

EXECUTIVE BUDGET

Fiscal Years 2016 and 2017

State of Michigan
Rick Snyder, CPA, Governor

John S. Roberts, State Budget Director

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FISCAL YEARS 2016 AND 2017 EXECUTIVE BUDGET

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Budget Overview





STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

February 11, 2015

My Fellow Michiganders:

Our state is growing stronger. With unemployment at its lowest rate in 12 years and private payroll jobs up by more than 300,000 since December 2010, it is clear that our shared efforts to reinvent Michigan are paying off. That's why I am proud to submit this recommended budget for fiscal year 2016, as well as projections for fiscal year 2017. This fiscally sound, people-centric and economic growth-oriented investment blueprint will keep our state driving forward.

Our work is far from complete. For example, Michigan's crumbling roads and bridges demand action. As a citizen, you will have the chance to play a role in the proposed bipartisan funding solution, when it appears on the May ballot. The plan not only addresses our severe road needs, but generates additional revenue for schools and local governments while providing tax relief for low-income residents.

Michigan's economic forecast remains positive. This budget recommendation offers investments that embrace the values and priorities of our state. As in the past, my proposed budget is focused on key priorities such as economic growth, education, public safety and fiscal responsibility. We continue to monitor the state's progress on meeting these goals through the use of dashboards and metrics that are always available to you on the Open Michigan website.

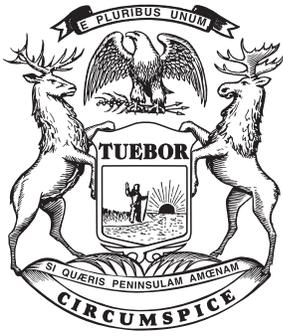
This investment plan reflects the same commitment to transparency and fiscal accountability in state government that has been the cornerstone of my previous recommendations. Just like your personal budget, the state budget must take a balanced approach to paying off debt, saving money for the future, and making needed investments.

Our reinvented Michigan is an exciting place that provides residents and job providers with a growing optimism about the future. The recovery of Detroit is in full swing. Our economy continues to grow. A proposal to fix our neglected roads will be considered by voters. This Executive Budget Recommendation maintains a responsible fiscal approach that keeps Michigan government efficient, effective and accountable.

I look forward to working in partnership with members of the Michigan House and Senate to enact the fiscal year 2016 budget, as we build a stronger, more vibrant state.

Sincerely,

Rick Snyder
Governor



MICHIGAN GROWING STRONGER

Executive Budget Recommendation Fiscal Years 2016 and 2017

Building on the state's successes throughout the previous four years, Gov. Rick Snyder's fifth budget recommendation remains focused on helping Michigan to accelerate the state's comeback and grow stronger.

To continue this momentum, the governor's executive budget recommendation for fiscal year 2016 and projected fiscal year 2017 makes strategic investments in education, job growth, health and wellness, public safety, and infrastructure.

On the Right Path

Last month, economic experts forecasted a bright future for our state. Michigan's economy is growing and thriving, fostering more and better jobs for its residents. Simply look around and you can see so many signs that illustrate just how far Michigan's recovery has come in the past four years. The state has experienced numerous consecutive years of job growth, the unemployment rate is at its lowest point in 12 years, and the number of unemployed Michiganders dipped below 300,000 for the first time since October 2001.

More than 300,000 private sector jobs have been added since the governor took office, including 86,000 manufacturing jobs created since 2010 – the most in the nation. Additionally, Michigan's food and agriculture sector is now a \$101 billion industry while the state saw nearly a 50 percent increase in motor vehicle production.

"The governor's upbeat tone matches the state's increased stability. Detroit is out of bankruptcy and there's no doubt Michigan is in a better place than when he first took office."

Detroit News Editorial, January 20, 2015

Michigan home sales and values also continue to rise. In fact, home values have increased 25 percent since 2010, compared to the national average of only 16 percent. Additionally, personal income growth for Michiganders increased for two consecutive years after being stagnant or declining in our state's lost decade.

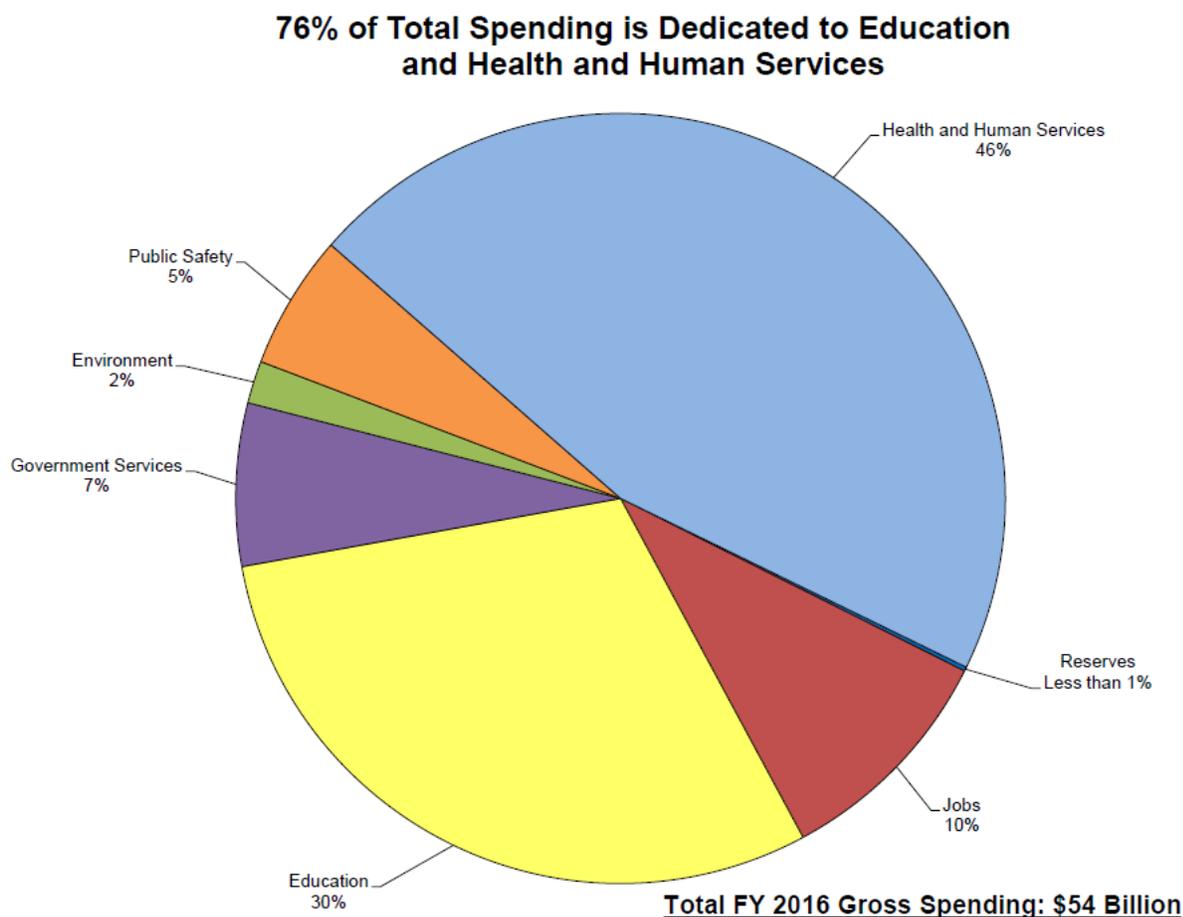
Analysis from numerous nonpartisan organizations validate this progress as well, evidenced by Michigan’s entrepreneurial climate now ranking 6th, improved from 16th over the year before and from 44th in 2010. Michigan’s tax climate now ranks 10th in 2015 after jumping from 27th in 2012.

Budget Recommendation in Totality

The total Executive Budget Recommendation for fiscal year 2016, including all state and federal revenue sources, is \$54 billion. Approximately 76 percent of the total budget is dedicated to education and health and human services.

The Consensus Revenue Estimating Conference held in early January projected that revenues will be \$9.7 billion in the general fund and \$12.3 billion in the School Aid Fund for fiscal year 2016, for a combined total of \$22 billion.

Fiscal year 2017 projected revenues are \$10 billion in the general fund and \$12.6 billion in the School Aid Fund, for a combined total of \$22.6 billion.



Investing in a Strong Education for Bright Futures

Recognizing that a good education is the bedrock of success, the governor's executive recommendation continues its focus on ensuring our children have the best learning opportunities possible. Focused on the three tiers of education – early childhood, K-12 and higher education – the prenatal to age 20 approach, or P-20, recognizes that each tier plays a vital role in a child's education and future success and quality of life.

Focusing on Foundation and Fundamentals

After investing \$130 million in the Great Start Readiness Program the past two years, the governor now shifts his early education focus to third grade reading.

Third grade reading proficiency is unquestionably one of the best indicators of future success and research shows that academic performance is linked to economic status. According to the National

Assessment of Educational Progress (NAEP), Michigan is one of only five states where fourth grade reading proficiency is in decline.

"We applaud Governor Snyder for putting a much needed spotlight on third grade reading proficiency and pushing for a comprehensive approach from birth through third grade. GRPS was one of the first public school districts to offer support for a legislative solution and we stand ready to work with the governor and state lawmakers on this initiative."

**Grand Rapids Superintendent Teresa Weatherall Neal,
MLive, January 20, 2015**

A new third grade reading initiative is proposed with recommended funding of \$25 million, focused on ensuring Michigan children are reading proficiently by third grade. A multifaceted approach will focus on early intervention, parental involvement, diagnostic testing, student instructional support, and teacher training. A workgroup including legislators will be put together to fully develop the proposal and legislation. After legislation is passed, the vision includes an independent commission that will oversee implementation of the proposal and monitor the improvement based on established metrics.

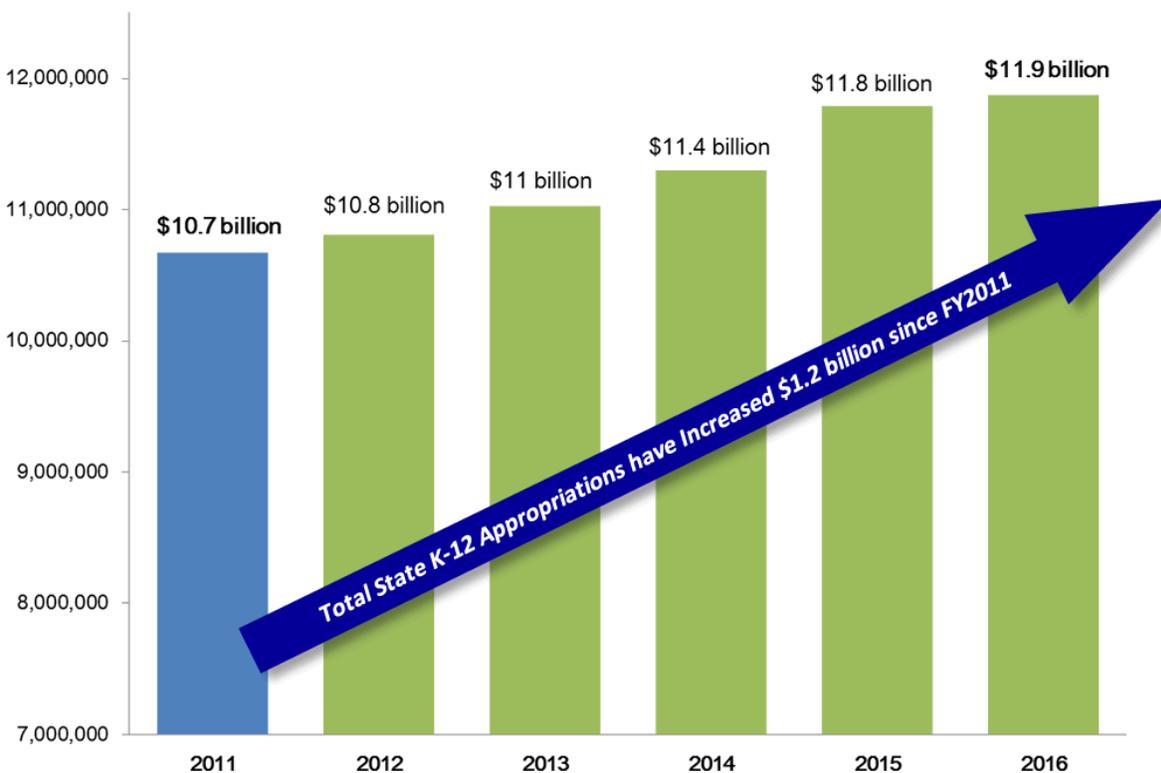
K-12

Michigan's K-12 investment has increased by \$1.2 billion since fiscal year 2011, despite continued declining enrollment. In fiscal year 2016, the governor recommends \$11.9 billion in state funds for K-12. An investment of \$108 million is recommended to provide a \$75 per-pupil increase, raising the foundation allowance for schools across the state. The governor's commitment to help rehabilitate distressed school districts continues in this budget recommendation with \$75 million dedicated to this effort. The recommendation also calls for an increase of \$100 million for at-risk funding for school students across the state in need of additional assistance. The governor's plan also includes \$25 million in technology infrastructure improvement grants to help schools meet online learning needs.

A total of \$30 million is recommended for districts that implement both financial and academic best practices. Under the proposal, districts will be rewarded for executing financial best practices like making available a public dashboard and maintaining a fund balance of at least 5 percent.

The academic best practices are aligned with the governor’s third grade reading and career and technical education initiatives and include offering a kindergarten entry assessment and other diagnostic tools to assess reading proficiency for students in grades K-3, as well as assessing the effectiveness of current college and career advising programs the district offers.

State K-12 Appropriations Continue to Increase (in thousands)



Post-secondary Education

Under the governor’s plan, universities will receive an operations increase of \$28 million, an increase of 2 percent. Keeping with the governor’s goal of helping ensure affordability for every Michigan student who wants to pursue a degree at one of Michigan’s 15 public universities, the executive budget recommendation requires that universities hold any tuition increases to no more than 2.8 percent if they are to receive any new funding.

For the 28 community colleges, the proposed budget includes a 1.4 percent operations increase of \$4.3 million, as well as \$6 million for the restoration of a financial aid program to provide grant assistance to part-time adult students pursuing further education at a community college.

Job Creation

Gov. Snyder is concentrated on further advancing and accelerating Michigan's economic turnaround by focusing on the skilled trades and job creation. The governor's innovative policies are designed to keep Michigan growing stronger and he remains committed to developing a skilled workforce that will lead the nation. This funding will help create the talent capacities that match the needs of Michigan businesses. A total of \$17.8 million is included as part of the recommendation for career and technical education early/middle college programs. The governor's plan includes a \$10 million increase for skilled trades training programs, bringing total funding to \$20 million to encourage more residents to master a skilled trade. The governor's total proposed investment to prioritize skilled trades comes to \$83 million. The executive recommendation also calls for \$129 million in funding for community revitalization and business attraction efforts that have already proven instrumental.

"The state's finances are in shape. Budgets arrive early rather than the 11th hour. Taxes have been realigned: A Byzantine business tax has been replaced by a corporate income tax, and the personal property tax manufacturers hated most is gone. School pensions are bolstered and, contrary to critics' claims, he has increased spending on education."

Crain's Detroit Business, October 5, 2014

Investing in People - Health and Human Services

To better serve Michigan residents and ensure they get the help they need when they need it, the governor recently joined the Department of Community Health and the Department of Human Services to create the Department of Health and Human Services. This reflects a new view and approach Gov. Snyder refers to as "The River of Opportunity," in which people are served in a holistic manner, more effectively eliminating barriers to success and bringing them into the mainstream of opportunity.

Since signing the Healthy Michigan Plan into law two years ago, more than 500,000 residents now have access to affordable health care that is making a meaningful difference in people's quality of life and ensuring a healthy, productive workforce. The governor is also committed to expanding the Healthy Kids Dental program to provide dental care to more children across the state. Currently, more than 500,000 Michigan children residing in 80 of Michigan's 83 counties are enrolled in the program. The governor calls for \$21.8 million to expand the program to children 0-8 years old in the three remaining counties: Kent, Oakland and Wayne, bringing the total number of children receiving dental care through the program to an estimated 822,000.

"In making Michigan a healthier, stronger state, we have placed a significant focus on improving the health status of residents. The Healthy Michigan Plan is another positive step forward in helping Michiganders make healthier choices, and have access to healthier options."

James K. Haveman, former director of the Department of Community Health, Michigan Chronicle, April 30, 2014

Other investments include \$23 million to increase access to dental care for 613,000 existing adult Medicaid recipients, \$1.9 million for the Mental Health Commission recommendation for residential treatment for youth, and \$500,000 each to five state universities to train more autism service providers.

Bolstering Public Safety

The Secure Cities Partnership spearheaded by the Michigan State Police (MSP) continues to succeed in reducing violent crime in four of the state's larger cities. Between 2011 and 2014, violent crime has dropped 20.2 percent in Detroit; 28.1 percent in Flint; 28.3 percent in Pontiac; and 26.7 percent in Saginaw.

The governor's budget recommendation continues to invest in public safety by increasing the state police's trooper strength. The governor calls for an investment of \$7.7 million to train 75



new troopers through the Michigan State Police Training Academy to patrol Michigan roadways and communities. The proposed budget also includes an additional \$1 million to train 10 new motor carrier officers. This investment will bring trooper strength to its highest level since 2002. Michigan residents across the entire state will benefit from more troopers protecting and serving the public.

Other public safety investments include a total of \$3.4 million to accelerate the resolution of sexual assault cases, including \$1.7 million to process the DNA testing backlog and \$1.7 million for the prosecution of cases. The governor is also calling for a \$500,000 investment to help prevent sexual assaults on college campuses, and \$1.5 million for a new statewide drug policy initiative to assist those with substance abuse problems.

Supporting Our Local Communities

Michigan's cities, villages, townships and counties are the pulse of the state. When Michigan's municipalities are succeeding, the state flourishes. The fiscal year 2016 budget increases constitutional revenue sharing payments for cities, villages and townships by \$23.8 million. The governor's budget provides \$243 million for eligible municipalities that meet accountability and

transparency requirements. The recommendation also proposes providing maximum funding in revenue sharing and incentive programs for 76 eligible counties, a \$3.5 million increase.

Improving Michigan's Roadways, Infrastructure

The governor firmly believes in investing in the state's infrastructure to properly maintain our transportation system. According to *The Wall Street Journal*, more than 20 percent of Michigan's 122,085 miles of public roads are in poor condition and nearly 30 percent of the state's bridges are "structurally deficient" or "functionally obsolete." This is simply not acceptable. Recognizing the significant impact that road conditions play in the health of a state's economy and the safety of its residents, the governor calls for a comprehensive approach that will produce sufficient funding to address the critical state of Michigan's transportation infrastructure. The governor's plan calls for a total of \$113 million to ensure the maximum in federal match money for our roads, but more must be done.

A solution to the road problem now requires voter support. In May, voters will have the opportunity to vote on Proposal 1 – a measure that would generate an additional \$1.2 billion a year in new funds for Michigan's rapidly deteriorating roads and bridges. If passed, the ballot proposal would generate new revenues by replacing Michigan's antiquated per-gallon retail tax on motor fuel with a new wholesale tax while also ensuring that all state taxes levied on fuel go to support transportation. The ballot proposal would raise the sales tax from 6 percent to 7 percent, generate \$300 million for schools, restore the Earned Income Tax Credit for Michigan families in need, and provide \$94 million in new support for local governments. For the purposes of budgeting, however, the governor's Executive Budget Recommendation for fiscal years 2016 and 2017 is based on current law and does not factor in funding that would be produced if the ballot proposal is approved.

Protecting Michigan's Natural Resources

Known as the "Great Lakes State," Michigan provides its residents and millions of tourists a magical, natural playground for hiking, boating, skiing, biking, horseback riding and snowmobiling. Gov. Snyder recognizes the critical link between the well-being of the state's natural resources, quality of life for its residents and our bustling economy.

The governor's fiscal year 2016 recommendation continues to focus on the state's natural resources, by maintaining vital funding for cleaning up underground storage tanks; food and dairy safety improvements; prevention, detection and eradication of invasive species; state park maintenance; and the recycling initiative.

More Efficient, Effective and Accountable Government

The State of Michigan workforce is down more than 15,000 employees since 2001, ensuring highly focused, productive workers, all the while improving services to residents across Michigan. The governor is committed to ensuring a lean, efficient and effective state government and places a strong focus on investing in technology and building maintenance to achieve that goal.

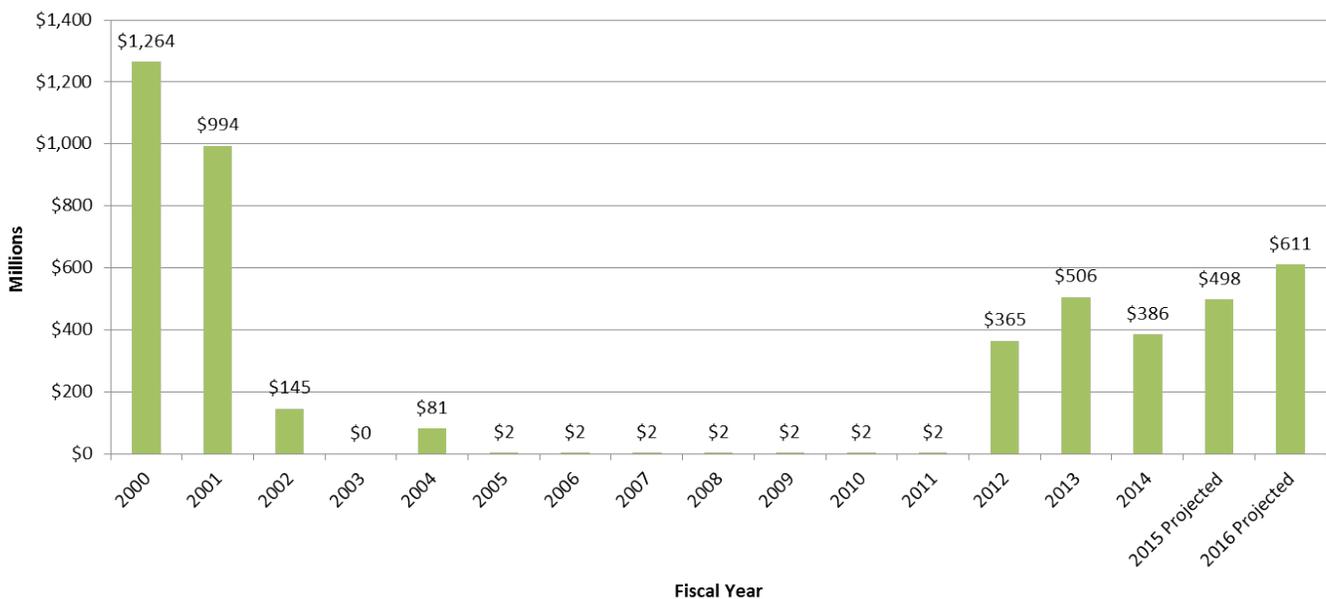
Since taking office, the governor has made strategic investments in information technology, replacing or modernizing 56 out-of-date legacy systems – resulting in \$3 million in savings from cost avoidance and efficiencies. Other benefits of investing in this modernization include improved customer service, productivity savings, enhanced capabilities, and improved user experience. Adding \$70 million in technology to replace and modernize legacy computer systems will build upon this work and further improve government efficiency and services to Michiganders. This investment includes \$7 million to strengthen cybersecurity efforts to protect the state’s computer systems, networks, and critical data from daily and growing cyber threats.

Since January 2011, the State has eliminated more than 1 million square feet of leased space by maximizing use of state-owned space, reducing the footprint of new leases and further consolidating into existing leases. The governor’s recommendation includes a total of \$31 million for building maintenance for state facilities, representing a significant investment in the state’s infrastructure that will prevent higher costs in the near and distant future.

Responsible Budgeting

Families across the state have to live according to a budget – paying bills, reducing debt and setting aside savings. The governor approaches the state’s budget the same way. After funding critical programs and services and making strategic, long-term investments, the governor firmly believes that the state needs to ensure it has sufficient reserves.

The Budget Stabilization Fund (BSF) Peaked at \$1.3 Billion in FY 2000, but Had to be Rebuilt. FY16 Deposit of \$95M One-time and \$17.5 Million Ongoing.



Before the Great Recession hit, Michigan’s reserves stood at more than \$1.2 billion. By the time the governor took office the Budget Stabilization Fund (commonly referred to as the “Rainy Day Fund”) was depleted to a balance of only \$2.2 million. Gov. Snyder’s plan continues to make strategic investments in the Rainy Day Fund and calls for setting aside \$95 million, and combined with the ongoing \$17.5 million from tobacco settlement funds, brings the projected balance

to a total of \$611 million by the end of 2016. Best practices call for setting aside approximately 6 to 8 percent of general fund/School Aid Fund dollars, or roughly \$1.2 billion to \$1.6 billion. Strengthening the state's reserves helps ensure higher credit ratings, which ultimately saves taxpayer dollars.

In addition to saving for a rainy day, the governor's proposed budget also concentrates on the importance of paying down the state's long-term debt. Gov. Snyder's executive recommendation continues to pay for pension and retiree health care liabilities and his commitment to fully meeting and paying off these obligations is strong. Reforms made to the school employee retirement system and the state employee retirement system have reduced the state's long-term debt by more than \$20 billion while protecting retirement security for school and state employees. Funding for the school employee retirement system is set at \$815 million for K-12 schools, which equates to \$600 per K-12 student. This investment provides fiscal relief to schools for retirement obligations and helps ensure retirement promises made to employees can be kept.

A \$2.7 million increase, for a total of \$5.2 million, is recommended within higher education to provide for costs above a proposed rate cap for seven participating universities in the Michigan Public School Employees Retirement System (MPERS). A \$17.2 million increase, for a total of \$71.2 million, is recommended for community colleges to provide for MPERS costs. Capping costs for universities and community colleges is another example of Gov. Snyder's commitment to fiscal responsibility.

Conclusion

Gov. Snyder remains committed to tackling the tough challenges, working with relentless positive action to ensure the Great Lakes State is moving forward for all Michiganders. While much has been accomplished in the past four years, the governor recognizes that we still have more work to do. The governor's solid two-year budget plan continues to make strategic investments to continue Michigan's reinvention and improve the quality of life for our state's residents.

Adoption of Gov. Snyder's fiscally responsible budget recommendation for fiscal year 2016 and projected budget for 2017 will ensure that Michigan stays on the right path. The governor and his administration are ready to work in partnership with the members of the Michigan Senate and House of Representatives to enact a budget that will help ensure a vibrant, prosperous Michigan that can and will grow even stronger.



Department Detail

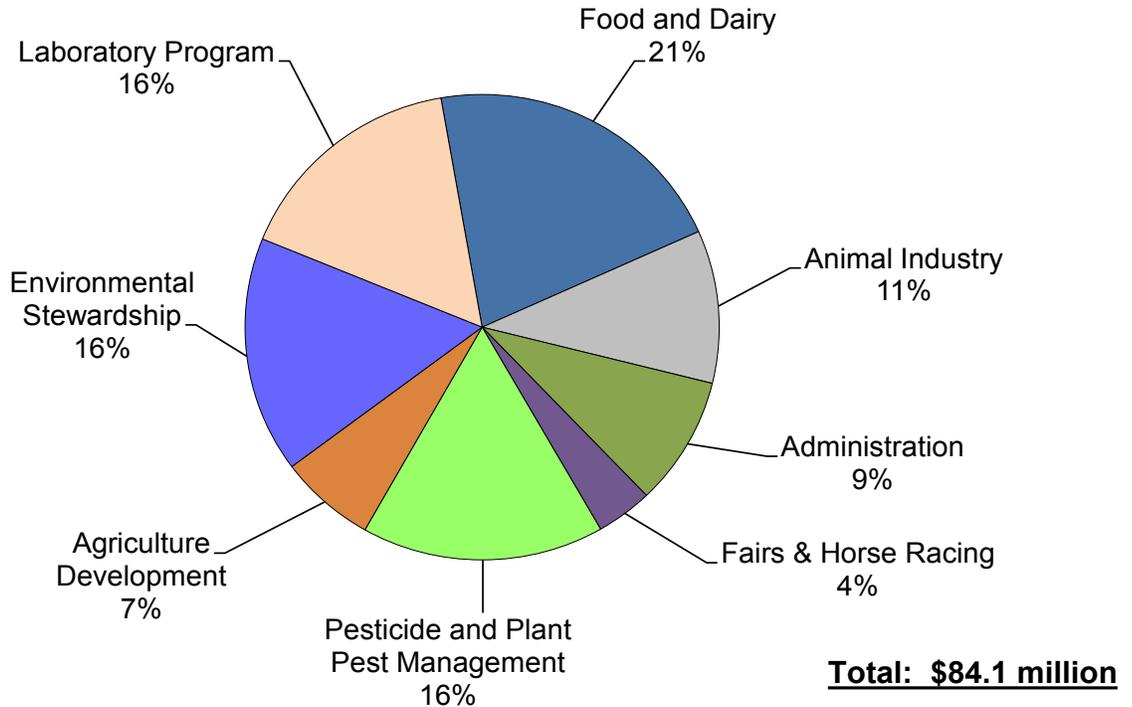
Agriculture and Rural Development	B	1
Attorney General	B	5
Civil Rights	B	9
Community Colleges	B	11
Community Health	B	15
Corrections	B	21
Education	B	25
Environmental Quality	B	29
Executive Office	B	33
Higher Education	B	35
Human Services	B	39
Insurance and Financial Services	B	45
Judiciary	B	47
Legislature	B	51
Licensing and Regulatory Affairs	B	53
Michigan Strategic Fund	B	57
Military and Veterans Affairs	B	61
Natural Resources	B	65
Revenue Sharing	B	69
School Aid	B	71
State	B	75
State Police	B	77
Technology, Management and Budget	B	81
Transportation	B	85
Treasury	B	89



Department of Agriculture and Rural Development

The Department of Agriculture and Rural Development provides services to Michigan residents as well as the food and agriculture sector through a variety of food safety, consumer protection, environmental protection, and animal and plant health programs. *The governor's proposed budget for fiscal year 2016 recommends total funding of \$84.1 million of which \$42.4 million is general fund. The recommendation for fiscal year 2017 is \$83.6 million, of which \$41.9 million is general fund.*

Funding Protects Public Health and the Environment



Highlights of Governor's Budget Recommendation

- Funding for core programs of the department is maintained including food safety and consumer protection programs as well as plant and animal health, and disease response.
- The governor proposes to increase pesticide registration and fertilizer inspection fees in order to stabilize funding in both regulatory programs. Fees have not been adjusted in over a decade and the additional \$1.2 million in restricted revenue will ensure safe storage of agri-chemicals through routine inspections of pesticide and fertilizer operations. The additional revenue will also support enhanced assistance to the industry through increased sampling processes, ensuring proper application of pesticides, and timely response to complaints.

- Included in the governor’s fiscal year 2016 recommendation is an increase in retail food establishment fees. An additional \$1.5 million will be generated in restricted revenue to implement Phase II of the Food Safety Improvement Initiative, while providing a sustainable revenue source for food safety programs. With the additional support, the department will be able to meet the growing demand for business compliance assistance at new or expanding food businesses, while maintaining adequate evaluations of licensees in order to ensure public safety. Ensuring a safe and wholesome food supply, and reduction in food-borne illnesses, is critical to the health and wellness of Michigan residents.
- The commercial feed industry has grown significantly in Michigan, yet the fees applied to this sector have not been adjusted in several decades, preventing much needed programmatic improvements to adequately address consumer protection, animal feed contamination, laboratory operations, and emergency preparedness. The governor proposes to increase tonnage and license fees under the Commercial Feed Act to generate an additional \$500,000 annually in restricted revenue.

“Food and agriculture is now a \$101 billion industry.”

Governor Rick Snyder, State of the State Address,
January 20, 2015

- One-time funding of \$500,000 is recommended to replace outdated and obsolete equipment in the Geagley laboratory. This updated equipment will allow for the detection of low level drugs, pesticides and poisons in both animal and human food and increase testing capabilities in the motor fuel program.
- In order to focus available revenues on high priority programs, the Executive Budget reduces general fund support for several discretionary programs including the elimination of funding for a forestry audit; eliminating grants for local agricultural shows and expositions; reducing grants for capital improvements at county fairs; and reducing support for rural development grants.

