,686)	0	1,191,200	(1,191,200)	0
Make it in Michigan competitiveness fund	286,805,700	0	(111,466)	286,694,234	0	(166,265,800)	120,428,434
Marihuana registry fund	2,467,535	1,592,487	(2,667,302)	1,392,720	1,965,200	(3,042,600)	315,320
Marihuana regulation fund	0	38,609,531	(38,609,531)	0	42,415,000	(42,415,000)	0
Marihuana regulatory fund	11,485,479	1,690,068	(8,697,165)	4,478,382	14,313,700	(10,097,400)	8,694,682
Marine safety fund	2,189,706	7,298,052	(7,511,639)	1,976,118	6,991,300	(7,082,800)	1,884,618
MBLSLA fund	4,204,070	7,807,687	(7,633,169)	4,378,588	8,263,400	(7,555,400)	5,086,588
MBPI Pharmaceutical product fund	610,988	14,000	(578,900)	46,088	0	(46,100)	0
MDTMB, civil service commission	0	205,100	(205,100)	0	215,400	(215,400)	0
Medicaid benefits trust fund	722,488	256,953,100	(257,675,600)	0	252,000,000	(252,000,000)	0
Medical waste emergency response fund	384,313	257,762	(302,911)	339,164	415,000	(326,700)	427,464
Metallic mining surveillance fee revenue	222,744	41,265	(15,875)	248,134	25,800	(18,800)	255,134
MFA, bond and loan program revenue	0	2,577,542	(2,577,542)	0	3,505,500	(3,505,500)	0
MI community development financial institutions fund	10,113,464	9,500,000	(18,668,464)	945,000	5,000,000	(5,945,000)	0
Mich state housing development authority fees and charges	7,200,958	51,013,300	(51,013,300)	7,200,958	55,931,100	(55,931,100)	7,200,958
Michigan business enterprise program fund	0	336,500	(336,500)	0	291,800	(291,800)	0

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Michigan council for the arts fund	333,887	134,100	(77,800)	390,187	60,000	(200,000)	250,187
Michigan craft beverage council fund	1,071,058	824,328	(886,813)	1,008,573	800,000	(1,200,000)	608,573
Michigan employment security act - administrative fund	0	2,365,156	(2,365,156)	0	2,490,900	(2,490,900)	0
Michigan health initiative fund	6,342,202	12,468,500	(9,952,900)	8,857,802	9,950,900	(9,950,900)	8,857,802
Michigan historical center operations fund	892,601	1,096,935	(884,264)	1,105,273	1,259,600	(1,089,100)	1,275,773
Michigan housing and community development fund	202	50,000,000	0	50,000,202	50,000,000	(50,000,000)	50,000,202
Michigan justice fund	0	10,000	0	10,000	6,000	(16,000)	0
Michigan justice training fund	9,583,993	10,379,450	(6,794,096)	13,169,347	7,000,000	(7,500,000)	12,669,347
Michigan lighthouse preservation fund	1,101,909	137,200	(120,300)	1,118,809	120,000	(120,000)	1,118,809
Michigan merit award trust fund	42,659,853	33,302,000	(61,175,900)	14,785,953	31,560,700	(46,346,600)	53
Michigan national guard armory construction fund	2,571,749	116,096	(2,309,813)	378,032	1,000,000	(1,000,000)	378,032
Michigan natural resources trust fund	111,694,516	34,723,347	(61,628,705)	84,789,158	47,697,500	(98,006,100)	34,480,558
Michigan opioid healing and recovery	0	15,051,150	(14,973,289)	77,861	48,399,300	(48,399,300)	77,861
Michigan state housing development authority fees	0	131,000	(131,000)	0	137,600	(137,600)	0
Michigan state parks endowment fund	23,632,671	30,282,001	(22,050,835)	31,863,838	23,465,400	(29,447,800)	25,881,438
Michigan state police auto theft fund	0	104,811	(104,811)	0	123,000	(123,000)	0
Michigan state waterways fund	36,452,274	34,010,467	(44,663,545)	25,799,196	33,561,000	(54,241,900)	5,118,296
Michigan transportation fund	0	2,121,782,579	(2,121,782,579)	0	2,155,196,600	(2,155,196,600)	0
Michigan unarmed combat fund	16,284	157,157	(130,350)	43,091	127,500	(131,500)	39,091
Michigan veterans engagement fund	98,886	51,286	(3,195)	146,976	50,000	(50,000)	146,976
Michigan veterans' trust fund	67,789,521	10,511,285	(2,950,710)	75,350,096	3,675,300	(3,675,300)	75,350,096
Michigan eligible individual premium	0	788,200	(788,200)	0	0	0	0
Migratory labor housing fund	314,721	163,904	(127,835)	350,790	157,600	(124,900)	383,490

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Military family relief fund	2,895,084	238,811	(56,706)	3,077,189	150,000	(150,000)	3,077,189
Mineral well regulatory fee revenue	82,240	138,807	(136,533)	84,514	132,300	(130,700)	86,114
Miscellaneous revenue	0	203,524	(203,524)	0	203,600	(203,600)	0
Mobile home code fund	7,574,396	2,785,554	(1,398,661)	8,961,289	1,985,500	(1,468,600)	9,478,189
Mobile home commission fees	0	417,394	(417,394)	0	509,700	(509,700)	0
Morale, welfare, and recreation fund	20,126	8,365	(3,728)	24,763	100,000	(100,000)	24,763
Motor carrier fees	1,913,503	7,650,844	(8,211,430)	1,352,917	7,600,000	(8,000,000)	952,917
Motor transport revolving fund	0	8,500	(8,500)	0	8,900	(8,900)	0
Motorcycle safety and education awareness fund	717,464	397,618	(507,389)	607,693	350,000	(350,000)	607,693
Motorcycle safety fund	2,774,013	1,923,976	(1,913,569)	2,784,420	1,924,000	(2,102,500)	2,605,920
Movable bridge fund	17,566,121	6,016,600	(3,759,121)	19,823,600	6,167,100	(6,167,100)	19,823,600
MPSCS subscriber and maintenance fees	599,055	1,700,624	(2,299,679)	0	2,298,900	(2,298,900)	0
Multiple employer welfare arrangement	29,311	57,325	(35,564)	51,072	50,000	(34,700)	66,372
Municipal finance fees	1,105,103	330,557	(516,344)	919,316	340,000	(532,000)	727,316
Narcotics-related forfeiture revenue	7,942,258	1,853,526	(791,454)	9,004,330	1,200,000	(800,000)	9,404,330
National guard facilities rental fund	62,183	179,331	(163,521)	77,993	187,500	(187,500)	77,993
National guard test projects fund	4,331	37,652	0	41,984	100,000	(100,000)	41,984
Newborn screening fees	8,566,872	17,057,800	(15,188,500)	10,436,172	17,621,900	(16,428,100)	11,629,972
Nonferrous metallic mineral surveillance	290,787	341,514	(335,122)	297,178	342,200	(373,400)	265,978
Nongame wildlife fund	1,758,907	780,111	(521,473)	2,017,545	714,000	(540,300)	2,191,245
Notary education and training fund	59,176	60,562	(60,000)	59,738	100,000	(100,000)	59,738
Notary fee fund	0	165,034	(165,034)	0	200,000	(200,000)	0
NPDES fees	430,646	2,695,598	(2,326,235)	800,009	2,700,000	(2,605,300)	894,709

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Nuclear plant emergency planning reimbursement	0	2,301,799	(2,301,799)	0	2,300,000	(2,300,000)	0
Nurse aide and medication aide registration fund	283,023	901,602	(931,848)	252,777	1,155,400	(1,165,000)	243,177
Nurse professional fund	2,520,312	1,762,991	(1,289,006)	2,994,297	1,615,500	(1,634,000)	2,975,797
OBRA penalties	28,590,294	3,727,000	(440,900)	31,876,394	4,100,000	(800,000)	35,176,394
Office services revolving fund	0	11,700	(11,700)	0	12,300	(12,300)	0
Off-road vehicle safety education fund	985,371	363,000	(234,607)	1,113,763	351,300	(252,400)	1,212,663
Off-road vehicle title fees	0	170,700	(170,700)	0	170,700	(170,700)	0
Off-road vehicle trail improvement fund	16,911,695	12,088,456	(11,130,819)	17,869,332	11,412,100	(14,207,600)	15,073,832
Oil and gas regulatory fund	8,104,118	3,844,351	(5,113,544)	6,834,926	4,582,400	(4,404,900)	7,012,426
Orphan well fund	1,711,813	1,725,870	(1,298,622)	2,139,060	1,076,000	(1,174,100)	2,040,960
Other agency charges	0	1,260,300	(1,260,300)	0	1,289,400	(1,289,400)	0
Other state restricted revenues	37,964,575	410,361,036	(418,915,209)	29,410,401	416,610,100	(416,610,100)	29,410,401
Park improvement fund	33,434,772	85,612,341	(95,295,387)	23,751,726	90,443,500	(109,936,300)	4,258,926
Park improvement fund, Belle Isle subaccount	0	360,731	(360,731)	0	486,900	(486,900)	0
Parking ticket court fines	0	399,671	(399,671)	0	532,000	(532,000)	0
Pension trust funds	0	33,166,900	(33,166,900)	0	39,871,500	(39,871,500)	0
Permanent snowmobile trail easement fund	3,389,340	558,081	(40,881)	3,906,539	654,300	(700,800)	3,860,039
Personal identification card fees	0	2,517,324	(2,517,324)	0	2,648,500	(2,648,500)	0
Pheasant hunting license fees	322,074	193,186	(249,888)	265,371	188,900	(175,000)	279,271
PMECSEMA fund	6,738,197	2,062,585	(1,455,988)	7,344,794	1,988,000	(2,425,600)	6,907,194
Postsecondary scholarship fund	252,496,837	315,406,100	(119,482,400)	448,420,537	330,000,000	(293,980,000)	484,440,537
Precision driving track fees	0	286,570	(286,570)	0	300,000	(300,000)	0
Prisoner health care copayments	0	202,580	(202,580)	0	257,200	(257,200)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Prisoner reimbursement	0	562,400	(562,400)	0	780,700	(780,700)	0
Private donations	3,763,403	27,375	(11,377)	3,779,401	145,000	(145,000)	3,779,401
Private forestland enhancement fund	1,541,181	1,287,406	(810,426)	2,018,161	1,416,100	(1,078,600)	2,355,661
Private foundations	0	411,363	(411,363)	0	419,600	(419,600)	0
Private funds	81,284,416	92,530,650	(84,838,259)	88,976,807	70,143,900	(79,548,400)	79,572,307
Private funds 114	0	0	0	0	2,000,000	(2,000,000)	0
Private funds 120	0	0	0	0	6,800,000	(6,800,000)	0
Private occupational school license fees	225,684	421,500	(516,500)	130,684	444,500	(526,600)	48,584
Private restricted contributions	11,351	19,348,168	(19,359,519)	0	10,000,000	(10,000,000)	0
Private security licensing fees	0	1,300	(1,300)	0	1,000	(1,000)	0
Property development fees	289,948	31,480	(123,661)	197,767	33,000	(5,000)	225,767
Prosecuting attorneys training fees	0	143,438	(143,438)	0	250,000	(250,000)	0
Public assistance recoupment revenue	0	3,640,700	(3,640,700)	0	3,800,000	(3,800,000)	0
Public safety and violence prevention fund	0	0	0	0	75,000,000	(75,000,000)	0
Public safety answer point (PSAP) training 911 fund	1,991,183	2,098,401	(2,120,655)	1,968,928	2,114,600	(2,106,900)	1,976,628
Public swimming pool fund	375,650	685,990	(587,948)	473,691	706,600	(629,100)	551,191
Public use and replacement deed fees	0	19,746	(19,746)	0	20,000	(20,000)	0
Public utility assessments	5,468,321	35,318,309	(35,346,855)	5,439,775	41,882,300	(46,343,700)	978,375
Public water supply fees	1,363,123	6,043,988	(5,056,963)	2,350,148	6,225,300	(5,411,000)	3,164,448
Pure Michigan trails fund	20,901	1,276	(100)	22,077	1,100	(100)	23,077
Qualified airport fund	0	6,762,033	(6,762,033)	0	6,890,000	(6,890,000)	0
Qualified heavy equipment rental PPT exemption reimbursement	0	10,132,973	(10,132,973)	0	4,250,000	(4,250,000)	0
Quality assurance assessment tax	0	2,309,018,000	(2,309,018,000)	0	2,268,750,100	(2,268,750,100)	0

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Radiological health fees	3,093,130	3,234,800	(2,940,300)	3,387,630	3,634,800	(3,600,000)	3,422,430
Rail freight fund	16,929,649	1,828,379	(2,327)	18,755,700	6,000,000	(6,000,000)	18,755,700
Real estate appraiser education fund	715,377	(52,495)	(1,354)	661,528	50,000	(4,400)	707,128
Real estate education fund	3,160,747	203,907	(646,628)	2,718,026	628,500	(388,800)	2,957,726
Real estate enforcement fund	3,113,105	214,796	(533,884)	2,794,017	629,200	(670,300)	2,752,917
Recreation improvement account	1,314,854	1,690,773	(1,763,986)	1,241,641	1,645,100	(1,646,400)	1,240,341
Recreation passport fees	34,095,044	14,803,845	(15,059,705)	33,839,184	15,669,800	(45,478,900)	4,030,084
Reentry center offender reimbursements	0	24	(24)	0	10,000	(10,000)	0
Refined petroleum fund	10,916,441	36,127,701	(23,170,898)	2,265,984	36,000,000	(34,329,500)	3,936,484
Rehabilitation service fees	0	82,600	(82,600)	0	64,900	(64,900)	0
Reimburse local exchange providers 911 fund	21,045,945	15,032,756	(16,794,859)	19,283,841	13,687,100	(15,547,400)	17,423,541
Reimbursed services	0	1,607,391	(1,607,391)	0	1,700,000	(1,700,000)	0
Reimbursed services, local	0	216,477	(216,477)	0	250,000	(250,000)	0
Reinstatement fees	0	278,400	(278,400)	0	284,800	(284,800)	0
Reinstatement fees, operator licenses	0	1,363,107	(1,363,107)	0	1,611,700	(1,611,700)	0
Renew Michigan fund	3,122,974	79,326,190	(26,798,850)	4,400,549	77,000,000	(76,864,300)	4,536,249
Rental of department aircraft	0	8,335	(8,335)	0	5,000	(5,000)	0
Resident stores	0	2,959,608	(2,959,608)	0	3,567,800	(3,567,800)	0
Retired engineers technical assistance program fund	528,387	28,395	(125)	556,657	30,000	(150,000)	436,657
Retired law enforcement officer safety fund	0	8,385	(8,285)	99	10,000	(10,000)	99
Retirement funds	168,302	16,560,820	(16,727,271)	1,851	17,500,000	(17,500,000)	1,851
Revenue from local government	0	0	0	0	100,000	(100,000)	0
Revitalization and placemaking fund	0	51,561,600	(50,000,000)	1,561,600	50,000,000	(50,000,000)	1,561,600