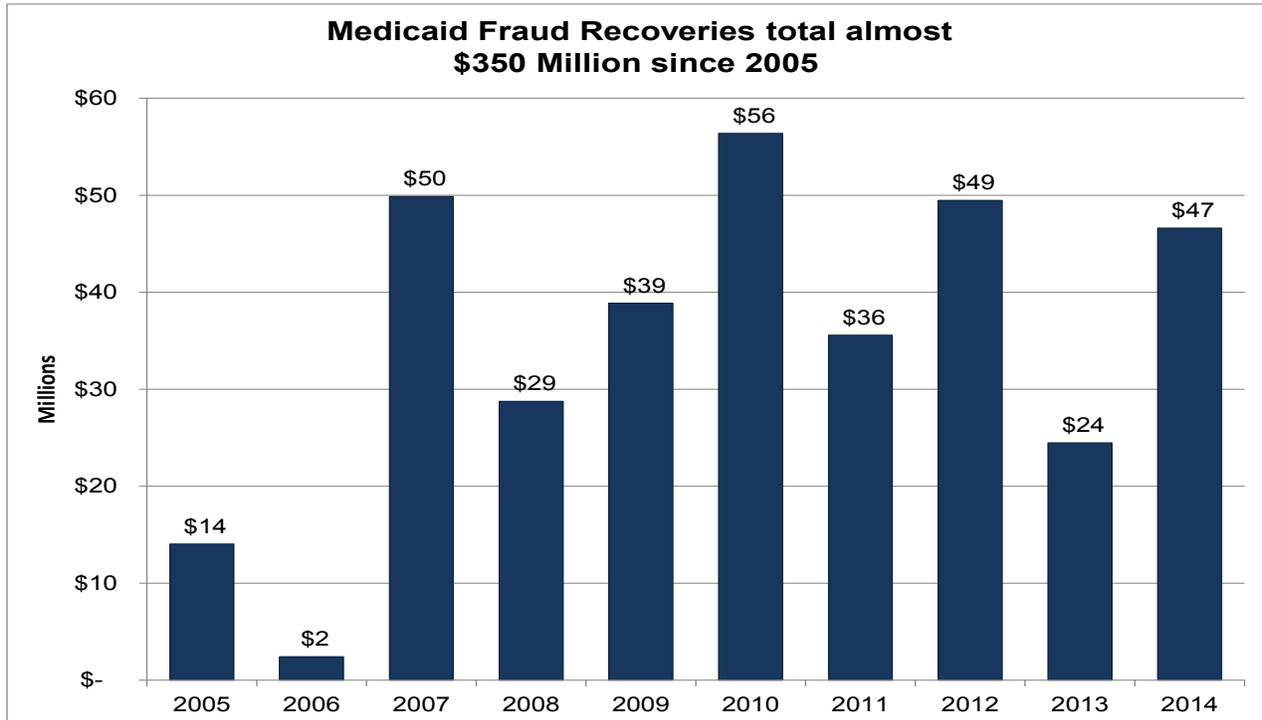
Governor's Recommendation
Department of Agriculture and Rural Development
(\$ in Thousands)

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$43,216.2	\$81,762.2	\$41,873.6	\$83,644.0	\$41,873.6	\$83,644.0
One-Time Funding	\$2,700.0	\$2,700.0	\$500.0	\$500.0	\$0.0	\$0.0
Total Funding	\$45,916.2	\$84,462.2	\$42,373.6	\$84,144.0	\$41,873.6	\$83,644.0
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-3.1%	2.3%	0.0%	0.0%
	<i>One-Time Funding</i>		-81.5%	-81.5%	-100.0%	-100.0%
	<i>Total Funding</i>		-7.7%	-0.4%	-1.2%	-0.6%
Programs						
Food and Dairy			\$11,567.5	\$17,708.4	\$11,567.5	\$17,708.4
Pesticide and Plant Pest Management			\$5,595.3	\$13,914.9	\$5,595.3	\$13,914.9
Environmental Stewardship			\$6,052.1	\$13,794.8	\$6,052.1	\$13,794.8
Laboratory Program			\$2,205.1	\$12,990.9	\$2,205.1	\$12,990.9
Animal Industry			\$8,050.9	\$8,931.0	\$8,050.9	\$8,931.0
Administration			\$5,940.8	\$7,533.6	\$5,940.8	\$7,533.6
Agriculture and Rural Development			\$2,291.9	\$5,533.2	\$2,291.9	\$5,533.2
Fairs and Horse Racing Awards			\$170.0	\$3,237.2	\$170.0	\$3,237.2
Total Ongoing Recommendation			\$41,873.6	\$83,644.0	\$41,873.6	\$83,644.0
Laboratory Equipment			\$500.0	\$500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$500.0	\$500.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$42,373.6	\$84,144.0	\$41,873.6	\$83,644.0



Attorney General

The Attorney General serves as the State of Michigan's chief law enforcement officer and upholds and preserves the state's legal interests. The Attorney General provides legal advice and representation to state officials and agencies and, when warranted, initiates legal action on behalf of the residents of Michigan. The Attorney General also receives and investigates consumer complaints and enforces child support orders. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$91.9 million, of which \$36.8 million is general fund.*



Highlights of Governor's Budget Recommendation

- The Executive Budget includes \$84.7 million for Attorney General core programs and support services, including funding for 295 attorneys who represent the state in appellate court and the United States Supreme Court, support minors who are victims of abuse and neglect, investigate and prosecute Medicaid provider fraud, and mediate complaints regarding consumer fraud.
- The Child Support Enforcement Division prosecutes parents who are able to pay their court-ordered obligations but do not do so. The division spends approximately \$3.4 million to enforce child support orders and collects nearly \$20 million in overdue child support payments.
- The Prosecuting Attorneys Coordinating Council will receive almost \$2.1 million to provide continuing professional education, case management support, and legal research for local prosecutors throughout the state.

- The governor recommends enhanced support for Michigan women victimized by sexual violence with an additional \$1.7 million for sexual assault prosecutions. This initiative originated in 2013 following the discovery of thousands of untested rape kits in Detroit. At that time, a \$4 million appropriation enabled the State Police to provide forensic science services to Detroit and the Wayne County Prosecutor's Office. One-time funding of \$3 million in the current year allows the Attorney General to initiate prosecutions based on the results of these tests. The additional investment in the 2016 budget will continue these important prosecution efforts.
- The budget includes \$900,000 to target repeat violent offenders and reduce backlogs of outstanding warrants in high-risk urban areas. This program is one component of the governor's public safety initiative, which began in 2012 and emphasizes enhanced public safety in major urban areas in Michigan.

**Governor's Recommendation
Department of Attorney General
(\$ in Thousands)**

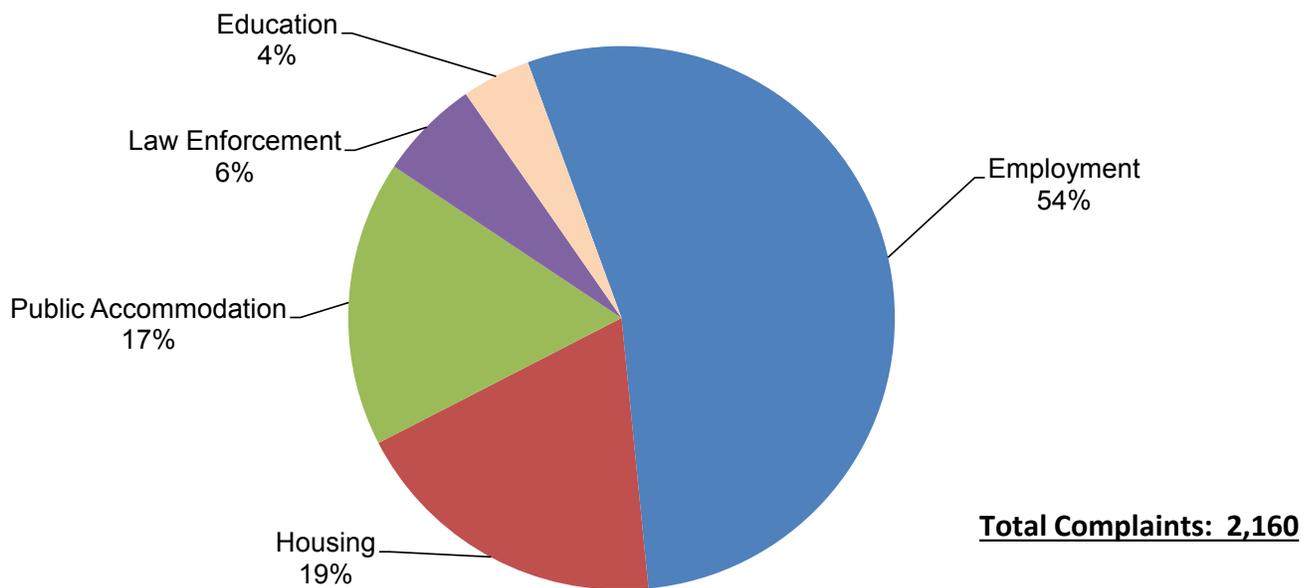
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$35,267.1	\$90,822.3	\$36,847.4	\$91,941.6	\$36,847.4	\$91,941.6
One-Time Funding	\$3,000.0	\$3,000.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$38,267.1	\$93,822.3	\$36,847.4	\$91,941.6	\$36,847.4	\$91,941.6
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		4.5%	1.2%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-3.7%	-2.0%	0.0%	0.0%
Programs						
Attorney General Operations			\$31,964.8	\$83,803.7	\$31,964.8	\$83,803.7
Child Support Enforcement			\$864.3	\$3,434.3	\$864.3	\$3,434.3
Prosecuting Attorneys Coordinating Council			\$1,414.2	\$2,099.5	\$1,414.2	\$2,099.5
Sexual Assault Law Enforcement			\$1,700.0	\$1,700.0	\$1,700.0	\$1,700.0
Public Safety Initiative			\$904.1	\$904.1	\$904.1	\$904.1
Total Ongoing Recommendation			\$36,847.4	\$91,941.6	\$36,847.4	\$91,941.6
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$36,847.4	\$91,941.6	\$36,847.4	\$91,941.6



Department of Civil Rights

The Michigan Department of Civil Rights works to prevent discrimination through educational initiatives that promote voluntary compliance with civil rights laws. The department also investigates and resolves discrimination complaints. The Civil Rights Commission, appointed by the governor, is charged by the Michigan state constitution with investigating alleged discrimination against Michigan's citizens and securing the equal protection of civil rights. The Department of Civil Rights also provides support for the Women's Commission, the Hispanic/Latino Commission of Michigan, the Asian Pacific American Affairs Commission, and Division on Deaf, DeafBlind and Hard of Hearing. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$16.1 million, of which \$12.9 million is general fund.*

Over Half of Civil Rights Complaints Concern Alleged Employment Discrimination



Highlights of Governor's Budget Recommendation

- The governor's recommendation maintains \$250,000 general fund to continue the agency's focus on a key initiative, Advocates and Leaders for Police and Community Trust (ALPACT). ALPACT brings state, federal and local law enforcement leaders together with community and religious leaders to address trust issues between police and communities they serve. The 5 existing ALPACT organizations have expanded their membership and activities, while 5 additional cities will launch similar organizations in 2015.
- The Executive Recommendation includes \$400,000 general fund savings through vacancy savings and other administrative efficiencies.

**Governor's Recommendation
Department of Civil Rights
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$13,448.2	\$16,644.2	\$12,949.7	\$16,128.7	\$12,949.7	\$16,128.7
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$13,448.2	\$16,644.2	\$12,949.7	\$16,128.7	\$12,949.7	\$16,128.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-3.7%	-3.1%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		-3.7%	-3.1%	0.0%	0.0%
Programs						
Civil Rights Operations			\$12,290.2	\$15,454.2	\$12,290.2	\$15,454.2
Information Technology			\$659.5	\$674.5	\$659.5	\$674.5
Total Ongoing Recommendation			\$12,949.7	\$16,128.7	\$12,949.7	\$16,128.7
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$12,949.7	\$16,128.7	\$12,949.7	\$16,128.7

Community Colleges

A key component of Michigan's education system, Michigan's 28 community colleges provide over 411,700 students with affordable access to postsecondary education opportunities. These institutions are integral to attaining the governor's goal of ensuring that at least 60 percent of Michigan residents have high-quality skills training, a degree or other credential by 2025. *The governor's proposed budget for fiscal year 2016 recommends total funding of \$393.8 million, of which \$137.1 million is general fund. The recommendation for fiscal year 2017 is \$400.7 million, of which \$137.1 million is general fund.*

Highlights of Governor's Budget Recommendation

- Community colleges receive an increase of 8 percent in total funding over fiscal year 2015. Since fiscal year 2011, combined operations and retirement funding for community colleges has increased by \$86.8 million, an increase of almost 30 percent.

- This proposed budget includes a 1.4 percent inflationary increase of \$4.3 million in community college operations funding, which brings total operations funding to \$311.5 million. The increase is distributed through a modified version of the existing funding formula, providing long-term planning stability to community colleges. The formula distributes half of new funding as an across-the-board increase. The other half of new funding is distributed based on the following performance metrics: weighted degree and certificate completions, enrollment, and administrative costs as a percentage of core expenditures. In order to receive this additional funding, community colleges will be required to participate in the Michigan Transfer Wizard, making it easier for students to transfer credits among Michigan institutions.

FY 2016 Community Colleges Funding (\$ in thousands)			
Community College	Operations	Perform. Funding	Percent Increase
Alpena	\$5,390.7	\$71.3	1.3%
Bay de Noc	5,419.5	68.8	1.3%
Delta	14,498.9	207.8	1.4%
Glen Oaks	2,516.1	37.3	1.5%
Gogebic	4,451.4	55.0	1.2%
Grand Rapids	17,947.5	229.1	1.3%
Henry Ford	21,623.8	252.9	1.2%
Jackson	12,087.3	155.2	1.3%
Kalamazoo Valley	12,503.1	191.8	1.5%
Kellogg	9,813.5	133.8	1.4%
Kirtland	3,167.7	56.6	1.8%
Lake Michigan	5,342.9	71.9	1.3%
Lansing	30,877.6	412.3	1.3%
Macomb	32,816.6	405.8	1.2%
Mid Michigan	4,682.0	79.5	1.7%
Monroe County	4,492.9	72.2	1.6%
Montcalm	3,226.7	55.1	1.7%
Mott	15,686.1	214.8	1.4%
Muskegon	8,901.0	112.8	1.3%
North Central MI	3,172.4	50.9	1.6%
Northwestern MI	9,078.8	116.3	1.3%
Oakland	21,123.3	307.5	1.5%
Schoolcraft	12,513.7	202.4	1.6%
Southwestern MI	6,576.4	76.6	1.2%
St. Clair	7,061.6	93.0	1.3%
Washtenaw	13,077.3	252.7	1.9%
Wayne County	16,727.6	287.3	1.7%
West Shore	2,414.9	30.0	1.2%
Total:	\$307,191.3	\$4,300.7	1.4%

- Funding for Independent Part-Time Student Grants is recommended at \$6 million, representing the first time since fiscal year 2009 that the program has been funded. This student financial aid program, based on financial need, targets part-time adult students at community colleges. The governor encourages community colleges to use this funding to re-enroll former students who may have dropped out without earning a degree or other credential.
- As part of recent reforms in the Michigan Public School Employees Retirement System, the community college contribution rate for unfunded accrued liabilities is capped at the fiscal year 2012 level. The state pays the amount over the cap. The budget increases the state's payments for retirement liabilities by \$17.2 million, bringing the total state support for the community colleges' retirement obligations to \$71.2 million in fiscal year 2016. The fiscal year 2017 budget assumes an additional increase of \$6.9 million, for a total of \$78.1 million.
- The budget increases funding for Renaissance Zone reimbursements by \$1.6 million to a total of \$5.1 million to continue making statutorily-required payments at the full amount.
- State Building Authority rent payments of \$29.5 million, all general fund, support debt service for recently constructed community college building projects.

**Governor's Recommendation
Community Colleges
(\$ in Thousands)**

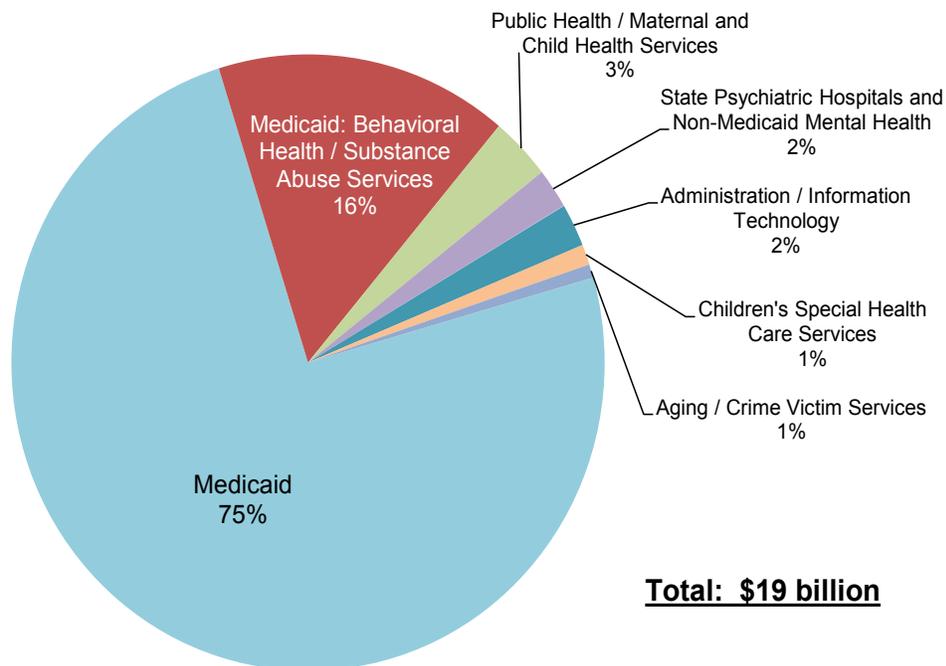
	FY2015 Current Law			FY2016 Recommendation			FY2017 Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
Ongoing Funding	\$167,110.8	\$197,614.1	\$364,724.9	\$137,110.8	\$256,714.8	\$393,825.6	\$137,110.8	\$263,614.8	\$400,725.6
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$167,110.8	\$197,614.1	\$364,724.9	\$137,110.8	\$256,714.8	\$393,825.6	\$137,110.8	\$263,614.8	\$400,725.6
	<i>% Change from Previous Year</i>								
	<i>Ongoing Funding</i>			<i>-18.0%</i>	<i>29.9%</i>	<i>8.0%</i>	<i>0.0%</i>	<i>2.7%</i>	<i>1.8%</i>
	<i>One-Time Funding</i>			<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
	<i>Total Funding</i>			<i>-18.0%</i>	<i>29.9%</i>	<i>8.0%</i>	<i>0.0%</i>	<i>2.7%</i>	<i>1.8%</i>
Programs									
Community College Operations				\$81,310.8	\$225,880.5	\$307,191.3	\$81,310.8	\$230,181.2	\$311,492.0
MPSERS Retirement Contributions				\$52,300.0	\$18,933.6	\$71,233.6	\$52,300.0	\$25,833.6	\$78,133.6
Independent Part-Time Student Grants				\$0.0	\$6,000.0	\$6,000.0	\$0.0	\$6,000.0	\$6,000.0
Renaissance Zone Tax Reimbursements				\$3,500.0	\$1,600.0	\$5,100.0	\$3,500.0	\$1,600.0	\$5,100.0
Community College Performance Funding				\$0.0	\$4,300.7	\$4,300.7	\$0.0	\$0.0	\$0.0
Total Ongoing Recommendation				\$137,110.8	\$256,714.8	\$393,825.6	\$137,110.8	\$263,614.8	\$400,725.6
None				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION				\$137,110.8	\$256,714.8	\$393,825.6	\$137,110.8	\$263,614.8	\$400,725.6



Department of Community Health

The Department of Community Health (DCH) is responsible for health policy and management of the state's publicly funded health care systems. These programs include Medicaid health coverage for those with limited incomes; mental health services for people who have a mental illness or developmental disability; services for individuals who need substance abuse treatment; and services provided through local public health programs. The department also provides services to promote the independence and preserve the dignity of Michigan's elderly through the Office of Services to the Aging. *The governor's proposed budget for fiscal year 2016 recommends total funding of \$19 billion, of which \$3 billion is general fund. This includes one-time funding of \$7 million general fund. The recommendation for fiscal year 2017 is \$18.7 billion, of which \$3 billion is general fund.*

Medicaid is 91% of the DCH Budget



Improving Michigan's Health Care System

- The Healthy Michigan Plan, Michigan's innovative and successful Medicaid reform, will mark its first year in April, 2015. With support from the legislature, this executive initiative provides health care to income-eligible uninsured adults. Currently, over 530,000 Michigan residents are enrolled in and received health care under the Healthy Michigan Plan. These individuals now have access to routine and preventive medical care that improves health outcomes and

"... a huge success is Healthy Michigan our version of Medicaid expansion done right, involving wellness and personal responsibilitywe are helping real life people move from being uninsured to a preventive care environment where they have a medical home...."

**Governor Rick Snyder, State of the State Address,
January 20, 2015**

reduces uncompensated costs for health care providers. Those enrolled in the Healthy Michigan Plan must comply with cost-sharing requirements including a personal health savings account. Cost-sharing promotes personal investment in health care decisions and outcomes, and contributes to the success of this reform initiative.

- Due to the Healthy Michigan Plan's success, significant new funds support Michigan's health care providers including primary care and specialty physicians, and hospitals throughout the state. In recognition of these new funds in the health care system and reductions in uncompensated care, the governor's budget reduces general fund support for specialty payments to hospitals including enhanced payments for obstetrical services, enhanced rural hospital payments and Graduate Medical Education payments. Instead he proposes that rural hospital payments and Graduate Medical Education payments be supported with hospital provider assessments. Additional revenues to the health care system as a direct result of the Healthy Michigan Plan more than offset these reductions.

Improving Michigan's Dental Health

- The governor's budget continues the successful expansion of Healthy Kids Dental by investing \$21.8 million (\$7.5 million general fund) to cover children ages 0 through 8 in Wayne, Oakland and Kent counties. With this expansion, 822,000 Medicaid-eligible children will have enhanced dental coverage. The remaining age groups in these three counties will be phased-in over the next several years. Healthy Kids Dental increases provider reimbursement rates for dental services, encourages provider participation and ensures that children receive good dental care.
- In a significant expansion of dental services for adults, the Executive Budget proposes partial year funding of \$23 million (\$7.9 million general fund) for a new statewide managed care contract to provide Medicaid dental services for over 600,000 low-income adults.
- Program savings of \$64.1 million (\$22 million general fund) will partially offset the costs of expanding dental services to adults effective July 1, 2015. These savings will be achieved through increased pharmacy rebates and Health Maintenance Organization contract care coordination.

Behavioral Health Services

- The governor's budget supports behavioral health services by funding the Mental Health and Wellness Commission at \$32.1 million (\$12.7 million general fund) in fiscal year 2016. This continuing investment recognizes the personal and financial losses that result from untreated mental health disorders and the value of coordinated mental health services. These funds increase the availability of treatment options and support initiatives to make mental health services accessible to the public.
- To help youth move from psychiatric treatment facilities into community-based settings, \$5 million (\$1.9 million general fund) of the Mental Health and Wellness Commission funding shown above is invested in transition psychiatric services for children and a children's behavioral action team. Helping youth re-integrate into the community will improve their

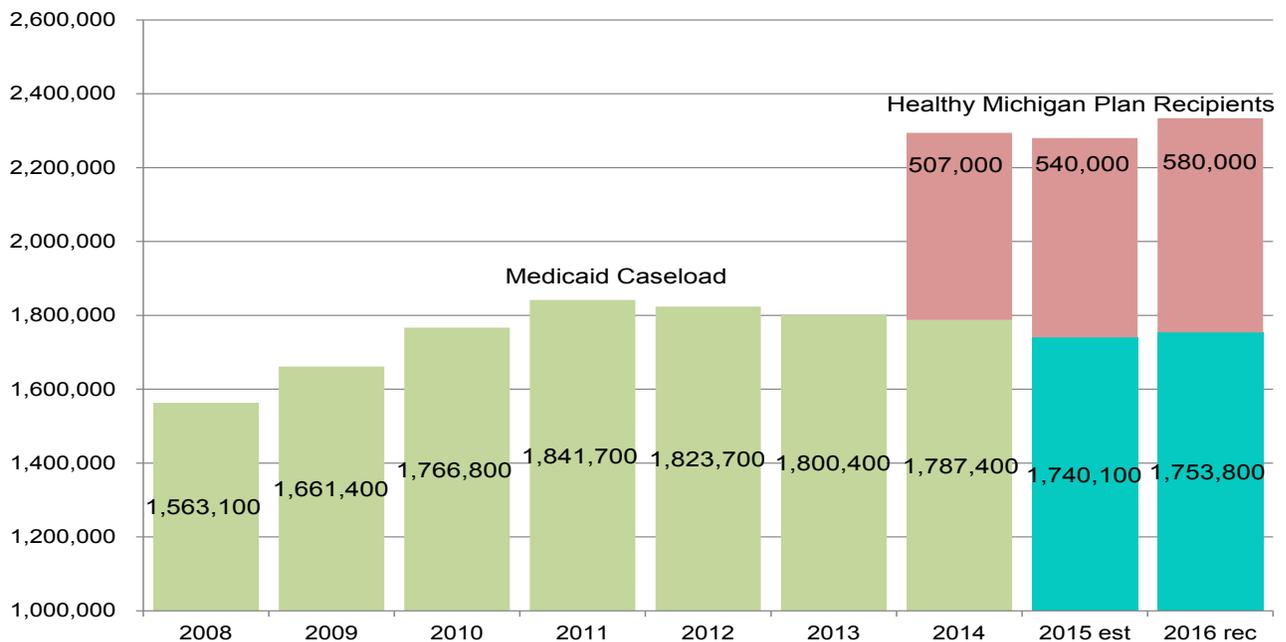
mental health outcomes and reduce the need for future hospitalizations.

- Increased support for children with Autism Spectrum Disorder is reflected in the governor’s budget with an additional \$11.6 million gross (\$4 million general fund) for autism services, including the expansion of autism Medicaid coverage to age 21. To help train new service providers, \$500,000 general fund is allocated to each of Michigan State University, Eastern Michigan University, Western Michigan University, Central Michigan University, and Oakland University to increase the state’s autism service capacity.

Other Highlights of the Governor’s Budget

Medical Services

Between Medicaid and the Healthy Michigan Plan, Michigan Provides Health Care to Over 2.3 Million Individuals



- Michigan’s health care safety net is supported in the governor’s budget with \$10.9 billion (\$1.5 billion general fund) for medical services and \$1.4 billion (\$163.9 million general fund) for the long-term care portion of the Medicaid program. The Medicaid caseload for fiscal year 2016 is projected at 1.75 million recipients. A federal appropriation of \$3.2 billion funds the Healthy Michigan Plan for fiscal year 2016. The Healthy Michigan Plan caseload estimate is 580,000 recipients. Together, over 2.3 million Michigan residents have medical coverage through the Medicaid program.
- Savings in the Medicaid budget include reducing reimbursement for Health Maintenance Organization laboratory fees from Medicare rates to Medicaid fee-for-service rates. This policy change saves \$31.8 million (\$10.9 million general fund).

Senior Services

- The fiscal year 2016 executive budget continues the expansion of the Program for All-Inclusive Care for the Elderly (PACE) by shifting \$8.3 million general fund from long-term care to PACE. This expansion covers programs in Jackson and Traverse City. PACE provides community-based services to those 55 or older who would otherwise need care in a nursing home.
- Senior nutrition and in-home services for the elderly are supported in the governor's budget with \$83.9 million (\$28.2 million general fund). These vital services help seniors remain in the community in their own homes while avoiding costly nursing home care. These funds ensure that Michigan remains a "no wait state," providing senior services without a waiting list.

Enhancing Service Delivery to Achieve Better Outcomes: The River of Opportunity

- On February 6, 2015, the governor signed an executive order combining the departments of Human Services and Community Health into the Department of Health and Human Services. An executive budget revision will be issued after the executive order becomes effective April 10, 2015 that aligns the new department's budget. This new department is a key component in implementing and supporting the governor's service delivery model - the River of Opportunity. The River of Opportunity restructures government in a way that puts people first by providing coordinated services that are targeted to individual needs and easy access.

**Governor's Recommendation
Department of Community Health
(\$ in Thousands)**

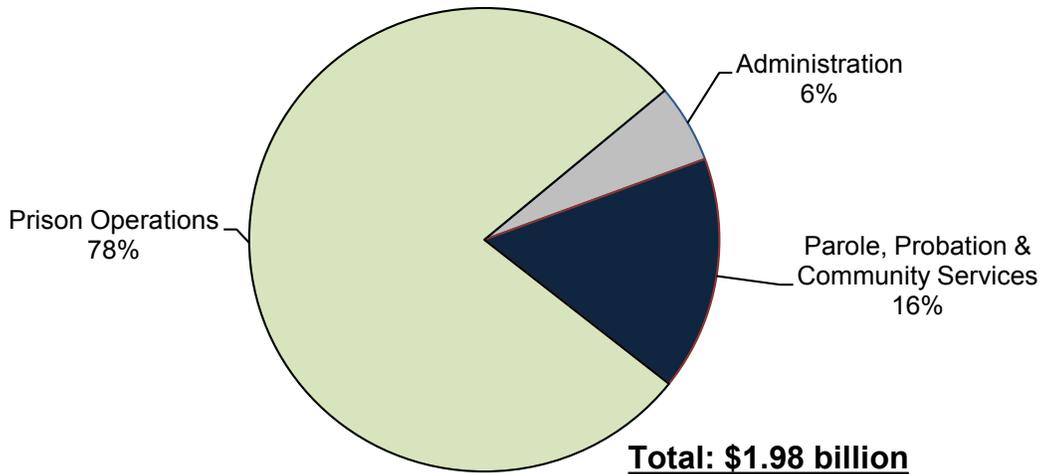
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$3,222,159.1	\$18,185,671.1	\$2,986,251.3	\$18,964,605.0	\$3,036,948.4	\$18,696,639.9
One-Time Funding	\$17,542.3	\$40,173.8	\$7,000.0	\$7,000.0	\$0.0	\$0.0
Total Funding	\$3,239,701.4	\$18,225,844.9	\$2,993,251.3	\$18,971,605.0	\$3,036,948.4	\$18,696,639.9
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-7.3%	4.3%	1.7%	-1.4%
	<i>One-Time Funding</i>		-60.1%	-82.6%	-100.0%	-100.0%
	<i>Total Funding</i>		-7.6%	4.1%	1.5%	-1.4%
Programs						
Medicaid			\$1,504,367.2	\$14,118,084.5	\$1,542,472.3	\$13,850,119.4
Behavioral Health / Substance Abuse Services			\$976,384.5	\$3,132,622.3	\$988,976.5	\$3,132,622.3
Public Health / Maternal and Child Health Services			\$74,179.7	\$673,301.3	\$74,179.7	\$673,301.3
Administration / Information Technology			\$96,716.6	\$422,441.1	\$96,716.6	\$422,441.1
State Psychiatric Hospitals / Forensic Center			\$206,581.4	\$280,671.4	\$206,581.4	\$280,671.4
Children's Special Health Care Services			\$91,860.0	\$203,808.2	\$91,860.0	\$203,808.2
Office of Services to the Aging			\$36,161.9	\$99,676.4	\$36,161.9	\$99,676.4
Crime Victim Services Commission			\$0.0	\$33,999.8	\$0.0	\$33,999.8
Total Ongoing Recommendation			\$2,986,251.3	\$18,964,605.0	\$3,036,948.4	\$18,696,639.9
University Autism Programs			\$2,500.0	\$2,500.0	\$0.0	\$0.0
Pay For Success Contracts			\$1,500.0	\$1,500.0	\$0.0	\$0.0
Drug Policy Initiatives			\$1,500.0	\$1,500.0	\$0.0	\$0.0
Mental Health Commission Recommendations			\$1,500.0	\$1,500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$7,000.0	\$7,000.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$2,993,251.3	\$18,971,605.0	\$3,036,948.4	\$18,696,639.9



Department of Corrections

The Department of Corrections contributes to public safety by providing custody and care for incarcerated felons while maintaining oversight and supervision of parolees and felony probationers. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$1.98 billion, of which \$1.92 billion is general fund.*

Nearly 80% of Corrections Costs are in Prison Operations

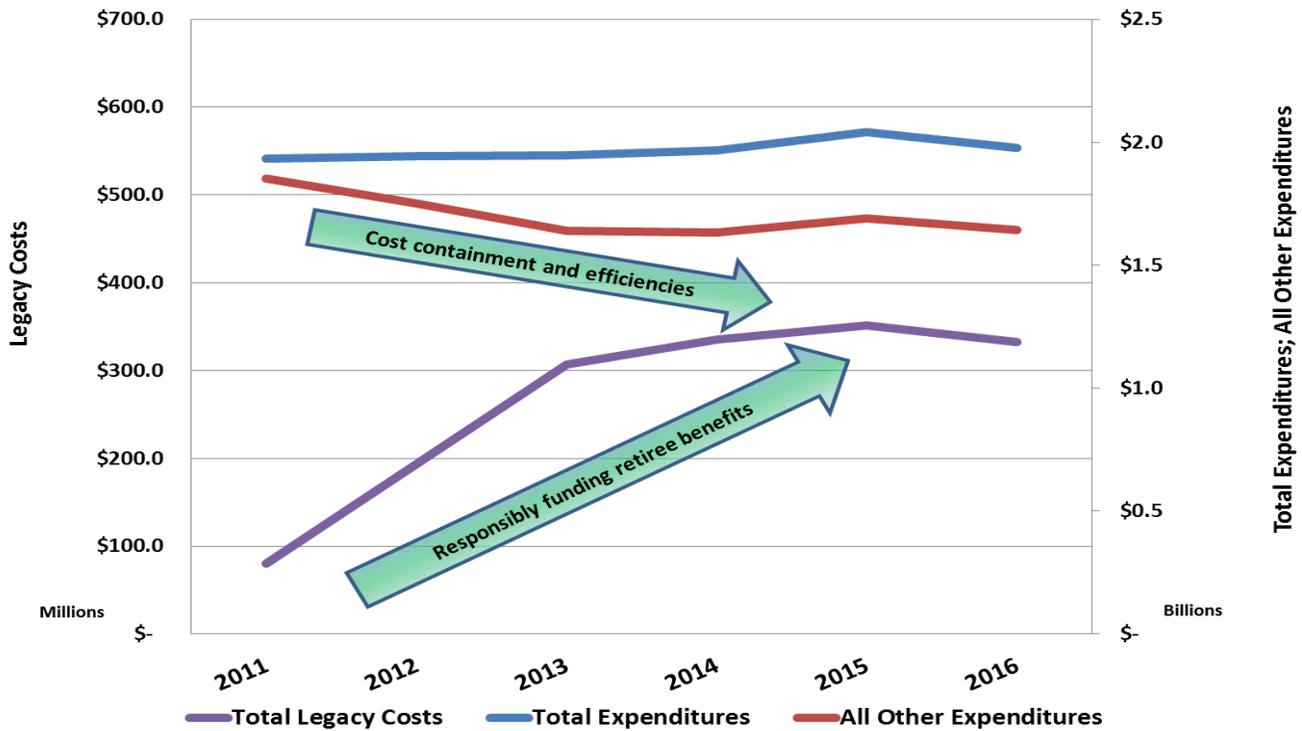


Highlights of the Governor's Budget Recommendation

- The governor remains committed to tightly controlling corrections costs while ensuring public safety. The Executive Budget includes \$1.5 billion to operate a safe and secure prison system that currently houses 43,400 prisoners.
- The governor's budget includes \$323 million in total funding (\$304 million of which is general fund) for parole, probation, and community programs that provide cost-effective local alternatives to more costly incarceration in the state's prison system. The department supervises about 47,000 offenders on felony probation and more than 14,000 offenders on parole.
- Governor Snyder has taken steps to reform the state's retirement system so that it is sustainable and adequately funded, including greater employee contributions and a more predictable benefit structure. As part of those reforms, the state began prefunding retiree health care benefits in 2012. This emphasis on adequately prefunding the state's obligations for pension and other post-employment benefits has necessitated an increase of \$250 million in costs to the department since 2011. Even with this increase

in legacy cost payments, overall Corrections spending has held steady since 2011 due to the department's implementation of hundreds of millions of dollars in cost containment measures and administrative efficiencies. The Executive Budget for fiscal years 2016 and 2017 continues this trend of sound fiscal management and responsible stewardship of limited taxpayer resources with a proposed budget reduction of almost \$65 million from fiscal year 2015, despite legacy cost payments of over \$330 million.