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Revolving loan revenue bonds	0	6,050,800	(6,050,800)	0	15,000,000	(15,000,000)	0
Rural development fund	9,315,111	3,478,972	(1,808,421)	10,985,662	2,000,000	(2,008,200)	10,977,462
Safety education and training fund	9,560,647	11,561,200	(11,972,500)	9,149,347	10,863,800	(11,415,700)	8,597,447
Sales tax	3,501,728	1,663,757,267	(1,667,258,995)	0	1,743,533,700	(1,743,533,700)	0
Sand extraction fee revenue	146,777	39,174	(35,641)	150,310	39,200	(37,100)	152,410
School bond fees	4,565,302	691,110	(650,034)	4,606,378	715,000	(670,000)	4,651,378
School bus revenue	0	1,789,077	(1,789,077)	0	1,700,000	(1,700,000)	0
Scrap tire fund	0	78,600	(78,600)	0	78,600	(78,600)	0
Scrap tire regulatory fund	7,185,455	5,011,589	(4,627,440)	7,569,604	4,845,000	(9,238,900)	3,175,704
Second injury fund	0	2,845,600	(2,845,600)	0	2,845,800	(2,845,800)	0
Secondary road patrol and training fund	17,615,970	15,871,036	(14,356,608)	19,130,398	15,000,000	(15,800,000)	18,330,398
Securities fees	0	27,378,873	(27,378,873)	0	26,627,500	(26,627,500)	0
Securities investor education and training fund	1,000,000	271,202	(271,202)	1,000,000	10,000	(176,000)	834,000
Security business fund	88,996	108,637	(102,068)	95,565	107,500	(120,700)	82,365
Self-insurers security fund	0	1,151,400	(1,151,400)	0	1,160,300	(1,160,300)	0
Senior care respite fund	1,474,599	2,889,800	(1,751,500)	2,612,899	1,808,000	(1,750,000)	2,670,899
Septage waste program fund	1,440,639	622,428	(440,337)	1,622,730	641,100	(471,200)	1,792,630
Settlement funds	7,464,639	5,618,790	(221,091)	12,862,339	5,484,700	(3,085,900)	15,261,139
Sewage sludge land application fee	506,737	607,155	(610,171)	503,721	612,000	(628,500)	487,221
Sex offenders registration fund	1,499,403	558,388	(774,545)	1,283,246	600,000	(600,000)	1,283,246
Sexual assault victims' prevention and treatment fund	124,527	764,300	(451,300)	437,527	780,200	(737,700)	480,027
SIGMA user fees	0	5,182,640	(5,182,640)	0	4,766,400	(4,766,400)	0
Silicosis and dust disease fund	0	393,900	(393,900)	0	547,100	(547,100)	0

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Small business pollution prevention revolving loan fund	2,020,629	108,589	(400)	2,128,817	100,000	(400)	2,228,417
SMRS fees	409,614	498,150	(453,396)	454,368	410,000	(460,000)	404,368
Snowmobile registration fee revenue	251,061	1,019,284	(1,047,045)	223,299	1,342,400	(1,406,500)	159,199
Snowmobile trail improvement fund	11,048,405	8,085,799	(13,680,621)	5,453,583	9,628,300	(12,593,900)	2,487,983
Soil erosion and sedimentation control training fund	231,263	139,872	(132,391)	238,744	142,000	(136,400)	244,344
Solid waste management fund, staff account	4,498,160	6,270,649	(5,609,286)	5,159,523	5,946,000	(5,908,100)	5,197,423
Special project advances	609,606	3,600	(7,800)	605,406	75,000	(75,000)	605,406
Special revenue, internal service, and pension trust funds	0	21,834,622	(21,834,622)	0	24,214,200	(24,214,200)	0
Special supplemental food program, WIC	0	34,629,300	(34,629,300)	0	40,000,000	(40,000,000)	0
Sportsmen against hunger fund	203,221	305,540	(251,104)	257,656	250,000	(251,100)	256,556
State aeronautics fund	21,158,360	23,007,082	(34,436,342)	9,729,100	16,926,000	(20,572,100)	6,083,000
State brownfield redevelopment fund	3,716,203	1,686,600	(181,800)	5,221,003	3,427,400	(3,000,000)	5,648,403
State building authority revenue	0	130,700	(130,700)	0	132,500	(132,500)	0
State court fund	0	6,249,159	(6,249,159)	0	6,440,000	(6,440,000)	0
State disbursement unit, office of child support	0	66,100	(66,100)	0	69,400	(69,400)	0
State forensic laboratory fund	1,158,458	668,722	(139,304)	1,687,876	650,000	(650,000)	1,687,876
State historic preservation office fees and charges	398,549	210,600	(159,900)	449,249	225,000	(300,000)	374,249
State justice institute	0	0	0	0	529,000	(529,000)	0
State lottery fund	0	36,917,500	(36,917,500)	0	40,729,600	(40,729,600)	0
State police administrator and coordinator 911 fund	653,181	895,507	(777,960)	770,729	1,074,600	(1,074,600)	770,729
State police dispatch operator 911 fund	1,113,292	583,220	(1,341,654)	354,858	669,900	(669,900)	354,858
State police service fees	0	6,648,191	(6,648,191)	0	6,000,000	(6,000,000)	0
State restricted fees, revenues and reimbursements	0	0	0	0	102,100	(102,100)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
State restricted funds 1%	1,598,678	32,999,841	(34,598,519)	0	30,922,700	(30,922,700)	0
State restricted indirect funds	0	15,348,231	(15,348,231)	0	15,742,800	(15,742,800)	0
State services fee fund	6,758,824	40,641,299	(38,446,682)	8,953,442	40,835,900	(42,465,200)	7,324,142
State share education funds	0	1,331,700	(1,331,700)	0	1,089,200	(1,089,200)	0
State sponsored group insurance	0	9,066,501	(9,066,501)	0	9,901,800	(9,901,800)	0
State trunkline fund	1,031,423,032	1,466,266,758	(2,497,689,789)	0	1,451,002,800	(1,451,002,800)	0
Stormwater permit fees	408,504	1,553,524	(1,275,919)	686,110	1,554,000	(1,400,500)	839,610
Strategic outreach and attraction reserve fund	551,100,000	500,000,000	(347,000,000)	704,100,000	500,000,000	(704,100,000)	500,000,000
Strategic water quality initiatives fund	32,393,258	1,545,004	(235,990)	33,702,273	0	(11,234,100)	22,468,173
Student safety fund	329,987	16,231	0	346,218	10,000	(100,000)	256,218
Supervision fees	0	3,305,034	(3,305,034)	0	6,630,500	(6,630,500)	0
Supervision fees set-aside	150,876	661,222	(714,800)	97,298	1,658,800	(1,658,800)	97,298
Supplemental security income recoveries	56,345	1,925,900	(1,982,200)	45	1,354,700	(1,354,700)	45
Survey and remonumentation fund	7,794,678	5,086,136	(6,453,241)	6,427,573	5,293,000	(5,293,000)	6,427,573
Tax tribunal fund	0	1,096,266	(1,096,266)	0	1,045,000	(1,045,000)	0
Teacher testing fees	145,182	382,409	(205,591)	322,000	390,100	(209,700)	502,400
Teacher-Administrator Preparation and Certification Fund	6,219,900	6,705,487	(4,691,425)	8,233,961	6,839,600	(4,785,300)	10,288,261
Tech enhanced naturally occurring radioactive material	826,120	547,753	(445,640)	928,233	433,000	(476,500)	884,733
Testing fees	381,963	100,236	(105,587)	376,612	100,000	(106,000)	370,612
Thomas Daley gift of life fund	679,735	97,271	(45,018)	731,987	50,000	(50,000)	731,987
Tobacco tax revenue	142,557	8,424,695	(8,567,251)	0	7,930,800	(7,930,800)	0
Traffic crash revenue	0	785,429	(785,429)	0	750,000	(750,000)	0
Traffic law enforcement and safety fund	30,057,081	27,947,054	(6,776,806)	51,227,329	25,000,000	(25,000,000)	51,227,329

Revenue and Expenditure Projections - FY 2024 and FY 2025

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Training and orientation workshop fees	0	142,489	(142,489)	0	145,300	(145,300)	0
Transportation administration collection fund	56,166,868	155,406,283	(145,522,069)	65,911,336	155,406,300	(167,133,200)	54,184,436
Treasury fees	0	4,381,713	(4,381,713)	0	4,914,000	(4,914,000)	0
Trooper school recruitment fund	4,969,262	202,574	(171,836)	5,000,000	200,000	(200,000)	5,000,000
Truck driver safety fund	3,359,430	3,127,445	(3,974,600)	2,512,275	3,200,000	(3,900,000)	1,812,275
Turkey permit fees	754,831	921,921	(1,049,517)	627,234	897,100	(1,225,500)	298,834
Underground storage tank cleanup fund	80,319,941	25,330,448	(20,374,797)	85,275,592	22,000,000	(22,439,200)	84,836,392
Utility consumer representation fund	3,122,558	4,155,036	(2,675,096)	4,602,498	4,235,000	(4,000,000)	4,837,498
Vehicle sales proceeds	0	364,947	(364,947)	0	300,000	(300,000)	0
Vehicle theft prevention fees	0	1,511,118	(1,511,118)	0	1,709,600	(1,709,600)	0
Vital records fees	5,797,993	5,428,500	(4,338,200)	6,888,293	4,979,300	(4,479,300)	7,388,293
Vocational rehabilitation match	0	4,731,800	(4,731,800)	0	4,857,200	(4,857,200)	0
Wastewater operator training fees	79,053	523,606	(362,744)	239,916	802,300	(379,600)	662,616
Water pollution control revolving fund	0	344,750	(344,750)	0	300,000	(300,000)	0
Water quality protection fund	427,385	89,211	(88,868)	427,728	89,300	(100,000)	417,028
Water use reporting fees	588,805	311,495	(342,652)	557,649	306,500	(354,900)	509,249
Waterfowl fees	66,400	109,823	(91,096)	85,127	108,600	(121,300)	72,427
Waterfowl hunt stamp	4,273,107	509,031	(1,162,455)	3,619,683	503,900	(3,827,400)	296,138
Weights and measures regulation fees	3,343,632	557,186	(511,224)	3,389,594	600,000	(1,705,300)	2,284,294
Wildlife management public education fund	761,350	1,485,915	(2,106,670)	140,595	1,463,600	(1,400,000)	204,195
Wildlife resource protection fund	265,205	1,186,470	(1,260,507)	191,169	1,174,600	(1,263,800)	101,969
Worker's compensation administrative revolving fund	2,213,231	791,200	(394,000)	2,610,431	723,900	(1,100,000)	2,234,331
Youth hunting and fishing education and outreach fund	4,669	47,660	(44,687)	7,642	46,600	(46,400)	7,842

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2024 (Actual)			Fiscal Year 2025 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Total	4,709,649,567	13,281,548,143	(14,280,845,516)	3,541,495,142	13,588,520,200	(14,144,513,300)	2,985,783,103

Boilerplate language in the Fiscal Year 2025 Enacted Appropriations requires an annual report, within 14 days after the release of the Executive Budget Recommendation on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2024 and September 30, 2025.

NOTE: Columns may not add due to lapses to the general fund, transfers out, or work project expenditures.



STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
21st century jobs trust fund	0	75,000,000	(75,000,000)	0	75,000,000	(75,000,000)	0
Abandoned vehicle fees	0	690,700	(690,700)	0	690,700	(690,700)	0
Aboveground storage tank fees	81,488	370,500	(370,000)	81,988	370,500	(370,000)	82,488
Accountancy enforcement fund	7,524,764	390,500	(1,273,100)	6,642,164	403,800	(1,273,100)	5,772,864
Administrative order processing fee	0	11,800	(11,800)	0	11,800	(11,800)	0
Adult foster care facilities licenses fund	1,701,794	501,100	(373,600)	1,829,294	501,100	(373,600)	1,956,794
AFIS fees	0	80,000	(80,000)	0	80,000	(80,000)	0
Agricultural preservation fund	9,742,619	3,500,000	(2,900,000)	10,342,619	3,500,000	(2,900,000)	10,942,619
Agriculture equine industry development fund	10,216,725	3,700,000	(2,800,000)	11,116,725	3,700,000	(2,800,000)	12,016,725
Agriculture licensing and inspection fees	9,020,317	3,545,000	(4,300,000)	8,265,317	3,545,000	(4,700,000)	7,110,317
Air emissions fees	16,026,704	8,831,600	(7,524,800)	17,333,504	8,546,000	(7,811,500)	18,068,004
Amanda's fund for breast cancer prevention and treatment	307,778	112,000	(400,000)	19,778	112,000	(112,000)	19,778
Animal welfare fund	327,608	150,000	(150,000)	327,608	150,000	(150,000)	327,608
Antitrust enforcement collections	850,000	843,500	(993,500)	700,000	843,500	(993,500)	550,000
Aquatic nuisance control fund	1,061,677	1,086,500	(869,100)	1,279,077	1,086,700	(895,200)	1,470,577
Aquifer protection revolving fund	602,545	0	(3,100)	599,445	0	(3,100)	596,345
Asbestos abatement fund	4,723,174	1,302,800	(510,000)	5,515,974	1,302,800	(510,000)	6,308,774
Asbestos inspection fund	280,000	1,500,000	(720,000)	1,060,000	1,600,000	(780,000)	1,880,000
Assessor training fees	117,313	610,000	(610,000)	117,313	630,000	(630,000)	117,313
Attorney general's operations fund	3,260,966	1,118,400	(1,318,400)	3,060,966	1,118,400	(1,318,400)	2,860,966
Audit charges	885,892	475,000	(430,000)	930,892	525,000	(485,000)	970,892
Auto repair facilities fees	0	4,642,100	(4,642,100)	0	4,642,100	(4,642,100)	0
Auto theft prevention fund	5,394,029	8,000,000	(8,280,100)	5,113,929	8,000,000	(8,280,100)	4,833,829

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
Bank fees	2,111,945	7,500,000	(7,884,600)	1,727,345	7,800,000	(7,884,600)	1,642,745
Billing fund	1,731,341	1,377,800	(1,377,800)	1,731,341	1,377,800	(1,377,800)	1,731,341
Blind services, local	0	85,900	(85,900)	0	85,900	(85,900)	0
Blind services, private	0	13,700	(13,700)	0	13,700	(13,700)	0
Blue water bridge fund	7,902,900	36,155,000	(44,057,900)	0	37,367,000	(37,367,000)	0
Boiler inspection fund	0	2,689,000	(2,689,000)	0	2,689,000	(2,689,000)	0
Bottle bill enforcement fund	2,367,858	1,000,000	(1,030,000)	2,337,858	1,000,000	(1,030,000)	2,307,858
Bottle deposit fund	0	245,900	(245,900)	0	245,900	(245,900)	0
Brownfield development fund	3,262,402	2,100,000	(2,100,000)	3,262,402	2,100,000	(2,100,000)	3,262,402
Builder enforcement fund	2,250,441	699,800	(520,000)	2,430,241	199,800	(520,000)	2,110,041
Campground fund	100,490	390,900	(424,900)	66,490	402,600	(437,700)	31,390
Capitol historic site fund	0	3,963,700	(3,963,700)	0	4,082,600	(4,082,600)	0
Captive insurance regulatory and supervision fund	1,318,443	850,000	(751,100)	1,417,343	850,000	(751,100)	1,516,243
Casino gambling agreements	1,635,100	791,700	(785,100)	1,641,700	791,700	(800,900)	1,632,500
Certificate of need fees	3,239,255	1,484,700	(2,129,600)	2,594,355	1,439,000	(2,067,200)	1,966,155
Cervidae licensing and inspection fees	0	56,700	(56,700)	0	76,800	(76,800)	0
Child advocacy centers fund	265,714	535,000	(468,600)	332,114	535,000	(468,600)	398,514
Child care home and center licenses fund	2,069,756	500,000	(250,000)	2,819,756	500,000	(250,000)	3,569,756
Child support clearance fees	0	100,000	(100,000)	0	100,000	(100,000)	0
Child support collections	0	7,600,000	(7,600,000)	0	7,600,000	(7,600,000)	0
Children with special needs donations	17,800	650,000	(650,000)	17,800	650,000	(650,000)	17,800
Children's protection registry fund	1,024,820	153,200	(272,300)	905,720	153,200	(272,300)	786,620
Children's trust fund	13,730,134	1,072,000	(1,372,000)	13,430,134	1,072,000	(1,372,000)	13,130,134

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
City income tax fund	0	11,542,500	(11,542,500)	0	12,985,300	(12,985,300)	0
Clean Michigan initiative, implementation bond fund	0	0	0	0	0	0	0
Clean Michigan initiative, pollution prevention activities	0	0	0	0	0	0	0
Clean Michigan initiative, response activities	0	0	0	0	0	0	0
Cleanup and redevelopment fund	59,841,678	70,000,000	(61,784,700)	68,056,978	70,000,000	(63,638,300)	74,418,678
Coal ash care fund	303,571	208,000	(141,600)	369,971	208,000	(144,900)	433,071
Collections	1,099,245	1,226,900	(1,226,900)	1,099,245	1,226,900	(1,226,900)	1,099,245
Commercial forest fund	152,878	40,000	(28,100)	164,778	39,400	(28,100)	176,078
Commodity distribution fees	37,495	4,800	(15,800)	26,495	4,900	(16,100)	15,295
Commodity inspection fees	371,740	595,200	(522,100)	444,840	624,900	(537,700)	532,040
Community dispute resolution fund	2,637,826	1,860,000	(2,295,800)	2,202,026	1,920,000	(2,354,600)	1,767,426
Community pollution prevention fund	56,655,273	10,000,000	(250,000)	66,405,273	10,000,000	(250,000)	76,155,273
Community tether program reimbursement	0	275,000	(275,000)	0	275,000	(275,000)	0
Comprehensive transportation fund	13,829,000	435,356,800	(449,185,800)	0	444,874,200	(444,874,200)	0
Compulsive gaming prevention fund	5,210,730	7,998,000	(7,998,000)	5,210,730	7,998,000	(7,998,000)	5,210,730
Construction code fund	48,885,582	15,208,600	(14,029,000)	50,065,182	15,208,600	(14,449,800)	50,823,982
Consumer finance fees	2,369,590	3,271,200	(3,265,000)	2,375,790	3,271,200	(3,265,000)	2,381,990
Consumer food safety education fund	472,314	220,000	(200,000)	492,314	230,000	(210,000)	512,314
Contingent fund, penalty and interest account	31,834,864	29,000,000	(44,329,500)	16,505,364	29,000,000	(45,505,300)	64
Convention facility development fund	4,423,791	115,784,900	(115,784,900)	4,423,791	117,242,200	(117,242,200)	4,423,791
Corporation fees	45,326,938	41,548,900	(37,789,600)	49,086,238	42,827,400	(38,789,600)	53,124,038
Correctional industries revolving fund	0	8,604,100	(8,604,100)	0	8,604,100	(8,604,100)	0
Cost sharing, schools for deaf and blind	0	3,584,600	(3,584,600)	0	3,656,300	(3,656,300)	0

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
Counties, equally 911 fund	0	9,754,100	(9,754,100)	0	9,768,700	(9,768,700)	0
Counties, per capita 911 fund	0	14,631,300	(14,631,300)	0	14,653,300	(14,653,300)	0
County chargeback	0	44,140,000	(44,140,000)	0	44,140,000	(44,140,000)	0
Court equity fund	0	34,296,800	(34,296,800)	0	34,982,700	(34,982,700)	0
Court fee fund	6,388,456	6,926,800	(8,403,600)	4,911,656	6,926,800	(8,403,600)	3,434,856
Court of appeals filing/motion fees	0	1,440,700	(1,440,700)	0	1,455,100	(1,455,100)	0
Credit union fees	636,251	10,000,000	(10,454,800)	181,451	10,500,000	(10,454,800)	226,651
Crime victims rights fund	2,824,502	12,000,000	(13,483,000)	1,341,502	12,000,000	(15,140,000)	(1,798,498)
Criminal justice information center service fees	11,561,612	37,000,000	(38,000,000)	10,561,612	37,000,000	(38,000,000)	9,561,612
Dairy and food safety fund	16,905,321	6,700,000	(6,600,000)	17,005,321	6,750,000	(6,650,000)	17,105,321
Deer habitat reserve	2,636,436	1,792,000	(2,269,800)	2,158,636	1,756,200	(2,272,900)	1,641,936
Defaulted loan collection fees	0	83,000	(83,000)	0	83,000	(83,000)	0
Deferred compensation	0	5,249,200	(5,249,200)	0	5,249,200	(5,249,200)	0
Deferred presentment service transaction fees	617,212	2,788,700	(2,728,000)	677,912	2,788,700	(2,728,000)	738,612
Defined contribution administrative fee revenue	0	300,000	(300,000)	0	300,000	(300,000)	0
Delinquent tax collection revenue	40,254	139,461,200	(139,461,200)	40,254	142,250,500	(142,250,500)	40,254
Direct shipper enforcement revolving fund	392,037	193,700	(308,700)	277,037	193,700	(308,700)	162,037
Distance education fund	1,008,320	380,700	(392,800)	996,220	380,700	(392,800)	984,120
Division on deafness fund	56,716	54,000	(50,000)	60,716	54,000	(50,000)	64,716
Donated funds, local	0	4,378,900	(4,378,900)	0	4,378,900	(4,378,900)	0
Donated funds, private	0	6,500,000	(6,500,000)	0	6,500,000	(6,500,000)	0
Driver education provider and instructor fund	338,334	150,000	(150,000)	338,334	150,000	(150,000)	338,334
Driver fees	0	27,926,600	(27,926,600)	0	27,926,600	(27,926,600)	0

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Fire equipment fund	421,881	180,400	(145,000)	457,281	180,400	(150,000)	487,681
Fire safety standard and enforcement fund	358,339	20,000	(37,400)	340,939	20,000	(37,400)	323,539
Fire service fees	10,563,492	3,599,700	(3,708,000)	10,455,192	3,599,700	(3,819,000)	10,235,892
Fireworks safety fund	12,055,927	3,806,000	(3,717,800)	12,144,127	3,806,000	(3,760,500)	12,189,627
First responder presumed coverage fund	7,355,172	6,500,000	(6,500,000)	7,355,172	6,500,000	(6,500,000)	7,355,172
Fisheries settlement	656,477	616,700	(741,800)	531,377	624,600	(742,100)	413,877
Forest development fund	4,520,504	44,402,700	(48,923,200)	0	44,174,600	(44,174,600)	0
Forest land user charges	586,797	266,400	(279,700)	573,497	262,400	(281,400)	554,497
Forest recreation account	4,986,758	4,358,400	(6,292,200)	3,052,958	4,393,200	(6,356,400)	1,089,758
Foster children SSA	981,191	3,772,300	(3,772,300)	981,191	3,772,300	(3,772,300)	981,191
Franchise fees	0	423,000	(423,000)	0	423,000	(423,000)	0
Freshwater protection fund	4,275,461	6,600,000	(7,300,000)	3,575,461	6,600,000	(7,600,000)	2,575,461
Game and fish protection fund	0	79,334,200	(79,334,200)	0	78,291,200	(78,291,200)	0
Garnishment fees	0	2,902,000	(2,902,000)	0	2,960,000	(2,960,000)	0
Gasoline inspection and testing fund	6,548,488	1,550,000	(1,450,000)	6,648,488	1,550,000	(1,500,000)	6,698,488
Gifts, bequests, and donations	17,252,823	3,437,300	(924,600)	19,765,523	3,503,700	(940,700)	22,328,523
Grain dealers fee fund	181,805	636,000	(653,000)	164,805	642,000	(672,600)	134,205
Great Lakes protection fund	1,100,945	400,000	(600,000)	900,945	400,000	(625,000)	675,945
Groundwater discharge permit fees	458,331	1,922,000	(1,840,100)	540,231	1,922,000	(1,895,500)	566,731
Health and safety fund	998,772	100,000	(100,000)	998,772	100,000	(100,000)	998,772
Health insurance claims assessment fund	0	0	0	0	0	0	0
Health management funds	0	438,200	(438,200)	0	438,200	(438,200)	0
Health professions regulatory fund	58,462,557	37,735,100	(32,664,000)	63,533,657	33,489,000	(35,244,800)	61,777,857

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Health systems fees	5,235,572	3,541,000	(3,541,000)	5,235,572	3,541,000	(3,541,000)	5,235,572
Healthy Michigan fund	208,097	19,849,300	(19,849,300)	2,080,967	19,849,300	(19,849,300)	208,097
Highway safety fund	9,743,037	5,000,000	(6,000,000)	8,743,037	4,500,000	(6,000,000)	7,243,037
Horticulture fund	50,048	60,000	(60,000)	50,048	60,000	(60,000)	50,048
Human trafficking commission fund	50,702	2,200	(200)	52,702	2,200	(200)	54,702
Income and assessments	0	6,301,000	(6,301,000)	0	6,301,000	(6,301,000)	0
Industrial hemp fund	1,403,216	103,600	(366,600)	1,140,216	80,000	(270,000)	950,216
Industrial hemp licensing and registration fund	654,689	95,600	(38,300)	711,989	95,600	(39,100)	768,489
Industry food-safety education fund	143,736	105,000	(115,000)	133,736	105,000	(115,000)	123,736
Industry support funds	124,834	320,000	(320,000)	124,834	320,000	(320,000)	124,834
Infrastructure construction fund	285,953	110,000	(55,300)	340,653	110,500	(55,500)	395,653
Insurance bureau fund	1,443,299	34,796,900	(34,796,900)	1,443,299	34,796,900	(35,121,900)	1,118,299
Insurance continuing education fees	2,854	650,000	(619,400)	33,454	650,000	(619,400)	64,054
Insurance licensing and regulation fees	381,396	10,500,000	(10,851,300)	30,096	10,500,000	(10,526,300)	3,796
Insurance provider fund	69	649,279,100	(649,279,100)	69	649,316,500	(649,316,500)	69
Intercity bus equipment fund	53,800	45,400	(45,400)	53,800	45,400	(45,400)	53,800
Interest on lawyers trust accounts	0	496,300	(496,300)	0	496,300	(496,300)	0
Internet gaming fund	0	16,173,500	(16,173,500)	0	16,462,900	(16,462,900)	0
Internet sports betting fund	0	3,030,100	(3,030,100)	0	3,081,600	(3,081,600)	0
Invasive species fund	1,485,329	53,500	0	15,388,298	46,200	0	1,585,029
Jail Diversion Fund	0	500,000	(500,000)	0	1,000,000	(1,000,000)	0
Jail reimbursement program fund	0	4,500,000	(4,500,000)	0	4,500,000	(4,500,000)	0
Judicial electronic filing fund	3,869,510	8,100,000	(8,772,400)	3,197,110	8,200,000	(8,378,800)	3,018,310

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Judicial technology improvement fund	5,668,275	4,100,000	(4,400,000)	5,368,275	4,200,000	(4,600,000)
Juror compensation reimbursement fund	15,723,526	1,370,000	(5,539,300)	11,554,226	960,000	(3,809,300)
Justice system fund	623,479	602,300	(713,200)	512,579	614,400	(723,100)
Laboratory services fees	1,444,363	10,800,000	(11,193,200)	1,051,163	11,124,000	(11,529,000)
Land and water permit fees	10,907,195	8,570,000	(10,100,000)	9,377,195	8,570,200	(13,303,200)
Land bank fast track fund	18,210,187	2,250,000	(3,236,000)	17,224,187	2,250,000	(3,236,000)
Land exchange facilitation and management fund	14,401,688	15,307,500	(14,642,600)	15,066,588	15,240,800	(14,649,400)
Land reutilization fund	6,324,201	2,260,000	(970,600)	7,613,601	2,260,000	(970,600)
Law enforcement officers training fund	31,080,548	25,000	(25,000)	31,080,548	25,000	(25,000)
Law exam fees	0	744,600	(744,600)	0	759,500	(759,500)
Lawsuit settlement proceeds fund	0	1,000,000	(1,000,000)	0	1,000,000	(1,000,000)
LEIN fees	0	700,000	(700,000)	0	700,000	(700,000)
Library Fees	322,592	1,300	(2,100)	321,792	1,300	(2,100)
Licensing and regulation fund	657,118	14,452,200	(13,251,200)	1,858,118	9,730,600	(11,588,700)
Liquor enf and license wholesale RF	1,547,061	453,800	(175,000)	1,825,861	453,800	(175,000)
Liquor license fee enhancement fund	1,587,741	76,900	(76,400)	1,588,241	76,900	(76,400)
Liquor license revenue	12,631,359	16,742,600	(16,913,600)	12,460,359	16,742,600	(17,251,800)
Liquor purchase revolving fund	0	22,281,200	(22,281,200)	0	22,726,900	(22,726,900)
Local agency wetland mitigation bank fund	8,109,800	2,000,000	(2,000,000)	8,109,800	2,000,000	(2,000,000)
Local bridge fund	0	26,494,400	(26,494,400)	0	26,381,200	(26,381,200)
Local funds	25,840,542	128,423,500	(126,123,500)	28,140,542	128,423,500	(128,423,500)
Local funds, aero	0	17,500,000	(17,500,000)	0	17,500,000	(17,500,000)
Local funds, CTF	0	39,945,000	(39,945,000)	0	39,945,000	(39,945,000)

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Local funds, STF	0	30,003,500	(30,003,500)	0	30,003,500	(30,003,500)	0
Local indigent defense reimbursement	390,944	300,000	(300,000)	390,944	300,000	(300,000)	390,944
Local public recreation facilities fund	5,443,630	3,094,600	(2,237,500)	6,300,730	3,257,400	(2,243,800)	7,314,330
Low incidence outreach fund	222,925	196,700	(136,300)	283,325	200,600	(139,000)	344,925
Low-income energy assistance fund	7,832,779	50,000,000	(50,000,000)	7,832,779	50,000,000	(50,000,000)	7,832,779
Mackinac Island State Park fund	0	1,716,600	(1,716,600)	0	1,736,200	(1,736,200)	0
Mackinac Island State Park operation fund	0	139,100	(139,100)	0	141,900	(141,900)	0
MacMullan conference center account	0	1,253,900	(1,253,900)	0	1,291,400	(1,291,000)	400
Make it in Michigan competitiveness fund	120,428,434	0	(120,428,400)	0	0	0	0
Marihuana registry fund	315,320	1,765,200	(2,080,500)	20	1,765,200	(1,765,200)	20
Marihuana regulation fund	0	42,952,700	(42,952,700)	0	41,578,300	(41,578,300)	0
Marihuana regulatory fund	8,694,682	13,778,800	(10,299,300)	12,174,182	13,641,500	(10,505,300)	15,310,382
Marine safety fund	1,884,618	6,650,100	(7,149,500)	1,385,218	7,198,900	(7,210,500)	1,373,618
MBLSLA fund	5,086,588	8,000,000	(7,732,500)	5,354,088	7,800,000	(7,732,500)	5,421,588
MBPI Pharmaceutical product fund	0	0	0	0	0	0	0
MDTMB, civil service commission	0	221,900	(221,900)	0	228,600	(228,600)	0
Medicaid benefits trust fund	0	250,000,000	(250,000,000)	0	250,000,000	(250,000,000)	0
Medical waste emergency response fund	427,464	263,500	(334,800)	356,164	253,500	(343,000)	266,664
Metallic mining surveillance fee revenue	255,134	23,800	(18,900)	260,034	23,800	(19,100)	264,734
MFA, bond and loan program revenue	0	3,540,600	(3,540,600)	0	3,576,000	(3,576,000)	0
MI community development financial institutions fund	0	0	0	0	0	0	0
Mich state housing development authority fees and charges	7,200,958	57,000,000	(56,626,900)	7,574,058	58,000,000	(56,626,900)	8,947,158
Michigan business enterprise program fund	0	291,800	(291,800)	0	291,800	(291,800)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Military family relief fund	3,077,189	150,000	(150,000)	3,077,189	150,000	(150,000)	3,077,189
Mineral well regulatory fee revenue	86,114	131,700	(132,900)	84,914	131,700	(135,300)	81,314
Miscellaneous revenue	0	207,700	(207,700)	0	211,900	(211,900)	0
Mobile home code fund	9,478,189	1,632,500	(1,512,700)	9,597,989	2,320,500	(1,558,000)	10,360,489
Mobile home commission fees	0	511,200	(511,200)	0	511,200	(511,200)	0
Morale, welfare, and recreation fund	24,763	100,000	(100,000)	24,763	100,000	(100,000)	24,763
Motor carrier fees	952,917	7,600,000	(8,000,000)	552,917	7,600,000	(8,000,000)	152,917
Motor transport revolving fund	0	9,200	(9,200)	0	9,200	(9,200)	0
Motorcycle safety and education awareness fund	607,693	350,000	(350,000)	607,693	350,000	(350,000)	607,693
Motorcycle safety fund	2,605,920	1,924,000	(2,104,700)	2,425,220	1,924,000	(2,104,700)	2,244,520
Movable bridge fund	19,823,600	6,309,000	(6,309,000)	19,823,600	6,454,100	(6,454,100)	19,823,600
MPSCS subscriber and maintenance fees	0	2,325,000	(2,325,000)	0	2,325,000	(2,325,000)	0
Multiple employer welfare arrangement	66,372	50,000	(35,400)	80,972	50,000	(35,400)	95,572
Municipal finance fees	727,316	350,000	(548,000)	529,316	360,000	(565,000)	324,316
Narcotics-related forfeiture revenue	9,404,330	1,200,000	(900,000)	9,704,330	1,200,000	(1,000,000)	9,904,330
National guard facilities rental fund	77,993	187,500	(187,500)	779,923	187,500	(187,500)	77,993
National guard test projects fund	41,984	100,000	(100,000)	41,984	100,000	(100,000)	41,984
Newborn screening fees	11,629,972	17,695,700	(17,240,700)	12,084,972	17,774,800	(18,100,600)	11,759,172
Nonferrous metallic mineral surveillance	265,978	345,000	(381,300)	229,678	340,000	(389,400)	180,278
Nongame wildlife fund	2,191,245	693,900	(545,700)	2,339,445	678,900	(551,200)	2,467,145
Notary education and training fund	59,738	100,000	(100,000)	59,738	100,000	(100,000)	59,738
Notary fee fund	0	200,000	(200,000)	0	200,000	(200,000)	0
NPDES fees	894,709	3,829,700	(4,125,000)	599,409	3,830,000	(4,295,000)	134,409

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Nuclear plant emergency planning reimbursement	0	2,300,000	(2,300,000)	0	2,300,000	(2,300,000)	0
Nurse aide and medication aide registration fund	243,177	1,456,300	(1,385,800)	313,677	1,456,300	(1,421,800)	348,177
Nurse professional fund	2,975,797	1,616,500	(1,666,700)	2,925,597	1,616,500	(1,700,000)	2,842,097
Obra penalties	35,176,394	3,800,000	(800,000)	38,176,394	3,800,000	(800,000)	41,176,394
Office services revolving fund	0	12,700	(12,700)	0	12,700	(12,700)	0
Off-road vehicle safety education fund	1,212,663	346,000	(256,800)	1,301,863	341,400	(261,400)	1,381,863
Off-road vehicle title fees	0	170,700	(170,700)	0	170,700	(170,700)	0
Off-road vehicle trail improvement fund	15,073,832	11,233,700	(16,027,100)	10,280,432	10,974,800	(16,108,800)	5,146,432
Oil and gas regulatory fund	7,012,426	4,460,000	(4,494,900)	6,977,526	4,660,000	(4,587,600)	7,049,926
Orphan well fund	2,040,960	1,065,500	(1,181,900)	1,924,560	1,065,500	(1,190,100)	1,799,960
Other agency charges	0	1,307,600	(1,307,600)	0	1,307,600	(1,307,600)	0
Other state restricted revenues	29,410,401	416,688,000	(416,688,000)	29,410,401	416,688,000	(416,688,000)	29,410,401
Park improvement fund	4,258,926	93,557,700	(97,460,400)	356,226	94,119,100	(94,475,300)	0
Park improvement fund, Belle Isle subaccount	0	557,600	(557,600)	0	557,600	(557,600)	0
Parking ticket court fines	0	532,000	(532,000)	0	532,000	(532,000)	0
Pension trust funds	0	40,220,900	(40,220,900)	0	40,220,900	(40,220,900)	0
Permanent snowmobile trail easement fund	3,860,039	609,400	(700,800)	3,768,639	563,500	(700,800)	3,631,339
Personal identification card fees	0	2,675,400	(2,675,400)	0	2,675,400	(2,675,400)	0
Pheasant hunting license fees	279,271	0	(279,300)	0	0	0	0
PMECSEMA fund	6,907,194	1,988,000	(2,474,100)	6,421,094	1,988,000	(2,523,600)	5,885,494
Postsecondary scholarship fund	484,440,537	350,000,000	(405,540,000)	428,900,537	350,000,000	(492,230,000)	286,670,537
Precision driving track fees	0	300,000	(300,000)	0	300,000	(300,000)	0
Prisoner health care copayments	0	257,200	(257,200)	0	257,200	(257,200)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Prisoner reimbursement	0	780,700	(780,700)	0	780,700	(780,700)	0
Private donations	3,779,401	145,000	(145,000)	3,779,400	145,000	(145,000)	3,779,401
Private forestland enhancement fund	2,355,661	1,557,800	(1,078,600)	2,834,861	1,713,500	(1,078,600)	3,469,761
Private foundations	0	428,000	(428,000)	0	436,600	(436,600)	0
Private funds	79,572,307	68,215,800	(74,200,300)	73,587,807	68,135,500	(73,118,000)	68,605,307
Private funds 114	0	2,000,000	(2,000,000)	0	2,500,000	(2,500,000)	0
Private funds 120	0	6,800,000	(6,800,000)	0	6,800,000	(6,800,000)	0
Private occupational school license fees	48,584	444,500	(444,500)	48,584	444,500	(444,500)	48,584
Private restricted contributions	0	10,000,000	(10,000,000)	0	10,000,000	(10,000,000)	0
Private security licensing fees	0	1,000	(1,000)	0	1,000	(1,000)	0
Property development fees	225,767	33,000	(200,400)	58,367	33,000	(91,300)	67
Prosecuting attorneys training fees	0	250,000	(250,000)	0	250,000	(250,000)	0
Public assistance recoupment revenue	0	3,800,000	(3,800,000)	0	3,800,000	(3,800,000)	0
Public safety and violence prevention fund	0	75,000,000	(75,000,000)	0	75,000,000	(75,000,000)	0
Public safety answer point (PSAP) training 911 fund	1,976,628	2,125,400	(2,117,700)	1,984,328	2,136,200	(2,128,500)	1,992,028
Public swimming pool fund	551,191	727,800	(648,000)	630,991	749,600	(667,400)	713,191
Public use and replacement deed fees	0	20,000	(20,000)	0	20,000	(20,000)	0
Public utility assessments	978,375	47,021,600	(47,066,200)	933,775	47,566,100	(47,700,000)	799,875
Public water supply fees	3,164,448	6,412,000	(5,573,300)	4,003,148	6,604,400	(5,740,500)	4,867,048
Pure Michigan trails fund	23,077	1,000	(100)	23,977	900	(100)	24,777
Qualified airport fund	0	7,020,000	(7,020,000)	0	7,150,000	(7,150,000)	0
Qualified heavy equipment rental PPT exemption reimbursement	0	4,500,000	(4,500,000)	0	4,500,000	(4,500,000)	0
Quality assurance assessment tax	0	2,275,315,100	(2,275,315,100)	0	2,275,355,700	(2,275,355,700)	0