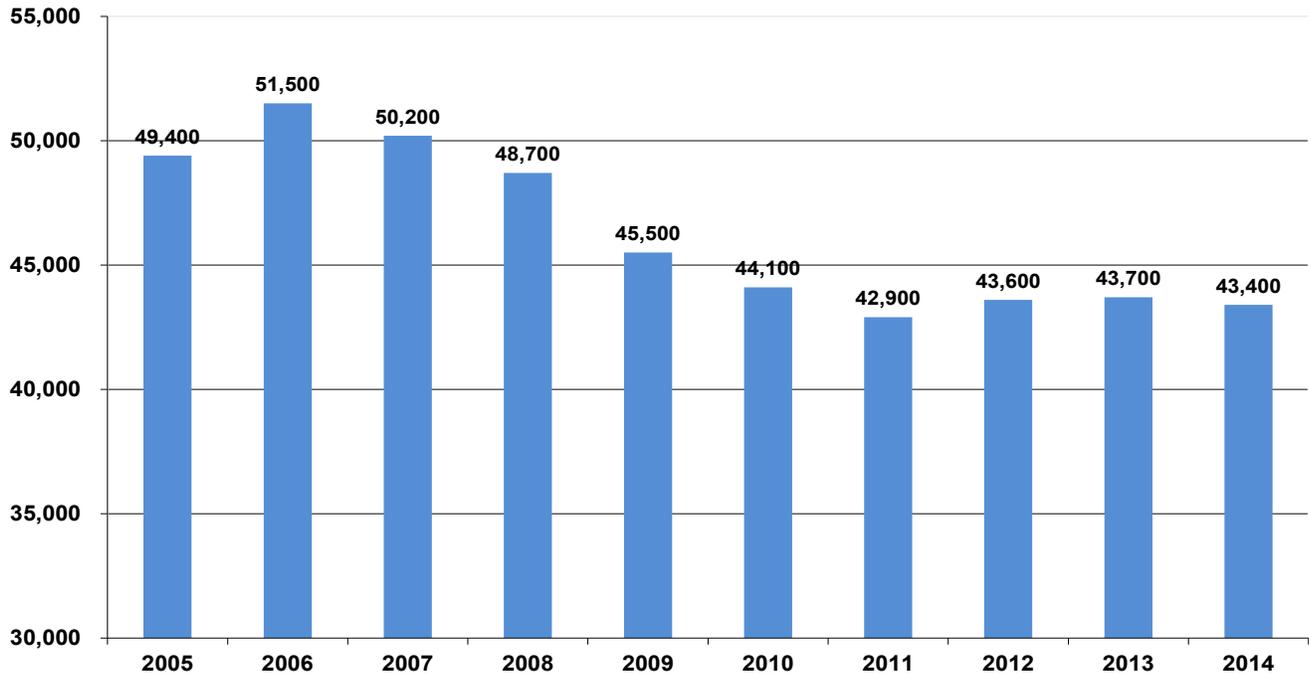
Budget Stable While Increasing Liability Payments



- Electronic monitoring using a variety of tether devices is an important tool used by the department to safely supervise offenders in the community. The Executive Budget includes \$4 million in savings associated with this program due to a conversion from leased devices to state-owned equipment.
- Prisoner education provides marketable skills to offenders through academic, workplace, and social competency training. These skills are crucial to increasing the likelihood for offender success upon re-entry into the community. Total education program funding is \$35.9 million. The Executive Budget increases the education funding by \$500,000 due to additional federal funds. Governor Snyder recently signed legislation which will also promote offender success upon re-entry, by allowing qualifying parolees who have

completed a career and technical education course to receive a certificate of employability. This certificate will help parolees obtain jobs in the community, one of the most important factors in reducing the risk of recidivism.

Prison Population Well Below 2006 Peak



- Safe, efficient transportation of offenders and staff is a vital ongoing task of the Department of Corrections. Total funding for transportation is \$23.8 million. Improvements to transportation logistics result in savings of \$1 million.
- Kinross Correctional Facility in Kincheloe will be deactivated in 2016, and its current inmates will be relocated to the nearby Hiawatha Correctional Facility. Safety and security for both staff and inmates will improve as a result. Additionally, the department will save money on operating costs due to increased efficiencies. The Executive Budget recommends \$2 million in savings for fiscal year 2016 related to this transition.
- Finally, the governor’s budget recommends savings of \$7.9 million from facility operating efficiencies, elimination of administrative vacancies, and cost controls. The department continues to identify and implement ways to promote safe correctional facilities which use funds effectively.

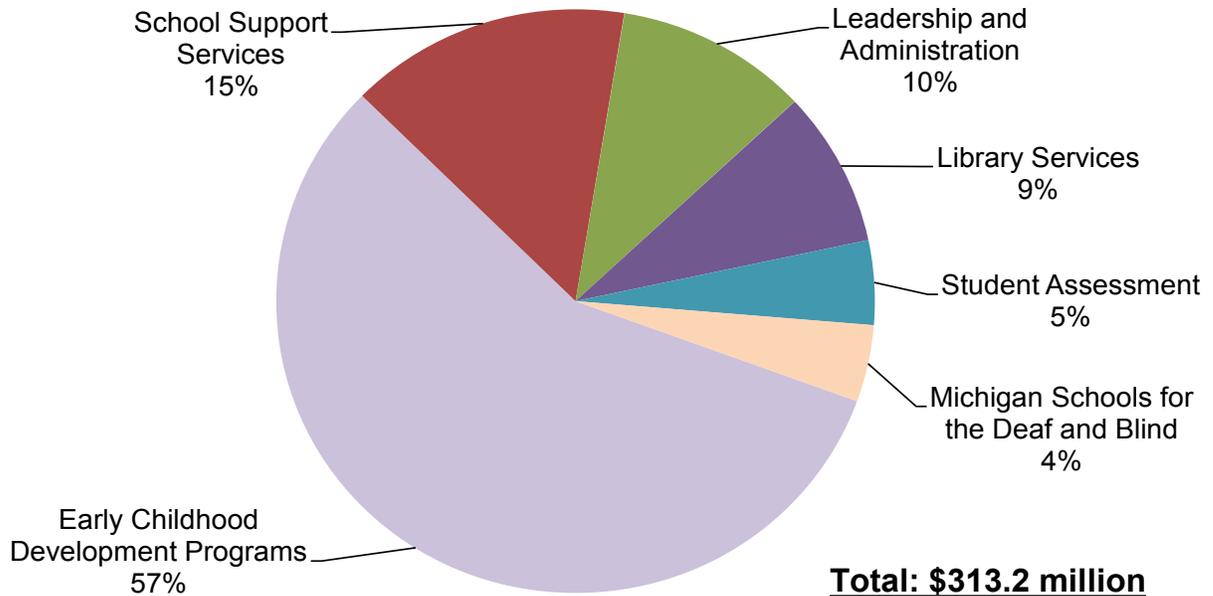
**Governor's Recommendation
Department of Corrections
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$1,953,712.5	\$2,013,435.8	\$1,918,948.4	\$1,976,226.0	\$1,918,948.4	\$1,976,226.0
One-Time Funding	\$27,085.9	\$27,085.9	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$1,980,798.4	\$2,040,521.7	\$1,918,948.4	\$1,976,226.0	\$1,918,948.4	\$1,976,226.0
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			-1.8%	-1.8%	0.0%	0.0%
<i>One-Time Funding</i>			-100.0%	-100.0%	N/A	N/A
<i>Total Funding</i>			-3.1%	-3.2%	0.0%	0.0%
Programs						
Prison Operations			\$1,517,822.7	\$1,545,956.2	\$1,517,822.7	\$1,545,956.2
Parole, Probation, and Community Services			\$303,804.7	\$322,683.0	\$303,804.7	\$322,683.0
Administration			\$97,321.0	\$107,586.8	\$97,321.0	\$107,586.8
Total Ongoing Recommendation			\$1,918,948.4	\$1,976,226.0	\$1,918,948.4	\$1,976,226.0
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$1,918,948.4	\$1,976,226.0	\$1,918,948.4	\$1,976,226.0

Department of Education

Leadership for Michigan's public education system is vested by the Michigan state constitution in the elected members of the State Board of Education and the Superintendent of Public Instruction. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total ongoing funding of \$313.2 million, of which \$79.3 million is general fund.*

Over 57 Percent of the Department Budget Supports Early Childhood Programs



Highlights of Governor's Budget Recommendation

Strengthening Schools and Teachers

The Department of Education provides policy guidance, grant administration, oversight, and other supports for over 900 school districts that serve nearly 1.5 million pupils. Additionally, the department oversees professional development, training, and certification requirements for the state's educators.

- The Executive Budget includes \$778,100 general fund, in tandem with \$4 million general fund in the Department of Treasury, for funding of financial independence teams. These interagency teams will be tasked with implementing early warning systems to identify school districts that are in need of financial attention and providing the expertise and resources needed to address problems before a crisis occurs.
- The academic success of children in Michigan is dependent upon the quality of educators and leadership in the school. The governor's budget recommends \$3.6 million general fund to implement educator evaluations based in part on classroom observations and student growth metrics to identify targeted professional development opportunities.

Improving Early Learning, Literacy, and Child Care

Research indicates that the path to academic success starts before a child enters kindergarten. Recognizing this, the Executive Budget includes funding for the Office of Great Start of \$178 million (\$38.2 million general fund).

The governor's budget recommends \$29.3 million in increased federal funds to enhance the quality of child care in Michigan by providing stability and consistency for low-income families receiving assistance through the Child Development and Care Program.

- Investments include \$16 million to provide continuous, 12-month eligibility for children and families regardless of changes in life circumstances throughout the year. The budget also includes \$1.5 million to raise the exit income threshold by which a family becomes ineligible for care from 120 percent of the federal poverty level to 250 percent. This ensures that families are not forced to transition in and out of child care programs as incomes fluctuate.
- The recommended budget includes \$6.1 million to increase the reimbursement rates for higher-quality licensed and registered programs, bringing state rates more in line with the market rate for child care in Michigan. Increasing the reimbursement rates will incentivize providers to serve low-income children.
- Along with providing stability for families, the governor supports efforts to ensure that child care facilities offer high-quality, safe learning environments for children. To do this, the budget recommends \$5.7 million federal funds to hire additional licensing consultants in the Department of Human Services to monitor and license child care facilities.
- Recognizing a recent drop in child care caseloads, the governor's budget recommends a reduction of \$2.4 million general fund in the federal Child Care and Development Block Grant match requirement.

To support the work of public libraries statewide and to expand early learning and preschool reading programs, the governor's budget recommends investing an additional \$1 million general fund to increase state aid to public libraries to a total of nearly \$10 million general fund. Combined with funding for other library programs, the budget recommends \$26.9 million for library services (\$21.3 million general fund).

**Governor's Recommendation
Department of Education
(\$ in Thousands)**

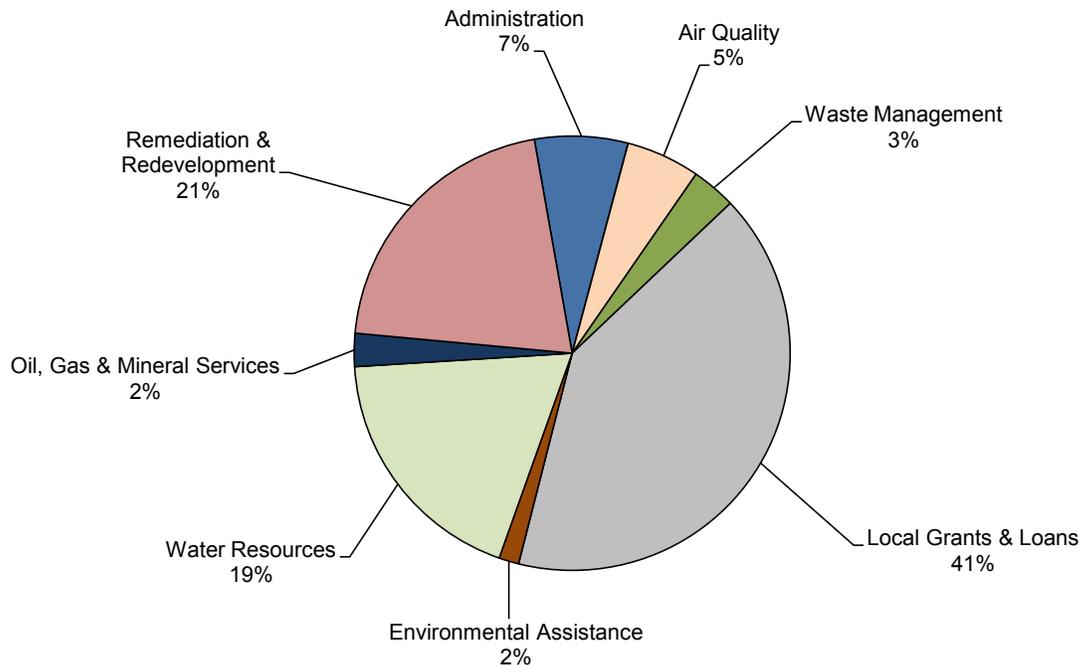
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$81,183.0	\$286,196.1	\$79,292.2	\$313,212.2	\$79,292.2	\$313,212.2
One-Time Funding	\$900.0	\$900.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$82,083.0	\$287,096.1	\$79,292.2	\$313,212.2	\$79,292.2	\$313,212.2
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-2.3%	9.4%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-3.4%	9.1%	0.0%	0.0%
Programs						
Early Childhood Development Programs			\$38,215.9	\$178,015.8	\$38,215.9	\$178,015.8
School Support Services			\$12,052.5	\$47,692.8	\$12,052.5	\$47,692.8
Leadership and Administration			\$6,513.7	\$32,648.9	\$6,513.7	\$32,648.9
Library Services			\$21,334.8	\$26,941.6	\$21,334.8	\$26,941.6
Student Assessment			\$1,175.3	\$14,616.4	\$1,175.3	\$14,616.4
Michigan Schools for the Deaf and Blind			\$0.0	\$13,296.7	\$0.0	\$13,296.7
Total Ongoing Recommendation			\$79,292.2	\$313,212.2	\$79,292.2	\$313,212.2
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$79,292.2	\$313,212.2	\$79,292.2	\$313,212.2



Department of Environmental Quality

Funding for the Department of Environmental Quality supports environmental stewardship programs that restore and enhance Michigan's environment and preserve our natural resources while supporting economic growth. *The governor's proposed budget for fiscal years 2016 and 2017 recommends ongoing funding of \$487.9 million, of which \$35.4 million is general fund.*

Environmental Quality Funding Restores and Enhances the Environment



Total: \$487.9 million

Highlights of Governor's Budget Recommendation

- The fiscal year 2016 Executive Recommendation focuses on ensuring Michigan's water quality, supporting compliance assistance to minimize environmental risks, and promoting redevelopment of contaminated sites.
- Title V of the federal Clean Air Act requires states to operate a fee-supported permit program for the inspection, monitoring, and enforcement of facilities that are major sources of air pollution. Michigan's Renewable Operating Permit (ROP) program supports compliance assistance at approximately 800 facilities including manufacturers, chemical and energy companies, and other facilities with large scale air emissions. For fiscal year 2016 the governor proposes to increase the fee supporting the ROP program in an effort to generate an additional \$2.2 million in state restricted resources. The additional revenue will support rising costs and additional staff needed to implement new federal requirements.

- The governor's budget provides funding for the new Underground Storage Tank Cleanup Program created in P.A. 416 of 2014. The program reimburses owners/operators of underground storage tanks for costs necessary to bring leaking tanks into compliance with environmental protection standards. P.A. 416 of 2014 requires that the first \$20 million collected from the 7/8 cent environmental protection fee on refined petroleum be deposited into the new Underground Storage Tank Cleanup Fund. The fiscal year 2016 recommendation appropriates those funds for clean-up activities.
- A \$2.9 million general fund savings will be realized in fiscal year 2016 through a reduction to the state match for the federal Drinking Water Revolving Fund Loan Program, which provides local governments with low interest loans to assist with implementing infrastructure improvements to their drinking water systems. The department anticipates utilizing interest and principal payments made on previous loans - in lieu of the general fund - to fully leverage the available federal funding in fiscal year 2016.

**Governor's Recommendation
Department of Environmental Quality
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$38,375.9	\$500,091.8	\$35,377.7	\$487,925.9	\$35,377.7	\$487,925.9
One-Time Funding	\$2,500.0	\$2,500.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$40,875.9	\$502,591.8	\$35,377.7	\$487,925.9	\$35,377.7	\$487,925.9
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-7.8%	-2.4%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-13.5%	-2.9%	0.0%	0.0%
Programs						
Local Grants and Loans			\$3,050.0	\$200,365.1	\$3,050.0	\$200,365.1
Remediation and Redevelopment			\$0.0	\$101,238.2	\$0.0	\$101,238.2
Water Resources			\$19,589.6	\$90,617.6	\$19,589.6	\$90,617.6
Administration			\$4,523.7	\$33,723.4	\$4,523.7	\$33,723.4
Air Quality			\$4,580.7	\$26,731.0	\$4,580.7	\$26,731.0
Waste Management			\$499.1	\$16,004.8	\$499.1	\$16,004.8
Oil, Gas and Mineral Services			\$0.0	\$12,012.8	\$0.0	\$12,012.8
Environmental Assistance			\$3,134.6	\$7,233.0	\$3,134.6	\$7,233.0
Total Ongoing Recommendation			\$35,377.7	\$487,925.9	\$35,377.7	\$487,925.9
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$35,377.7	\$487,925.9	\$35,377.7	\$487,925.9



Executive Office

The Executive Office is the Office of the Governor. The budget provides funding for the governor and his immediate staff, who assist him in executing his constitutional responsibilities as chief executive of the State of Michigan. The Executive Office also includes funding for the lieutenant governor's office. The lieutenant governor performs gubernatorial functions in the governor's absence, presides over the Senate, serves on the State Administrative Board and represents the governor at selected local, state and national meetings. The Executive Office also contains the constituent services division, which serves as a resource for the residents of Michigan to communicate their concerns and opinions directly to the governor, and the Office for New Americans, which supports Michigan's comeback by attracting and retaining highly skilled immigrants. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$5.9 million.*

**Governor's Recommendation
Executive Office
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>One-Time Funding</i>			<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Total Funding</i>			<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Programs						
Executive Office Operations			\$5,531.1	\$5,531.1	\$5,531.1	\$5,531.1
Office for New Americans			\$385.0	\$385.0	\$385.0	\$385.0
Total Ongoing Recommendation			\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1

Higher Education

The Higher Education budget provides operating support to the state's 15 public universities and also funds student financial aid programs. Over 295,000 students enrolled in state universities last year. Public universities are essential to the governor's goal of ensuring that at least 60 percent of Michigan residents possess a high-quality degree or other credential by 2025. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$1.5 billion, of which \$1.2 billion is general fund.*

Highlights of Governor's Budget Recommendation

- The governor's Executive Budget invests an additional 2 percent, or \$28 million, in state university operations, all general fund. This is the largest ongoing general fund investment recommended by the governor for fiscal year 2016. This increase brings total operating funds for universities to nearly \$1.4 billion.
- The increase in university operations funding is distributed using a modified version of the existing performance funding formula, providing long-term planning stability to state universities. The metrics used are: weighted undergraduate completions in critical skills areas, research expenditures, 6-year graduation rates, total completions, administrative costs as a percentage of core expenditures, and the percentage of students receiving Pell Grants.
- Universities will be required to limit any tuition increases to 2.8 percent or less in order to receive any new performance funding. This cap represents double the level of expected inflation.

FY 2016 State University Funding (\$ in Thousands)			
University	Operations Funding	Performance Funding	Percent Increase
Central Michigan University	\$79,115.0	\$2,338.1	3.0%
Eastern Michigan University	71,771.1	1,414.2	2.0%
Ferris State University	49,087.0	1,487.6	3.0%
Grand Valley State University	63,136.0	2,523.7	4.0%
Lake Superior State University	12,782.5	249.8	2.0%
Michigan State University	264,429.1	5,152.6	1.9%
Michigan Technological University	45,923.1	970.0	2.1%
Northern Michigan University	44,277.2	916.1	2.1%
Oakland University	48,364.1	1,649.1	3.4%
Saginaw Valley State University	27,610.2	498.8	1.8%
University of Michigan - Ann Arbor	295,174.1	5,696.4	1.9%
University of Michigan - Dearborn	23,689.3	394.7	1.7%
University of Michigan - Flint	21,337.7	542.1	2.5%
Wayne State University	190,519.8	1,093.3	0.6%
Western Michigan University	102,742.0	1,872.6	1.8%
Subtotal:	\$1,339,958.2	\$26,799.1	2.0%
MSU AgBioResearch & Extension	59,609.0	1,192.2	2.0%
Total:	\$1,399,567.2	\$27,991.3	2.0%

- Included within the operations increase, the governor proposes a 2 percent increase, or a combined \$1.2 million, for Michigan State University AgBioResearch and Extension, all general fund. This brings total funding for both programs to \$60.8 million.
- As was previously done for school districts and community colleges, Governor Snyder proposes instituting a cap on the amount of unfunded accrued liability contributions paid by the seven member universities of the Michigan Public School Employees Retirement System. He proposes that payments be capped at the fiscal year 2012 level, or 25.73 percent of payroll, with the state making payments for amounts over the cap. This requires \$2.7 million in new funding and total ongoing funds of \$5.2 million. Member universities will now have a predictable cost for their retirement payments, facilitating better long-term planning.
- Total recommended funding for student financial aid is \$105 million. In addition to this funding, \$6 million in the community colleges budget provides for the restoration of the Independent Part-Time Student Grant for the first time since fiscal year 2009.
- State Building Authority rent payments of \$136 million, all general fund, support debt service for recently constructed university building projects.

**Governor's Recommendation
Higher Education
(\$ in Thousands)**

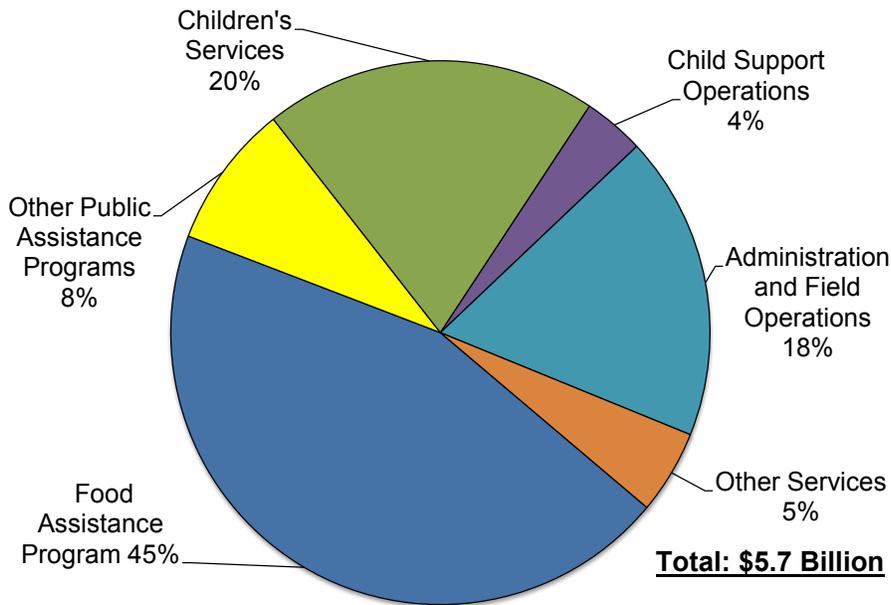
	FY2015 Current Law			FY2016 Recommendation			FY2017 Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
Ongoing Funding	\$1,214,902.0	\$200,465.7	\$1,512,494.1	\$1,238,913.3	\$205,179.5	\$1,541,219.2	\$1,238,913.3	\$205,359.5	\$1,541,399.2
One-Time Funding	\$0.0	\$4,002.2	\$4,002.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$1,214,902.0	\$204,467.9	\$1,516,496.3	\$1,238,913.3	\$205,179.5	\$1,541,219.2	\$1,238,913.3	\$205,359.5	\$1,541,399.2
	<i>% Change from Previous Year</i>								
	<i>Ongoing Funding</i>			2.0%	2.4%	1.9%	0.0%	0.1%	0.0%
	<i>One-Time Funding</i>			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>			2.0%	0.3%	1.6%	0.0%	0.1%	0.0%
Programs									
University Operations			\$1,140,438.7	\$200,019.5	\$1,340,458.2	\$1,167,237.8	\$200,019.5	\$1,367,257.3	
Student Financial Aid			\$7,867.8	\$0.0	\$104,994.2	\$7,867.8	\$0.0	\$104,994.2	
MSU AgBioResearch and Extension Activities			\$60,801.2	\$0.0	\$60,801.2	\$60,801.2	\$0.0	\$60,801.2	
University Performance Funding			\$26,799.1	\$0.0	\$26,799.1	\$0.0	\$0.0	\$0.0	
MPSERS Contributions			\$0.0	\$5,160.0	\$5,160.0	\$0.0	\$5,340.0	\$5,340.0	
Statewide Programs			\$3,006.5	\$0.0	\$3,006.5	\$3,006.5	\$0.0	\$3,006.5	
Total Ongoing Recommendation			\$1,238,913.3	\$205,179.5	\$1,541,219.2	\$1,238,913.3	\$205,359.5	\$1,541,399.2	
None			\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$1,238,913.3	\$205,179.5	\$1,541,219.2	\$1,238,913.3	\$205,359.5	\$1,541,399.2	



Department of Human Services

The Department of Human Services helps families and individuals meet financial, medical, and social service needs. Department of Human Services programs provide financial assistance and medical assistance to Michigan’s low-income population; move people toward self-sufficiency through employment and training services; work to prevent abuse, neglect, and exploitation of children and vulnerable adults through direct services; and regulate and license adult and child care agencies, facilities and homes. Services are provided through a network of county-based offices. *The governor’s proposed budget for fiscal year 2016 recommends total funding of \$5.7 billion, of which \$978.9 million is general fund. For fiscal year 2017, the recommendation is \$5.7 billion, of which \$977.4 million is general fund.*

Over Half of the Department Budget Provides Basic Living Assistance to Low-Income Families



Highlights of Governor’s Budget Recommendation

- Pathways to Potential continues as a successful and innovative service-delivery model helping clients and their families address needs and barriers to success, including housing, food, education and employment. Working directly with clients in local public schools, outcomes achieved include improved school attendance, increased employment, and improved family functioning and independence. Chronic school absenteeism has decreased by more than 30 percent in Pathways sites. Additional outcome data currently being collected will assess 3rd and 4th grade reading and math levels, and the family’s economic well-being. In addition to public schools, eligibility workers are located in hospitals, long-term care facilities, community mental health agencies and private employers.

“Pathways to Potential...started several years ago where we asked caseworkers to leave the government office...We have caseworkers in 219 schools in 22 counties in our state....”

**Governor Rick Snyder,
State of the State Address, January 20, 2015**

- To support an additional component of the department's community outreach, 200 staff will be funded with private contributions and a federal appropriation of \$20.6 million. At no cost to the state, programs will be expanded that provide adult placement and independent living services. In addition, staff will be located in health clinics, hospitals and with private employers to determine eligibility and assist in obtaining department services.

Children's Services

- Continued support for the success achieved by Michigan's child welfare system is a key component of the governor's budget. Over the last 8 years, Michigan has invested \$422.6 million (\$245.3 million general fund) to enhance child welfare services for abused and neglected children. These long-term and lasting improvements to the child welfare system help keep children safe in their own homes and, when needed, support alternative living arrangements including foster care and adoption.
- When children are removed from their homes due to abuse or neglect, foster care payments support out-of-home care. The governor's budget invests \$182.7 million (\$75.8 million general fund) to provide out-of-home care for children. These payments fund basic care and supervision until children are returned to their parents or are adopted. Due to the state's investments in children's services staff and programs, the foster care caseload has declined and stabilized in recent years. There are currently just under 13,000 children in Michigan's foster care system.
- The current foster care payment system, established under the Social Welfare Act, splits costs between the state and counties for children in out-of-home care. This complex and inefficient cost-sharing model impedes timely reimbursements and encourages placements that may not be in the best interest of the child. The department proposes revisions to the foster care payment system that will focus on actuarially sound case rates and performance-based outcomes. These structural changes will encourage accountability, support positive outcomes for children, and generate accurate reimbursements for services provided through our private-sector partners.
- Several recent foster care rate increases have been implemented that deviate from the 50/50 state and county cost-sharing model. For each of these rate increases, the state is required to pay both the state and county share of the cost. The governor's budget rescinds the rate increases and returns to an equal state and county cost-sharing arrangement until a new foster care payment system can be implemented. Private agency administrative rates are reduced from \$40 to \$37 per day, and the 2015 private agency residential rate increase is rescinded. In addition, new and current cases in out-of-home care are returned to a 50/50 state and county cost-sharing model. Savings from these policy changes are \$10.4 million (\$8.7 million general fund).
- The Adoption Subsidy program supports abused or neglected children when they are placed in permanent homes. Adoption subsidies are funded at \$239.9 million (\$87.5 million general fund) for 26,600 adopted children. Savings of \$6.9 million (\$6.5 million general fund) in the Adoption Subsidy program are achieved by restricting eligibility for a supplemental payment based on medical need.

Income Assistance Programs

- The Food Assistance caseload has declined since fiscal year 2011 and currently provides food to 1.6 million people including families with children, the elderly and those with disabilities. This vital safety-net program is supported in the governor's budget with \$2.6 billion in federal funds. Many families and individuals receiving food assistance are employed in low-wage jobs and depend on this program to help meet their basic needs.
- The Family Independence Program provides financial support for 31,400 families at a cost of \$138.1 million (\$44.7 million general fund). Policy changes to the Family Independence Program, including increased use of electronic correspondence and notification of eligibility, save \$2.7 million (\$1.8 million general fund) in the governor's budget.
- Heating assistance programs are funded with \$225 million in federal and state restricted funds. Included in the Department of Human Services budget is \$175 million in federal funds for the home heating credit, energy-related crisis payments, and weatherization for low-income home owners. The Michigan Energy Assistance Program, administered by the Public Service Commission, is funded with \$50 million and provides heating assistance to low-income families and seniors.

Child Support

- The Child Support Program is funded with \$167.8 million (\$23.6 million general fund) in the governor's budget. This program helps Michigan children obtain financial support from absent parents. In fiscal year 2014, \$1.35 billion in child support was collected and distributed for children and their families. Child Support Program savings of \$1.8 million (\$1.2 million general fund) are achieved in fiscal year 2016 by requiring Family Independence Program applicants to cooperate with program requirements prior to receiving assistance and by implementing electronic child support billings.

Adult Services

- To meet the needs of Michigan's aging population, the governor's budget invests \$184.2 million gross (\$21.6 million general fund) in Adult Services programs to assist the elderly and the disabled live in the least restrictive setting, free from abuse and exploitation.

Enhancing Service Delivery to Achieve Better Outcomes: The River of Opportunity

- On February 6, 2015, the governor signed an executive order combining the departments of Human Services and Community Health into the Department of Health and Human Services. An executive budget revision will be issued after the executive order becomes effective April 10, 2015 that aligns the

"... There is a better way to do things in government and that is...the River of Opportunity....It's about people not programs"

**Governor Rick Snyder,
State of the State Address, January 20, 2015**

new department's budget. This new department is a key component in implementing and supporting the governor's service delivery model - the River of Opportunity. The River of Opportunity restructures government in a way that puts people first by providing coordinated services that are targeted to individual needs and easy access.

Other Issues

In addition to the budget reductions identified above, the fiscal year 2016 Executive Budget also recommends the following budgetary savings:

- Administrative efficiencies from targeted office closures and consolidations, and elimination of vacant positions, save \$8 million (\$3.8 million general fund).
- Juvenile Justice services reductions result in savings of \$2 million general fund.
- Information Technology reductions produce savings of \$5.1 million (\$2.8 million general fund).

**Governor's Recommendation
Department of Human Services
(\$ in Thousands)**

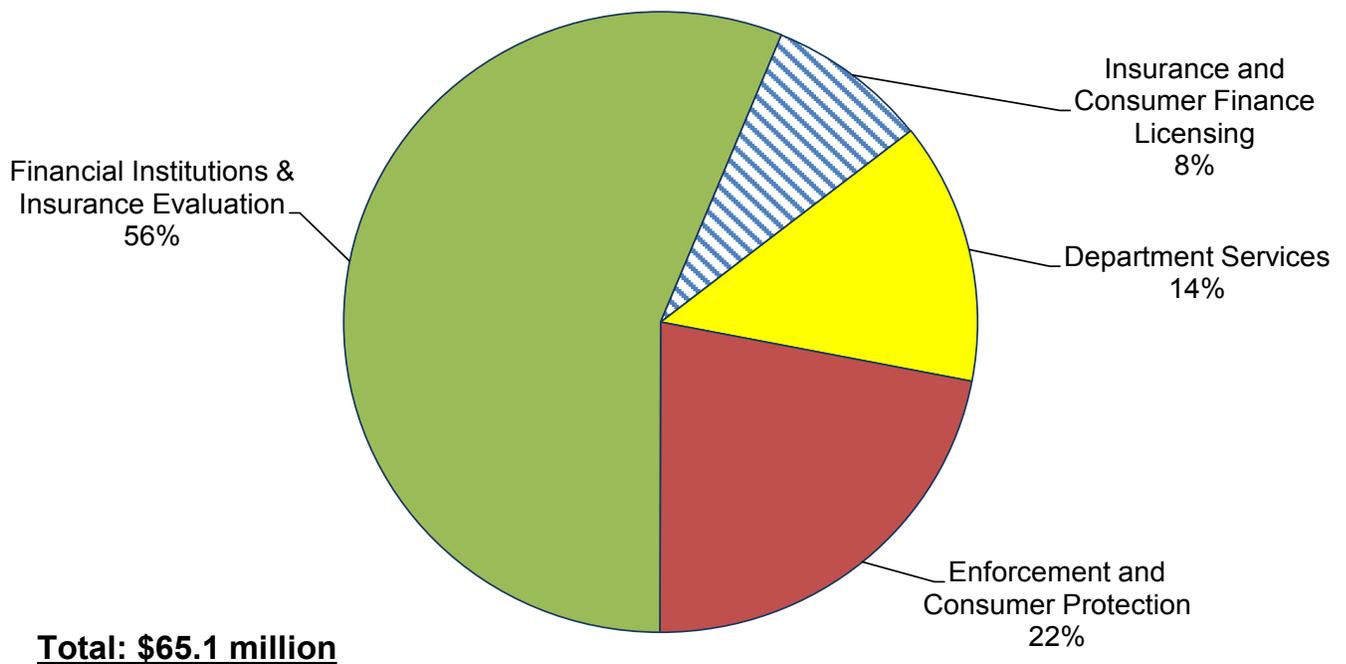
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$990,302.6	\$5,750,024.7	\$978,491.0	\$5,733,526.5	\$977,362.0	\$5,727,663.1
One-Time Funding	\$5,150.0	\$5,150.0	\$400.0	\$800.0	\$0.0	\$0.0
Total Funding	\$995,452.6	\$5,755,174.7	\$978,891.0	\$5,734,326.5	\$977,362.0	\$5,727,663.1
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-1.2%	-0.3%	-0.1%	-0.1%
	<i>One-Time Funding</i>		-92.2%	-84.5%	-100.0%	-100.0%
	<i>Total Funding</i>		-1.7%	-0.4%	-0.2%	-0.1%
Programs						
Food Assistance			\$0.0	\$2,561,003.4	\$0.0	\$2,561,003.4
Children's Services			\$464,510.3	\$1,145,165.1	\$464,510.3	\$1,145,165.1
Administration and Field Operations			\$308,930.9	\$1,039,558.4	\$308,930.9	\$1,039,558.4
Other Public Assistance			\$132,359.9	\$492,018.0	\$131,230.9	\$486,154.6
Child Support Operations			\$34,131.7	\$209,637.6	\$34,131.7	\$209,637.6
Disability Determination Services			\$3,237.9	\$110,011.1	\$3,237.9	\$110,011.1
Community Support Services			\$10,837.7	\$94,360.8	\$10,837.7	\$94,360.8
Adult Protective and Support Services			\$15,156.9	\$47,277.0	\$15,156.9	\$47,277.0
Licensing (Adult Foster Care, Children's Foster Care and Child Day Care)			\$9,325.7	\$34,495.1	\$9,325.7	\$34,495.1
Total Ongoing Recommendation			\$978,491.0	\$5,733,526.5	\$977,362.0	\$5,727,663.1
Specialized Employment and Training Services			\$400.0	\$800.0	\$0.0	\$0.0
Total One-Time Recommendation			\$400.0	\$800.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$978,891.0	\$5,734,326.5	\$977,362.0	\$5,727,663.1



Department of Insurance and Financial Services

The Department of Insurance and Financial Services regulates the insurance and financial services industries in order to protect consumers, strengthen the state's business climate, and position these industries for economic growth. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$65.1 million (\$150,000 general fund).*

Funding Supports Regulation of Financial Institutions and Insurance Companies



Highlights of Governor's Budget Recommendation

- The governor recommends funding of \$36.5 million for financial institutions and insurance evaluation, \$14.3 million for enforcement and consumer protection, \$8.9 million for department services and information technology, and \$5.4 million for insurance and consumer finance licensing.
- Funding of \$150,000 general fund is recommended to study and analyze the impact of the Healthy Michigan Plan on private market insurance rates.