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Radiological health fees	3,422,430	4,034,800	(4,096,600)	3,360,630	4,434,800	(4,096,600)	3,698,830
Rail freight fund	18,755,700	6,000,000	(6,000,000)	18,755,700	6,000,000	(6,000,000)	18,755,700
Real estate appraiser education fund	707,128	50,000	(4,500)	752,628	50,000	(4,600)	798,028
Real estate education fund	2,957,726	142,300	(396,600)	2,703,426	205,900	(404,500)	2,504,826
Real estate enforcement fund	2,752,917	156,800	(683,700)	2,226,017	214,800	(697,400)	1,743,417
Recreation improvement account	1,240,341	1,678,000	(1,653,100)	1,265,241	1,713,600	(1,659,900)	1,318,941
Recreation passport fees	4,030,084	15,885,700	(16,993,600)	2,922,184	16,865,000	(18,260,500)	1,526,684
Reentry center offender reimbursements	0	10,000	(10,000)	0	10,000	(10,000)	0
Refined petroleum fund	3,936,484	36,000,000	(35,359,400)	4,577,084	36,000,000	(36,420,200)	4,156,884
Rehabilitation service fees	0	64,900	(64,900)	0	64,900	(64,900)	0
Reimburse local exchange providers 911 fund	17,423,541	13,687,100	(17,102,200)	14,008,441	13,687,100	(18,812,400)	8,883,141
Reimbursed services	0	1,700,000	(1,700,000)	0	1,700,000	(1,700,000)	0
Reimbursed services, local	0	250,000	(250,000)	0	250,000	(250,000)	0
Reinstatement fees	0	284,800	(284,800)	0	284,800	(284,800)	0
Reinstatement fees, operator licenses	0	1,626,700	(1,626,700)	0	1,626,700	(1,626,700)	0
Renew Michigan fund	4,536,249	77,000,000	(77,500,000)	4,036,249	77,000,000	(78,000,000)	3,036,249
Rental of department aircraft	0	5,000	(5,000)	0	5,000	(5,000)	0
Resident stores	0	3,645,400	(3,645,400)	0	3,645,400	(3,645,400)	0
Retired engineers technical assistance program fund	436,657	25,000	(150,000)	311,657	10,000	(150,000)	171,657
Retired law enforcement officer safety fund	99	10,000	(10,000)	99	10,000	(10,000)	99
Retirement funds	1,851	18,300,000	(18,300,000)	1,851	19,000,000	(19,000,000)	1,851
Revenue from local government	0	100,000	(100,000)	0	100,000	(100,000)	0
Revitalization and placemaking fund	1,561,600	0	(1,561,600)	0	0	0	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Revolving loan revenue bonds	0	15,000,000	(15,000,000)	0	15,000,000	(15,000,000)	0
Rural development fund	10,977,462	2,000,000	(4,000,000)	8,977,462	2,000,000	(4,000,000)	6,977,462
Safety education and training fund	8,597,447	10,863,800	(11,415,700)	8,045,547	10,863,800	(11,415,700)	7,493,647
Sales tax	0	1,748,595,000	(1,748,595,000)	0	1,772,518,900	(1,772,518,900)	0
Sand extraction fee revenue	152,410	34,200	(38,100)	148,510	34,200	(39,100)	143,610
School bond fees	4,651,378	740,000	(725,000)	4,666,378	775,000	(740,000)	4,701,378
School bus revenue	0	1,700,000	(1,700,000)	0	1,700,000	(1,700,000)	0
Scrap tire fund	0	78,600	(78,600)	0	78,600	(78,600)	0
Scrap tire regulatory fund	3,175,704	4,796,000	(5,128,800)	2,842,904	4,771,000	(5,168,900)	2,445,004
Second injury fund	0	2,845,800	(2,845,800)	0	2,845,800	(2,845,800)	0
Secondary road patrol and training fund	18,330,398	15,000,000	(15,800,000)	17,530,398	15,000,000	(15,800,000)	16,730,398
Securities fees	0	26,627,500	(26,627,500)	0	26,627,500	(26,627,500)	0
Securities investor education and training fund	834,000	10,000	(190,000)	654,000	10,000	(205,000)	459,000
Security business fund	82,365	107,500	(130,000)	59,865	107,500	(140,000)	27,365
Self-insurers security fund	0	1,160,300	(1,160,300)	8	1,160,300	(1,160,300)	0
Senior care respite fund	2,670,899	1,808,000	(1,750,000)	2,728,899	1,808,000	(1,750,000)	2,786,899
Septage waste program fund	1,792,630	660,300	(485,300)	1,967,630	680,100	(499,900)	2,147,830
Settlement funds	15,261,139	5,550,400	(1,560,000)	19,251,539	5,517,600	(810,000)	23,959,139
Sewage sludge land application fee	487,221	615,000	(650,500)	451,721	615,500	(670,100)	397,121
Sex offenders registration fund	1,283,246	600,000	(600,000)	1,283,246	600,000	(600,000)	1,283,246
Sexual assault victims' prevention and treatment fund	480,027	780,200	(737,700)	522,527	780,200	(737,700)	565,027
SIGMA user fees	0	5,596,000	(5,596,000)	0	5,596,000	(5,596,000)	0
Silicosis and dust disease fund	0	547,100	(547,100)	0	547,100	(547,100)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
State restricted funds 1%	0	34,964,200	(34,964,200)	0	34,646,100	(34,646,100)	0
State restricted indirect funds	0	20,734,100	(20,734,100)	0	20,346,900	(20,346,900)	0
State services fee fund	7,324,142	40,835,900	(42,987,400)	5,172,642	40,835,900	(43,520,100)	2,488,442
State share education funds	0	1,089,200	(1,089,200)	0	1,089,200	(1,089,200)	0
State sponsored group insurance	0	10,073,600	(10,073,600)	0	10,073,600	(10,073,600)	0
State trunkline fund	0	1,479,378,400	(1,479,378,400)	0	1,509,201,200	(1,509,201,200)	0
Stormwater permit fees	839,610	2,197,600	(2,590,000)	447,210	2,197,800	(2,600,000)	45,010
Strategic outreach and attraction reserve fund	500,000,000	0	(500,000,000)	0	500,000,000	(500,000,000)	0
Strategic water quality initiatives fund	22,468,173	0	(22,468,100)	0	0	0	0
Student safety fund	256,218	10,000	(100,000)	166,218	10,000	(100,000)	76,218
Supervision fees	0	6,630,500	(6,630,500)	0	6,630,500	(6,630,500)	0
Supervision fees set-aside	97,298	1,658,800	(1,658,800)	97,298	1,658,800	(1,658,800)	97,298
Supplemental security income recoveries	45	1,371,800	(1,371,800)	45	1,371,800	(1,371,800)	45
Survey and remonumentation fund	6,427,573	5,293,000	(5,293,000)	6,427,573	5,293,000	(5,293,000)	6,427,573
Tax tribunal fund	0	1,045,000	(1,045,000)	0	1,045,000	(1,045,000)	0
Teacher testing fees	502,400	397,900	(213,900)	686,400	405,900	(218,200)	874,100
Teacher-Administrator Preparation and Certification Fund	10,288,261	6,976,400	(4,881,000)	12,383,661	7,115,900	(4,978,600)	14,520,961
Tech enhanced naturally occurring radioactive material	884,733	428,000	(488,700)	824,033	428,000	(501,400)	750,633
Testing fees	370,612	110,000	(130,000)	350,612	110,000	(140,000)	320,612
Thomas Daley gift of life fund	731,987	50,000	(50,000)	731,987	50,000	(50,000)	731,987
Tobacco tax revenue	0	8,089,400	(8,089,400)	0	8,251,200	(8,251,200)	0
Traffic crash revenue	0	750,000	(750,000)	0	750,000	(750,000)	0
Traffic law enforcement and safety fund	51,227,329	25,000,000	(25,000,000)	51,227,329	25,000,000	(25,000,000)	51,227,329

Revenue and Expenditure Projections - FY 2026 and FY 2027

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Training and orientation workshop fees	0	148,200	(148,200)	0	151,200	(151,200)	0
Transportation administration collection fund	54,184,436	155,406,300	(171,648,000)	37,942,736	155,406,300	(171,648,000)	21,701,036
Treasury fees	0	4,914,000	(4,914,000)	0	4,914,000	(4,914,000)	0
Trooper school recruitment fund	5,000,000	200,000	(200,000)	5,000,000	200,000	(200,000)	5,000,000
Truck driver safety fund	1,812,275	3,200,000	(3,900,000)	1,112,275	3,200,000	(3,900,000)	412,275
Turkey permit fees	298,834	872,300	(1,171,100)	0	848,200	(848,200)	0
Underground storage tank cleanup fund	84,836,392	22,000,000	(23,234,400)	83,601,992	22,000,000	(23,372,700)	82,229,292
Utility consumer representation fund	4,837,498	4,316,600	(4,019,000)	5,135,098	4,404,800	(4,038,200)	5,501,698
Vehicle sales proceeds	0	300,000	(300,000)	0	300,000	(300,000)	0
Vehicle theft prevention fees	0	1,716,300	(1,716,300)	0	1,716,300	(1,716,300)	0
Vital records fees	7,388,293	4,755,300	(4,755,300)	7,388,293	4,535,300	(5,035,300)	6,888,293
Vocational rehabilitation match	0	4,857,200	(4,857,200)	0	4,857,200	(4,857,200)	0
Wastewater operator training fees	662,616	1,113,500	(716,000)	1,060,116	1,130,100	(697,900)	1,492,316
Water pollution control revolving fund	0	300,000	(300,000)	0	300,000	(300,000)	0
Water quality protection fund	417,028	89,500	(100,000)	406,528	89,600	(100,000)	396,128
Water use reporting fees	509,249	301,500	(363,600)	447,149	301,500	(372,500)	376,149
Waterfowl fees	72,427	107,500	(121,300)	58,627	106,400	(121,300)	43,727
Waterfowl hunt stamp	296,138	498,900	0	795,038	493,900	(1,000,000)	288,938
Weights and measures regulation fees	2,284,294	600,000	(775,000)	2,109,294	625,000	(800,000)	1,934,294
Wildlife management public education fund	204,195	1,441,600	(1,400,000)	245,795	1,420,000	(1,400,000)	265,795
Wildlife resource protection fund	101,969	1,162,900	(1,264,900)	0	1,151,300	(1,151,300)	0
Worker's compensation administrative revolving fund	2,234,331	2,223,900	(1,823,500)	2,634,731	2,223,900	(1,823,500)	3,035,131
Youth hunting and fishing education and outreach fund	7,842	45,700	(47,500)	6,042	44,800	(48,600)	2,242

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Only contains operating funds that are included in part 1 appropriations of enacted appropriation bills

Fund Name	Fiscal Year 2026 (BY1 Estimated)			Fiscal Year 2027 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Total	2,985,783,103	13,219,386,400	(13,955,561,900)	2,273,468,353	13,842,288,800	(13,999,770,160)

Boilerplate language in the Fiscal Year 2025 Enacted Appropriations requires an annual report, within 14 days after the release of the Executive Budget Recommendation on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2024 and September 30, 2025.

NOTE: Columns may not add due to lapses to the general fund, transfers out, or work project expenditures.



FISCAL YEAR 2026 EXECUTIVE RECOMMENDATION

DEPARTMENT	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture and Rural Development	158,310,500	336,600	157,973,900	20,079,600	0	0	51,972,400	85,921,900	137,894,300	13,400,000
Attorney General	132,355,700	39,381,700	92,974,000	10,567,200	0	950,000	22,678,800	58,778,000	81,456,800	0
Civil Rights	30,781,400	0	30,781,400	2,899,300	0	18,700	58,500	27,804,900	27,863,400	0
Corrections	2,218,974,900	0	2,218,974,900	5,203,700	12,122,000	0	30,304,100	2,171,345,100	2,201,649,200	122,292,500
Education	164,922,700	0	164,922,700	83,575,100	5,884,200	2,547,500	10,193,800	62,722,100	72,915,900	18,917,700
Environment, Great Lakes, and Energy	1,186,823,100	4,129,100	1,182,694,000	464,268,500	0	1,404,200	420,631,500	296,369,800	717,021,300	105,673,300
Executive Office	9,609,200	0	9,609,200	0	0	0	0	9,609,200	9,609,200	0
Health and Human Services	39,151,858,800	15,448,000	39,136,410,800	27,369,656,600	190,421,900	180,133,600	4,030,240,400	7,365,958,300	11,396,198,700	1,944,954,500
Insurance and Financial Services	80,255,600	763,800	79,491,800	250,000	0	0	79,241,800	0	79,241,800	0
Judiciary	395,013,600	1,902,300	393,111,300	7,270,900	0	1,906,400	96,645,800	287,288,200	383,934,000	153,722,900
Labor and Economic Opportunity	1,886,132,100	0	1,886,132,100	1,227,473,300	10,700,000	12,588,200	312,373,900	322,996,700	635,370,600	72,943,700
Legislature	235,755,400	7,555,600	228,199,800	0	0	481,700	8,134,500	219,583,600	227,718,100	0
Licensing and Regulatory Affairs	650,640,500	30,192,600	620,447,900	34,478,800	0	0	284,429,800	301,539,300	585,969,100	280,345,300
Lifelong Education, Advancement, and Potential	736,217,000	0	736,217,000	506,428,200	0	1,000,000	1,880,000	226,908,800	228,788,800	750,000
Military and Veterans Affairs	293,080,100	101,800	292,978,300	148,840,000	0	100,000	12,953,500	131,084,800	144,038,300	4,178,000
Natural Resources	604,529,700	208,100	604,321,600	100,214,800	0	7,609,200	408,296,400	88,201,200	496,497,600	16,723,100
State	296,597,400	20,000,000	276,597,400	1,460,000	0	50,100	262,935,500	12,151,800	275,087,300	11,715,900
State Police	992,034,300	29,030,200	963,004,100	101,314,700	5,035,600	35,000	182,336,000	674,282,800	856,618,800	40,441,500
Technology, Management and Budget	1,916,364,900	1,152,596,000	763,768,900	4,393,300	2,360,100	229,400	142,450,700	614,335,400	756,786,100	1,000,000
Transportation	6,841,109,700	4,366,200	6,836,743,500	2,329,605,500	87,448,500	18,800,000	4,288,705,600	112,183,900	4,400,889,500	2,533,577,200
Treasury	2,789,852,400	11,815,100	2,778,037,300	25,254,000	15,491,600	3,040,300	2,411,439,600	322,811,800	2,734,251,400	2,203,202,800
Total - General Omnibus	\$60,771,219,000	\$1,317,827,100	\$59,453,391,900	\$32,443,233,500	\$329,463,900	\$230,894,300	\$13,057,902,600	\$13,391,897,600	\$26,449,800,200	\$7,530,588,400
Community Colleges	496,689,600	0	496,689,600	0	0	0	496,689,600	0	496,689,600	496,689,600
Universities and Financial Aid	2,378,853,300	0	2,378,853,300	3,200,000	0	0	550,768,300	1,824,885,000	2,375,653,300	0
School Aid	21,192,282,600	0	21,192,282,600	2,407,708,500	0	0	18,730,998,000	53,576,100	18,784,574,100	17,363,633,000
Total - Education Omnibus	\$24,067,825,500	\$0	\$24,067,825,500	\$2,410,908,500	\$0	\$0	\$19,778,455,900	\$1,878,461,100	\$21,656,917,000	\$17,860,322,600
GRAND TOTAL	\$84,839,044,500	\$1,317,827,100	\$83,521,217,400	\$34,854,142,000	\$329,463,900	\$230,894,300	\$32,836,358,500	\$15,270,358,700	\$48,106,717,200	\$25,390,911,000