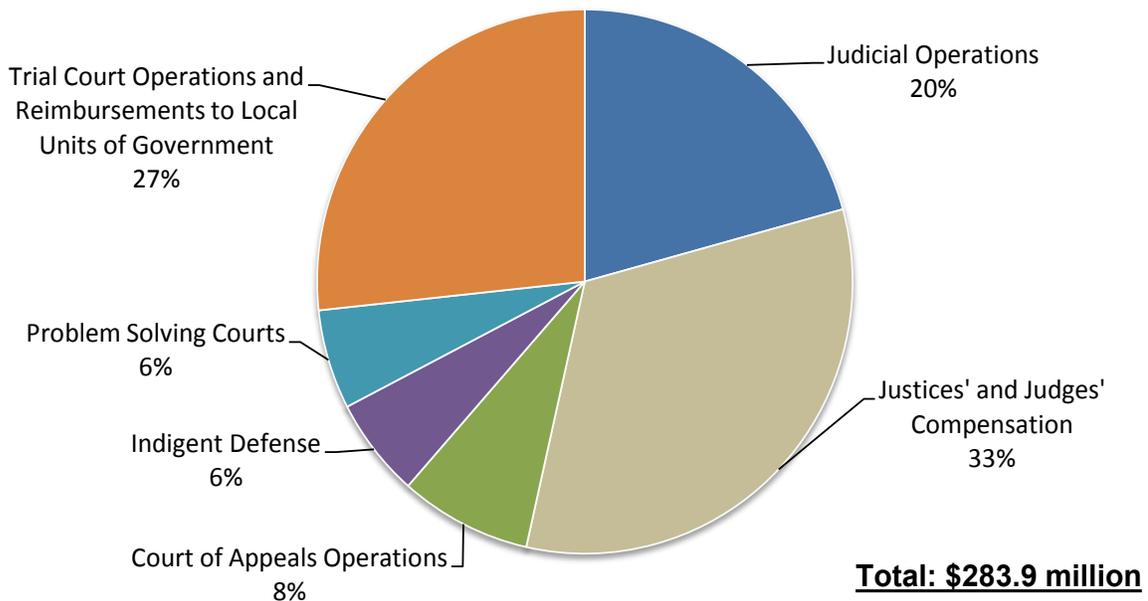
Governor's Recommendation
Department of Insurance and Financial Services
(\$ in Thousands)

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$55.0	\$65,189.7	\$150.0	\$65,057.7	\$150.0	\$65,057.7
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$55.0	\$65,189.7	\$150.0	\$65,057.7	\$150.0	\$65,057.7
<i>% Change from Previous Year</i>						
	<i>Ongoing Funding</i>		<i>172.7%</i>	<i>-0.2%</i>	<i>0.0%</i>	<i>0.0%</i>
	<i>One-Time Funding</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
	<i>Total Funding</i>		<i>172.7%</i>	<i>-0.2%</i>	<i>0.0%</i>	<i>0.0%</i>
Programs						
Financial Institutions and Insurance Evaluation			\$0.0	\$36,542.6	\$0.0	\$36,542.6
Enforcement and Consumer Protection			\$0.0	\$14,307.2	\$0.0	\$14,307.2
Department Services			\$150.0	\$8,857.6	\$150.0	\$8,857.6
Insurance and Consumer Finance Licensing			\$0.0	\$5,350.3	\$0.0	\$5,350.3
Total Ongoing Recommendation			\$150.0	\$65,057.7	\$150.0	\$65,057.7
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$150.0	\$65,057.7	\$150.0	\$65,057.7

Judiciary

The Michigan state constitution vests the judicial power of the state exclusively in a court system composed of the Supreme Court, the Court of Appeals, the Circuit Court (which is the trial court of general jurisdiction, including the Family Court division), the Probate Court, and courts of limited jurisdiction such as the District Court and municipal courts. The statewide court system is administered by the Supreme Court Justices through the State Court Administrative Office. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$283.9 million, of which \$182.7 million is general fund.*

Almost 40% of Budget Supports Local Courts, Problem Solving Courts, and Indigent Defense



Highlights of Governor's Budget Recommendation

Effective Government

The governor maintains \$16.8 million for specialty courts focused on reducing recidivism rates and substance abuse among nonviolent offenders.

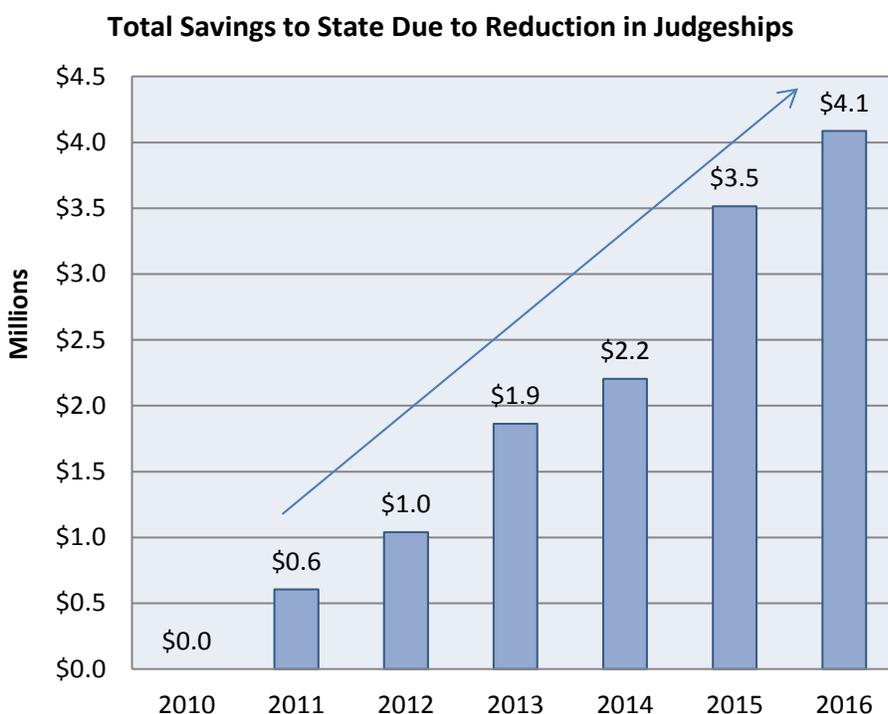
- Public safety continues to be a priority as the governor includes \$11 million for drug treatment courts which provide for early judicially-supervised treatment, mandatory periodic drug testing, community supervision, and use of appropriate sanctions, incentives, and rehabilitation services. The courts improve public safety by reducing drug and alcohol convictions.
- Mental health courts and diversion services are supported with \$5.3 million to lessen the overrepresentation of persons with mental illness in the criminal justice system. Mental health courts serve as a valuable community alternative to more costly local and state

criminal justice sanctions. Funding will maintain nine existing mental health courts. Jail diversion services include outpatient treatment assistance and court review hearings.

- The governor supports veterans' courts with \$500,000 enabling the delivery of a hybrid integration of drug court and mental health court services to military veterans to promote sobriety, recovery, and stability.

Efficient and Accountable Government

- In support of implementing a single case management system that unifies all trial courts, \$4.1 million is conserved for the statewide roll-out of the next generation Michigan court system.
- The recommended budget recognizes \$351,800 in additional savings from the elimination of judgeships by attrition. As a fiscally responsible standout, Michigan leads the nation in savings resulting from reducing unnecessary judgeships. The ongoing savings are projected to increase to \$4.1 million in fiscal year 2016 from approximately \$600,000 in 2011.
- Savings of \$3.2 million are primarily attributable to reducing spending authorization for programs that typically have year-end lapses, as well as delaying hiring for vacant positions.



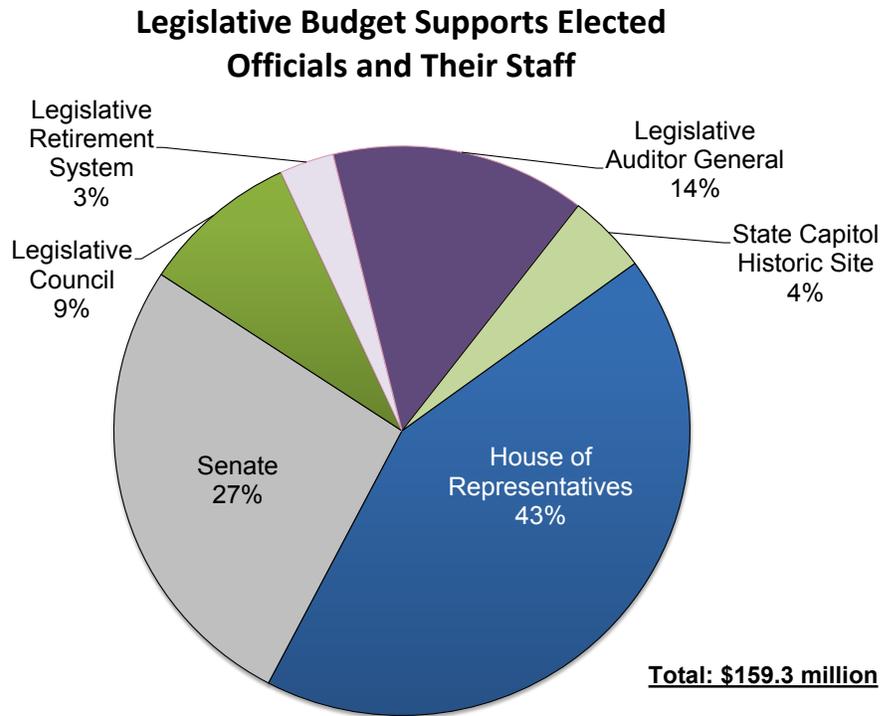
**Governor's Recommendation
Judiciary
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$186,152.4	\$287,392.6	\$182,692.2	\$283,901.3	\$182,692.2	\$283,901.3
One-Time Funding	\$375.0	\$375.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$186,527.4	\$287,767.6	\$182,692.2	\$283,901.3	\$182,692.2	\$283,901.3
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-1.9%	-1.2%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-2.1%	-1.3%	0.0%	0.0%
Programs						
Judicial Operations			\$46,556.5	\$130,490.6	\$46,556.5	\$130,490.6
Justices' and Judges' Compensation			\$90,115.5	\$93,103.6	\$90,115.5	\$93,103.6
Court of Appeals Operations			\$22,606.9	\$22,606.9	\$22,606.9	\$22,606.9
Specialty Courts			\$11,197.2	\$16,792.7	\$11,197.2	\$16,792.7
Indigent Defense			\$8,100.1	\$16,791.5	\$8,100.1	\$16,791.5
Next Generation Michigan Court System			\$4,116.0	\$4,116.0	\$4,116.0	\$4,116.0
Total Ongoing Recommendation			\$182,692.2	\$283,901.3	\$182,692.2	\$283,901.3
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$182,692.2	\$283,901.3	\$182,692.2	\$283,901.3



Legislature

The Michigan state constitution vests the state's lawmaking power in a two-house 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 proposed budget for fiscal years 2016 and 2017 recommends total funding of \$159.3 million, of which \$147.3 million is general fund.*



Highlights of Governor's Budget Recommendation

- The Executive Budget provides \$129.3 million for the legislature, including the Senate, the House of Representatives, and supporting entities.
- Over \$22.8 million is recommended for the Office of Auditor General, a constitutionally required function to conduct financial and performance audits of state government operations.
- The Executive Budget recommends \$7.2 million for the State Capitol Historic Site, which will be used to maintain and preserve the State Capitol and the surrounding grounds.

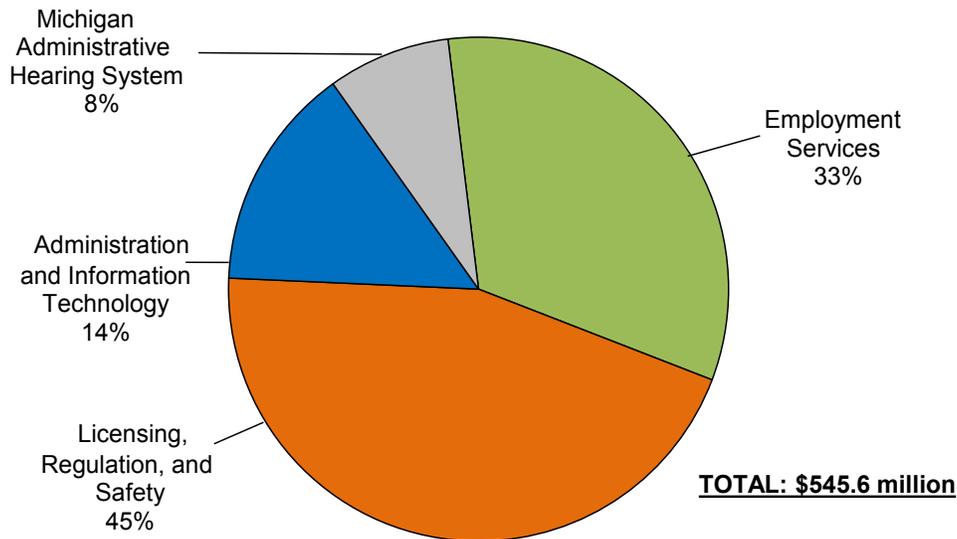
**Governor's Recommendation
Legislature
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$142,358.0	\$154,089.3	\$147,332.4	\$159,304.8	\$147,332.4	\$159,304.8
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$142,358.0	\$154,089.3	\$147,332.4	\$159,304.8	\$147,332.4	\$159,304.8
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		3.5%	3.4%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		3.5%	3.4%	0.0%	0.0%
Programs						
House of Representatives			\$67,980.8	\$67,980.8	\$67,980.8	\$67,980.8
Senate			\$42,329.2	\$42,329.2	\$42,329.2	\$42,329.2
Auditor General Operations			\$15,460.1	\$22,840.5	\$15,460.1	\$22,840.5
Legislative Council			\$13,704.0	\$14,104.0	\$13,704.0	\$14,104.0
State Capitol Historic Site			\$4,124.8	\$7,184.8	\$4,124.8	\$7,184.8
Legislative Retirement System			\$3,733.5	\$4,865.5	\$3,733.5	\$4,865.5
Total Ongoing Recommendation			\$147,332.4	\$159,304.8	\$147,332.4	\$159,304.8
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$147,332.4	\$159,304.8	\$147,332.4	\$159,304.8

Department of Licensing and Regulatory Affairs

The Department of Licensing and Regulatory Affairs (LARA) serves as the state's primary business regulatory agency. The governor's proposed budget for fiscal years 2016 and 2017 recommends total ongoing funding of \$545.6 million, of which \$24.2 million is general fund.

LARA Supports Business Regulatory Services



Highlights of Governor's Budget Recommendation

- By focusing on career technology and skilled trades, the governor is reinventing how the state delivers workforce training and job readiness services. The governor's budget adds \$15.6 million in new job training investments, which includes \$10 million to increase the skilled trades training program to a total of \$20 million. Other career technology and skilled trade investments include programs targeting job training to disadvantaged youth, advanced technical training partnerships with employers, job readiness for new Americans, and expanded re-employment opportunities for unemployed workers.
- The governor is also committed to ensuring the Unemployment Service Agency continues to provide effective customer service for those seeking re-employment by using \$18 million in restricted revenues on an ongoing basis to augment federal support for the system.
- The governor's budget supports an additional \$1.3 million in new fee revenue to provide for health care facility inspections. This comprehensive proposal also includes reforms that shift inspections to a uniform triennial cycle, and reduce the regulatory burden on providers by expanding waiver options for those with a record of compliance. These reforms will allow the department to focus attention on poor-performing providers and be more responsive to complaints.

- The majority of retail liquor license fees have not been adjusted since 1976. The governor proposes to increase fees to support local enforcement, improve customer service and operational efficiencies, and enhance substance abuse programs. Consistent with statute, the additional \$6.2 million raised will be shared with local law enforcement (55 percent), the Michigan Liquor Control Commission (41.5 percent), and substance abuse programs in the Department of Community Health (3.5 percent). The additional resources will allow the Commission to improve customer service with one-time information technology upgrades and other service-oriented investments. After three years, the increase will be reduced by half to reflect support for the ongoing costs of regulation and enforcement.
- In December, Governor Snyder issued Executive Order 2014-12 creating the Department of Talent and Economic Development (TED) and within it a new Talent Investment Agency. The Unemployment Insurance Agency, currently housed in LARA, will be a key component of the new Talent Investment Agency, merging re-employment and training programs to enhance the connection between talent and in-demand jobs. The Executive Budget will be revised after the Executive Order is effective on March 15, 2015 to reflect the new department.

Governor's Recommendation
Department of Licensing and Regulatory Affairs
(\$ in Thousands)

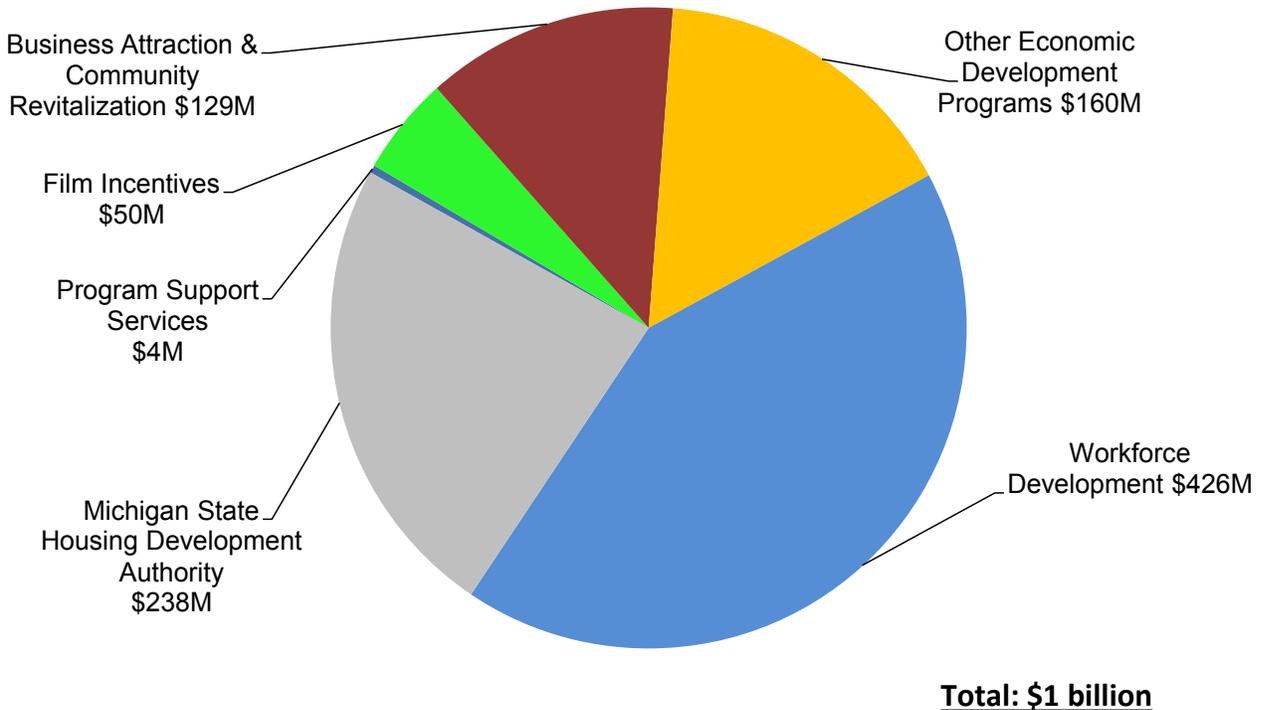
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$25,033.8	\$508,888.2	\$24,223.4	\$545,605.9	\$24,223.4	\$545,605.9
One-Time Funding	\$15,100.0	\$33,700.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$40,133.8	\$542,588.2	\$24,223.4	\$545,605.9	\$24,223.4	\$545,605.9
<i>% Change from Previous Year</i>						
	<i>Ongoing Funding</i>		-3.2%	7.2%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-39.6%	0.6%	0.0%	0.0%
Programs						
Employment Services			\$9,619.7	\$178,956.7	\$9,619.7	\$178,956.7
Occupational Regulation			\$11,237.7	\$124,942.2	\$11,237.7	\$124,942.2
Michigan Administrative Hearing System			\$1,034.9	\$43,224.7	\$1,034.9	\$43,224.7
Information Technology			\$65.2	\$41,417.9	\$65.2	\$41,417.9
Departmental Administration			\$1,398.3	\$37,344.9	\$1,398.3	\$37,344.9
Michigan Occupational Safety and Health Administration			\$174.0	\$35,755.5	\$174.0	\$35,755.5
Department Grants			\$693.6	\$31,928.7	\$693.6	\$31,928.7
Public Service Commission			\$0.0	\$30,033.2	\$0.0	\$30,033.2
Liquor Control Commission			\$0.0	\$22,002.1	\$0.0	\$22,002.1
Total Ongoing Recommendation			\$24,223.4	\$545,605.9	\$24,223.4	\$545,605.9
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$24,223.4	\$545,605.9	\$24,223.4	\$545,605.9



Michigan Strategic Fund

The Michigan Strategic Fund, which includes the Michigan State Housing Development Authority, is responsible for economic development, workforce development and community revitalization across Michigan. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total ongoing funding for the Michigan Strategic Fund of \$963.7 million, of which \$183.7 million is general fund. The governor also recommends \$42.9 million in one-time funding in fiscal year 2016.*

\$1 Billion Invested in Economic and Workforce Development



Highlights of Governor's Budget Recommendation

- The governor's budget invests a total of \$129 million to grow Michigan's economy through business attraction and community revitalization efforts. This total includes \$111.1 million on an ongoing basis, as well as \$17.9 million of one-time general fund to fuel business and community development projects throughout the state. Governor Snyder's approach to business attraction has been fiscally prudent with incentive programs now funded annually in the budget ensuring fiscal certainty.
- Reflecting the governor's focus on skilled trades, \$10 million is maintained for the skilled trades training program. Additional investments in the Department of Licensing and Regulatory Affairs budget add \$10 million for this program, for a total of \$20 million between the two agencies. The Executive Budget also maintains \$426 million for workforce development programs.

- The Executive Budget maintains funding for the film incentive program at \$50 million.
- The Executive Budget includes \$238 million for the Michigan State Housing Development Authority, and maintains \$4 million general fund support for the Land Bank Fast Track Authority to aid in the redevelopment of tax-reverted properties.
- Executive Order 2014-12, effective March 15, 2015, creates a new Department of Talent and Economic Development. The new department will include the Michigan Strategic Fund and the Michigan State Housing Development Authority, as well as a new Talent Investment Agency which will merge workforce programs with the Unemployment Insurance Agency presently within the Department of Licensing and Regulatory Affairs. An Executive Budget Revision will be forthcoming after the executive order takes effect to restructure the budget for the new department.

**Governor's Recommendation
Michigan Strategic Fund
(\$ in Thousands)**

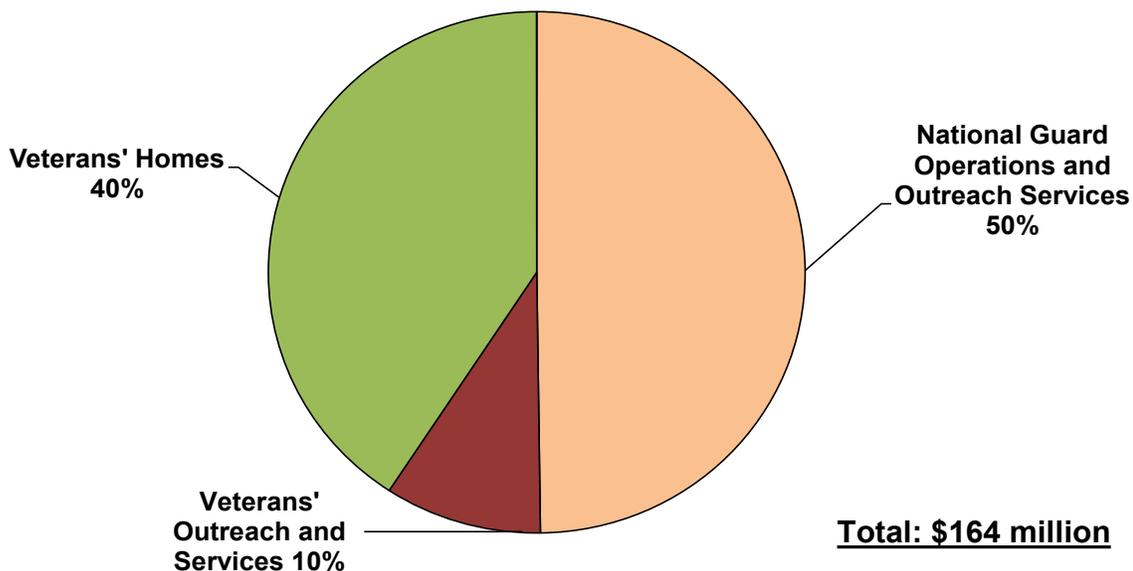
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$183,992.5	\$964,129.9	\$183,707.0	\$963,682.5	\$183,707.0	\$963,682.5
One-Time Funding	\$60,650.0	\$60,650.0	\$42,900.0	\$42,900.0	\$0.0	\$0.0
Total Funding	\$244,642.5	\$1,024,779.9	\$226,607.0	\$1,006,582.5	\$183,707.0	\$963,682.5
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			-0.2%	0.0%	0.0%	0.0%
<i>One-Time Funding</i>			-29.3%	-29.3%	-100.0%	-100.0%
<i>Total Funding</i>			-7.4%	-1.8%	-18.9%	-4.3%
Programs						
Workforce Development			\$12,275.2	\$426,033.0	\$12,275.2	\$426,033.0
Michigan State Housing Development Authority			\$3,950.0	\$237,717.0	\$3,950.0	\$237,717.0
Other Economic Development Programs			\$48,257.1	\$159,786.1	\$48,257.1	\$159,786.1
Business Attraction and Community Revitalization			\$91,100.0	\$111,100.0	\$91,100.0	\$111,100.0
Film Incentive Program			\$25,000.0	\$25,000.0	\$25,000.0	\$25,000.0
Program Support Services			\$3,124.7	\$4,046.4	\$3,124.7	\$4,046.4
Total Ongoing Recommendation			\$183,707.0	\$963,682.5	\$183,707.0	\$963,682.5
Business Attraction and Community Revitalization			\$17,900.0	\$17,900.0	\$0.0	\$0.0
Film incentives			\$25,000.0	\$25,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$42,900.0	\$42,900.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$226,607.0	\$1,006,582.5	\$183,707.0	\$963,682.5



Department of Military and Veterans Affairs

The Department of Military and Veterans Affairs primary mission is military and emergency preparedness, as well as service to veterans. The department is a key partner with the federal government in defending sovereign interests of the United States globally and protects the lives and property of Michigan residents during times of natural disaster and civil unrest. There are approximately 10,100 members of the Michigan National Guard; approximately 60 are currently deployed with an additional 650 scheduled to be deployed through December 2015. *The governor's proposed budget for fiscal years 2016 and 2017 recommends ongoing funding of \$164 million, of which \$48.2 million is general fund.*

Half of Funding Supports Services to Veterans



Highlights of Governor's Budget Recommendation

- The budget includes \$81.6 million (\$15.4 million general fund) in funding for National Guard operations and outreach services, representing the Michigan National Guard's traditional mission of state and national defense and homeland security, as well as community programs including the Military Family Relief Fund.
- As state National Guard units compete for fewer federal dollars, it is critical to maintain personnel readiness levels near 100 percent. Funding of \$4.3 million general fund is recommended to support a state tuition assistance program for Michigan Air and Army National Guard service members to improve recruitment and retention in order to achieve necessary readiness levels.
- As a veteran friendly state, the Michigan Veterans Affairs Agency is funded with \$15.5 million (\$10.3 million general fund) to help returning veterans find employment and assist veterans and their dependents in accessing benefits from the United States Department of Veterans Affairs.

- Veterans' service organizations will receive \$3.3 million in state-funded grants to counsel veterans and assist them in receiving benefits and services for which they are eligible.
- The fiscal year 2016 Executive Recommendation provides \$66.8 million (\$22.5 million general fund) in funding support for the Grand Rapids and D. J. Jacobetti Veterans' Homes, which provide direct nursing and domiciliary care for 630 residents. Of the total general fund, \$500,000 is for special maintenance and \$3.3 million is new funding as a short term solution to offset a projected shortfall in the veterans' homes restricted revenue while a long term solution is under study.
- Savings are realized from vacancies and other administrative efficiencies, and reductions in discretionary funding totaling \$746,300 general fund.

"Another thing that is tremendously exciting is we are leading the nation in some of our activities with our veterans. We did a partnership with the United Way and they came up with a 24 by 7, 365 day hot-line, one stop shopping for our veterans; that's 1-800-MICH-VET. And we are leading in the nation with that; we should be proud."

**Governor Snyder, State of the State Address,
January 20, 2015**

Governor's Recommendation
Department of Military and Veterans Affairs
(\$ in Thousands)

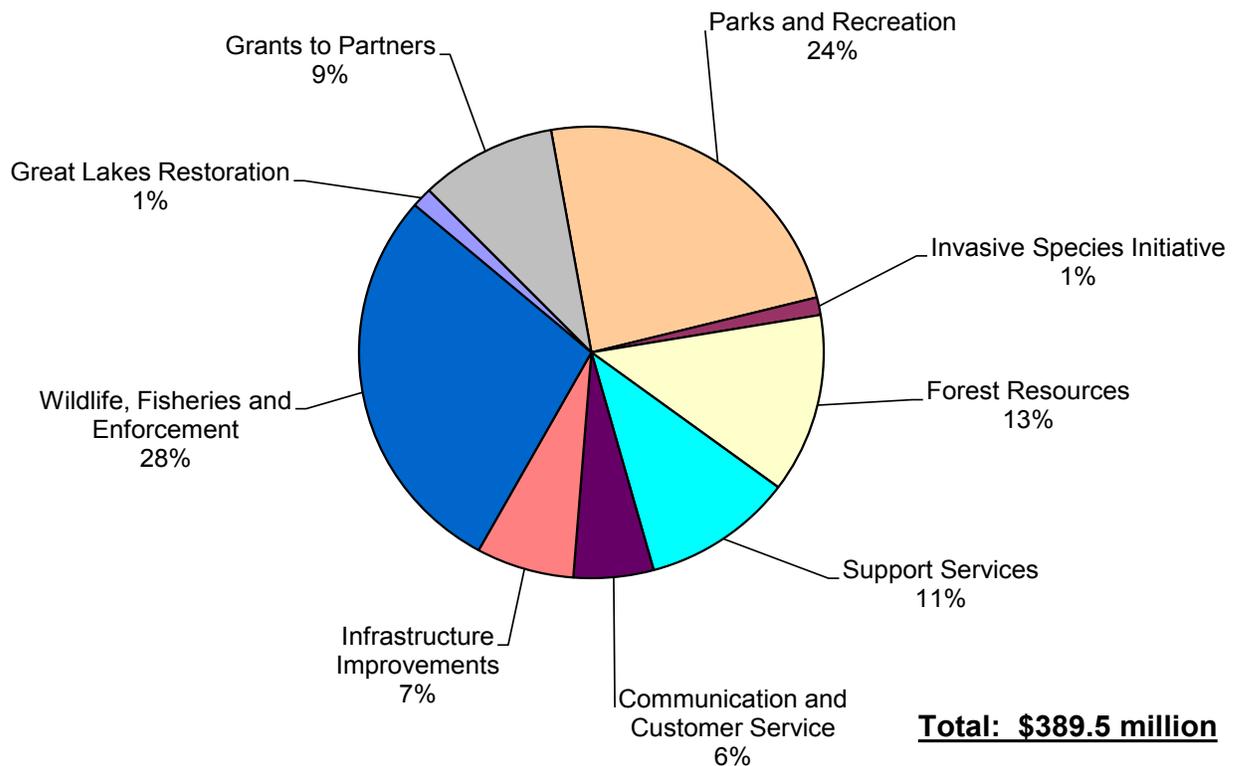
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$45,754.5	\$163,543.7	\$48,187.3	\$163,953.7	\$48,187.3	\$163,953.7
One-Time Funding	\$3,400.0	\$3,400.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$49,154.5	\$166,943.7	\$48,187.3	\$163,953.7	\$48,187.3	\$163,953.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		5.3%	0.3%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	-100.0%	0.0%	0.0%
	<i>Total Funding</i>		-2.0%	-1.8%	0.0%	0.0%
Programs						
National Guard Operations and Outreach Services			\$15,366.4	\$81,630.1	\$15,366.4	\$81,630.1
Veterans' Homes			\$22,523.0	\$66,825.6	\$22,523.0	\$66,825.6
Veterans' Outreach and Services			\$10,297.9	\$15,498.0	\$10,297.9	\$15,498.0
Total Ongoing Recommendation			\$48,187.3	\$163,953.7	\$48,187.3	\$163,953.7
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$48,187.3	\$163,953.7	\$48,187.3	\$163,953.7



Department of Natural Resources

Funding for the Department of Natural Resources (DNR) supports programs for wildlife and fisheries management, state parks and recreation areas, conservation and law enforcement, and forest management. *The governor's proposed budget for fiscal year 2016 recommends total funding of \$389.5 million, of which \$39.8 million is general fund. The recommendation for fiscal year 2017 is \$381.0, of which \$39.5 is general fund.*

DNR Funds a Variety of Recreational and Conservation Activities



Highlights of Governor's Budget Recommendation

- The fiscal year 2016 Executive Recommendation continues the governor's focus on the conservation, protection, management, accessible use and enjoyment of the state's natural resources.
- The governor recommends a \$2.2 million increase in available federal funds to be used to support the restoration, conservation, management and enhancement of wildlife habitat. Hunters, trappers, and other outdoor recreation enthusiasts will benefit from increased wildlife management on public and private lands through habitat expansion, restoration, and improvement.