Percentage of State Spending from State Sources as Payments to Local Units of Government 52.78%

Summary of Executive Recommendation

FISCAL YEAR 2027 EXECUTIVE RECOMMENDATION

DEPARTMENT	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture and Rural Development	157,610,500	336,600	157,273,900	20,079,600	0	0	51,972,400	85,221,900	137,194,300	13,400,000
Attorney General	132,355,700	39,381,700	92,974,000	10,567,200	0	950,000	22,678,800	58,778,000	81,456,800	0
Civil Rights	30,781,400	0	30,781,400	2,899,300	0	18,700	58,500	27,804,900	27,863,400	0
Corrections	2,213,528,500	0	2,213,528,500	5,203,700	12,122,000	0	30,304,100	2,165,898,700	2,196,202,800	122,292,500
Education	164,922,700	0	164,922,700	83,575,100	5,884,200	2,547,500	10,193,800	62,722,100	72,915,900	18,917,700
Environment, Great Lakes, and Energy	1,080,823,100	4,129,100	1,076,694,000	464,268,500	0	1,404,200	420,631,500	190,389,800	611,021,300	105,673,300
Executive Office	9,609,200	0	9,609,200	0	0	0	0	9,609,200	9,609,200	0
Health and Human Services	39,075,220,700	15,448,000	39,059,772,700	27,379,537,400	190,421,900	180,133,600	4,029,490,400	7,280,189,400	11,309,879,800	1,944,954,500
Insurance and Financial Services	80,255,600	763,800	79,491,800	250,000	0	0	79,241,800	0	79,241,800	0
Judiciary	395,013,600	1,902,300	393,111,300	7,270,900	0	1,906,400	96,645,800	287,288,200	383,934,000	153,722,800
Labor and Economic Opportunity	1,802,632,100	0	1,802,632,100	1,227,473,300	10,700,000	12,588,200	312,373,900	239,496,700	551,870,600	72,943,700
Legislature	235,755,400	7,555,600	228,199,800	0	0	481,700	8,134,500	219,583,600	227,718,100	0
Licensing and Regulatory Affairs	650,640,500	30,192,600	620,447,900	34,478,800	0	0	284,429,800	301,539,300	585,969,100	280,345,300
Lifelong Education, Advancement, and Potential	744,512,400	0	744,512,400	506,428,200	0	1,000,000	1,880,000	235,204,200	237,084,200	0
Military and Veterans Affairs	262,080,100	101,800	261,978,300	148,840,000	0	100,000	12,953,500	100,084,800	113,038,300	4,178,000
Natural Resources	583,137,900	208,100	582,929,800	100,214,800	0	7,609,200	408,296,400	66,809,400	475,105,800	16,723,100
State	296,597,400	20,000,000	276,597,400	1,460,000	0	50,100	262,935,500	12,151,800	275,087,300	11,715,900
State Police	992,034,300	29,030,200	963,004,100	101,314,700	5,035,600	35,000	182,336,000	674,282,800	856,618,800	40,441,500
Technology, Management and Budget	1,833,764,900	1,152,596,000	681,168,900	4,393,300	2,360,100	229,400	142,450,700	531,735,400	674,186,100	1,000,000
Transportation	6,802,415,400	4,366,200	6,798,049,200	2,329,605,500	87,448,500	18,800,000	4,362,195,200	0	4,362,195,200	2,584,893,300
Treasury	2,788,356,300	11,815,100	2,776,541,200	25,254,000	15,491,600	40,300	2,438,693,500	297,061,800	2,735,755,300	2,250,456,700
Total - General Omnibus	\$60,332,047,700	\$1,317,827,100	\$59,014,220,600	\$32,453,114,300	\$329,463,900	\$227,894,300	\$13,157,896,100	\$12,845,852,000	\$26,003,748,100	\$7,621,658,300
Community Colleges	493,189,600	0	493,189,600	0	0	0	493,189,600	0	493,189,600	493,189,600
Universities and Financial Aid	2,378,153,300	0	2,378,153,300	3,200,000	0	0	550,068,300	1,824,885,000	2,374,953,300	0
School Aid	20,309,782,600	0	20,309,782,600	2,407,708,500	0	0	17,851,298,000	50,776,100	17,902,074,100	16,483,933,000
Total - Education Omnibus	\$23,181,125,500	\$0	\$23,181,125,500	\$2,410,908,500	\$0	\$0	\$18,894,555,900	\$1,875,661,100	\$20,770,217,000	\$16,977,122,600
GRAND TOTAL	\$83,513,173,200	\$1,317,827,100	\$82,195,346,100	\$34,864,022,800	\$329,463,900	\$227,894,300	\$32,052,452,000	\$14,721,513,100	\$46,773,965,100	\$24,598,780,900

Percentage of State Spending from State Sources as Payments to Local Units of Government 62.59%

GENERAL FUND/GENERAL PURPOSE
(\$ in Thousands)

Department	FY 2025 Ongoing Enacted	FY 2025 One-Time Current Law	FY 2025 Total Current Law	FY 2026 Ongoing Recommend	FY 2026 One-Time Recommend	FY 2026 Total Recommend	\$ Change FY 2026 Total	% Change FY 2026 Total
Agriculture and Rural Development	80,056.4	9,000.0	89,056.4	85,221.9	700.0	85,921.9	(3,134.5)	(3.5%)
Attorney General	56,409.1	1,000.0	57,409.1	58,778.0	0.0	58,778.0	1,368.9	2.4%
Civil Rights	26,195.4	0.0	26,195.4	27,804.9	0.0	27,804.9	1,609.5	6.1%
Corrections	2,094,010.1	3,000.0	2,097,010.1	2,165,898.7	5,446.4	2,171,345.1	74,335.0	3.5%
Education	61,896.1	2,000.0	63,896.1	62,722.1	0.0	62,722.1	(1,174.0)	(1.8%)
Environment, Great Lakes, and Energy	151,710.3	109,000.0	260,710.3	190,389.8	106,000.0	296,389.8	35,679.5	13.7%
Executive Office	9,337.1	0.0	9,337.1	9,609.2	0.0	9,609.2	272.1	2.9%
Health and Human Services	6,561,931.0	155,300.0	6,717,231.0	7,253,594.2	112,364.1	7,365,958.3	648,727.3	9.7%
Insurance and Financial Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	---
Judiciary	264,113.9	2,000.0	266,113.9	287,288.2	0.0	287,288.2	21,174.3	8.0%
Labor and Economic Opportunity	228,757.4	564,812.0	793,569.4	239,496.7	83,500.0	322,996.7	(470,572.7)	(59.3%)
Legislature	216,180.1	0.0	216,180.1	219,583.6	0.0	219,583.6	3,403.5	1.6%
Licensing and Regulatory Affairs	296,605.7	12,000.0	308,605.7	301,539.3	0.0	301,539.3	(7,066.4)	(2.3%)
Lifelong Education, Advancement, and Potential	101,489.3	35,000.0	136,489.3	161,908.8	65,000.0	226,908.8	90,419.5	66.2%
Military and Veterans Affairs	98,694.1	19,000.0	117,694.1	100,084.8	31,000.0	131,084.8	13,390.7	11.4%
Natural Resources	67,757.0	9,000.0	76,757.0	66,809.4	21,391.8	88,201.2	11,444.2	14.9%
State	11,969.1	0.0	11,969.1	12,151.8	0.0	12,151.8	182.7	1.5%
State Police	621,961.0	24,900.0	646,861.0	674,282.8	0.0	674,282.8	27,421.8	4.2%
Technology, Management and Budget	513,564.0	26,400.0	539,964.0	531,735.4	82,600.0	614,335.4	74,371.4	13.8%
Transportation	0.0	193,000.0	193,000.0	0.0	112,183.9	112,183.9	(80,816.1)	(41.9%)
Treasury	283,655.7	25,000.0	308,655.7	297,061.8	25,750.0	322,811.8	14,156.1	4.6%
Total - General Omnibus	\$11,746,292.8	\$1,190,412.0	\$12,936,704.8	\$12,745,961.4	\$645,936.2	\$13,391,897.6	\$455,192.8	3.5%
Community Colleges	0.0	500.0	500.0	0.0	0.0	0.0	(500.0)	(100.0%)
Universities and Financial Aid	1,809,409.6	50,014.7	1,859,424.3	1,824,885.0	0.0	1,824,885.0	(34,539.3)	(1.9%)
School Aid	49,980.6	28,850.0	78,830.6	50,776.1	2,800.0	53,576.1	(25,254.5)	(32.0%)
Total - Education Omnibus	\$1,859,390.2	\$79,364.7	\$1,938,754.9	\$1,875,661.1	\$2,800.0	\$1,878,461.1	(\$60,293.8)	(3.1%)
GRAND TOTAL	\$13,605,683.0	\$1,269,776.7	\$14,875,459.7	\$14,621,622.5	\$648,736.2	\$15,270,358.7	\$394,899.0	2.7%

Budget Schedule by Department

ALL FUNDS
(\$ in Thousands)

Department	FY 2025 Ongoing Enacted	FY 2025 One-Time Current Law	FY 2025 Total Current Law	FY 2026 Ongoing Recommend	FY 2026 One-Time Recommend	FY 2026 Total Recommend	\$ Change FY 2026 Total	% Change FY 2026 Total
Agriculture and Rural Development	147,938.9	9,000.0	156,938.9	157,610.5	700.0	158,310.5	1,371.6	0.9%
Attorney General	127,896.7	1,850.0	129,746.7	132,355.7	0.0	132,355.7	2,609.0	2.0%
Civil Rights	29,163.5	0.0	29,163.5	30,781.4	0.0	30,781.4	1,617.9	5.5%
Corrections	2,140,979.0	6,400.0	2,147,379.0	2,213,528.5	5,446.4	2,218,974.9	71,595.9	3.3%
Education	162,975.1	2,000.0	164,975.1	164,922.7	0.0	164,922.7	(52.4)	(0.0%)
Environment, Great Lakes, and Energy	930,098.6	109,000.0	1,039,098.6	1,080,823.1	106,000.0	1,186,823.1	147,724.5	14.2%
Executive Office	9,337.1	0.0	9,337.1	9,609.2	0.0	9,609.2	272.1	2.9%
Health and Human Services	37,450,576.2	195,654.9	37,646,231.1	39,024,294.7	127,564.1	39,151,858.8	1,505,627.7	4.0%
Insurance and Financial Services	78,121.4	500.0	78,621.4	80,255.6	0.0	80,255.6	1,634.2	2.1%
Judiciary	370,941.4	2,500.0	373,441.4	395,013.6	0.0	395,013.6	21,572.2	5.8%
Labor and Economic Opportunity	1,782,982.5	638,812.0	2,421,794.5	1,802,632.1	83,500.0	1,886,132.1	(535,662.4)	(22.1%)
Legislature	231,881.0	0.0	231,881.0	235,755.4	0.0	235,755.4	3,874.4	1.7%
Licensing and Regulatory Affairs	634,489.0	14,250.0	648,739.0	650,640.5	0.0	650,640.5	1,901.5	0.3%
Lifelong Education, Advancement, and Potential	608,994.2	35,000.0	643,994.2	671,217.0	65,000.0	736,217.0	92,222.8	14.3%
Military and Veterans Affairs	256,904.1	19,000.0	275,904.1	262,080.1	31,000.0	293,080.1	17,176.0	6.2%
Natural Resources	525,579.8	9,000.0	534,579.8	583,137.9	21,391.8	604,529.7	69,949.9	13.1%
State	291,839.9	0.0	291,839.9	296,597.4	0.0	296,597.4	4,757.5	1.6%
State Police	928,208.5	24,900.0	953,108.5	992,034.3	0.0	992,034.3	38,925.8	4.1%
Technology, Management and Budget	1,770,425.2	26,400.0	1,796,825.2	1,833,764.9	82,600.0	1,916,364.9	119,539.7	6.7%
Transportation	6,593,910.3	213,990.0	6,807,900.3	6,721,275.8	119,833.9	6,841,109.7	33,209.4	0.5%
Treasury	2,677,658.2	25,592.0	2,703,250.2	2,761,102.4	28,750.0	2,789,852.4	86,602.2	3.2%
Total - General Omnibus	\$57,750,900.6	\$1,333,848.9	\$59,084,749.5	\$60,099,432.8	\$671,786.2	\$60,771,219.0	\$1,686,469.5	2.9%
Community Colleges	456,652.5	5,568.3	462,220.8	496,689.6	0.0	496,689.6	34,468.8	7.5%
Universities and Financial Aid	2,264,277.9	60,014.7	2,324,292.6	2,378,853.3	0.0	2,378,853.3	54,560.7	2.3%
School Aid	19,460,366.7	1,183,908.7	20,644,275.4	20,329,482.6	862,800.0	21,192,282.6	548,007.2	2.7%
Total - Education Omnibus	\$22,181,297.1	\$1,249,491.7	\$23,430,788.8	\$23,205,025.5	\$862,800.0	\$24,067,825.5	\$637,036.7	2.7%
GRAND TOTAL	\$79,932,197.7	\$2,583,340.6	\$82,515,538.3	\$83,304,458.3	\$1,534,586.2	\$84,839,044.5	\$2,323,506.2	2.8%