- The fiscal year 2016 recommendation includes \$8.5 million (\$250,000 general fund) one-time funding.
 - o \$4 million (federal, private and general fund) will support expanded recreational shooting opportunities via the construction of new ranges and improvements to existing ranges in twelve priority areas across the state. Projects will focus on those that increase safety and improve shooting opportunities.
 - o \$4 million Forest Development Funds will be strategically invested in technology and equipment enhancements in an effort to expand the growth of the forest economy.
 - o \$500,000 Local Public Recreation Facilities Funds will provide grants to local communities to improve recreation opportunities.
- A total of \$12.2 million is recommended for infrastructure improvements in Michigan's state parks and recreation areas that welcome 22 million visitors each year. This includes \$1.5 million general fund savings that is achieved with the replacement of a like amount of Park Endowment Funds.
- The Executive Budget includes an additional \$2.8 million general fund savings by eliminating funding to the U.S. Department of Agriculture for cormorant control, reducing support for the non-motorized trail initiative due to the availability other grant opportunities, and other technical adjustments.

**Governor's Recommendation
Department of Natural Resources
(\$ in Thousands)**

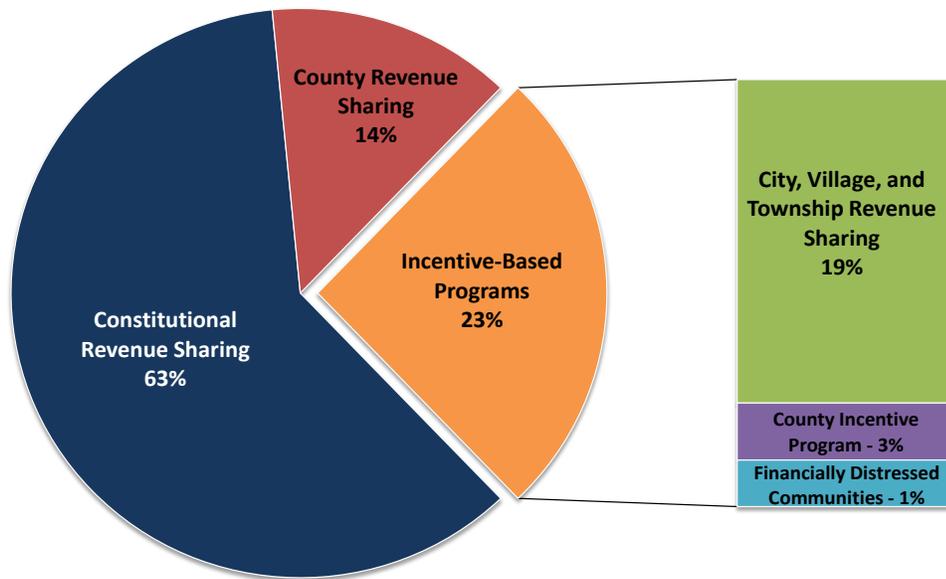
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$43,841.5	\$379,935.4	\$39,522.8	\$380,994.2	\$39,522.8	\$380,994.2
One-Time Funding	\$4,750.0	\$4,750.0	\$250.0	\$8,500.0	\$0.0	\$0.0
Total Funding	\$48,591.5	\$384,685.4	\$39,772.8	\$389,494.2	\$39,522.8	\$380,994.2
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-9.9%	0.3%	0.0%	0.0%
	<i>One-Time Funding</i>		-94.7%	78.9%	-100.0%	-100.0%
	<i>Total Funding</i>		-18.1%	1.3%	-0.6%	-2.2%
Programs						
Wildlife, Fisheries and Enforcement			\$11,267.3	\$109,991.8	\$11,267.3	\$109,991.8
Parks and Recreation			\$2,412.0	\$89,656.4	\$2,412.0	\$89,656.4
Forest Resources			\$8,425.3	\$45,896.0	\$8,425.3	\$45,896.0
Support Services			\$3,837.3	\$40,959.9	\$3,837.3	\$40,959.9
Grants to Partners			\$700.0	\$36,554.6	\$700.0	\$36,554.6
Infrastructure Improvements			\$2,250.0	\$22,520.5	\$2,250.0	\$22,520.5
Communication and Customer Service			\$4,433.8	\$21,681.0	\$4,433.8	\$21,681.0
Great Lakes Restoration			\$0.0	\$5,500.0	\$0.0	\$5,500.0
Invasive Species Initiative			\$4,997.0	\$4,997.0	\$4,997.0	\$4,997.0
Mackinac Island State Park Commission			\$200.1	\$2,237.0	\$200.1	\$2,237.0
Michigan Conservation Corps			\$1,000.0	\$1,000.0	\$1,000.0	\$1,000.0
Total Ongoing Recommendation			\$39,522.8	\$380,994.2	\$39,522.8	\$380,994.2
Shooting Range Enhancement Projects			\$250.0	\$4,000.0	\$0.0	\$0.0
Forestry Investment			\$0.0	\$4,000.0	\$0.0	\$0.0
Recreation Passport Local Grants			\$0.0	\$500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$250.0	\$8,500.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$39,772.8	\$389,494.2	\$39,522.8	\$380,994.2



Revenue Sharing

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 revenues is distributed to cities, villages, and townships; the remainder is subject to annual appropriation. *Funding for fiscal year 2016 is recommended at \$1.3 billion, which includes \$788.5 million for constitutionally-required revenue sharing payments; \$243 million for City, Village, and Township Revenue Sharing; \$171.8 million for County Revenue Sharing; \$42.9 million for the County Incentive Program; and \$5 million for Financially Distressed Cities, Villages, and Townships. Anticipated funding for fiscal year 2017 is recommended at \$1.3 billion, which includes \$816.1 million for constitutionally-required revenue sharing payments.*

23% of Payments to Locals is Incentive-Based



Total: \$1.3 billion

Highlights of Governor’s Budget Recommendation

- Constitutional revenue sharing payments for cities, villages, and townships are increased by \$23.8 million (3.1 percent) to \$788.5 million, based on estimated sales tax collections.
- City, Village, and Township Revenue Sharing provides \$243 million for qualified cities, villages, and townships that adopt best practices. In order to receive payment, otherwise eligible units are required to meet “Accountability and Transparency” provisions including a citizen’s guide to local finances with disclosure of unfunded liabilities, performance dashboard, debt service report, and two-year budget projection.
- Eligible counties will receive a combination of revenue sharing payments and incentive-based payments, provided they meet criteria consistent with requirements under

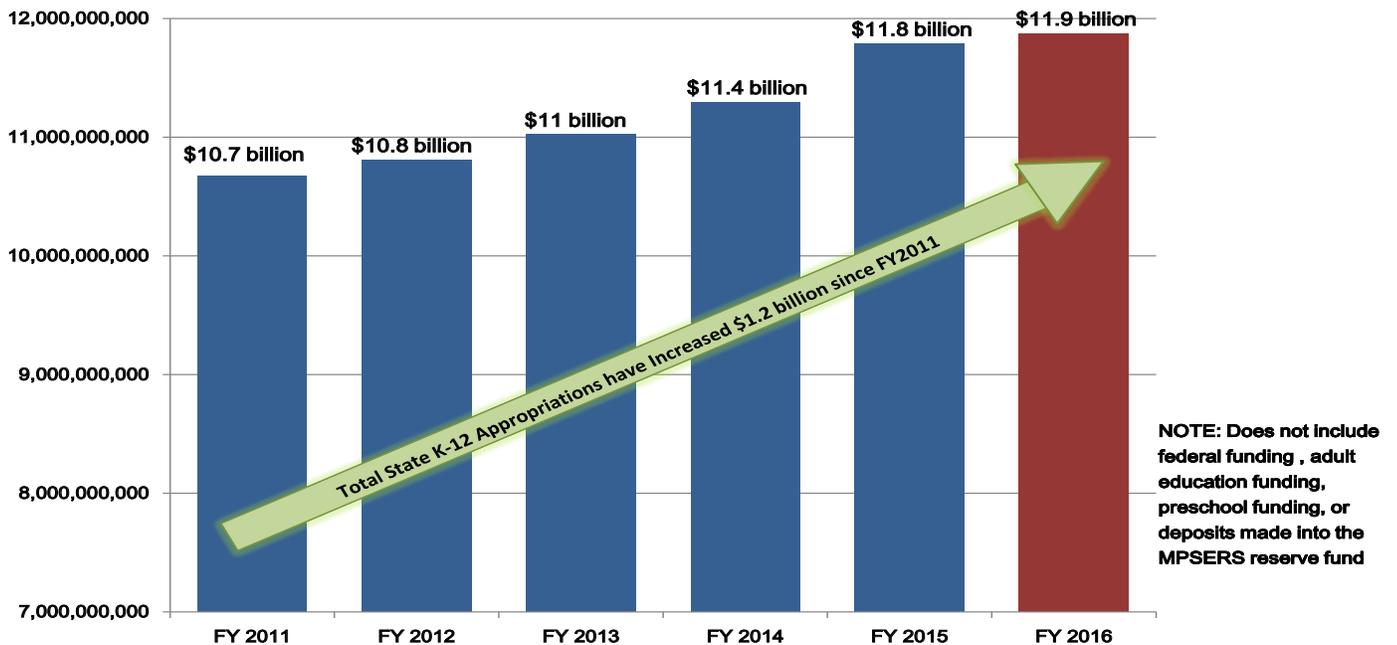
City, Village, and Township Revenue Sharing. The fiscal year 2016 Executive Budget recommends \$214.7 million, providing maximum funding allowed under statutory provisions to 76 eligible counties, up from 74 counties in fiscal year 2015.

- The fiscal year 2016 Executive Budget recommends \$5 million for financially distressed cities, villages, and townships. This program provides grants for local units that have one or more conditions that indicate probable financial distress. Grants are available to reduce unfunded accrued liabilities, repair publicly-owned critical infrastructure, reduce general fund debt, and transition to shared services. Grants to any city, village, or township cannot exceed \$2.0 million.

School Aid

The School Aid budget provides operational funding for the state's public schools, which are charged with ensuring students are college and career ready when they graduate from the K-12 education system. *The governor's proposed budget for fiscal year 2016 recommends total ongoing funding of \$13.8 billion, of which \$45.9 million is general fund. The governor also recommends \$114.7 million in one-time spending in fiscal year 2016. The estimated fiscal year 2017 budget totals \$13.8 billion, including \$57 million general fund.*

State K-12 Appropriations Continue to Increase



Improving Early Learning Literacy

Evidence shows that reading proficiency in third grade is an early indicator of success in life. Over the last two years, \$130 million has been included in the budget to significantly expand the state's preschool program for at-risk 4-year-old children, to a total investment of \$239.3 million.

- Building on that investment, the governor's fiscal year 2016 recommendation continues to recognize the importance of early learning with a comprehensive strategy to ensure children are reading at grade level by the end of the 3rd grade. A total of \$25 million is included in the Governor's budget for 3rd grade reading proficiency.

"The impact of the \$130 million expansion is a major victory for business, education and political leaders who have argued that childhood education is a worthwhile investment for Michigan, as well as a potential game-changer for tens of thousands of children from families of limited income who will be better prepared for the critical early years of school."

Ron French,
Bridge Magazine, January 27, 2015

- The proposed reforms are proven strategies to improve child literacy. In the classroom, the program focuses on high-quality instruction for all students, regular diagnostic screenings to determine if students are falling behind, and specific and targeted interventions for students who need help getting back on track. Since the path to reading proficiency starts at home, the proposed reforms also include opportunities for parents to engage their pre-school children in structured learning activities.
- In addition to \$25 million invested in literacy activities, the budget includes \$1 million to ensure that reforms are effectively implemented.
- The governor recommends the formation of a committee to offer guidance on components of the initiative prior to final passage of the fiscal year 2016 budget.

Expanding College and Career Readiness Programs

- The governor is recommending \$17.8 million in funding to better prepare students for college and careers through the expansion of career and technical education early/middle college programs that are aligned with the 10 prosperity regions throughout the state.

“Career and Technical Education is helping our state meet the very real and immediate challenges of student achievement, career and college readiness, and global competitiveness.”

**State Superintendent Mike Flanagan,
Advisor & Source Newspapers, March 31, 2014**

This investment is one component of over \$35 million in new skilled trades funding recommended throughout the budget.

- An additional \$2.2 million is proposed for programs intended to increase the number of college advisors in schools and for outreach efforts to make students and their parents more aware of available college and career options.
- The governor’s budget also includes \$1.75 million for districts that support student enrollment in college courses while in high school, and \$250,000 to help cover the costs of Advanced Placement tests for low-income students. Funding for First Robotics programs is also included at \$2 million.
- With these proposed new investments, the governor’s budget includes over \$80 million to support college and career readiness.

School District Fiscal Stability and Accountability

- General operations funding for schools is increased by \$108 million through a foundation allowance increase of \$75 per pupil. This proposed increase brings the minimum foundation allowance up to \$7,326 per pupil, and the basic foundation allowance to \$8,174 per pupil. Total funding to support public school operations through the per-pupil foundation allowance in fiscal year 2016 exceeds \$9 billion.

- Providing further stability for school districts, the governor’s budget includes \$893.5 million in fiscal year 2016 – an increase of \$216.6 million – for payments to districts, district libraries, and intermediate districts that participate in the Michigan Public School Employees’ Retirement System (MPERS). This payment represents the amount over the capped employer’s contribution rate for unfunded accrued liabilities, following the reforms enacted in 2012.
- Continuing the governor’s focus on rewarding schools that adopt best practices, the fiscal year 2016 budget provides \$30 million (\$20 per pupil) in funding for districts that implement specified financial and student academic initiatives.
- The governor is again urging the passage of statutory changes in a package of bills to create multi-agency financial independence teams tasked with implementing an early warning system to identify and assist financially troubled schools.
- To help mitigate the impact on students from unforeseen fiscal emergencies, the Executive Budget recommends a deposit of \$75 million into the Distressed District Rehabilitation Fund. Additionally, \$2 million is included for up-front costs associated with the consolidations of districts or services.

Investing in Student Academic and Educator Supports

- In addition to his 3rd-grade reading initiative, the governor’s budget recommends increasing funding to assist low-income, academically at-risk students by \$100 million to a total of \$409 million.
- The fiscal year 2016 budget includes nearly \$1.4 billion in funding for programs that provide nearly 200,000 students in the state with special education services.
- The governor’s budget again includes an investment of \$1.8 million to align the remaining half of the Michigan Teacher Certification Tests with current state curriculum standards.
- Last year, the budget included \$14.8 million in funding to implement an evaluation system for teachers and educators; however it was tie-barred to legislation that was not enacted prior to the end of the previous legislative session. The governor is again asking for the adoption of such legislation; if enacted, funds carried forward from fiscal year 2015 will be available for educator training, observation tools, and changes to state data systems that will link student performance and educator evaluations.
- The technology readiness infrastructure grant is continued with \$25 million in funding to help districts address technology infrastructure needs.

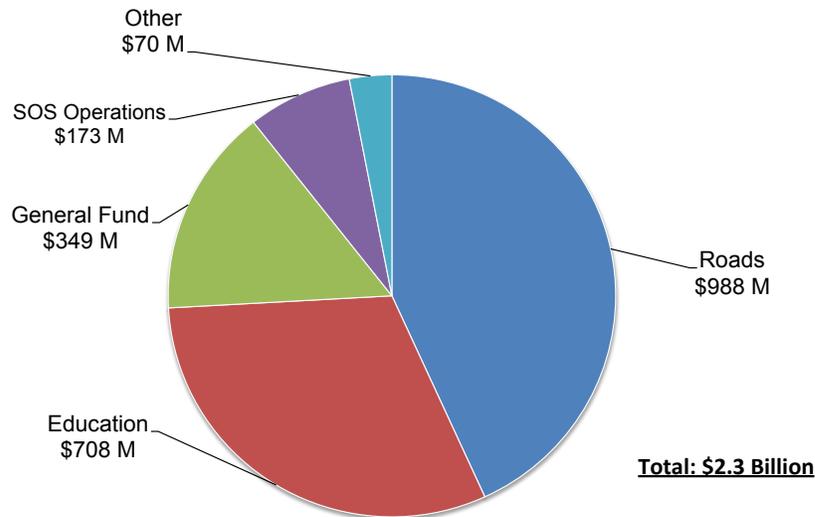
**Governor's Recommendation
School Aid
(\$ in Thousands)**

	FY2015			FY2016			FY2017		
	Current Law			Recommendation			Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
Ongoing Funding	\$114,900.0	\$11,571,082.9	\$13,494,145.6	\$45,900.0	\$12,022,594.7	\$13,844,263.9	\$57,000.0	\$12,006,484.7	\$13,839,253.9
One-Time Funding	\$0.0	\$376,180.0	\$376,180.0	\$0.0	\$114,700.0	\$114,700.0	\$0.0	\$0.0	\$0.0
Total Funding	\$114,900.0	\$11,947,262.9	\$13,870,325.6	\$45,900.0	\$12,137,294.7	\$13,958,963.9	\$57,000.0	\$12,006,484.7	\$13,839,253.9
	<i>% Change from Previous Year</i>								
	<i>Ongoing Funding</i>			-60.1%	3.9%	2.6%	24.2%	-0.1%	0.0%
	<i>One-Time Funding</i>			0.0%	-69.5%	-69.5%	0.0%	-100.0%	-100.0%
	<i>Total Funding</i>			-60.1%	1.6%	0.6%	24.2%	-1.1%	-0.9%
Programs									
Basic School Operations				\$20,970.5	\$8,993,722.1	\$9,014,692.6	\$33,870.5	\$8,851,822.1	\$8,885,692.6
Special Education				\$0.0	\$934,546.1	\$1,375,546.1	\$0.0	\$950,946.1	\$1,391,946.1
Supplemental and Support Services				\$8,462.5	\$488,648.4	\$1,312,236.6	\$7,862.5	\$488,648.4	\$1,311,636.6
MPSERS Retirement Contributions				\$600.0	\$992,900.0	\$993,500.0	\$0.0	\$1,081,600.0	\$1,081,600.0
School Meal Programs				\$0.0	\$28,120.1	\$541,320.1	\$0.0	\$28,120.1	\$541,320.1
Great Start Preschool Programs				\$300.0	\$250,175.0	\$250,475.0	\$300.0	\$250,175.0	\$250,475.0
Debt Service and Other Required Payments				\$0.0	\$178,186.8	\$178,186.8	\$0.0	\$197,676.8	\$197,676.8
Assessments and Accountability				\$11,967.0	\$79,394.9	\$97,805.4	\$11,967.0	\$79,394.9	\$97,805.4
College and Career Readiness				\$3,600.0	\$52,401.3	\$56,001.3	\$3,000.0	\$53,601.3	\$56,601.3
Third Grade Reading Proficiency Programs				\$0.0	\$24,500.0	\$24,500.0	\$0.0	\$24,500.0	\$24,500.0
Total Ongoing Recommendation				\$45,900.0	\$12,022,594.7	\$13,844,263.9	\$57,000.0	\$12,006,484.7	\$13,839,253.9
Distressed District Rehabilitation Fund				\$0.0	\$75,000.0	\$75,000.0	\$0.0	\$0.0	\$0.0
Technology Infrastructure Improvement Grants				\$0.0	\$25,000.0	\$25,000.0	\$0.0	\$0.0	\$0.0
District Dissolution Transition Costs				\$0.0	\$2,200.0	\$2,200.0	\$0.0	\$0.0	\$0.0
First Robotics				\$0.0	\$2,000.0	\$2,000.0	\$0.0	\$0.0	\$0.0
Consolidation Innovation Grants				\$0.0	\$2,000.0	\$2,000.0	\$0.0	\$0.0	\$0.0
Teacher Certification Testing Updates				\$0.0	\$1,800.0	\$1,800.0	\$0.0	\$0.0	\$0.0
Dual Enrollment Incentive				\$0.0	\$1,750.0	\$1,750.0	\$0.0	\$0.0	\$0.0
Third Grade Reading One-time Investments				\$0.0	\$1,500.0	\$1,500.0	\$0.0	\$0.0	\$0.0
College and Career Readiness One-Time Investments				\$0.0	\$1,200.0	\$1,200.0	\$0.0	\$0.0	\$0.0
Strict Discipline Academies				\$0.0	\$1,000.0	\$1,000.0	\$0.0	\$0.0	\$0.0
Gang Prevention Programs				\$0.0	\$1,000.0	\$1,000.0	\$0.0	\$0.0	\$0.0
Advanced Placement Testing Incentive Program				\$0.0	\$250.0	\$250.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation				\$0.0	\$114,700.0	\$114,700.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION				\$45,900.0	\$12,137,294.7	\$13,958,963.9	\$57,000.0	\$12,006,484.7	\$13,839,253.9

Department of State

The Michigan Department of State administers Michigan's motor vehicle programs including titling, registering vehicles, licensing drivers, and monitoring driver performance. The Department of State delivers services via branch offices, renewal by mail, and self-service terminals throughout the state. ExpressSOS provides convenient online services to customers. The Secretary of State also supervises statewide elections and ensures compliance with state election laws. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total funding of \$225.3 million, of which \$17.2 million is general fund.*

Department of State Collects Over \$2.3 Billion in Revenues for Michigan



Highlights of Governor's Budget Recommendation

- The governor's recommendation supports \$225.3 million for the Department of State to administer Michigan's motor vehicle programs and state election laws. The department plays a major role in collecting revenue for roads, education, and various state entities. Over \$2.3 billion of the state's general fund and restricted revenues are collected through Secretary of State offices.
- The Executive Recommendation reflects an increase of \$1 million in restricted funds to support growth in the use of credit and debit cards transactions. Michigan residents will continue to benefit from the added convenience of using this form of payment.
- Public Act 250 of 2014 authorized \$1 million restricted funds for the Department of State to administer the ignition interlock program. A convicted drunk driver may be required by the court system to install a breath alcohol ignition interlock device on any vehicle he/she intends to drive. These resources will be used to automate the current process for review and reporting of violations once the device reports a failed sobriety check. Upon full implementation, processing time will be reduced from four weeks to one week enabling prompt sanctions for violators, thus making Michigan roads safer.
- The Executive Recommendation includes \$500,000 general fund savings achieved by overall efficiencies throughout the department.

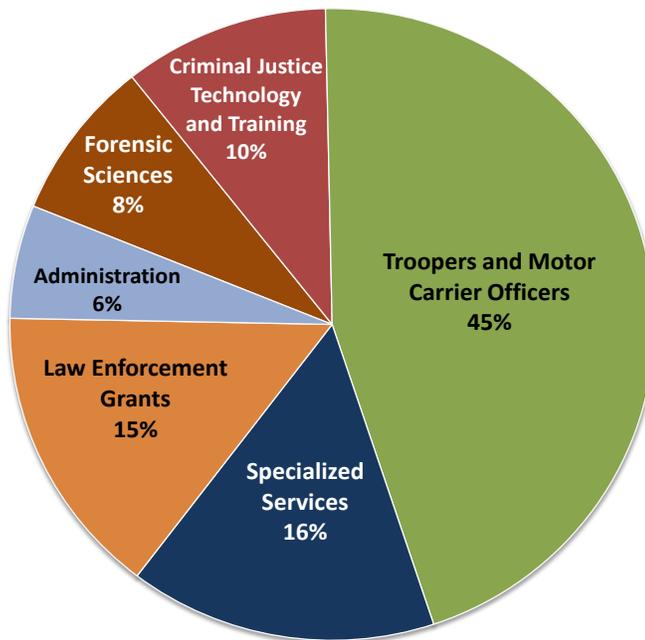
**Governor's Recommendation
Department of State
(\$ in Thousands)**

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$17,539.0	\$223,984.9	\$17,161.5	\$225,256.7	\$17,161.5	\$225,256.7
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$17,539.0	\$223,984.9	\$17,161.5	\$225,256.7	\$17,161.5	\$225,256.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-2.2%	0.6%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		-2.2%	0.6%	0.0%	0.0%
Programs						
Customer Delivery Services			\$3,412.2	\$142,284.0	\$3,412.2	\$142,284.0
Department Services			\$1,065.3	\$29,562.2	\$1,065.3	\$29,562.2
Information Technology			\$1,564.6	\$21,945.3	\$1,564.6	\$21,945.3
Departmentwide Appropriations			\$2,718.5	\$9,937.1	\$2,718.5	\$9,937.1
Legal Services			\$11.8	\$8,983.0	\$11.8	\$8,983.0
Election Regulation			\$6,828.5	\$7,272.0	\$6,828.5	\$7,272.0
Executive Direction			\$1,560.6	\$5,273.1	\$1,560.6	\$5,273.1
Total Ongoing Recommendation			\$17,161.5	\$225,256.7	\$17,161.5	\$225,256.7
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$17,161.5	\$225,256.7	\$17,161.5	\$225,256.7

Department of State Police

The Michigan State Police (MSP) delivers law enforcement services throughout the state. *The governor's proposed budget for fiscal year 2016 recommends total ongoing funding of \$609.8 million, of which \$369.8 million is general fund. In addition, one-time funding of \$3.7 million is recommended. The governor's proposed budget for fiscal year 2017 recommends total funding of \$616 million, of which \$375.9 million is general fund.*

State Police Provides a Variety of Statewide Enforcement and Specialty Services



Total: \$613.5 million

Highlights of Governor's Budget Recommendation

- The governor's budget supports core programs of the department, including road patrol and motor carrier enforcement, investigative services, emergency management and homeland security, forensic sciences, secondary road patrol grant funding, and funding for the Michigan Commission on Law Enforcement Standards.
- The Secure Cities Partnership has reduced violent crime in Detroit by 20.2 percent, Flint by 28.1 percent, Pontiac by 28.3 percent and Saginaw by 26.7 percent since 2011. The fiscal year 2016 budget recommendation builds on this effective program and includes \$7.7 million general fund for a trooper recruit school anticipated to graduate 75 troopers. These additional troopers will continue the governor's focus on improving public safety and reducing crime. The overall trooper strength is anticipated to reach 1,171 by the end of 2016, a level not seen since 2002.

- The Executive Recommendation includes \$1.7 million general fund for laboratory staff to support recently enacted legislation (P.A. 227 of 2014) which mandates the collection, submission, and timely testing of all criminal sexual assault kits. This funding will support 9 additional lab scientists and 2 support staff to timely test the anticipated increase in sexual assault kits.
- To enhance the department's ability to protect motorists and the state's roadway infrastructure, the governor recommends \$1.1 million ongoing general fund for a motor carrier officer recruit school in fiscal year 2016 to graduate 10 officers, bringing the number of motor carrier officers to 158, the highest level since 2007. These additional officers will monitor commercial vehicle traffic for compliance with size, weight and safety requirements, while also focusing on reducing criminal activity including cargo theft and narcotics trafficking.
- The governor's recommendation includes one-time funding of \$500,000 general fund to enhance efforts to prevent sexual assaults on higher education campuses in Michigan. The sexual assault prevention and education initiative will provide a system wide approach to develop comprehensive prevention best practices, assessment strategies, and effective response efforts.
- The Executive Budget recommendation includes budget savings of \$4.5 million general fund for the Michigan State Police that are due to technical adjustments to reflect changes in the size of a planned fiscal year 2015 motor carrier officer school, position vacancies and rent savings.

**Governor's Recommendation
Department of State Police
(\$ in Thousands)**

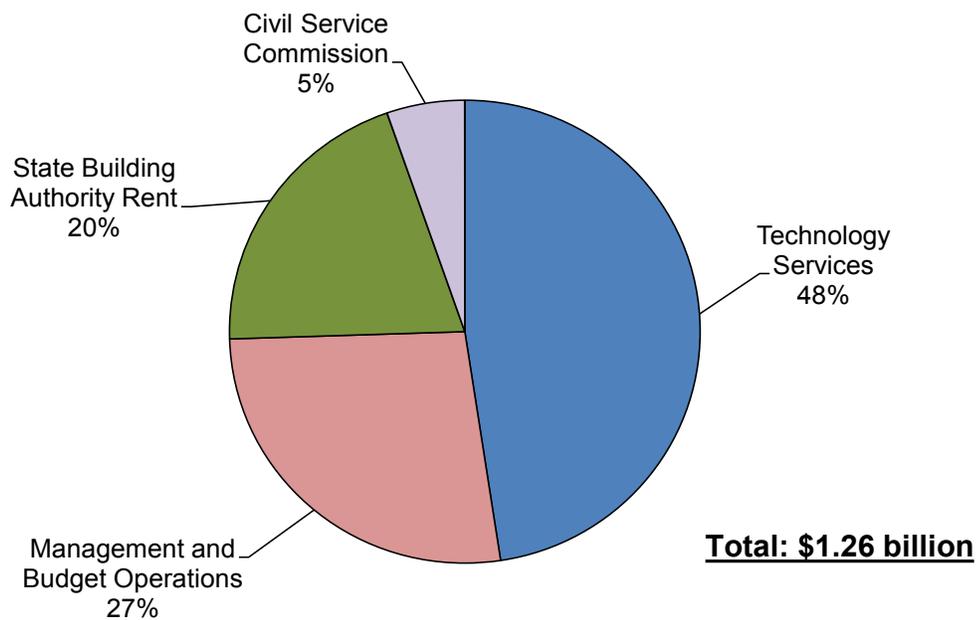
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$366,191.7	\$620,343.7	\$369,773.6	\$609,831.1	\$375,945.7	\$616,003.2
One-Time Funding	\$47,979.3	\$51,729.3	\$3,700.0	\$3,700.0	\$0.0	\$0.0
Total Funding	\$414,171.0	\$672,073.0	\$373,473.6	\$613,531.1	\$375,945.7	\$616,003.2
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			1.0%	-1.7%	1.7%	1.0%
<i>One-Time Funding</i>			-92.3%	-92.8%	-100.0%	-100.0%
<i>Total Funding</i>			-9.8%	-8.7%	0.7%	0.4%
Programs						
Troopers and Motor Carrier Officers			\$215,585.1	\$275,822.0	\$221,757.2	\$281,994.1
Specialized Services			\$71,658.7	\$94,199.1	\$71,658.7	\$94,199.1
Law Enforcement Grants			\$4,808.4	\$91,261.6	\$4,808.4	\$91,261.6
Criminal Justice Technology and Training			\$21,255.1	\$63,024.0	\$21,255.1	\$63,024.0
Forensic Sciences			\$31,109.9	\$50,151.9	\$31,109.9	\$50,151.9
Administration			\$25,356.5	\$35,372.6	\$25,356.5	\$35,372.6
Total Ongoing Recommendation			\$369,773.6	\$609,831.1	\$375,945.7	\$616,003.2
Trooper School One-Time Costs			\$3,200.0	\$3,200.0	\$0.0	\$0.0
Sexual Assault Prevention and Education Initiative			\$500.0	\$500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$3,700.0	\$3,700.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$373,473.6	\$613,531.1	\$375,945.7	\$616,003.2



Department of Technology, Management and Budget

The Department of Technology, Management and Budget supports the business operations of state agencies through a variety of services. These services include building management and maintenance; technology services; centralized contracting; purchasing; space planning and leasing; construction management; motor vehicle fleet management; and management of the state retirement system. *The governor's proposed budget for fiscal years 2016 and 2017 recommends ongoing funding of \$1.26 billion, of which \$476.9 million is general fund. The governor also recommends \$2.6 million in one-time spending in fiscal year 2016.*

Nearly Half of Funding Supports Information Technology Services for State Agencies



Highlights of Governor's Budget Recommendation

- The Executive Recommendation includes approximately \$482.2 million for information technology support for all state agencies, primarily funded with user fees from client agencies. In addition to information technology support, the governor recommends increasing the information technology investment fund by \$7 million ongoing general fund, to a total of \$70 million, to continue efforts to replace legacy systems and improve the state's cyber security framework

The additional \$7 million is intended to support critical cyber security improvements. Investing in improving the state's cyber security framework is critical as more and more interactions between government and citizens occur via the Internet. Annually, the state blocks 2.5 million web browser attacks, 179.5 million HTTP-based attacks, 79.5 million network scans, and 5.2 million intrusion attempts, and those numbers increase every day. In recent years at least two other states have fallen victim to large data breaches that resulted in hundreds of thousands of social security numbers being exposed; by investing proactively in cyber security Michigan can decrease the likelihood of large data breaches that expose sensitive citizen data.

- The Executive Budget includes funding of \$39.8 million, a reduction of \$2 million general fund, for the Michigan Public Safety Communications System (MPSCS). The ongoing funding will allow the department to continue with the equipment lifecycle replacement schedule and the radio lifecycle schedule implemented in fiscal year 2015. The MPSCS serves as the primary means of daily and emergency radio communications for all branches of state government with key state agencies including the departments of State Police; Transportation; Technology, Management, and Budget; Corrections; and Military and Veterans Affairs. The system has grown to serve over 1,400 local, state, federal, tribal nation and private public safety agencies using over 64,000 radios to support daily operations and mission critical disaster response communications.
- The Executive Budget includes funding of \$67.9 million, a reduction of \$1.1 million general fund, for the Civil Service Commission to provide professional, non-partisan oversight of the state's workforce.

Capital Outlay

- The Governor recommends planning authorizations for three university and two community college capital outlay projects. The institutions recommended for planning include: Lake Superior State University, University of Michigan – Dearborn, University of Michigan – Ann Arbor, Delta College, and C.S. Mott Community College. The total estimated cost of the projects is \$239.2 million, with an estimated state share of \$76.2 million. These five projects ranked the highest in capital outlay scoring evaluations in their respective categories.
- In fiscal year 2016, general fund support for enterprisewide special maintenance for state facilities is increased on an ongoing basis by \$8 million, from \$23 million to \$31 million. These funds are used to support non-routine maintenance projects at various state facilities (offices, prisons, laboratories, and other installations) across the state.