HISTORICAL APPROPRIATIONS
GENERAL FUND/GENERAL PURPOSE

Department	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Original Enacted	FY 2026 Executive Recommendation	FY 2027 Executive Recommendation
Agriculture and Rural Development	66,501,800	64,112,200	51,597,200	63,616,800	97,366,900	132,889,800	93,561,900	89,056,400	85,921,900	85,221,900
Attorney General	42,248,600	41,841,800	37,547,600	41,298,400	47,126,000	51,429,800	76,289,000	57,409,100	58,778,000	58,778,000
Capital Outlay	1,600	15,000,900	0	1,000	0	109,000,000	1,800	0	0	0
Civil Rights	13,006,600	13,022,100	12,137,200	14,792,200	15,107,300	19,383,500	28,951,200	26,195,400	27,804,900	27,804,900
Corrections	1,948,383,600	1,963,841,300	1,610,468,800	1,809,258,400	1,065,369,400	1,732,308,300	2,005,572,900	2,097,010,100	2,171,345,100	2,165,898,700
Education	81,677,400	91,757,800	82,065,700	90,067,100	102,508,100	104,209,600	130,961,700	63,896,100	62,722,100	62,722,100
Environment, Great Lakes, and Energy	81,151,500	58,546,500	170,516,000	59,443,900	292,945,300	207,364,800	293,955,000	260,710,300	296,389,800	190,389,800
Executive Office	6,848,500	6,980,100	6,758,600	7,114,300	7,318,600	8,533,600	9,073,300	9,609,200	9,609,200	9,609,200
Health and Human Services	4,349,090,200	4,528,453,500	4,357,269,800	4,661,285,300	4,754,274,400	6,060,556,700	6,679,761,900	6,717,231,000	7,365,958,300	7,280,189,400
Insurance and Financial Services	150,000	550,000	0	25,000,000	0	0	0	0	0	0
Judiciary	192,574,400	196,079,500	198,883,600	201,934,300	209,335,900	372,474,900	252,289,500	266,113,900	287,288,200	287,288,200
Labor and Economic Opportunity	167,204,700	198,824,000	97,296,500	251,426,000	1,630,615,600	3,631,977,200	1,489,214,900	793,569,400	322,996,700	239,496,700
Legislature	44,416,600	140,670,300	122,475,200	149,605,600	209,695,900	213,822,400	271,842,300	308,605,700	301,539,300	301,539,300
Lifelong Education, Advancement, and Potential	66,334,200	75,912,400	70,984,200	84,280,200	82,410,200	160,390,000	101,936,000	117,694,100	131,084,800	100,084,800
Military and Veterans Affairs	64,521,100	77,241,800	45,138,800	51,697,300	49,457,900	184,604,000	90,916,400	76,757,000	88,201,200	66,809,400
Natural Resources	24,274,400	20,966,300	12,153,000	12,597,500	13,035,600	12,679,300	14,267,000	11,969,100	12,151,800	12,151,800
State	473,836,700	495,265,000	363,938,200	454,476,600	632,689,300	582,709,200	623,308,000	646,861,000	674,282,800	674,282,800
Talent and Economic Development	228,255,500	286,546,300	478,261,100	540,971,800	533,545,100	717,297,100	844,465,100	539,964,000	614,335,400	531,735,400
Technology, Management and Budget	601,053,400	557,009,500	557,009,500	557,009,500	100,100,000	421,250,000	300,373,600	193,000,000	112,183,900	0
Transportation	205,000,000	356,790,900	128,219,600	286,932,200	462,747,200	1,101,139,500	364,477,300	213,568,700	227,930,800	202,180,800
Treasury	99,967,000	129,131,300	104,335,000	113,735,000	99,064,000	100,084,100	100,084,100	96,087,000	94,881,000	94,881,000
Debt Service	107,680,000	107,080,000	104,335,000	113,735,000	99,064,000	100,084,100	100,084,100	96,087,000	94,881,000	94,881,000
Revenue Sharing	8,379,100	0	0	0	46,000,000	0	0	0	0	0
General Omnibus Subtotal	8,872,456,900	9,425,623,500	8,150,422,300	9,108,560,500	10,653,047,000	16,133,376,600	13,988,283,500	12,936,704,800	13,391,897,600	12,845,852,000
Community Colleges	1,025,000	0	0	0	0	0	0	500,000	0	0
Universities and Financial Aid	1,279,254,900	1,046,017,900	1,207,949,300	1,275,139,700	1,317,821,500	1,540,221,000	1,677,754,100	1,859,424,300	1,824,885,000	1,824,885,000
School Aid	78,500,000	87,920,000	104,660,000	54,484,600	98,119,400	124,350,000	87,900,000	78,830,600	53,576,100	50,776,100
Education Omnibus Subtotal	1,358,779,500	1,133,937,900	1,312,609,300	1,329,604,300	1,415,940,900	1,664,571,000	1,765,654,100	1,938,754,900	1,878,461,100	1,875,661,100
Total-General and Education	10,231,236,400	10,559,561,400	9,463,031,600	10,438,164,800	12,068,987,900	17,797,949,600	15,753,937,600	14,875,459,700	15,270,358,700	14,721,513,100
Budget Stabilization Fund Reserve	265,000,000	100,000,000		535,000,000	180,000,000	100,000,000	100,000,000	50,000,000	50,000,000	
Michigan Infrastructure Reserve Fund										
GRAND TOTAL	10,496,236,400	10,659,561,400	9,463,031,600	10,973,164,800	12,248,987,900	17,897,949,600	15,853,937,600	14,925,459,700	15,320,358,700	14,721,513,100

¹ Amounts include ongoing and one-time appropriations.

² Capital Outlay appropriations for department projects are included in department totals. (Capital Outlay only captures where appropriations are included in specific Capital Outlay department.)

³ FY 2018 Department of Technology, Management and Budget includes \$35M GF/GP for the Michigan Infrastructure Reserve Fund.

⁴ FY 2018 Department of Natural Resources includes \$8M GF/GP for the Michigan Infrastructure Reserve Fund.

⁵ FY 2023 does not include \$50M GF/GP Treasury boilerplate appropriation included in PA 166 of 2022.

Historical Appropriations

HISTORICAL APPROPRIATIONS ALL FUNDS

Department	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Original Enacted	FY 2026 Executive Recommendation	FY 2027 Executive Recommendation
Agriculture and Rural Development	114,948,600	113,475,100	108,034,800	124,585,000	155,685,300	197,975,100	174,392,800	156,938,900	158,310,500	157,610,500
Attorney General	103,925,000	106,035,200	102,257,100	106,978,600	112,468,800	129,558,000	143,361,400	129,746,700	132,355,700	132,355,700
Capital Outlay	49,866,500	41,044,900	28,699,800	39,190,600	315,592,200	510,706,200	1,800	0	0	0
Civil Rights	16,249,600	16,201,100	15,329,800	18,037,400	18,334,100	22,351,600	31,919,300	29,163,500	30,781,400	30,781,400
Corrections	2,003,669,200	2,019,056,200	1,674,592,200	2,060,788,400	2,066,173,000	2,126,818,000	2,098,327,000	2,147,379,000	2,218,974,900	2,213,528,500
Education	386,785,100	396,134,900	546,615,700	560,867,300	1,939,877,900	482,716,800	685,502,100	164,975,100	164,922,700	164,922,700
Environment, Great Lakes, and Energy	569,375,200	501,302,600	617,704,400	684,359,200	2,653,418,600	1,388,851,400	1,348,745,000	1,039,098,600	1,186,823,100	1,080,823,100
Executive Office	6,848,500	6,980,100	6,758,600	7,114,300	7,318,600	8,533,600	9,073,300	9,337,100	9,609,200	9,609,200
Health and Human Services	24,939,701,700	26,153,017,200	28,073,920,300	32,952,976,200	35,063,850,900	36,168,633,500	37,317,282,400	37,846,231,100	39,151,888,800	39,075,220,700
Insurance and Financial Services	66,741,400	67,971,900	71,912,800	98,315,700	72,987,600	74,335,500	74,147,900	78,621,400	80,255,600	80,255,600
Judiciary	300,043,000	305,329,100	307,993,500	313,946,200	327,463,100	495,205,700	357,999,600	373,441,400	395,013,600	395,013,600
Labor and Economic Opportunity	179,561,000	211,450,500	4,092,988,300	2,667,735,500	4,492,390,100	7,227,824,900	3,436,204,200	2,421,794,500	1,886,132,100	1,802,632,100
Legislature	435,272,000	532,212,200	567,258,700	484,389,600	543,361,400	540,835,400	628,452,100	648,739,000	650,640,500	650,640,500
Lifelong Education, Advancement, and Potential	183,271,100	199,639,300	202,794,400	254,888,800	224,654,000	381,041,000	252,137,100	275,904,100	283,080,100	282,080,100
Military and Veterans Affairs	418,443,500	505,530,900	444,839,200	474,094,100	929,306,300	672,665,300	578,710,000	534,579,800	604,529,700	583,137,900
Natural Resources	270,450,900	249,562,800	263,203,800	254,297,500	252,764,300	286,771,700	312,018,300	291,839,900	296,597,400	296,597,400
State	729,157,800	752,676,700	618,148,600	986,102,400	1,027,441,900	868,595,800	917,085,100	953,108,500	982,034,300	992,034,300
State Police	1,202,577,900	1,260,746,100								
Talent and Economic Development	1,434,261,400	1,438,408,600	1,558,170,200	1,699,600,700	1,757,653,800	1,919,204,900	2,068,423,500	1,796,825,200	1,916,364,900	1,833,764,900
Technology, Management and Budget	4,554,443,000	5,013,980,800	4,995,407,900	5,498,353,700	6,086,951,700	6,819,215,300	6,638,823,500	6,807,900,300	6,841,109,700	6,802,415,400
Transportation	515,828,400	602,794,500	879,644,800	1,110,129,500	1,695,114,900	1,647,457,500	1,064,696,500	832,673,100	1,010,839,000	985,419,000
Treasury	107,580,000	107,080,000	104,335,000	113,735,000	99,064,000	100,084,100	100,084,100	95,087,000	94,881,000	94,881,000
Debt Service	1,278,215,000	1,301,289,300	1,408,952,700	1,341,924,300	1,458,302,300	1,557,121,100	1,663,359,200	1,775,490,100	1,684,132,400	1,708,056,300
Revenue Sharing	39,847,217,800	41,901,820,000	46,890,988,500	52,054,863,800	61,516,137,600	63,860,055,300	60,132,680,000	59,084,749,500	60,789,219,000	60,332,047,700
General Omnibus Subtotal										
Community Colleges	399,326,500	408,215,500	414,719,000	438,363,600	431,417,000	529,758,000	550,817,500	462,220,800	496,689,600	493,189,600
Universities and Financial Aid	1,629,224,400	1,669,732,600	1,891,395,000	1,757,229,400	2,107,751,200	2,469,135,700	2,599,048,800	2,324,292,600	2,378,853,300	2,378,153,300
School Aid	14,582,670,800	14,811,203,800	15,313,227,200	21,720,040,700	17,126,368,700	20,192,162,400	21,587,001,300	20,844,275,400	21,174,282,600	20,309,782,600
Education Omnibus Subtotal	16,711,221,700	16,889,151,900	17,419,341,200	23,915,633,700	19,665,536,900	23,191,056,100	24,736,687,600	23,430,788,800	24,049,825,500	23,181,125,500
Total-General and Education	56,558,439,500	58,790,971,900	64,310,329,700	75,970,497,500	81,181,674,500	87,051,111,400	84,869,547,600	82,515,538,300	84,839,044,500	83,513,173,200
Budget Stabilization Fund Reserve	265,000,000	100,000,000		535,000,000	180,000,000	100,000,000	100,000,000	50,000,000	50,000,000	
Michigan Infrastructure Reserve Fund										
GRAND TOTAL	56,823,439,500	58,890,971,900	64,310,329,700	76,505,497,500	81,361,674,500	87,151,111,400	84,969,547,600	82,565,538,300	84,889,044,500	83,513,173,200

Amounts include ongoing and one-time appropriations.

¹ Capital Outlay appropriations for department projects are included in department totals. (Capital Outlay only captures where appropriations are included in specific Capital Outlay department.)

² FY 2018 Department of Technology, Management and Budget includes \$35M GF/GP for the Michigan Infrastructure Reserve Fund.

³ FY 2018 Department of Technology, Management and Budget includes \$25M GF/GP for the Drinking Water Declaration of Emergency Reserve Fund.

⁴ FY 2023 does not include \$50M GF/GP Treasury boilerplate appropriation included in PA 166 of 2022.

⁵ FY 2025 only includes the \$330 GF appropriated to the postsecondary scholarship fund for the Michigan achievement scholarship, not the pull from the post-secondary scholarship fund.