Governor's Recommendation
Department of Technology, Management and Budget
(\$ in Thousands)

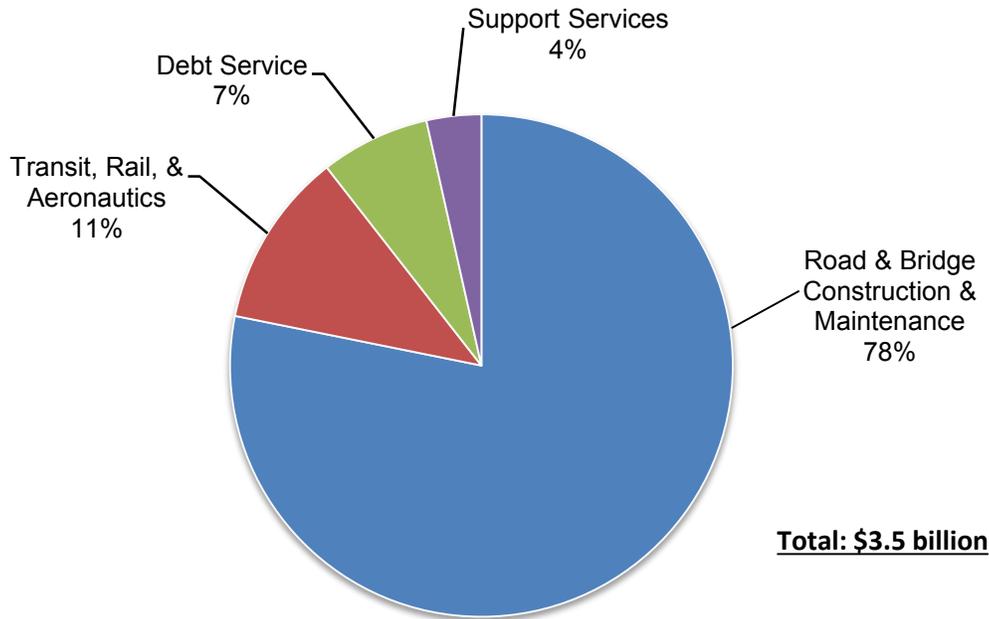
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$460,848.2	\$1,236,788.4	\$476,880.3	\$1,262,305.8	\$476,880.3	\$1,262,305.8
One-Time Funding	\$18,250.3	\$26,022.0	\$2,000.5	\$2,600.5	\$0.0	\$0.0
Total Funding	\$479,098.5	\$1,262,810.4	\$478,880.8	\$1,264,906.3	\$476,880.3	\$1,262,305.8
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		3.5%	2.1%	0.0%	0.0%
	<i>One-Time Funding</i>		-89.0%	-90.0%	-100.0%	-100.0%
	<i>Total Funding</i>		0.0%	0.2%	-0.4%	-0.2%
Programs						
Technology Services			\$116,696.0	\$601,060.8	\$116,696.0	\$601,060.8
Management and Budget Operations			\$84,357.5	\$338,780.3	\$84,357.5	\$338,780.3
State Building Authority Rent			\$254,570.6	\$254,570.6	\$254,570.6	\$254,570.6
Civil Service Commission			\$21,256.2	\$67,894.1	\$21,256.2	\$67,894.1
Total Ongoing Recommendation			\$476,880.3	\$1,262,305.8	\$476,880.3	\$1,262,305.8
Technology Services Funding			\$0.0	\$600.0	\$0.0	\$0.0
Legal Services			\$2,000.0	\$2,000.0	\$0.0	\$0.0
University and Community College Capital Outlay Planning Authorization			\$0.5	\$0.5	\$0.0	\$0.0
Total One-Time Recommendation			\$2,000.5	\$2,600.5	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$478,880.8	\$1,264,906.3	\$476,880.3	\$1,262,305.8



Department of Transportation

The Department of Transportation is responsible for ensuring that the state's network of roads and bridges, public transportation systems, passenger and freight rail and aviation programs provide for the efficient and effective movement of people and goods. *The governor's proposed budget for fiscal years 2016 and 2017 recommends total ongoing funding of \$3.5 billion. The governor also recommends \$139.5 million in general fund one-time spending in fiscal year 2016.*

Funding for Road and Bridge Construction is 78% of the Transportation Budget



Highlights of Governor's Budget Recommendation

In December 2014, the Legislature authorized Proposal 1, a question on the May 2015 ballot that seeks to raise an estimated \$1.3 billion in new revenues for transportation, as well as additional funds for schools and local governments.

Pending a decision of the voters, the governor's fiscal year 2016 budget recommendation is based on current law. If the ballot proposal is successful, a revised transportation recommendation will be presented to the Legislature.

The fiscal year 2016 current law recommendation maximizes available resources for transportation. However, the current resources available are not sufficient to meet Michigan's current or future transportation infrastructure needs. Based on current revenue projections, the percentage of state trunklines in good or fair condition is expected to fall from 82 percent in 2014 to 44 percent in 2020.

Governor Snyder's fiscal year 2016 current law budget recommendation includes the following key points:

- Current dedicated transportation revenues continue to be insufficient to match all of Michigan's available federal transportation aid. A total of \$139.5 million general fund is included in the governor's budget to leverage up to \$800 million in federal aid across all modes of transportation.
- Governor Snyder's budget also recommends a \$10 million increase in state trunkline funding to address critical high priority maintenance activities. These additional funds provide for increased winter maintenance costs and other system preservation and safety-related activities.
- The fiscal year 2016 recommendation includes appropriation authority for \$51.1 million in new federal grants for passenger rail programs, nonurban transit agencies, jobs access/reverse commute services and safety oversight for rail and fixed guideway-based transit systems.

**Governor's Recommendation
Department of Transportation
(\$ in Thousands)**

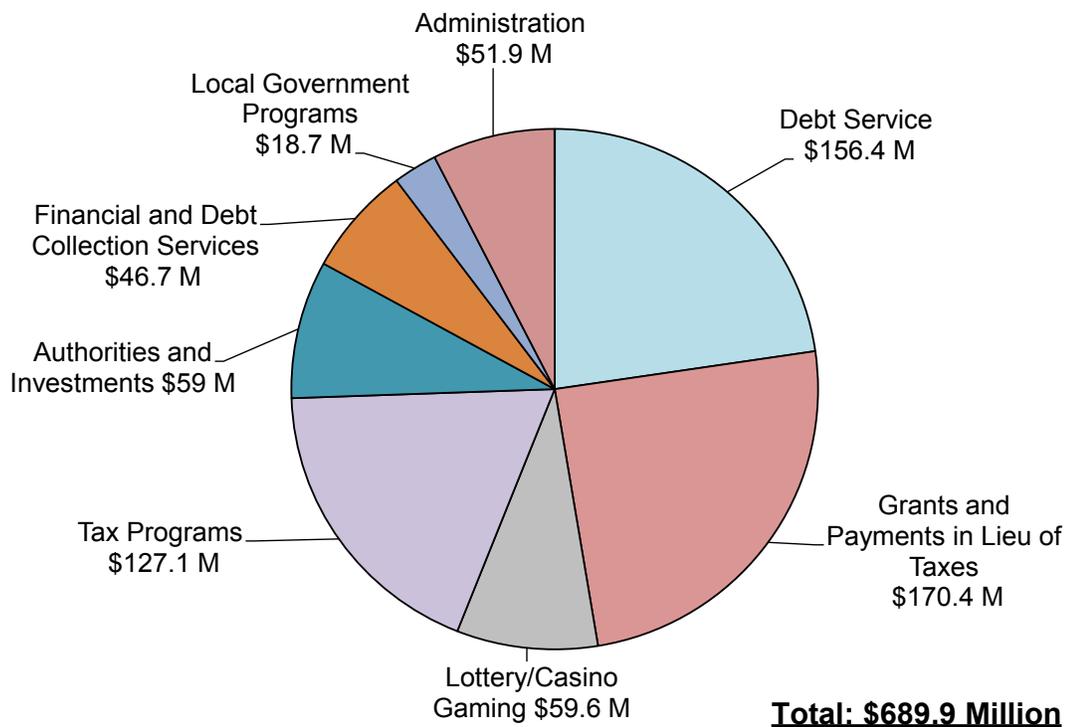
	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$0.0	\$3,414,870.7	\$0.0	\$3,496,201.4	\$0.0	\$3,496,201.4
One-Time Funding	\$284,647.9	\$284,647.9	\$139,521.1	\$139,521.1	\$0.0	\$0.0
Total Funding	\$284,647.9	\$3,699,518.6	\$139,521.1	\$3,635,722.5	\$0.0	\$3,496,201.4
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		<i>0.0%</i>	<i>2.4%</i>	<i>0.0%</i>	<i>0.0%</i>
	<i>One-Time Funding</i>		<i>-51.0%</i>	<i>-51.0%</i>	<i>-100.0%</i>	<i>-100.0%</i>
	<i>Total Funding</i>		<i>-51.0%</i>	<i>-1.7%</i>	<i>-100.0%</i>	<i>-3.8%</i>
Programs						
Road and Bridge Construction and Maintenance			\$0.0	\$2,657,832.4	\$0.0	\$2,657,832.4
Transit, Rail, and Aeronautics Services			\$0.0	\$383,855.2	\$0.0	\$383,855.2
Debt Service			\$0.0	\$238,860.8	\$0.0	\$238,860.8
Support Services			\$0.0	\$119,608.3	\$0.0	\$119,608.3
Capital Outlay			\$0.0	\$96,044.7	\$0.0	\$96,044.7
Total Ongoing Recommendation			\$0.0	\$3,496,201.4	\$0.0	\$3,496,201.4
State Trunkline Road and Bridge Construction			\$113,000.0	\$113,000.0	\$0.0	\$0.0
Transit Capital and Rail Infrastructure			\$25,000.0	\$25,000.0	\$0.0	\$0.0
Airport Safety, Protection and Improvement Program			\$1,521.1	\$1,521.1	\$0.0	\$0.0
Total One-Time Recommendation			\$139,521.1	\$139,521.1	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$139,521.1	\$3,635,722.5	\$0.0	\$3,496,201.4



Department of Treasury

The Department of Treasury's major responsibilities include the fair and efficient management of the state's tax system, investment of state funds, safeguarding the credit rating of the state and local governments, provision of forecasts on state economic activity and revenue, administration of property tax laws, audits of county and municipal financial records, maximization of lottery revenue to the School Aid Fund and providing oversight of casino gaming operations. *The governor's proposed budget for fiscal year 2016 recommends total funding of \$689.9 million, of which \$276.7 million is general fund. In fiscal year 2016, the budget includes one-time funding of \$19.9 million general fund. For fiscal year 2017, the governor recommends total funding of \$670 million, of which \$256.8 million is general fund.*

Over 47% of Treasury Spending is Dedicated to Debt Service and Payments to Local Governments



Treasury Operations

- The governor's fiscal year 2016 budget provides \$7 million in local funding resources for the Department of Treasury to support the city individual income tax program and the development of its business tax component. The Department of Treasury, through this program, will collect and process city taxes, beginning with the City of Detroit individual income taxes. The cost of this service will be borne by payments from participating local municipalities.
- The governor recommends \$156.4 million for debt service payments, adding \$5 million to fund debt service related to the issuance of Strategic Water Quality bonds. These bonds will fund sanitary sewer and storm water infrastructure projects in local communities.

- Public Act 603 of 2012 provides for a scheduled increase in the statutory formula for the Payments in Lieu of Taxes Program. Swamp and tax reverted land payments will increase from \$3 to \$4 per acre. The governor's recommendation provides an increase of \$4.9 million, of which \$4.5 million is general fund, to fully fund this requirement.
- The Executive Recommendation provides \$2 million general fund to cover operating costs associated with the Detroit Financial Review Commission. The nine-member commission was created to provide fiscal oversight for the City of Detroit following approval of the city's amended plan of adjustment by the United States bankruptcy court. The commission's responsibilities include ensuring that the city is in compliance with the statutory requirements defined in the Michigan Financial Review Commission Act, including the city's ability to provide essential municipal services to its residents.
- Personal property tax reform bills signed into law in December of 2012 reduced property taxes levied on personal property, while providing mechanisms for replacement of a portion of the lost tax revenue to local units of government. The governor's fiscal year 2016 budget provides \$22.6 million general fund to fulfill the requirements of the tax reform law, with \$19.3 million allocated specifically for reimbursement payments to locals, and \$3.3 million to cover associated administrative costs.
- The governor's fiscal year 2016 budget provides \$2.6 million general fund for a Treasury online business portal. This vehicle will enable Michigan businesses to do electronic business tax registration, tax returns and tax payments utilizing one web interface for all their tax needs. Approximately \$16 billion in tax revenue will be collected from businesses that pay sales, use, and withholding taxes via this system.
- The Executive Budget includes \$4 million general fund, in tandem with \$778,100 in the Department of Education, for funding of financial independence teams. These interagency teams will be tasked with implementing early warning systems to identify school districts that are in need of financial attention and provide the expertise and resources needed to address problems before a crisis occurs.
- The Executive Recommendation includes \$4 million in general fund savings achieved by overall operational efficiencies throughout the department.

Governor's Recommendation
Department of Treasury
(\$ in Thousands)

	FY2015 Current Law		FY2016 Recommendation		FY2017 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$247,013.3	\$674,531.4	\$256,779.3	\$669,975.2	\$256,779.3	\$669,975.2
One-Time Funding	\$23,500.0	\$23,500.0	\$19,900.0	\$19,900.0	\$0.0	\$0.0
Total Funding	\$270,513.3	\$698,031.4	\$276,679.3	\$689,875.2	\$256,779.3	\$669,975.2
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		4.0%	-0.7%	0.0%	0.0%
	<i>One-Time Funding</i>		-15.3%	-15.3%	-100.0%	-100.0%
	<i>Total Funding</i>		2.3%	-1.2%	-7.2%	-2.9%
Programs						
Grants and Payments in Lieu of Taxes			\$38,457.8	\$170,364.1	\$38,457.8	\$170,364.1
Debt Service Payments			\$156,449.0	\$156,449.0	\$156,449.0	\$156,449.0
Administration of Tax Programs			\$19,835.2	\$107,773.7	\$19,835.2	\$107,773.7
Authorities and Investments			\$0.0	\$58,956.6	\$0.0	\$58,956.6
Administration			\$24,108.2	\$51,342.3	\$24,108.2	\$51,342.3
Financial and Administrative Services			\$5,186.1	\$46,687.2	\$5,186.1	\$46,687.2
Casino Regulation			\$0.0	\$30,127.7	\$0.0	\$30,127.7
Bureau of State Lottery			\$0.0	\$29,528.9	\$0.0	\$29,528.9
Local Government Programs			\$12,743.0	\$18,745.7	\$12,743.0	\$18,745.7
Total Ongoing Recommendation			\$256,779.3	\$669,975.2	\$256,779.3	\$669,975.2
Treasury Online Business Portal			\$600.0	\$600.0	\$0.0	\$0.0
Personal Property Tax Payments			\$19,300.0	\$19,300.0	\$0.0	\$0.0
Total One-Time Recommendation			\$19,900.0	\$19,900.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$276,679.3	\$689,875.2	\$256,779.3	\$669,975.2



Background Information

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Web site address for this document: <http://www.michigan.gov/budget>



Fiscal Years 2016 and 2017
Sources and Uses of General Fund/General Purpose
(in millions)

	Fiscal Year 2016	Fiscal Year 2017
Ongoing Revenues:		
January Consensus Revenues	\$9,713.2	\$10,000.6
<u>Proposed Adjustments:</u>		
Payments to Local Government	(\$462.7)	(\$462.7)
Charge School Aid Fund for Short-term Borrowing	\$4.0	\$5.0
PA 161 and 162 of 2014 (HMO Use Tax)	\$377.7	\$97.7
PA 553 and 554 of 2014 (Mainstreet Fairness)	\$10.0	\$10.0
Venture Michigan Fund Tax Vouchers	(\$38.1)	(\$30.5)
Total Sources of Ongoing Revenues	\$9,604.1	\$9,620.1
Fiscal Year 2016 Executive Recommendation	\$9,264.3	
Fiscal Year 2017 Executive Recommendation	\$9,331.1	
Total Uses of Ongoing Revenues	\$9,264.3	\$9,331.1
Ongoing Revenue Balance	\$339.8	\$289.0
One-Time Revenues:		
Estimated Beginning Fund Balance, October 1	\$0.3	\$28.9
Total Sources of One-Time Revenues	\$0.3	\$28.9
Fiscal Year 2016 Executive Recommendation	\$311.2	
Fiscal Year 2017 Executive Recommendation	\$0.0	
Total Uses of One-Time Revenues	\$311.2	\$0.0
One-Time Revenue Balance	(\$310.9)	\$28.9
Ending Fund Balance, September 30	\$28.9	\$317.9

Fiscal Years 2016 and 2017 Sources and Uses of All Funds

(in millions)

	Fiscal Year 2016	Fiscal Year 2017
Estimated Beginning Unassigned Fund Balances, October 1	\$1,745.8	\$1,772.9
REVENUES:		
FY 2016 and Fiscal Year 2017 Revenue Estimates	\$52,317.1	\$52,671.5
Total Sources of Funds	\$54,062.9	\$54,444.4
EXPENDITURES:		
Fiscal Year 2016 Executive Recommendation \$53,964.9		
Less: Interdepartmental Grants and Transfers (836.2)		
Fiscal Year 2017 Executive Recommendation \$53,291.7		
Less: Interdepartmental Grants and Transfers (835.6)		
Total Uses of Funds	\$53,128.7	\$52,456.1
Excess of Sources Over Uses	\$934.2	\$1,988.3

Consensus Economic Outlook

The consensus economic outlook for 2015, 2016, and 2017 was adopted at the January 16, 2015, Consensus Revenue Estimating Conference by the Administration, House Fiscal Agency, and Senate Fiscal Agency.

2014 U.S. Economic Review

U.S. real gross domestic product (GDP) increased an estimated 2.3 percent in calendar year 2014, which was slightly higher than the 2.2 percent rate of growth recorded in 2013. First quarter 2014 GDP growth was a negative 2.1 percent, the first decline in quarterly GDP growth since 2011. By the third quarter, real GDP growth accelerated to 5.0 percent growth, the fastest since the third quarter of 2003.

Wage and salary employment gains improved in 2014. Wage and salary employment averaged a gain of 260,000 jobs per month in 2014, the highest since 1999. The November gain of 423,000 jobs was the highest monthly gain since May 2010. Wage and salary employment increased 1.9 percent in 2014, the highest percentage gain since 2000. It was also the fourth consecutive year wage and salary employment increased. Since September 2010, wage and salary employment has increased for 52 consecutive months.

Nationally, the unemployment rate declined to 6.2 percent in 2014 from a 7.4 percent rate in 2013. The unemployment rate's highest level in 2014 was recorded in February at 6.7 percent, but by December it was down to 5.6 percent. The December rate was the lowest monthly unemployment rate since June 2008.

The sharp decline in oil prices in the last quarter of 2014 was a major economic event. Oil prices began 2014 at \$95 a barrel in January and rose to over \$100 a barrel in the summer months. By December 2014, the price was down to \$59.54 per barrel, the lowest since the Great Recession in 2009. The resulting decline in gasoline prices provided a boost to disposable income and helped lower inflation. However, states dependent on the oil industry will see a decline in investment and lower employment in the oil industry if prices remain low.

The residential housing market improved only modestly during the past year and remained well below historical trend levels. Housing starts increased 8.2 percent in 2014 to slightly over 1 million units compared with 925,000 starts in 2013. Despite this increase, housing starts in 2014 were less than half of the 2005 total. New home sales improved slightly in 2014, totaling 435,000 units, up 1.2 percent from 2013.

Light vehicle sales increased to 16.4 million units in 2014 from 15.5 million units in 2013, an increase of 5.8 percent. During 2014, the monthly annualized sales rate topped 17 million units in both August and November. The last time the monthly sales rate topped 17 million units was in January 2006. An improved labor market, price discounting, and easier credit standards for auto loans were pivotal in the improving sales rate.

The stock market increased in 2014 as the S&P 500 was up 11.4 percent on the last day of trading in 2014 compared to the last day in 2013. In October 2014, the Federal Reserve ended its latest program of quantitative easing. During 2014, the Federal Reserve kept the federal funds rate at zero percent to 0.25 percent. Statements from the Federal Reserve indicate the federal funds rate will remain low for a considerable time.

World economic growth slowed in 2014. While China grew a preliminary 7.4 percent in 2014, it was the slowest growth rate in 24 years. It was also the first time since 1998 that China's rate of economic growth fell short of the official government target. The Japanese economy fell into recession in the third quarter of 2014 as the leadership tried to pull the country out of its deflationary slump. The Eurozone continues to exhibit weak growth as the region struggles to emerge from its ongoing financial crisis.

2014 Michigan Economic Review

Based on preliminary data that became available subsequent to the adoption of the consensus economic forecast on January 16, 2015, Michigan wage and salary employment increased an estimated 0.8 percent in 2014, which marked the fourth consecutive year of growth after declining for 10 consecutive years. Michigan employment gained a preliminary 34,000 jobs in 2014 after gaining 71,200 in 2013. Since March 2010, which marked the recession's employment low point, Michigan has gained 340,600 jobs. The increase in jobs in 2014 helped reduce Michigan's unemployment rate to an estimated 7.2 percent from 8.8 percent in 2013.

Michigan motor vehicle production decreased by 4.7 percent in 2014 compared to 2013. Approximately 2,358,000 vehicles were produced in 2014 compared to the 2,474,000 vehicles produced in 2013. Model changeovers and major renovations to some production facilities were the main reasons vehicle production was slightly lower in 2014. Michigan's 2014 vehicle production level marked the third year in a row that vehicle production topped two million units. Production in 2014 was more than double the historically low 1,146,000 units produced in 2009.

Michigan manufacturing employment continues to improve from the lows recorded in the Great Recession. December 2014 manufacturing employment of 574,500 jobs was up 133,900 or 30.3 percent from the historically low level recorded during the Great Recession.

In 2014, wage and salary payments received by Michigan workers rose an estimated 4.9 percent after increasing 2.9 percent in 2013. Total personal income grew an estimated 4.2 percent in 2014, compared with the 1.2 percent rate of growth in 2013. With 1.4 percent inflation, real (inflation adjusted) personal income rose an estimated 2.8 percent in 2014.

U.S. Consensus Economic Outlook: 2015 - 2017

Real GDP growth is projected to grow 3.0 percent in 2015, increase 3.1 percent in 2016, and grow 2.8 percent in 2017 (see Table 1). U.S. light vehicle sales are expected to increase to 16.8 million units in 2015 and to 17.1 million units in 2016. In 2017, light vehicle sales are forecast to increase to 17.2 million units.

The U.S. unemployment rate will fall to an estimated 5.6 percent in 2015 from 6.2 percent in 2014. In 2016, the unemployment rate is forecast to fall to 5.4 percent. By 2017, continued employment growth will lower the jobless rate to a projected 5.2 percent.

Consumer prices, as measured by the U.S. Consumer Price Index (CPI), are expected to rise 0.8 percent in 2015 and increase 1.6 percent in both 2016 and 2017.

Michigan Consensus Economic Outlook: 2015 - 2017

Michigan wage and salary employment is expected to increase 1.3 percent in 2015, 1.3 percent in 2016, and 1.2 percent in 2017, which translates into 159,000 new jobs over these three years. Michigan's unemployment rate is expected to fall from 7.2 percent in 2014 (based on preliminary data released after adoption of the consensus economic forecast) to 6.9 percent in 2015. The increase in employment will help decrease the jobless rate to an estimated 6.7 percent in 2016 and to 6.5 percent in 2017.

Michigan personal income is projected to rise 4.3 percent in 2015, 4.4 percent in 2016, and 4.3 percent in 2017. Inflation is forecast to increase 0.7 percent in 2015, 1.5 percent in 2016 and 1.5 percent in 2017. As a result, real Michigan personal income is expected to rise 3.5 percent in 2015, and 2.8 percent in both 2016 and 2017.

Forecast Risks

A slowdown in world economic growth poses risks for the U.S. economy. Exports could decline substantially as demand declines in other countries. China is slowing down from over 7 percent growth in 2014 to a projected 6.5 percent growth in 2015. While this growth rate is exceptionally high for most countries, it reflects a deceleration in the Chinese economy. The Eurozone continues to be a concern as the ongoing financial crisis could produce slower than expected economic growth and a risk of deflation.

U.S. federal monetary policy is a risk to the overall economy. Uncertainty remains when and if the Federal Reserve will raise the federal funds rate and how the financial markets and consumers will react to any interest rate increases.

The housing sector recovery continues to be slow with housing starts well below historical trends. If the expected acceleration in the pace of the housing sector recovery in 2015 does not materialize, then overall economic growth would likely fall short of the current projection.

Declining oil prices have brought relief to consumers at the pump and are currently providing a boost to disposable income. A pickup in world demand for oil or a decline in the supply of oil could cause prices to increase, which would reduce or eliminate the boost to consumers' disposable income.

Light vehicle sales growth continues to provide a boost to the U.S. economy. Sales levels are projected to approach the record levels realized during the early 2000s. A pullback in sales would hurt both the U.S. and Michigan economies.

Table 1
Consensus Economic Forecast

January 2015

	Calendar 2013 Actual	Calendar 2014 Forecast	Percent Change from Prior Year	Calendar 2015 Forecast	Percent Change from Prior Year	Calendar 2016 Forecast	Percent Change from Prior Year	Calendar 2017 Forecast	Percent Change from Prior Year
United States									
Real Gross Domestic Product (Billions of Chained 2009 Dollars)	\$15,710	\$16,072	2.3%	\$16,554	3.0%	\$17,067	3.1%	\$17,545	2.8%
Implicit Price Deflator GDP (2009 = 100)	106.7	108.4	1.6%	110.1	1.6%	112.0	1.7%	114.0	1.8%
Consumer Price Index (1982-84 = 100)	232.957	236.812	1.7%	238.780	0.8%	242.619	1.6%	246.568	1.6%
Consumer Price Index - Fiscal Year (1982-84 = 100)	232.247	236.009	1.6%	238.082	0.9%	241.653	1.5%	245.548	1.6%
Personal Consumption Deflator (2009 = 100)	107.3	108.7	1.3%	109.6	0.8%	111.1	1.4%	112.7	1.4%
3-month Treasury Bills Interest Rate (percent)	0.1	0.03		0.3		1.2		2.1	
Aaa Corporate Bonds Interest Rate (percent)	4.2	4.2		4.3		4.6		4.8	
Unemployment Rate - Civilian (percent)	7.4	6.2		5.6		5.4		5.2	
Wage and Salary Employment (millions)	136.368	138.907	1.9%	141.550	1.9%	143.810	1.6%	145.820	1.4%
Housing Starts (millions of starts)	0.925	1.001	8.2%	1.192	19.1%	1.375	15.4%	1.495	8.7%
Light Vehicle Sales (millions of units)	15.5	16.4	5.8%	16.8	2.4%	17.1	1.8%	17.2	0.6%
Passenger Car Sales (millions of units)	7.6	7.7	1.1%	7.9	2.8%	8.0	1.3%	8.1	1.3%
Light Truck Sales (millions of units)	7.9	8.7	10.4%	8.9	2.1%	9.1	2.2%	9.1	0.0%
Big 3 Share of Light Vehicles (percent)	44.4	44.4		44.7		44.8		45.0	
Michigan									
Wage and Salary Employment (thousands)	4,105	4,133	0.7%	4,187	1.3%	4,241	1.3%	4,292	1.2%
Unemployment Rate (percent)	8.8	7.4		6.9		6.7		6.5	
Personal Income (millions of dollars)	\$386,471	\$402,703	4.2%	\$420,019	4.3%	\$438,500	4.4%	\$457,356	4.3%
Real Personal Income (millions of 1982-84 dollars)	\$176,084	\$180,993	2.8%	\$187,412	3.5%	\$192,753	2.8%	\$198,086	2.8%
Wages and Salaries (millions of dollars)	\$195,203	\$204,768	4.9%	\$212,140	3.6%	\$219,352	3.4%	\$227,249	3.6%
Detroit Consumer Price Index (1982-84 = 100)	219.481	222.496	1.4%	224.115	0.7%	227.493	1.5%	230.887	1.5%

Revenue Estimates

Fiscal Year 2014 Revenue

In 2014, Michigan's economy expanded for the fourth consecutive year as employment and personal income increased and the jobless rate declined. Despite the increase in economic activity, tax collections declined in FY 2014 largely due to non-economic factors that negatively affected individual income tax and business tax receipts. General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue on a consensus basis totaled \$20,538.9 million in FY 2014, which was down 1.4 percent from FY 2013. Including transfers, SAF federal aid, budget adjustments, and other one-time revenue not included in the consensus base, GF/GP and SAF revenue totaled \$22,202.7 million.

Revenue Estimates: Fiscal Year 2015, Fiscal Year 2016, and Fiscal Year 2017

On January 16, 2015, the Administration and the House and Senate Fiscal Agencies reached a consensus on projected revenues for FY 2015, FY 2016, and FY 2017, and these estimates are used for the Governor's FY 2016-FY 2017 *Executive Budget*. While Michigan's economy is projected to continue to grow through 2017, the consensus revenue estimates for FY 2015 and FY 2016 have been reduced from earlier estimates due primarily to an anticipated increase in the cost of certificated business credits which were awarded to businesses several years ago. These business tax credits impact GF/GP revenue.

In FY 2015, GF/GP revenue on a consensus basis will increase an estimated 5.4 percent to \$9,501.4 million and after factoring in transfers and other budget adjustments, GF/GP revenue will total an estimated \$9,372.0 million. On a consensus basis, SAF revenue will increase an estimated 3.2 percent to \$11,889.1 million. Including federal aid and other budget adjustments, SAF revenue will total an estimated \$13,905.9 million.

In FY 2016, consensus based GF/GP revenue will total an estimated \$9,713.2 million, which is up 2.2 percent from FY 2015. Including transfers and other budget items, GF/GP revenue will total an estimated \$9,604.1 million. School Aid Fund revenue, on a consensus basis, will increase an estimated 3.2 percent to \$12,263.7 million in FY 2016; however, after factoring in federal aid and other budget measures, SAF revenue is expected to total \$14,306.3 million.

In FY 2017, GF/GP revenue is projected to increase 3.0 percent to \$10,000.6 million on a consensus basis and will total an estimated \$9,620.1 million including transfers and other budget items. School Aid Fund revenue will increase an estimated 3.1 percent to \$12,640.9 million on a consensus basis and will total an estimated \$14,558.3 million including federal aid and other budget items.

Overall Revenue: FY 2014, FY 2015, and FY 2016

Total net revenue for all funds is estimated to be \$52,926.5 million in FY 2015, \$54,062.9 million in FY 2016, and \$54,444.4 million in FY 2017. A summary of revenues by fund is presented on page C-8. The Detailed Statement of General and Special Revenue Funds presents information for FY 2013 through FY 2017.

Projected Revenues FY 2016 & FY 2017

(millions)

	<u>FY 2015 - 2016</u>	<u>FY 2016 - 2017</u>
General Fund - General Purpose		
Consensus Estimate	9,713.2	10,000.6
Total Adjustments	(109.1)	(380.5)
Total General Fund - General Purpose	9,604.1	9,620.1
 School Aid Fund (SAF)		
Consensus Estimate	12,263.7	12,640.9
Proposed Changes	221.0	84.6
Transfers and Federal Aid	1,821.7	1,832.8
Total SAF Revenue	14,306.3	14,558.3
 Transportation Funds	 4,378.8	 4,418.4
 Special Revenue & Permanent Funds	 5,451.9	 5,528.1
 Federal Aid (Not Elsewhere Itemized)	 19,629.2	 19,621.1
Sub-Total All Funds	53,370.4	53,746.0
 Fund Balances Available	 1,745.8	 1,772.9
Gross Total All Resources	55,116.2	55,518.9
Less Interfund Transfers (excluding GF-GP)	(1,053.3)	(1,074.5)
Net Total All Resources	\$ 54,062.9	\$ 54,444.4

Amounts may not tie to totals due to rounding.

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
GENERAL FUND - GENERAL PURPOSE REVENUE					
TAXES					
Individual Income ⁽¹⁾	7,623,197,989	7,549,809,243	7,828,200,000	8,110,200,000	8,423,100,000
Less: Refunds	(1,694,206,357)	(1,895,571,178)	(1,880,100,000)	(1,926,000,000)	(1,970,000,000)
Net Individual Income	5,928,991,632	5,654,238,065	5,948,100,000	6,184,200,000	6,453,100,000
Single Business and Michigan Business ⁽¹⁾	(120,531,327)	(767,138,872)	(700,800,000)	(817,400,000)	(646,900,000)
Corporate Income Tax	783,137,828	906,389,342	944,700,000	976,700,000	1,006,700,000
Essential Services Assessment	0	0	0	55,000,000	73,100,000
Sales ⁽²⁾	632,928,001	773,418,493	1,202,800,000	1,261,400,000	1,307,300,000
Use ⁽³⁾	838,764,945	1,092,081,127	965,500,000	905,600,000	656,200,000
Insurance Company Premium Retaliatory	301,409,984	362,207,768	412,000,000	423,000,000	437,000,000
Tobacco ⁽³⁾	187,857,386	192,886,966	180,100,000	177,200,000	174,400,000
Utility Property	47,586,196	49,705,760	48,500,000	47,500,000	46,100,000
Penalties and Interest	168,338,147	113,035,384	118,000,000	120,000,000	123,400,000
Intangibles	0	0	0	0	0
Estate / Inheritance	0	0	0	0	0
Beer and Wine Excise	50,676,581	51,249,170	52,000,000	53,000,000	54,000,000
Oil and Gas Severance	59,497,619	60,985,507	58,000,000	59,200,000	61,000,000
Liquor Specific ⁽³⁾	44,365,854	46,413,992	47,500,000	48,500,000	49,500,000
Other	(22,834)	177,038	0	0	0
Enhanced Enforcement and ACS ⁽⁴⁾	(138,404,082)	(142,296,606)	(139,000,000)	(140,000,000)	(140,700,000)
TOTAL GF - GP TAXES	8,784,595,932	8,393,353,136	9,137,400,000	9,353,900,000	9,654,200,000

⁽¹⁾ See also School Aid Fund. Starting in FY 2012, Michigan Business Tax is 100% General Fund

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

⁽³⁾ See also School Aid Fund.

⁽⁴⁾ Restricted revenues supporting Treasury collection activities are shown here as negatives.

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
GENERAL FUND - GENERAL PURPOSE REVENUE					
NON-TAX REVENUE					
Federal Aid	22,503,281	30,870,154	30,000,000	30,000,000	30,000,000
Local Agencies	137,813	99,338	100,000	100,000	100,000
Services	9,030,024	7,213,604	8,000,000	8,000,000	8,000,000
Licenses & Permits	4,825,693	14,359,121	13,000,000	13,000,000	13,000,000
Miscellaneous	198,756,340	160,642,613	131,400,000	123,700,000	108,000,000
Interest and Investment Profits	274,939	288,664	(3,000,000)	(4,000,000)	(5,000,000)
TOTAL GF - GP NON-TAX REVENUE	235,528,089	213,473,496	179,500,000	170,800,000	154,100,000
TRANSFERS FROM OUTSIDE GENERAL & SPECIAL REVENUE FUNDS					
Other Interfund Transfers Received	26,069	(0)	0	0	0
Liquor Purchase Revolving Fund	168,585,503	176,840,787	178,500,000	182,500,000	186,300,000
Transfers From Lottery Charitable Gaming and Other Funds	4,514,066	2,923,174	6,000,000	6,000,000	6,000,000
TOTAL GF - GP TRANSFERS	173,125,639	179,763,961	184,500,000	188,500,000	192,300,000
General Fund - General Purpose Summary					
GF - GP Tax Revenue	8,784,595,932	8,393,353,136	9,137,400,000	9,353,900,000	9,654,200,000
GF - GP Non-Tax Revenue	235,528,089	213,473,496	179,500,000	170,800,000	154,100,000
GF - GP Transfers	173,125,639	179,763,961	184,500,000	188,500,000	192,300,000
TOTAL GENERAL FUND-GENERAL PURPOSE before Interfund Transfers	9,193,249,660	8,786,590,592	9,501,400,000	9,713,200,000	10,000,600,000
LESS: Interfund Transfers	(26,069)	0	0	0	0
CONSENSUS TOTAL GENERAL FUND-GENERAL PURPOSE	9,193,223,591	8,786,590,592	9,501,400,000	9,713,200,000	10,000,600,000
Excluding interfund transfers to GF-GP					
BUDGET ADJUSTMENTS					
Payments to Local Government	NA	NA	(468,000,000)	(459,200,000)	(459,200,000)
Charge School Aid Fund for Short-Term Borrowing	NA	NA	3,000,000	4,000,000	5,000,000
TOTAL ADJUSTMENTS	NA	NA	(465,000,000)	(455,200,000)	(454,200,000)
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET					
Payments to Local Government	NA	NA	0	(3,500,000)	(3,500,000)
PA 161 and 162 of 2014 (HMO Use Tax)	NA	NA	373,700,000	377,700,000	97,700,000
PA 553 and 554 of 2014 (Mainstreet Fairness)	NA	NA	0	10,000,000	10,000,000
Venture Michigan Fund Tax Vouchers	NA	NA	(38,100,000)	(38,100,000)	(30,500,000)
TOTAL PROPOSED ADJUSTMENTS	NA	NA	335,600,000	346,100,000	73,700,000
TOTAL GENERAL FUND-GENERAL PURPOSE WITH ADJUSTMENTS	9,193,223,591	8,786,590,592	9,372,000,000	9,604,100,000	9,620,100,000
Excluding interfund transfers to GF-GP					

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
GENERAL FUND-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS (EXCLUDING FEDERAL AID)					
Air Emission Fees	9,750,624	9,401,965	9,491,400	11,592,000	10,906,900
Airport Parking Revenue	21,176,478	22,433,332	23,642,100	25,093,200	26,633,400
Auto Repair Facilities Fees	3,408,980	3,521,561	3,470,687	3,467,395	3,467,395
Auto Theft Prevention Fund	6,249,576	6,290,176	6,214,300	6,152,200	6,290,000
Bank Fees	5,188,299	5,087,354	5,500,000	6,500,000	6,500,000
Bottle Deposits Fund	18,939,102	21,721,926	16,694,100	16,237,300	16,281,800
Budget Stabilization Fund	508,996	463,931	18,125,000	18,283,800	18,446,900
Capitol Historic Site Fund	0	0	3,000,000	3,000,000	3,000,000
Child Support Collections	18,484,100	13,431,183	13,690,700	13,690,700	13,690,700
Children's Trust Fund	1,721,559	2,176,935	3,106,400	3,106,400	3,106,400
Civil Infraction (Jail Reimbursement) Fee	5,283,991	5,295,540	5,300,000	5,300,000	5,300,000
Conservation and Recreation Bond Proceeds	166	115	100	100	100
Construction Code Fund	12,899,624	8,876,895	8,463,600	12,975,700	8,073,800
Consumer Finance Fees	1,468,692	1,475,014	1,300,000	4,300,000	4,300,000
Contributions to Children of Veterans Tuition Grant Program	71,367	67,865	100,000	100,000	100,000
Convention Facility Development Fund	79,904,657	84,307,551	87,672,800	92,276,700	97,182,300
Corporation Fees	22,259,165	23,065,407	21,733,000	21,763,000	24,221,415
Court Equity Fund	39,972,065	38,040,951	38,000,000	38,000,000	38,000,000
Court Fee Fund	3,551,874	2,420,065	2,500,000	2,500,000	2,500,000
Credit Union Fees	6,898,961	7,358,420	7,800,000	7,800,000	7,800,000
Crime Victims Rights Fund	19,443,864	20,079,995	20,000,000	20,000,000	20,000,000
Criminal Justice Info Cntr Service Fees	20,074,900	20,633,400	21,000,000	21,500,000	21,500,000
Dairy and Food Safety Fund	2,583,659	2,727,729	2,537,600	4,052,000	4,572,200
Deferred Presentment Service	2,675,770	2,887,773	3,000,000	3,000,000	3,000,000
Delinquent Tax Collection Revenue & MARCS Revenue	137,727,314	141,537,312	139,000,000	140,000,000	140,700,000
Driver Fees	26,317,209	27,831,058	29,414,400	30,688,100	29,817,200
Elevator Fees	4,111,008	3,965,627	4,024,800	4,024,800	4,024,800
Emergency 911 Fund	26,243,203	26,712,748	27,973,100	27,973,100	27,973,100
Equine Development Fund	4,653,260	4,280,879	4,000,000	3,960,000	3,960,000
Fees and Collections (DCH)	6,340,365	6,504,075	7,327,200	7,324,000	7,166,600
Forest Development Fund	33,340,503	40,398,988	35,805,100	35,865,600	35,847,700
Freshwater Protection Fund	5,075,989	4,881,592	4,900,000	4,900,000	4,900,000
Game and Fish Protection Account	66,310,886	74,964,470	82,726,600	82,888,000	82,852,000

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
Game and Fish Protection Trust Fund	16,411,562	26,211,215	0	0	0
Group Insurance Fund, Flexible Spending and COBRA	2,975,219	2,924,152	0	0	0
Health and Safety Fund - Counties	324,600	(139,506)	0	0	0
Health Insurance Claims Assessment	269,857,127	270,675,678	245,712,000	419,332,000	438,213,000
Health Professions Regulatory Fees	8,199,039	21,996,571	22,252,000	22,252,000	22,252,000
Healthy Michigan Fund	33,544,571	32,446,500	31,204,000	30,504,000	29,804,000
Highway Safety Fund	10,541,932	10,314,997	10,555,000	10,555,000	10,555,000
Income and Assessments	16,950,719	15,546,379	13,992,800	13,992,800	13,992,800
Individual Income Tax - Refunds	689,900,000	676,500,000	0	0	0
Insurance Bureau Fund	17,962,337	21,652,774	17,000,000	17,000,000	20,000,000
Insurance Continuing Education Fees	567,993	557,549	600,000	600,000	600,000
Insurance Licensing Fees	6,378,091	6,623,393	6,700,000	6,700,000	6,700,000
Insurance Receivership Revenues	221,989	200,828	200,000	200,000	200,000
Judicial Technology Improvement Fund	3,955,594	3,601,053	3,600,000	3,600,000	3,600,000
Juror Compensation Fund	4,270,406	4,613,925	4,500,000	4,500,000	4,500,000
Land Reutilization Fund	1,038,383	1,159,675	900,000	850,000	850,000
Licensing & Inspection Fees (MDA)	3,645,985	3,529,922	3,381,400	5,125,500	5,125,500
Licensing & Regulation Fees (DLARA)	10,509,397	14,448,711	10,082,766	16,267,299	15,605,518
Liquor License Fee Enhancement Fund	0	0	90,000	90,000	90,000
Liquor License Revenue	12,523,610	12,730,388	12,773,925	20,150,025	20,150,025
Liquor Purchase Revolving Fund - Operations	21,127,600	20,959,800	20,930,700	20,452,700	20,452,700
Local Funds - County Payback	26,368,930	23,925,512	25,072,300	25,072,300	25,072,300
Local Revenues (DCH)	237,518,366	227,991,628	220,102,300	86,094,300	86,094,300
Lottery Operations	47,568,300	48,271,900	48,686,500	48,734,800	48,734,800
Low Income Energy Assistance Fund	0	0	50,000,000	50,000,000	50,000,000
Mackinac Island State Park Fund	1,784,400	1,810,200	1,650,000	1,650,000	1,650,000
Manufacturer Rebates (DCH)	74,890,235	52,767,528	99,052,000	99,052,000	99,052,000
Medicaid Benefits Trust Fund	334,981,463	347,961,263	332,500,000	321,331,500	316,500,000
Medical Marijuana Fund	23,534,952	8,882,419	8,500,000	8,500,000	8,500,000
Michigan Employment Security Contingent Fund	33,139,067	15,507,719	22,000,000	20,000,000	20,000,000
Michigan Health Initiative Fund	9,098,307	8,969,179	9,000,900	9,000,500	9,000,100
Michigan Higher Education Assistance and Student Loan Authorities	36,357,700	35,478,000	36,394,300	36,354,800	36,354,800
Michigan Higher Education Assistance Authority Operating Fund	24,996	14,280	0	0	0
Michigan Justice Training Fund	5,364,009	5,283,408	5,321,600	5,321,600	5,321,600
Michigan Merit Award Trust Fund	227,250,463	115,975,108	101,889,500	100,229,200	100,574,400

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
Michigan Natural Resources Trust Fund	18,583,645	41,395,942	32,900,000	33,700,000	34,700,000
Michigan Nongame Fish and Wildlife Fund	332,252	603,337	468,000	473,300	473,300
Michigan State Parks Endowment Fund	45,296,689	57,937,692	51,617,200	48,402,100	50,927,500
Michigan State Waterways Account	26,457,575	26,755,404	26,582,000	26,584,800	26,638,800
Michigan Veterans' Trust Fund	2,043,181	4,193,040	3,500,000	3,500,000	3,500,000
Mortgage Brokers, Lenders and Servicers Licensing Act	3,782,962	4,025,669	4,000,000	4,000,000	4,000,000
Motor Carrier Fees	6,051,672	6,859,794	6,532,975	6,482,650	6,800,000
MSHDA Fees and Charges	63,214,700	64,570,200	65,388,500	65,388,500	65,388,500
National Pollution Discharge Elimination System Fees	3,081,224	2,773,579	2,816,800	2,816,800	2,816,800
Newborn Screening Fees	12,315,166	12,821,928	13,650,000	15,078,000	15,078,000
Off Road Vehicle Account	3,532,982	6,483,067	6,598,800	6,697,500	6,769,000
Oil and Gas Regulatory Fund	9,542,250	11,596,548	8,400,000	11,000,000	10,900,000
Outdoor Recreation Legacy Account	2,616,691	2,751,457	2,640,000	2,623,000	2,627,200
Parole and Probation Oversight Fees	3,950,212	3,609,040	3,600,000	3,600,000	3,600,000
Public Utility Assessments	28,886,570	26,748,535	30,430,335	27,553,696	29,553,696
Quality Assurance Assessment Tax	969,766,448	975,786,703	1,002,722,800	1,076,428,700	1,076,428,700
Refined Petroleum Fund	50,953,559	54,618,152	31,077,000	31,077,000	31,077,000
Restructuring Mechanism (DLARA)	12,919,719	12,522,813	16,500,000	16,500,000	16,500,000
Retirement Operations	43,355,800	44,864,600	47,993,500	47,929,600	47,929,600
Safety Education and Training	9,593,840	9,830,700	9,803,600	9,803,600	9,803,600
Sales Tax - Revenue Sharing	722,153,482	739,093,164	764,653,978	788,497,000	816,052,600
Scrap Tire Regulatory Fund	4,184,163	4,426,845	4,200,000	4,100,000	4,100,000
Second Injury Fund	11,741,866	13,081,834	11,015,000	10,265,000	11,260,000
Secondary Road Patrol & Training Fund	9,962,649	9,724,989	9,180,000	9,190,000	9,200,000
Securities Fees	21,494,465	12,107,583	21,964,600	22,514,600	22,090,550
Self Insurer's Security Fund	8,448,970	11,829,005	7,926,000	7,671,000	8,971,000
Silicosis & Dust Disease Fund	1,903,320	1,201,466	1,563,000	738,000	1,289,000
Snowmobile Account	10,132,146	10,838,492	9,787,600	9,932,900	9,922,800
Solid Waste Program Fees	5,219,651	5,384,406	5,193,000	4,723,900	4,533,700
Special Equipment Fund (DOC)	11,557,877	11,546,936	11,500,000	11,500,000	11,500,000
State Campaign Funds	796,570	763,266	800,000	800,000	800,000
State Casino Gaming Fund	40,234,328	40,069,416	36,551,300	36,573,900	36,597,100

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
State Court Sub - Fund	7,015,636	6,551,850	6,500,000	6,500,000	6,500,000
State Park Improvement Account	50,764,275	53,498,514	54,887,100	55,663,800	55,694,700
Supplemental Security Income Recoveries	9,221,386	6,551,387	6,031,000	5,763,600	5,763,600
Survey and Remonumentation Fees	7,819,466	6,608,305	6,617,550	7,417,550	7,417,550
Tax Tribunal Fund	(613,584)	2,578,075	2,402,500	2,402,500	2,402,500
Traffic Law Enforcement and Safety	24,563,066	23,428,204	24,850,000	24,850,000	24,850,000
Transportation Admin Collection Fund	101,972,150	107,952,988	108,086,500	109,030,200	110,597,000
Twenty-First Century Jobs Fund	150,000,000	177,500,000	75,000,000	75,000,000	75,000,000
Underground Storage Tank Cleanup Fund	0	0	20,000,000	20,000,000	20,000,000
Unemployment Obligation Trust Fund	453,712,519	455,751,078	0	0	0
Utility Consumer Representation Fund	1,195,328	1,207,462	1,216,799	1,228,967	1,241,257
Other Restricted Revenues	880,038,037	1,029,775,464	711,487,787	716,093,165	735,169,911
Total GF-Special Purpose/Special Revenue & Permanent Funds	6,651,218,450	6,774,452,908	5,290,822,202	5,451,921,747	5,528,124,517
Less: Interfund Transfers	(201,867,280)	(401,314,003)	(121,142,789)	(117,496,595)	(117,540,095)
Net Total GF-Special Purpose/Special Revenue & Permanent Funds	6,449,351,170	6,373,138,905	5,169,679,412	5,334,425,152	5,410,584,422
FEDERAL AID NOT ELSEWHERE ITEMIZED:					
Federal Aid: Agriculture	7,862,589	7,568,967	10,126,200	10,427,900	10,427,900
Federal Aid: Attorney General	3,324,062	3,640,790	9,857,200	9,278,600	9,278,600
Federal Aid: Capital Outlay (excluding transportation)	231,102	975,662	0	0	0
Federal Aid: Civil Rights	1,977,472	1,918,264	2,736,500	2,721,700	2,721,700
Federal Aid: Community Health	9,062,455,053	10,273,027,782	12,567,108,200	13,465,957,200	13,465,957,200
Federal Aid: Corrections	2,846,865	2,795,129	5,081,000	5,568,700	5,568,700
Federal Aid: Education	201,808,996	171,836,242	189,473,500	218,583,400	218,583,400
Federal Aid: Environmental Quality	53,535,080	48,836,780	149,867,600	138,163,100	138,163,100
Federal Aid: Human Services	4,784,498,384	4,386,241,012	4,551,275,200	4,542,043,600	4,536,909,200
Federal Aid: Higher Education	91,759,924	92,193,608	97,026,400	97,026,400	97,026,400
Federal Aid: Insurance and Financial Services	0	1,759,426	2,000,000	2,000,000	2,000,000
Federal Aid: Judiciary	4,896,026	4,630,053	6,437,400	6,428,600	6,428,600
Federal Aid: Licensing & Regulatory Affairs	176,529,652	193,668,011	200,624,800	200,388,700	200,388,700
Federal Aid: Military Affairs	90,208,281	88,604,716	90,362,800	90,208,600	90,208,600
Federal Aid: Natural Resources	57,389,781	50,694,653	67,954,500	76,028,000	73,028,000
Federal Aid: State	2,386,594	1,682,348	1,460,000	1,460,000	1,460,000
Federal Aid: State Police	88,868,743	81,257,696	99,429,900	87,945,900	87,945,900
Federal Aid: Technology, Management & Budget	0	0	7,974,100	7,997,300	7,997,300
Federal Aid: Treasury	354,331,819	278,764,322	667,075,700	666,966,500	666,966,500
TOTAL FEDERAL AID excluding Transportation and School Aid	14,984,910,421	15,690,095,460	18,725,871,000	19,629,194,200	19,621,059,800

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
SCHOOL AID FUND REVENUE					
TAXES and LOTTERY					
Sales Tax	5,206,172,277	5,349,899,402	5,535,800,000	5,743,700,000	5,949,400,000
Use Tax	432,405,251	546,147,716	482,700,000	500,800,000	518,400,000
Income Tax Earmarking	2,338,463,874	2,357,715,894	2,446,600,000	2,534,700,000	2,632,500,000
State Education Tax	1,771,083,084	1,804,238,192	1,845,300,000	1,880,900,000	1,924,400,000
Real Estate Transfer Tax	202,322,812	233,415,726	247,800,000	260,700,000	270,300,000
Tobacco	371,870,029	359,383,289	345,900,000	338,400,000	331,000,000
Industrial & Commercial Facilities Tax	33,904,685	33,458,909	35,000,000	36,000,000	36,400,000
Casino Wagering Tax	110,667,105	106,902,507	111,000,000	113,500,000	115,500,000
Liquor Excise Tax	43,842,594	45,952,005	47,100,000	48,100,000	49,100,000
Other Specific Taxes	24,599,140	31,669,650	31,900,000	31,900,000	31,900,000
Sub-Total SAF Taxes	10,535,330,851	10,868,783,288	11,129,100,000	11,488,700,000	11,858,900,000
Transfer from Lottery Ticket Sales	734,344,328	734,148,118	760,000,000	775,000,000	782,000,000
CONSENSUS TOTAL SCHOOL AID FUND	11,269,675,180	11,602,931,406	11,889,100,000	12,263,700,000	12,640,900,000
NON-TAX REVENUE					
Federal Aid	1,660,393,276	1,623,283,212	1,808,126,700	1,775,769,200	1,775,769,200
Transfer from General Fund	282,400,000	158,659,196	33,700,000	45,900,000	57,000,000
Recovery of Prior Year State Aid and Receivables	26,435,970	31,226,669	0	0	0
Sub-Total SAF Other Source Revenues	1,969,229,247	1,813,169,077	1,841,826,700	1,821,669,200	1,832,769,200
TOTAL SCHOOL AID FUND before Interfund Transfers	13,238,904,426	13,416,100,483	13,730,926,700	14,085,369,200	14,473,669,200
Less Interfund Transfers	(282,400,000)	(158,659,196)	(33,700,000)	(45,900,000)	(57,000,000)
TOTAL SCHOOL AID FUND after adjustments excluding interfund transfers	12,956,504,426	13,257,441,287	13,697,226,700	14,039,469,200	14,416,669,200
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET					
PA 161 and 162 of 2014 (HMO Use Tax)	0	0	186,840,000	188,867,100	48,832,800
PA 553 and 554 of 2014 (Mainstreet Fairness)	0	0	0	44,000,000	45,300,000
Venture Michigan Fund Tax Vouchers	0	0	(11,900,000)	(11,900,000)	(9,500,000)
TOTAL PROPOSED ADJUSTMENTS	0	0	174,940,000	220,967,100	84,632,800
TOTAL SCHOOL AID FUND WITH ADJUSTMENTS	12,956,504,426	13,257,441,287	13,872,166,700	14,260,436,300	14,501,302,000
Excluding interfund transfers					

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
TRANSPORTATION: AERONAUTICS FUND 114					
Aviation Fuel Tax	15,026,431	5,056,196	5,100,000	5,200,000	5,250,000
Federal Aid	64,151,414	74,101,312	78,578,000	79,000,000	79,000,000
Local Agencies	390,456	61,301	12,392,100	12,509,000	12,509,000
Transfers and Other	18,765,405	7,737,532	7,274,000	7,382,000	7,498,000
TOTAL AERONAUTICS FUND	98,333,707	86,956,341	103,344,100	104,091,000	104,257,000
TRANSPORTATION: TRUNKLINE FUND 116					
Federal Aid	710,050,463	818,218,580	1,072,497,500	1,072,538,000	1,072,538,000
Local Agencies	16,996,512	10,517,599	30,000,000	30,000,000	30,000,000
Licenses and Permits	17,169,310	16,517,964	19,770,000	19,770,000	19,770,000
Transfer from Michigan Transportation & Other Funds	818,310,383	950,011,629	712,927,500	720,561,600	728,373,900
Interest from Common Cash Investment	610,027	507,762	1,350,000	4,950,000	9,000,000
Other	126,719,830	25,138,675	40,610,000	40,610,000	40,541,000
TOTAL TRUNKLINE FUND	1,689,856,525	1,820,912,209	1,877,155,000	1,888,429,600	1,900,222,900
TRANSPORTATION: BLUE WATER BRIDGE FUND 118					
Tolls and Rentals	23,117,765	22,381,703	23,000,000	23,300,000	23,300,000
Interest From Common Cash Investment and Other	1,700,316	59,525	180,000	660,000	1,200,000
TOTAL BLUE WATER BRIDGE TRANSPORTATION FUND	24,818,081	22,441,228	23,180,000	23,960,000	24,500,000
TRANSPORTATION: MICHIGAN TRANSPORTATION FUND 119					
Diesel and Motor Carrier Fuel Tax	128,910,022	137,816,145	135,500,000	137,000,000	139,500,000
Gasoline and Liquefied Petroleum Gas Tax	822,027,225	821,018,645	820,400,000	819,400,000	818,400,000
Motor Vehicle Registration Tax	906,529,973	940,556,338	965,000,000	985,000,000	1,005,000,000
Licenses, Permits, Other and Transfers	37,058,793	38,420,682	38,500,000	39,000,000	39,000,000
Interest From Common Cash Investment	152,669	92,424	240,000	880,000	1,600,000
TOTAL MICHIGAN TRANSPORTATION FUND	1,894,678,682	1,937,904,234	1,959,640,000	1,981,280,000	2,003,500,000
TRANSPORTATION: COMPREHENSIVE TRANSPORTATION FUND 120					
Sales Tax	102,969,619	102,025,859	96,500,000	97,100,000	99,300,000
Federal Aid	226,927,476	123,938,580	54,810,000	105,950,000	105,950,000
Local Agencies	0	0	7,785,000	7,785,000	7,785,000
Transfer from Michigan Transportation & Other Funds	162,941,745	166,838,180	167,108,500	169,303,000	171,548,000
Interest From Common Cash Investment and Other	3,565,314	8,569,976	670,000	939,000	1,362,000
TOTAL COMPREHENSIVE TRANSPORTATION FUND	496,404,153	401,372,594	326,873,500	381,077,000	385,945,000
TRANSPORTATION BOND FUNDS					
	0	0	0	0	0
TOTAL TRANSPORTATION REVENUE	4,204,091,148	4,269,586,606	4,290,192,600	4,378,837,600	4,418,424,900
LESS: Interfund Transfers	(981,252,128)	(1,116,849,809)	(880,036,000)	(889,864,600)	(899,921,900)
NET TOTAL TRANSPORTATION REVENUE After Transfers	3,222,839,020	3,152,736,798	3,410,156,600	3,488,973,000	3,518,503,000

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2012 - 2013	ACTUAL FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016	ESTIMATES FY 2016 - 2017
All Funds Summary					
General Fund - General Purpose	9,193,249,660	8,786,590,592	9,501,400,000	9,713,200,000	10,000,600,000
General Fund - General Purpose Budget Adjustments	NA	NA	(129,400,000)	(109,100,000)	(380,500,000)
General Fund - Special Purpose/Special Revenue & Permanent Funds	6,651,218,450	6,774,452,908	5,290,822,202	5,451,921,747	5,528,124,517
Federal Aid Not Elsewhere Categorized	14,984,910,421	15,690,095,460	18,725,871,000	19,629,194,200	19,621,059,800
School Aid Fund	13,238,904,426	13,416,100,483	13,905,866,700	14,306,336,300	14,558,302,000
Transportation Revenues	4,204,091,148	4,269,586,606	4,290,192,600	4,378,837,600	4,418,424,900
TOTAL ALL FUNDS	48,272,374,105	48,936,826,050	51,584,752,502	53,370,389,847	53,746,011,217
LESS: Interfund Transfers	(1,465,545,478)	(1,676,823,007)	(1,034,878,789)	(1,053,261,195)	(1,074,461,995)
NET TOTAL REVENUE after transfers	46,806,828,628	47,260,003,042	50,549,873,712	52,317,128,652	52,671,549,222
OTHER REVENUE OR NON-CURRENT YEAR SOURCES OF FINANCING					
General Fund (Unassigned)	972,472,000	1,186,646,920	306,382,429	300,000	28,900,000
Restricted Fund Subfunds of the General Fund (Unobligated)	530,529,000	474,075,691	557,844,177	558,000,000	558,000,000
Budget Stabilization Fund (Unobligated)	365,102,000	505,610,567	386,231,298	497,700,000	610,700,000
Roads and Risks Reserve Fund	0	0	83,393,800	0	0
School Aid Stabilization Fund (Unobligated)	254,111,560	292,033,255	455,079,358	119,800,000	5,300,000
Special Revenue and Permanent Funds Balances (Available)	429,701,000	406,831,362	569,718,241	570,000,000	570,000,000
MPERS Reserve Fund	NA	156,000,000	18,000,000	0	0
Sub-Total Fund Balances	2,551,915,560	3,021,197,795	2,376,649,303	1,745,800,000	1,772,900,000
NET TOTAL RESOURCES	49,358,744,188	50,281,200,837	52,926,523,015	54,062,928,652	54,444,449,222

Note: Individual amounts may not add to totals due to rounding.



CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

CFDA Number Title	FY 2016 Budget Recommendation	FY 2017 Budget Recommendation
16.588 Violence Against Women Formula Grants		
Grantee: Human Services	1,974,800	1,974,800
Subrecipient State Agency: State Police	175,000	175,000
17.503 Occupational Safety and Health-State Program		
Grantee: Licensing & Regulatory Affairs	12,687,500	12,687,500
Subrecipient State Agency: Attorney General	105,400	105,400
20.600 State and Community Highway Safety		
Grantee: State Police	8,583,000	8,000,000
Subrecipient State Agency: Judiciary	2,203,500	2,203,500
84.002 Adult Education-State Program		
Grantee: Michigan Strategic Fund	20,000,000	20,000,000
Subrecipient State Agency: Corrections	353,400	353,400
Subrecipient State Agency: Human Services	27,000	27,000
84.013 Title I Program for Neglected and Delinquent Children		
Grantee: Education	10,500	10,500
Subrecipient State Agency: Corrections	899,400	899,400
Subrecipient State Agency: Human Services	27,200	27,200
84.027 Special Education-Grants to States		
Grantee: Education	14,602,500	14,602,500
Subrecipient State Agency: Education via School Aid Budget	370,000,000	370,000,000
Subrecipient State Agency: Corrections	115,200	115,200
Subrecipient State Agency: Human Services	30,000	30,000
84.048 Vocational Education-Basic Grants to States		
Grantee: Education	3,800,000	3,800,000
Subrecipient State Agency: Education via School Aid Budget	24,000,000	24,000,000
Subrecipient State Agency: Michigan Strategic Fund	19,000,000	19,000,000
Subrecipient State Agency: Corrections	152,200	152,200
Subrecipient State Agency: Human Services	97,000	97,000
84.181 Special Ed-Grants for Infants and Families with Disabilities		
Grantee: Education	980,600	980,600
Subrecipient State Agency: Education via School Aid Budget	14,000,000	14,000,000
Subrecipient State Agency: Human Services	68,900	68,900
93.558 Temporary Assistance For Needy Families		
Grantee: Human Services	605,397,400	600,163,000
Subrecipient State Agency: Higher Education	93,826,400	93,826,400
Subrecipient State Agency: Michigan Strategic Fund	64,898,800	64,898,800
Subrecipient State Agency: Community Health	17,817,100	17,817,100
93.568 Low-Income Home Energy Assistance		
Grantee: Human Services	174,951,600	174,951,600
Subrecipient State Agency: Treasury	3,019,000	3,019,000



SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund/Department	FY 2016 Budget Recommendation	FY 2017 Budget Recommendation
Bottle Deposits Fund		
Environmental Quality	19,355,000	19,355,000
Treasury	250,000	250,000
Comprehensive Transportation Fund		
Transportation	271,899,600	271,899,600
Attorney General	200,100	200,100
Civil Service Commission	200,000	200,000
Technology, Management and Budget	36,800	36,800
Legislative Auditor General	38,200	38,200
Treasury	8,900	8,900
Forest Development Fund		
Natural Resources	35,934,400	31,934,400
Technology, Management and Budget	283,500	283,500
Treasury	1,700	1,700
Game and Fish Protection Account		
Natural Resources	84,629,700	84,629,700
Treasury	2,782,900	2,782,900
Attorney General	735,100	735,100
Technology, Management and Budget	438,300	438,300
Legislative Auditor General	30,700	30,700
Game and Fish Protection Trust Fund		
Natural Resources	6,000,000	6,000,000
Treasury	123,700	123,700
Health Insurance Claims Assessment		
Community Health	417,303,000	436,183,800
Treasury	2,029,200	2,029,200
Michigan Merit Award Trust Fund		
Community Health	68,334,700	68,334,700
Human Services	30,100,000	30,100,000
Treasury	1,139,800	1,139,800
State Police	793,100	793,100
Attorney General	485,200	485,200
Michigan Natural Resources Trust Fund		
Natural Resources	1,253,900	1,253,900
Treasury	2,296,600	2,296,600
Michigan Nongame Fish and Wildlife Fund		
Natural Resources	496,800	496,800
Treasury	3,800	3,800
Michigan State Parks Endowment Fund		
Natural Resources	31,125,700	31,125,700
Technology, Management and Budget	184,900	184,900
Treasury	132,400	132,400

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund/Department	FY 2016 Budget Recommendation	FY 2017 Budget Recommendation
Michigan State Waterways Account		
Natural Resources	25,146,200	25,146,200
State	1,476,500	1,476,500
Treasury	352,100	352,100
Technology, Management and Budget	116,200	116,200
Attorney General	137,000	137,000
Legislative Auditor General	11,100	11,100
Motor Carrier Fees		
Licensing and Regulatory Affairs	2,974,300	2,974,300
State Police	4,706,000	4,706,000
Michigan Transportation Fund		
Transportation	1,021,809,900	1,021,809,900
State	20,000,000	20,000,000
Treasury	2,700,000	2,700,000
Environmental Quality	1,310,500	1,310,500
Legislative Auditor General	309,600	309,600
Off-Road Vehicle Account		
Natural Resources	7,207,000	7,207,000
State	167,000	167,000
Outdoor Recreation Legacy Fund		
Natural Resources	2,686,200	2,686,200
Treasury	500	500
Snowmobile Account		
Natural Resources	10,923,000	10,923,000
State	390,000	390,000
Treasury	1,500	1,500
State Aeronautics Fund		
Transportation	14,418,600	14,418,600
Attorney General	173,800	173,800
Civil Service Commission	150,000	150,000
Treasury	75,300	75,300
Technology, Management and Budget	31,200	31,200
Legislative Auditor General	29,700	29,700
State Park Improvement Account		
Natural Resources	54,592,600	54,592,600
State	1,000,000	1,000,000
Treasury	4,000	4,000
State Trunkline Fund		
Transportation	720,604,500	720,604,500
State Police	11,413,900	11,413,900
Civil Service Commission	5,447,000	5,447,000
Attorney General	2,377,300	2,377,300
Technology, Management and Budget	1,136,300	1,136,300
Legislative Auditor General	719,100	719,100
Treasury	149,200	149,200

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
MDARD	Agricultural Preservation Fund	315,700	765,500	(752,800)	328,400	650,000	(750,000)	228,400
MDARD	Agriculture Equine Industry Development Fund	1,007,200	4,299,700	(3,965,900)	1,341,000	4,000,000	(5,301,000)	40,000
MDARD	Agriculture Licensing and Inspection Fees	152,400	3,597,800	(3,054,200)	696,000	3,381,400	(3,380,800)	696,600
MDARD	Animal Welfare Fund	173,100	143,700	(184,800)	132,000	110,000	(175,000)	67,000
MDARD	Commodity Inspection Fees	0	489,200	(420,700)	68,500	453,300	(518,300)	3,500
MDARD	Consumer & Industry Food Safety Education Fund	368,500	345,900	(224,500)	489,900	300,000	(250,000)	539,900
MDARD	Dairy and Food Safety Fund	534,500	2,762,200	(2,874,600)	422,100	2,537,600	(2,500,000)	459,700
MDARD	Freshwater Protection Fund ¹	1,056,500	4,907,800	(4,759,400)	1,204,900	4,900,000	(4,900,000)	1,204,900
MDARD	Gasoline Inspection and Testing Fund	750,400	1,628,800	(1,940,700)	438,500	1,673,000	(2,090,700)	20,800
MDARD	Grain Dealer Fee Fund	107,300	391,100	(498,300)	100	535,000	(535,000)	100
MDARD	Horticulture Fund	0	36,200	(34,900)	1,300	33,700	(33,700)	1,300
MDARD	Industry Support Funds	90,800	256,600	(222,200)	125,200	260,000	(314,400)	70,800
MDARD	Migrant Labor Housing Fund	78,700	122,200	(105,400)	95,500	115,000	(115,000)	95,500
MDARD	Private Forestland Enhancement Fund	15,900	50,500	0	66,400	100,000	(35,000)	131,400
MDARD	Renewable Fuels Fund	42,800	0	(25,400)	17,400	100	(17,500)	0
MDARD	Testing Fees	0	207,300	(207,300)	0	200,000	(200,000)	0
MDARD	Weights and Measures Regulation Fees	1,127,100	793,600	(976,400)	944,300	450,000	(1,002,200)	392,100
Attorney General	Antitrust Enforcement Collections	175,976	800,124	(726,100)	250,000	749,400	(749,400)	250,000
Attorney General	Antitrust, Securities Fraud, CP or Class Action Enforcement Revenue	0	250,000	(250,000)	0	250,000	(250,000)	0
Attorney General	Attorney General's Operations Fund	1,446,391	890,263	(1,175,142)	1,161,512	900,000	(1,213,000)	848,512
Attorney General	Franchise Fees	0	319,748	(319,748)	0	350,000	(350,000)	0
Attorney General	Homeowner Protection Fund	5,134,355	3,956	(1,141,405)	3,996,906	0	(1,500,000)	2,496,906
Attorney General	Litigation Expense Reimbursement Fund	352,892	646,871	(499,763)	500,000	500,000	(500,000)	500,000
Attorney General	Prisoner Reimbursement	0	385,899	(385,899)	0	400,000	(400,000)	0
Attorney General	Prisoner Reimbursement Excess Collections	0	990,099	(990,099)	0	1,000,000	(1,000,000)	0
Attorney General	Prosecuting Attorney's Training Fees	0	197,808	(197,808)	0	200,000	(200,000)	0
Casino Gaming	State Casino Gaming Fund	2,558,392	231,501	0	2,789,893	225,000	(2,300,000)	714,893
Casino Gaming	State Services Fee Fund	8,530,750	34,761,289	(36,600,389)	6,691,650	34,826,300	(36,383,802)	5,134,148
Casino Gaming	Casino Gambling Agreements	744,123	799,896	(778,965)	765,054	800,000	(814,500)	750,554
Casino Gaming	Laboratory Fees	0	618,712	(618,712)	0	700,000	(700,000)	0
Casino Gaming	Equine Development Fund (ORC)	0	1,290,809	(1,290,809)	0	1,853,000	(1,853,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Casino Gaming	State Lottery Fund	0	2,337,994	(2,337,994)	0	3,000,000	(3,000,000)	0
DCH	Certificate of Need	938,800	1,809,900	(1,874,000)	874,700	2,120,000	(2,160,000)	834,700
DCH	Crime Victims Rights Fund	8,183,800	20,080,000	(13,451,700)	14,812,100	20,000,000	(19,631,400)	15,180,700
DCH	Emergency Medical Services Fees	187,500	434,200	(335,800)	285,900	430,000	(433,200)	282,700
DCH	Fees and Collections (DCH)	2,099,000	6,504,100	(7,065,400)	1,537,700	7,357,200	(7,795,100)	1,099,800
DCH	Health Insurance Claims Assessment	8,805,500	270,675,700	(273,132,400)	6,348,800	239,363,200	(239,207,600)	6,504,400
DCH	Healthy Michigan Fund	594,700	32,446,500	(32,318,700)	722,500	31,204,000	(31,822,500)	104,000
DCH	Medicaid Benefits Trust Fund	21,599,600	347,961,300	(355,600,000)	13,960,900	332,500,000	(343,646,200)	2,814,700
DCH	Michigan Health Initiative Fund	1,174,300	8,969,200	(9,053,500)	1,090,000	9,000,900	(9,518,100)	572,800
DCH	Newborn Screening Fees	1,933,500	12,821,900	(12,228,700)	2,526,700	13,650,000	(14,297,000)	1,879,700
DCH	Pharmaceutical Products Fund	1,061,400	0	0	1,061,400	0	(100,000)	961,400
DCH	Quality Assurance Assessment Tax	0	975,786,700	(975,786,700)	0	1,002,722,800	(1,002,722,800)	0
DCH	Senior Care Respite Fund	3,031,100	2,642,000	(3,381,700)	2,291,400	1,800,000	(2,686,900)	1,404,500
DCH	State Restricted Revenues	24,600	117,739,800	(117,764,400)	0	264,641,300	(264,641,300)	0
DCH	Vital Records Fees	776,900	4,379,000	(4,030,800)	1,125,100	4,400,000	(4,800,000)	725,100
DOC	Correctional Industries Revolving Fund	0	398,298	(398,298)	0	400,000	(400,000)	0
DOC	Jail Reimbursement Program Fund	0	5,295,540	(5,295,540)	0	5,300,000	(5,300,000)	0
DOC	Parole / Probation Oversight Fee Set-Aside	2,997,343	744,235	(234,716)	3,506,862	750,000	(1,361,300)	2,895,562
DOC	Parole / Probation Oversight Fees	0	3,609,040	(3,609,040)	0	3,600,000	(3,600,000)	0
DOC	Prisoner Health Care Copayments	0	184,852	(184,852)	0	185,000	(185,000)	0
DOC	Public Works User Fees (SAI)	0	71,891	(71,891)	0	75,000	(75,000)	0
DOC	Re-Entry Center Offender Reimbursements	0	10,089	(10,089)	0	15,000	(15,000)	0
DOC	Resident Stores	0	4,962,325	(4,962,325)	0	5,000,000	(5,000,000)	0
DOC	Special Equipment Fund	22,414,313	11,546,936	(6,744,195)	27,217,054	11,500,000	(32,007,093)	6,709,961
DOC	Tether Program Participant Contributions	0	2,272,900	(2,272,900)	0	2,400,000	(2,400,000)	0
Education	Certification Fees	1,990,600	5,419,200	(5,940,800)	1,469,000	5,400,000	(5,457,500)	1,411,500
Education	Commodity Distribution Fees	4,300	32,800	(32,800)	4,300	32,800	(32,800)	4,300
Education	Library Fees	494,500	60,600	(287,700)	267,400	60,600	(187,700)	140,300
Education	Student Insurance Revenue ²	0	36,800	(36,800)	0	100,000	(100,000)	0
Education	Teacher Testing Fees	101,600	131,700	(144,200)	89,100	131,700	(159,500)	61,300
Education	Teacher College Review Fees	60,500	18,000	(7,100)	71,400	18,000	(7,100)	82,300