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

February 5, 2025

Members of the Legislature and Citizens of the State of Michigan:

Article XI, Section 5, of the Michigan Constitution of 1963 provides that increases in rates of compensation for employees in the state-classified service authorized by the Civil Service Commission require prior notice to the Governor. The Constitution also requires that I, as Governor, transmit such increases to the Legislature as part of my budget recommendation. With this letter, I am officially transmitting the compensation adjustments for your review.

The attached cost summary, prepared by the Office of the State Employer, details additional costs for compensation. Represented and non-exclusively represented employees are scheduled to receive a 3 percent base wage increase in fiscal year 2026 on Oct. 1, 2025. The Office of State Employer has estimated that the total additional cost from all funding sources of these pay recommendations is approximately \$240.9 million for fiscal year 2026. I have incorporated the costs into my Executive Budget Recommendation.

The Constitution provides that the Michigan Legislature may, by a two-thirds vote of the members elected to and serving in each house, reject or reduce a Civil Service Commission compensation adjustment within 60 calendar days of transmission by the Governor. I urge the Legislature to accept the compensation adjustment as recommended by the Civil Service Commission.

Sincerely,

A handwritten signature in blue ink that reads "Gretchen Whitmer".

Gretchen Whitmer
Governor

Attachment



Summary
Michigan State Classified Service
Fiscal Year 2026
(10/1/2025 - 9/30/2026)

	A-02 MSEA Saf. & Reg. ¹	A-31 MSEA Labor & Trades ¹	C-12 MCO Security ¹	E-42 SEIU 517M Human Srv. Support ¹	H-21 SEIU 517M Scientific & Engineering ¹	L-32 SEIU 517M Technical ¹	T-01 MSPTA State Police Enlisted ¹	U-11 AFSCME Institutional ¹	W-22 UAW Human Srv. ¹	W-41 UAW Admin. Supt. ¹	MSC's & NERE's ¹	TOTAL ALL UNITS
² Number of FTEs	1,407	1,840	5,065	565	2,641	863	1,619	1,452	10,265	5,380	17,019	48,116
² Avg. Hourly Salary - 12/21/24	\$ 30.43	\$ 29.33	\$ 28.82	\$ 28.96	\$ 41.12	\$ 29.72	\$ 42.42	\$ 26.45	\$ 38.27	\$ 26.87	\$ 47.99	\$ 38.54
Base Pay Adjustments for FY 2024	\$ 2,673,413	\$ 3,380,890	\$ 9,095,119	\$ 1,026,356	\$ 6,782,722	\$ 1,603,730	\$ 4,283,199	\$ 2,395,103	\$ 24,648,318	\$ 9,099,086	\$ 51,171,368	\$ 116,169,304
Additional Roll-up Cost Resulting from Base Pay Increase												
³ FICA/Ret./OERC Blended Rates	39.79%	39.88%	39.82%	39.53%	39.81%	39.63%	90.68%	40.05%	39.67%	39.84%	39.64%	
³ FICA/Ret./OERC on Base Wage Increase	\$ 1,063,484	\$ 1,348,299	\$ 3,621,676	\$ 405,719	\$ 2,700,202	\$ 635,558	\$ 3,893,073	\$ 959,239	\$ 9,777,988	\$ 3,625,076	\$ 20,284,330	
⁴ Life Insurance Increase	\$ 44,486	\$ 56,258	\$ 151,343	\$ 17,079	\$ 112,864	\$ 26,686	\$ 71,439	\$ 39,855	\$ 410,148	\$ 151,409	\$ 851,492	
⁵ Long Term Disability Increase	\$ 18,714	\$ 23,666	\$ 63,666	\$ 7,184	\$ 47,479	\$ 11,226	\$ 30,052	\$ 16,766	\$ 236,624	\$ 87,351	\$ 358,200	
⁶ Overtime Increase	\$ 146,302	\$ 181,239	\$ 3,044,560	\$ 190,873	\$ 111,957	\$ 184,669	\$ 824,307	\$ 426,450	\$ 1,026,728	\$ 145,286	\$ 897,097	
⁷ Shift Differential Increase	\$ 12,689	\$ 7,793	\$ 164,189	\$ -	\$ 76	\$ 1,265	\$ 56,563	\$ 34,935	\$ 19,167	\$ 6,989	\$ 62,976	
FICA/Ret./OERC on OT and Shift Diff. Inc.	\$ 63,247	\$ 75,386	\$ 1,277,724	\$ 75,452	\$ 44,600	\$ 73,686	\$ 798,773	\$ 184,745	\$ 414,907	\$ 60,666	\$ 380,573	
FY2026 ATB Cost Increase	\$ 4,022,335	\$ 5,073,531	\$ 17,418,277	\$ 1,722,663	\$ 9,799,900	\$ 2,536,820	\$ 9,967,406	\$ 4,056,993	\$ 36,533,880	\$ 13,175,863	\$ 74,006,036	\$ 178,313,704
Special Pay Adjustments for FY2026												
⁸ Critical Needs Special Adjustments with roll-ups	\$ 1,073,854	\$ 206,566	\$ -	\$ 10,285	\$ 3,210,216	\$ 642,497	\$ 43,695,252	\$ 5,466	\$ 3,487,164	\$ -	\$ 10,268,988	\$ 62,600,288
FY2026 Compensation Increases	\$ 5,096,189	\$ 5,280,097	\$ 17,418,277	\$ 1,732,948	\$ 13,010,116	\$ 3,179,317	\$ 53,662,658	\$ 4,062,459	\$ 40,021,044	\$ 13,175,863	\$ 84,275,024	\$ 240,913,992

Notes: FTE - Full-time Equivalent; FICA - Federal Insurance Contributions Act; Ret - Retirement; OERC - Other Employer Retirement Contributions; OT - Overtime; ATB - Across the Board; and, FY - Fiscal Year

¹ Includes base wage increases scheduled to occur in FY26, a 3% on 10/1/25

² Business Objects HR Human Resource System count and wage average of classified employees under status code of AA, AB, AC, AD, AE & AP as of 12/21/2024 and anticipated impact of Critical Needs where appropriate.

³ FICA/RET/OERC rates for FY25 provided by SBO. Unit rates are weighted by enrollment in each retirement code via Business Objects HR Human Resource System count of classified employees under status code of AA, AB, AC, AD, AE & AP as of 12/21/2024.

⁴ Life insurance increase on incremental cost increase. Annual \$8.32 per \$1000 of extra coverage (CY25 rate).

⁵ CY25 rate - (Increase/100) * 96 for UAW and .70 all others.

⁶ Based on FY24 overtime amount with FY24 (+1%) - SIGMA Comptroller Object Codes 1011, 1012, 1013, 1021, 1022, 1023, 1031, 1032, 1033.

⁷ Business Objects HR Human Resource System FY24 shift differential hours of classified employees under status code of AA, AB, AC, AD, AE & AP.

⁸ Certain critical classifications pay scales were adjusted by 10%, 15% or 20%. However, employee placement in the new pay schedules did not universally result in an immediate 10%, 15% or 20% increase. Other classifications received a \$1.30 hourly rate increase.



**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Agriculture and Rural Development	Water Quality Protection Fees	MCL 324.8715
Environment, Great Lakes, and Energy	Increase Water Quality Fees and Eliminate Sunsets	MCLs 324.4104; 325.1009; 324.3110; 324.30104; 324.30104b; 324.30109; 324.30306; 324.30306b; 324.30313b; 324.31509; 324.32312; 324.32507; 324.32513; 324.33908; 324.33911; 324.33929; 560.117; 324.3104; 324.3120; 324.3118
	Hazardous Waste Management Fees	MCLs 324.11108; 324.11109; 324.11123; 324.11138; 324.11153
	Gas Storage Well Regulatory Fee	MCL 324.61525a
	Hazardous Waste Transportation Act Economic Adjustment Language	MCL 29.473
	Land Division Act Economic Adjustment Language	MCL 560.117
	Public Health Code Economic Adjustment Language	MCLs 333.12506a; 333.12527a; 333.12704; 333.13306; 333.13813; 333.13815
	Eliminate Sunset to the Safe Drinking Water Act and Add Economic Adjustment Language	MCLs 325.1009; 325.1011a; 325.1011c; 325.1007; 325.1011b; 325.1017

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Environment, Great Lakes, and Energy	Eliminate Sunsets to the Natural Resources and Environmental Protection Act and Add Economic Adjustment Language	MCLs 324.11108; 324.11109; 324.11123; 324.11509; 324.11512; 324.12109; 324.12112; 324.16904; 324.17303; 324.17317; 324.30104; 324.30109; 324.3104; 324.3110; 324.3118; 324.3120; 324.3122; 324.3132; 324.31509; 324.32312; 324.32507; 324.32513; 324.32707; 324.32723; 324.3306; 324.33908; 324.33911; 324.33929; 324.35309; 324.4104; 324.4112; 324.5522; 324.61525; 324.62509; 324.63205; 324.63215; 324.63405; 324.63413; 324.63711; 324.11153(1); 324.11153(2); 324.11525a; 324.11717b; 324.61525a; 324.62509a; 324.63103d; 324.5519; 324.61525a
	Remove fee sunset, increase solid waste surcharge fees, and add Consumer Price Index inflation language	MCL 324.11525a

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Labor and Economic Opportunity	Workers' Disability Compensation Agency Redemption Fees and Filing Fees	MCLs 418.835(4) and 418.625
Licensing and Regulatory Affairs	State License Fee Act - Inflationary Adjustments and Rulemaking Process	MCL 338.205
	Ski Area Safety Fees	MCL 408.336
	Refined Petroleum Fund - Fire Services Allocation	MCL 324.21506a
	Fire Services Inspection Fees	MCL 29.2c
	Adult Foster Care Facilities Licenses Fund	MCL 400.713a
	Homes for the Aged Licensure Exemption Fee	MCL 333.21311a
	Health Systems Fees - Revenue Allocation and Sunset Removal	MCL 330.1139
	Health Systems Fees - Revenue Allocation and Sunset Removal	MCL 333.6237
	Health Facilities Fees	MCL 333.20161
	Nurse Aide and Medication Aide Renewal Late Fee	MCL 333.21919 - 333.21920
Lifelong Education, Advancement, and Potential	Nonpublic School Dual Enrollment Reimbursements	MCLs 388.1903; 388.1903a; 388.1904; 388.1907; 388.1909; 388.1910; 388.513; 388.513a; 388.514; 388.517; 388.519; and 388.520
Military and Veterans Affairs	Michigan National Guard Member Benefit Program Michigan National Guard Child Care Assistance Program Michigan National Guard State Tuition Assistance Program	New New MCL 32.433 - 32.434

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Natural Resources	Amend hunting, fishing, and boating fees	<p>Hunting License Fees Authority: MCL 324.43520 (Mentored Youth and Inclusive Mentored) MCL 324.43522 (Sportcard) MCL 324.43523a (Base License and Nonresident Small Game) MCL 324.43523b (Combination Hunt and Fish) MCL 324.43524 (Wild Turkey) MCL 324.43525b (Waterfowl) MCL 324.43525c (Pheasant) MCL 324.43527a (Deer) MCL 324.43528 (Bear) MCL 324.43529 (Elk) MCL 324.43531 (Fur Harvesters) MCL 324.43532a (Wildlife Council Surcharge) MCL 324.43535 (Senior Discount) MCL 324.43540 (Other Fees)</p> <p>Fishing License Fees Authority: MCLs 324.435 - Sections 324.43509, 324.43523b, 324.43532, 324.43532a, 324.43533, 324.43536, and 324.43540</p> <p>Boating Fees Authority: MCL 324.80124</p>
	Recreation Passport Opt-Out and Resident Military Exemption	MCLs 257.805; 324.74116

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Technology, Management and Budget	Eliminate Annual Deposit of Tobacco Settlement Revenue to the Countercyclical Budget and Economic Stabilization Fund	MCL 12.257(6)
	Create Energy Efficiency Revolving Fund	MCL 18.1241d (New)
Transportation	Aircraft Registration Fees	MCL 259.77(5)
Treasury	Revise First Responder Presumed Coverage Fund allocation from Internet Gaming and Sports Betting Revenue	MCLs 432.316 and 432.416
	Municipal Finance Filing Fee	141.2303 & 141.2319
	Implement a New Tax on Vape and Non-Tobacco Nicotine Products	MCL 205.422 et al
Universities and Financial Aid	Michigan Achievement Scholarship Act	New
	Michigan Achievement Skills Scholarship Act	New

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2027 BUDGET RECOMMENDATION**

Department	Purpose	Michigan Compiled Law (MCL)
Environment, Great Lakes, and Energy	Eliminate Sunset to the Michigan Vehicle Code and Add Economic Adjustment Language	MCL 257.806(3)
Labor and Economic Opportunity	Eliminate Sunset on Tobacco Settlement Revenue Deposit in the 21st Century Jobs Trust Fund	MCL 12.257(5)

ACKNOWLEDGMENTS

The fiscal year 2026 Executive Budget was prepared by the State Budget Office.
Staff that contributed to the fiscal year 2026 Executive Budget include:

Jennifer L. Flood, State Budget Director
Kyle Guerrant, Deputy State Budget Director

Budget Director’s Office
Libby McGaughey
Rachel Plawecki
Lisa Metcalf
Sarah Elsea
Terese Walsh
Angel Stout
Sibgha Khan

Communications Office
Lauren Leeds
Cole Pachucki

Office of Budget Coordination and Development
Alex Coulon
Sarah Brundage
Katie Schinkel

Office of Education
Beth Bullion
Alex Holmden
Joel Durr
Rebecca McDonald

Office of Economic Development
Lisa Shoemaker
Ryan Fink
Corey Ackerman
Matt Ferguson
Brian Kennedy
Matt Shafer

Office of Health and Human Services
Matt Ellsworth
Kayla Rosen
Joe O’Connell
Gerald Nelson
Steven Gilbert

Office of Public Protection and Resources
Jacques McNeely
Ryan Doll
Anne Clifford-Alicea
Zach Hendrix
Ben McIntire
Mark Wolf