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Education	Training & Orientation Workshop Fees	0	56,300	(56,300)	0	25,000	(25,000)	0
DEQ	Air Emissions Fees	2,875,400	9,573,100	(10,513,000)	1,935,500	9,491,400	(10,670,000)	756,900
DEQ	Aquatic Nuisance Control Fund	0	0	0	0	758,900	(758,900)	0
DEQ	Aquifer Protection Revolving Fund	594,500	400	(11,900)	583,000	0	(130,000)	453,000
DEQ	Brownfield Revolving Loan Fund	25,320,500	104,000	0	25,424,500	100,000	0	25,524,500
DEQ	Campground Fund	51,500	264,200	(240,600)	75,100	250,000	(255,300)	69,800
DEQ	Clean Michigan Initiative - Clean Water Fund	0	(433,700)	433,700	0	2,150,000	(2,150,000)	0
DEQ	Clean Michigan Initiative - Contaminated Sediments	212,400	288,100	(500,500)	0	250,000	(250,000)	0
DEQ	Clean Michigan Initiative - Pollution Prevention Activities	0	95,200	(95,200)	0	0	0	0
DEQ	Clean Michigan Initiative - Nonpoint Source	17,200	767,700	(759,800)	25,100	750,000	(775,100)	0
DEQ	Clean Michigan Initiative - Response Activities	0	3,956,200	(3,956,200)	0	5,423,300	(5,423,300)	0
DEQ	Clean Michigan Initiative - Revenue Fund	3,591,000	0	(3,591,000)	0	0	0	0
DEQ	Clean Michigan Initiative - Waterfront Improvements	6,600	470,800	(477,400)	0	303,800	(303,800)	0
DEQ	Cleanup and Redevelopment Fund	20,614,700	13,612,700	(16,092,200)	18,135,200	11,820,000	(22,207,000)	7,748,200
DEQ	Cleanup and Redevelopment Trust Fund	1,730,200	1,609,400	(1,000,300)	2,339,300	1,600,000	(1,000,000)	2,939,300
DEQ	Community Pollution Prevention Fund	2,453,700	1,607,800	(1,160,300)	2,901,200	1,440,000	(1,316,200)	3,025,000
DEQ	Electronic Waste Recycling Fund	442,700	305,000	(237,500)	510,200	300,000	(340,600)	469,600
DEQ	Environmental Education Fund	90,200	90,200	(160,300)	20,100	121,500	(136,300)	5,300
DEQ	Environmental Perpetual Care Fund	113,500	0	0	113,500	0	(113,500)	0
DEQ	Environmental Pollution Prevention Fund	5,894,400	6,404,200	(8,078,700)	4,219,900	5,355,000	(7,615,300)	1,959,600
DEQ	Environmental Protection Fund	2,488,700	1,969,800	(2,603,200)	1,855,300	7,000,000	(7,000,000)	1,855,300
DEQ	Environmental Protection Bond Fund	3,358,500	28,100	(3,376,900)	9,700	740,300	(750,000)	0
DEQ	Environmental Response Fund	8,592,500	4,684,000	(4,289,700)	8,986,800	1,652,100	(880,800)	9,758,100
DEQ	Fees and Collections	0	257,600	(257,600)	0	255,300	(255,300)	0
DEQ	Financial Instruments	0	3,607,100	(3,607,100)	0	1,000,000	(1,000,000)	0
DEQ	Great Lakes Protection Fund	154,100	403,900	(800)	557,200	285,700	(309,800)	533,100
DEQ	Groundwater Discharge Permit Fees	1,555,000	1,190,000	(1,588,100)	1,156,900	1,190,000	(1,405,000)	941,900
DEQ	Infrastructure Construction Fund	11,500	31,800	(10,600)	32,700	31,800	(60,000)	4,500
DEQ	Land and Water Permit Fees	5,951,300	2,820,600	(3,271,300)	5,500,600	2,100,000	(5,107,500)	2,493,100
DEQ	Landfill Maintenance Trust Fund	42,600	400	0	43,000	400	0	43,400
DEQ	Landfill Maintenance Trust Sub-Fund Corpus	500,000	100	(100)	500,000	0	0	500,000

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			Available Fund Balance
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
DEQ	Medical Waste Emergency Response Fund	798,700	241,100	(316,500)	723,300	200,000	(322,800)	600,500
DEQ	Metallic Mining Surveillance Fee Revenue	49,700	49,700	(56,600)	42,800	55,000	(54,300)	43,500
DEQ	Michigan Clean Air Fund	638,100	0	(638,100)	0	0	0	0
DEQ	Mineral Well Regulatory Fee Revenue	98,400	134,900	(129,300)	104,000	134,000	(125,700)	112,300
DEQ	Natural Resource Damage Fund	4,116,400	191,000	(643,300)	3,664,100	50,000	(100,000)	3,614,100
DEQ	Nonferrous Metallic Mineral Surveillance	0	18,800	(16,300)	2,500	30,000	(17,100)	15,400
DEQ	National Pollution Discharge Elimination System Fees	4,582,700	2,816,800	(3,577,500)	3,822,000	2,816,800	(3,580,100)	3,058,700
DEQ	Oil and Gas Regulatory Fund	7,446,100	11,795,800	(9,990,700)	9,251,200	8,400,000	(10,585,900)	7,065,300
DEQ	Orphan Well Fund	2,475,300	1,274,300	(1,248,000)	2,501,600	1,100,000	(1,423,800)	2,177,800
DEQ	Public Swimming Pool Fund	112,700	523,700	(530,800)	105,600	515,000	(537,000)	83,600
DEQ	Public Water Supply Fees	745,600	4,554,200	(4,890,900)	408,900	4,574,100	(4,674,100)	308,900
DEQ	Publication Revenue	72,500	0	(72,500)	0	0	0	0
DEQ	Refined Petroleum Fund	59,135,700	55,066,600	(37,145,600)	77,056,700	31,077,000	(47,055,400)	61,078,300
DEQ	Retired Engineers Technical Assistance Program	1,977,400	(1,000)	(507,900)	1,468,500	0	(770,600)	697,900
DEQ	Revitalization Revolving Loan Fund	6,165,100	17,500	(10,300)	6,172,300	18,000	(10,000)	6,180,300
DEQ	Sand Extraction Fee Revenue	111,600	60,700	(53,500)	118,800	62,000	(50,100)	130,700
DEQ	Scrap Tire Regulatory Fund	6,647,100	4,453,100	(3,285,700)	7,814,500	4,200,000	(6,478,400)	5,536,100
DEQ	Septage Waste Contingency Fund	17,400	0	(6,200)	11,200	0	(7,000)	4,200
DEQ	Septage Waste Program Fund	88,600	428,600	(368,900)	148,300	410,000	(390,800)	167,500
DEQ	Settlement Funds	1,239,200	1,511,000	(394,900)	2,355,300	500,000	(600,000)	2,255,300
DEQ	Sewage Sludge Land Application Fees	30,100	836,600	(829,700)	37,000	886,400	(923,400)	0
DEQ	Small Business Pollution Prevention Revolving Loan Fund	2,229,700	2,600	(166,300)	2,066,000	2,500	(163,000)	1,905,500
DEQ	Soil Erosion and Sedimentation Control Training Fund	62,900	100,000	(141,900)	21,000	103,000	(114,700)	9,300
DEQ	Solid Waste Management Fund - Perpetual Care	487,900	147,500	(200)	635,200	100,000	(100)	735,100
DEQ	Solid Waste Management Fund - Staff Account	3,476,200	5,479,200	(5,194,400)	3,761,000	5,193,000	(5,197,500)	3,756,500
DEQ	State Site Cleanup Fund	4,854,500	14,100	(526,900)	4,341,700	14,000	(1,800)	4,353,900
DEQ	Stormwater Permit Fees	2,805,900	1,577,800	(2,165,600)	2,218,100	1,625,100	(2,010,700)	1,832,500
DEQ	Strategic Water Quality Initiatives Fund	9,675,300	97,765,700	(103,019,500)	4,421,500	76,717,100	(81,138,600)	0
DEQ	Underground Storage Tank Cleanup Fund	0	0	0	0	20,000,000	(20,000,000)	0
DEQ	Wastewater Operator Training Fees	118,800	466,600	(366,100)	219,300	425,000	(446,900)	197,400
DEQ	Water Analysis Fees	178,400	1,710,900	(1,731,700)	157,600	1,600,000	(1,640,000)	117,600

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DEQ	Water Pollution Control Revolving Fund	0	2,289,200	(2,289,200)	0	2,415,000	(2,415,000)	0
DEQ	Water Quality Protection Fund	356,200	71,200	(52,200)	375,200	71,200	(100,000)	346,400
DEQ	Water Use Reporting Fees	338,500	263,900	(229,900)	372,500	200,000	(277,100)	295,400
DHS	Child Support Collections	0	13,690,732	(13,690,732)	0	13,690,732	(13,690,732)	0
DHS	Children's Advocacy Center Fund	1,826,648	828,933	(1,188,148)	1,467,433	828,933	(1,188,148)	1,108,218
DHS	Children's Trust Fund	878,332	3,106,415	(2,789,680)	1,195,067	3,106,415	(2,789,680)	1,511,802
DHS	Public Assistance Recoupment Revenue	0	4,663,247	(4,663,247)	0	4,663,247	(4,663,247)	0
DHS	Rehabilitation Service Fees	0	32,718	(32,718)	0	32,718	(32,718)	0
DHS	Sexual Assault Victims' Medical Forensic Intervention	2,499,235	1,187,664	(1,182,091)	2,504,808	1,187,664	(1,182,091)	2,510,381
DHS	Supplemental Security Income Recoveries	0	6,551,387	(6,551,387)	0	6,031,000	(6,031,000)	0
DIFS	Autism Coverage Fund	14,896,144	5,511,956	(2,598,119)	17,809,982	7,000	(5,000,000)	12,816,982
DIFS	Bank Fees	1,558,301	5,087,354	(6,026,629)	619,026	5,500,000	(5,600,000)	519,026
DIFS	Captive Insurance Regulatory and Supervision Fund	185,430	135,659	(221,271)	99,818	136,000	(135,000)	100,818
DIFS	Consumer Finance Fees	262,575	1,475,014	(1,408,053)	329,536	1,300,000	(1,000,000)	629,536
DIFS	Credit Union Fees	646,953	7,358,420	(7,419,468)	585,905	7,800,000	(7,800,000)	585,905
DIFS	Deferred Presentment Service Transaction Fees	867,682	2,887,773	(3,435,335)	320,120	3,000,000	(2,800,000)	520,120
DIFS	Insurance Bureau Fund	2,693,345	21,652,774	(18,984,094)	5,362,026	17,000,000	(18,000,000)	4,362,026
DIFS	Insurance Continuing Education Fees	470,154	557,549	(705,494)	322,209	600,000	(600,000)	322,209
DIFS	Insurance Licensing and Regulation Fees	4,720,318	6,623,393	(7,211,732)	4,131,979	6,700,000	(8,000,000)	2,831,979
DIFS	MBLSLA Fund	3,075,645	4,025,669	(3,050,396)	4,050,918	4,000,000	(4,500,000)	3,550,918
DIFS	Multiple Employer Welfare Arrangement	445,911	146,166	(29,860)	562,217	146,000	(200,000)	508,217
Judiciary	Juror Compensation Fund	4,299,900	4,613,900	(3,124,500)	5,789,300	4,500,000	(3,400,000)	6,889,300
Judiciary	State Court Fund	0	6,551,900	(6,551,900)	0	6,500,000	(6,500,000)	0
Judiciary	Court Filing/Motion Fees	0	1,316,400	(1,316,400)	0	1,350,000	(1,350,000)	0
Judiciary	Law Exam fees	0	628,100	(628,100)	0	641,100	(641,100)	0
Judiciary	Community Dispute Resolution Fund	1,666,000	1,687,900	(1,810,700)	1,543,200	1,685,000	(1,685,000)	1,543,200
Judiciary	Drunk Driving Fund	0	2,390,300	(2,390,300)	0	2,500,000	(2,500,000)	0
Judiciary	Miscellaneous Revenue	0	247,300	(247,300)	0	200,000	(200,000)	0
Judiciary	Court Equity Fund	0	38,041,000	(38,041,000)	0	38,000,000	(38,000,000)	0
Judiciary	Court Fee Fund	45,900	7,742,600	(7,743,600)	44,900	7,750,000	(7,750,000)	44,900
Judiciary	Drug Fund	0	205,900	(205,900)	0	200,000	(200,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Judiciary	Drug Court Fund	682,600	1,216,300	(636,600)	1,262,300	1,250,000	(1,250,000)	1,262,300
Judiciary	Justice System Fund	311,200	436,600	(401,800)	346,000	450,000	(450,000)	346,000
Judiciary	Judicial Technology Improvement Fund	344,300	3,601,100	(3,940,600)	4,800	3,600,000	(3,600,000)	4,800
DLARA	Aboveground Storage Tank Fees	387,837	536,428	(349,416)	574,849	550,500	(375,362)	749,987
DLARA	Accountancy Enforcement Fund	3,260,775	311,245	(260,133)	3,311,887	2,009,036	(206,752)	5,114,171
DLARA	Boiler Inspection Fund	2,059,969	2,772,643	(3,120,399)	1,712,212	3,068,200	(3,559,958)	1,220,454
DLARA	Builder Enforcement Fund	1,893,451	839,915	(344,946)	2,388,420	108,245	(420,386)	2,076,279
DLARA	Michigan Business Enterprise Program Fund	0	345,590	(345,590)	0	284,500	(284,500)	0
DLARA	Construction Code Fund	3,134,034	8,876,895	(9,623,650)	2,387,279	8,463,600	(9,848,069)	1,002,810
DLARA	Contingent Fund, Regular Penalty & Interest Account	38,511,175	31,000,000	(1,081,550)	68,429,625	22,000,000	(22,455,000)	67,974,625
DLARA	Corporation Fees	4,628,108	23,389,908	(20,092,975)	7,925,041	21,733,000	(21,369,914)	8,288,127
DLARA	Direct Shipper Enhancement Revolving Fund	528,724	100,363	(100)	628,987	100,500	(100)	729,387
DLARA	Elevator Fees	4,061,802	3,965,627	(4,577,235)	3,450,194	4,024,800	(4,986,866)	2,488,128
DLARA	Fees & Collections/Asbestos	285,074	679,643	(705,947)	258,770	692,200	(827,249)	123,721
DLARA	Fire Alarm Fees	10,469	76,198	(76,198)	10,469	83,000	(93,469)	0
DLARA	Fire Protection Fund	5,042	8,500,000	(8,500,628)	4,415	8,500,000	(8,500,000)	4,415
DLARA	Fire Safety Standard & Enforcement Fund	133,166	8,228	(17,000)	124,394	7,000	(40,000)	91,394
DLARA	Fire Service Fees	0	2,301,301	(2,236,277)	65,024	2,250,000	(2,167,475)	147,549
DLARA	Fireworks Safety Fund	3,090,493	2,712,552	(1,731,369)	4,071,676	2,629,300	(1,939,430)	4,761,546
DLARA	Health Professions Regulatory Fund	4,490,462	22,416,102	(20,259,795)	6,646,769	22,252,000	(22,327,212)	6,571,557
DLARA	Health Systems Fees	501,153	4,254,016	(2,004,223)	2,750,946	4,163,977	(3,061,078)	3,853,845
DLARA	Licensing and Regulation Fees	1,966,192	14,706,953	(12,266,744)	4,406,401	10,082,766	(13,094,002)	1,395,165
DLARA	Liquor License Fee Enhancement Fund	800,350	193,300	0	993,650	90,000	0	1,083,650
DLARA	Liquor License Revenue	1,314,503	14,902,653	(15,008,712)	1,208,444	12,773,925	(13,625,990)	356,379
DLARA	Liquor Purchase Revolving Fund ³	875,739	956,884,074	(24,780,900)	0	1,000,047,720	(20,930,700)	0
DLARA	Low Income Energy Assistance Fund	171,825	50,211,614	(49,105,407)	1,278,032	50,000,000	(51,278,032)	0
DLARA	Michigan Medical Marijuana Fund	23,534,952	8,882,419	(5,874,521)	26,542,851	8,500,000	(9,733,499)	25,309,352
DLARA	Mobile Home Code Fund	1,749,504	1,782,035	(2,862,814)	668,725	2,848,900	(3,095,511)	422,114
DLARA	Motor Carrier Fees ⁴	0	7,864,538	(7,864,538)	0	6,532,975	(6,532,975)	0
DLARA	Nurse Professional Fees	953,391	1,388,180	(1,124,673)	1,216,898	1,382,000	(1,209,939)	1,388,959
DLARA	Pain Management Fees	4,429,578	1,266,426	(1,981,514)	3,714,490	1,262,500	(1,804,571)	3,172,419

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DLARA	Private Occupational School License Fees	354,280	478,912	(650,161)	183,031	370,000	(536,252)	16,779
DLARA	Property Development Fees	59,539	25,410	(4,957)	79,992	25,410	(5,000)	100,402
DLARA	Public Utility Assessments	4,510,636	26,749,635	(28,483,252)	2,777,019	30,430,335	(30,242,269)	2,965,085
DLARA	Radiological Health Fees	1,941,269	2,366,897	(2,747,804)	1,560,362	2,397,712	(2,853,201)	1,104,873
DLARA	Real Estate Appraiser Continuing Education Fund	473,536	32,330	(35,012)	470,854	27,662	(49,419)	449,097
DLARA	Real Estate Education Fund	3,078,389	79,380	(176,762)	2,981,007	249,340	(478,059)	2,752,288
DLARA	Real Estate Enforcement Fund	1,434,295	79,392	(26,126)	1,487,561	45,420	(26,700)	1,506,281
DLARA	Restructuring Mechanism Assessments	6,956,829	12,545,718	(16,244,982)	3,257,565	16,500,000	(16,260,000)	3,497,565
DLARA	Safety Education & Training Fund	6,577,259	9,830,700	(9,778,316)	6,629,643	9,803,600	(11,265,253)	5,167,990
DLARA	Second Injury Fund	8,481,220	13,081,834	(12,545,382)	9,017,672	11,015,000	(11,800,000)	8,232,672
DLARA	Securities Fees	0	24,635,346	(17,876,764)	6,758,582	21,964,600	(17,553,875)	11,169,307
DLARA	Securities Investor Education & Training Fund	494,544	0	(90,263)	404,281	10,500	(68,545)	346,236
DLARA	Security Business Fund	126,568	98,679	(34,888)	190,359	100,203	(36,372)	254,190
DLARA	Self-Insurers Security Fund	16,507,188	11,829,005	(4,981,404)	23,354,789	7,926,000	(8,600,000)	22,680,789
DLARA	Silicosis & Dust Disease Fund	1,210,777	1,201,466	(1,284,303)	1,127,940	1,563,000	(1,300,000)	1,390,940
DLARA	Special Fraud Control Fund	549,092	0	0	549,092	0	0	549,092
DLARA	Survey and Remonumentation Fund	4,762,540	6,777,241	(8,118,832)	3,420,949	6,617,550	(8,151,650)	1,886,849
DLARA	Tax Tribunal Fund	2,971,149	2,586,346	(4,263,709)	1,293,786	2,402,500	(3,696,286)	0
DLARA	Unarmed Combat Fund	79,319	68,796	(134,900)	13,215	60,768	(73,983)	0
DLARA	Underground Storage Tank Fees	1,607,849	1,879,209	(2,670,208)	816,850	1,902,000	(2,718,850)	0
DLARA	Utility Consumer Representation Fund	2,492,906	463,388	(710,496)	2,245,798	1,216,799	(1,383,345)	2,079,252
DLARA	Video Franchise Assessments	141,784	253,037	(277,517)	117,304	282,696	(312,311)	87,689
DLARA	Worker's Compensation Administration Revolving Fund	1,343,412	1,420,108	(2,223,206)	540,314	1,401,000	(1,941,314)	0
MSF	21st Century Jobs Program - Operations	6,388,576	71,910,789	(78,280,743)	18,622	75,000,000	(75,018,622)	0
MSF	Defaulted Loan Collection Fees	0	150,000	(150,000)	0	150,000	(150,000)	0
MSF	Industry Support Fees	0	5,500	(5,500)	0	5,500	(5,500)	0
MSF	Michigan Film Office Revenues	409,308	111,009	(520,133)	184	654,800	(654,800)	184
MSF	Public Utility Assessments	0	872,400	(872,400)	0	872,400	(872,400)	0
MSF-MSHDA	Land Bank Fast Track Fund	0	300,000	(300,000)	0	300,000	(300,000)	0
MSF-MSHDA	Michigan Housing & Community Development	76,691	66		76,757	100		76,857
MSF-MSHDA	Michigan Lighthouse Preservation Fund	546,486	485,163	(131,987)	899,662	150,000	(150,000)	899,662

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
MSF-MSHDA	MSHDA Fees & Charges	0	64,570,200	(48,931,899)	15,638,301	65,388,500	(65,388,500)	15,638,301
DMVA	Rental Fees	0	197,800	(197,800)	0	175,000	(175,000)	0
DMVA	Michigan National Guard Armory Construction Fund	671,400	19,300	(635,000)	55,700	5,000	0	60,700
DMVA	Mackinac Bridge Authority	0	67,000	(67,000)	0	70,000	(70,000)	0
DMVA	Income and Assessments	0	15,400,900	(15,400,900)	0	13,992,800	(13,992,800)	0
DMVA	Lease Revenue	0	12,200	(12,200)	0	12,200	(12,200)	0
DMVA	Michigan Veterans' Trust Fund	3,469,100	3,350,900	(3,350,900)	3,469,100	3,500,000	(3,500,000)	3,469,100
DMVA	Military Family Relief Fund	2,449,000	131,800	(72,800)	2,508,000	100,000	(100,000)	2,508,000
DNR	Cervidae Licensing and Inspection Fees	0	79,200	(79,200)	0	131,200	(131,200)	0
DNR	Clean Michigan Initiative Fund	114,500	100	(28,500)	86,100	100	(29,100)	57,100
DNR	Commercial Forest Fund	27,000	43,500	(26,200)	44,300	30,100	(28,900)	45,500
DNR	Fire Equipment Fund	877,100	221,100	(231,000)	867,200	225,000	(663,700)	428,500
DNR	Forest Development Fund	2,328,300	40,424,400	(34,251,200)	8,501,500	35,805,100	(36,613,400)	7,693,200
DNR	Forest Land User Charges	464,800	334,700	(322,500)	477,000	276,400	(289,700)	463,700
DNR	Forest Recreation Account	51,600	1,752,800	(1,586,300)	218,100	1,664,300	(1,882,400)	0
DNR	Game and Fish Protection Fund	4,045,700	69,458,400	(72,972,300)	531,800	75,539,400	(76,071,200)	0
DNR	Game and Fish Protection Fund - Deer Habitat Reserve	610,000	2,159,000	(2,096,700)	672,300	2,096,900	(2,346,600)	422,600
DNR	Game and Fish Protection Fund - Fisheries Settlement	1,183,400	642,300	(960,000)	865,700	501,100	(948,000)	418,800
DNR	Game and Fish Protection Fund - Turkey Permit Fees	198,100	1,068,000	(1,075,900)	190,200	962,700	(1,103,800)	49,100
DNR	Game and Fish Protection Fund - Waterfowl Fees	10,300	125,600	(95,100)	40,800	173,200	(159,200)	54,800
DNR	Game and Fish Protection Fund - Waterfowl Hunt Stamp	2,719,500	441,800	0	3,161,300	519,600	(3,000,000)	680,900
DNR	Game and Fish Protection Fund - Wildlife Management Public Education Fund	0	1,200,900	0	1,200,900	1,600,000	(1,600,000)	1,200,900
DNR	Game and Fish Protection Fund - Wildlife Resource Protection Fund	48,000	1,190,300	(1,132,600)	105,700	1,242,600	(1,134,900)	213,400
DNR	Game and Fish Protection Fund - Youth Hunting and Fishing Education and Outreach Fund	188,600	76,500	(31,700)	233,400	91,100	(97,000)	227,500
DNR	History Fees Fund	89,800	172,900	(145,900)	116,800	210,000	(230,300)	96,500
DNR	Invasive Species Fund	20,000	0	0	20,000	0	(20,000)	0
DNR	Land Exchange Facilitation Fund	2,278,400	1,994,100	(1,095,000)	3,177,500	1,527,300	(1,620,300)	3,084,500
DNR	Local Public Recreation Facilities Fund	909,900	1,072,900	(802,800)	1,180,000	1,013,400	(1,089,800)	1,103,600
DNR	Mackinac Island State Park Fund	0	1,517,000	(1,517,000)	0	1,550,000	(1,550,000)	0
DNR	Mackinac Island State Park Operation Fund	0	72,000	(72,000)	0	100,000	(100,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			Available Fund Balance
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
DNR	Marine Safety Fund	190,600	4,911,700	(4,655,400)	446,900	4,848,400	(4,566,500)	728,800
DNR	Michigan Heritage Publications Fund	89,800	600	(2,900)	87,500	500	(38,800)	49,200
DNR	Michigan Natural Resources Trust Fund	30,539,700	41,138,000	(48,844,900)	22,832,800	32,900,000	(28,300,000)	27,432,800
DNR	Michigan State Parks Endowment Fund	8,073,100	57,855,200	(54,604,000)	11,324,300	51,617,200	(50,464,300)	12,477,200
DNR	Michigan State Waterways Fund	5,457,300	21,835,400	(21,699,800)	5,592,900	21,733,600	(22,678,800)	4,647,700
DNR	Michigan Trailways Fund	1,300	11,800	(13,100)	0	10,000	(10,000)	0
DNR	Museum Operations Fund	142,900	475,000	(481,000)	136,900	480,000	(502,100)	114,800
DNR	Nongame Wildlife Fund	331,700	603,200	(518,500)	416,400	468,000	(513,700)	370,700
DNR	Off-Road Vehicle Safety Education Fund	228,800	211,400	(192,500)	247,700	198,800	(202,000)	244,500
DNR	Off-Road Vehicle Trail Improvement Fund	2,486,000	6,271,700	(4,748,000)	4,009,700	6,400,000	(6,033,900)	4,375,800
DNR	Park Improvement Fund	2,387,500	46,226,300	(46,228,800)	2,385,000	48,084,400	(47,507,100)	2,962,300
DNR	Park Improvement Fund - Belle Isle Sub-Account	0	336,400	0	336,400	435,000	(771,400)	0
DNR	Permanent Snowmobile Trail Easement Fund	1,957,000	351,900	(500)	2,308,400	326,900	(700,000)	1,935,300
DNR	Public Use and Replacement Deed Fees	0	22,400	(22,400)	0	25,000	(25,000)	0
DNR	Recreation Improvement Account	361,300	998,700	(911,300)	448,700	975,700	(1,034,000)	390,400
DNR	Recreation Passport Fees ⁵	(807,700)	5,672,500	(6,222,600)	(1,357,800)	5,354,300	(3,291,900)	704,600
DNR	Snowmobile Registration Fee Revenue	71,300	1,731,800	(1,297,200)	505,900	1,236,200	(1,232,700)	509,400
DNR	Snowmobile Trail Improvement Fund	4,850,300	8,754,700	(10,669,600)	2,935,400	8,224,500	(9,056,300)	2,103,600
DNR	Sportsmen Against Hunger Fund	43,900	75,500	(26,300)	93,100	75,000	(51,900)	116,200
State	Abandoned Vehicle Fund	0	368,832	(368,832)	0	370,900	(370,900)	0
State	Administrative Order Processing Fee	0	935	(935)	0	1,000	(1,000)	0
State	Auto Repair Facilities Fees	0	3,521,561	(3,521,561)	0	3,470,700	(3,470,700)	0
State	Basic Driver Improvement Course Fund	0	1,232,395	(1,232,395)	0	1,221,400	(1,221,400)	0
State	Child Support Clearance Fees	0	159,526	(159,526)	0	164,500	(164,500)	0
State	Children's Protection Registry	280,396	85,755	0	366,151	82,100	(200,000)	248,251
State	Credit & Debit Card Service Assessment	1,986,813	5,708,284	(5,000,000)	2,695,097	6,052,700	(6,000,000)	2,747,797
State	Driver Education Provider & Instructor Fund	257,672	51,426	(75,100)	233,998	101,800	(101,800)	233,998
State	Driver Fees	0	27,967,833	(27,967,833)	0	29,414,400	(29,414,400)	0
State	Driver Responsibility Fees	0	0	0	0	1,000,000	(1,000,000)	0
State	Enhanced Driver License & Personal ID Fund	4,387,317	7,791,500	(6,559,400)	5,619,417	5,692,200	(8,571,900)	2,739,717
State	Expedient Service Fees	0	3,288,088	(3,288,088)	0	3,576,600	(3,576,600)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
State	Mobile Home Commission Fees	0	277,493	(277,493)	0	284,100	(284,100)	0
State	Motor Vehicle Accident Claims Fund	159,678	2,619	0	162,297	3,000	0	165,297
State	Motor Vehicle Code Books	91,218	0	0	91,218	0	0	91,218
State	Motorcycle Safety Fund	340,319	1,434,810	(1,552,198)	222,931	1,497,600	(1,400,000)	320,531
State	Notary Education & Training Fund	38,695	58,086	(75,000)	21,781	38,000	(55,000)	4,781
State	Notary Fees Fund	0	172,307	(172,307)	0	100,600	(100,600)	0
State	Off-Road Vehicle Title Fees	0	164,800	(164,800)	0	167,300	(167,300)	0
State	Parking Ticket Court Fines	0	1,624,652	(1,624,652)	0	1,499,500	(1,499,500)	0
State	Personal ID Cards	0	2,607,685	(2,607,685)	0	2,590,700	(2,590,700)	0
State	Reinstatement Fees	0	4,045,135	(4,045,135)	0	4,333,100	(4,333,100)	0
State	Scrap Tire Fund	0	76,500	(76,500)	0	77,300	(77,300)	0
State	Snowmobile Registration Fee Revenue	0	250,650	(250,650)	0	187,800	(187,800)	0
State	Thomas Daley Gift of Life Fund	56,745	39,011	0	95,756	41,000	(42,500)	94,256
State	Transportation Administration Collection Fund	1,806,288	107,952,988	(107,642,855)	2,116,421	108,086,500	(108,950,000)	1,252,921
MSP	Auto Theft Prevention Fund	2,114,400	6,273,000	(6,195,000)	2,192,400	6,214,300	(7,971,200)	435,500
MSP	Concealed Weapons Enforcement Fees	84,400	100	(70,300)	14,200	0	(14,200)	0
MSP	Criminal Justice Information Center Service Fees	0	20,633,800	(20,633,800)	0	21,000,000	(21,000,000)	0
MSP	Drunk Driving Prevention & Training	173,500	788,000	(875,400)	86,100	850,000	(936,100)	0
MSP	Forensic Science Reimbursement Fees	0	1,057,100	(1,057,100)	0	1,053,000	(1,053,000)	0
MSP	Forfeiture Funds	0	0	0	0	25,000	(25,000)	0
MSP	Hazardous Materials Training Center Fees	0	992,000	(992,000)	0	950,000	(950,000)	0
MSP	Highway Safety Fund	0	10,349,200	(10,346,100)	3,100	10,555,000	(10,558,100)	0
MSP	Licensing Fees	0	1,800	(1,800)	0	1,500	(1,500)	0
MSP	Michigan Justice Training Fund	3,216,600	5,283,400	(5,283,400)	3,216,600	5,321,600	(5,553,600)	2,984,600
MSP	Narcotics Investigation Revenues	314,000	1,108,200	(669,800)	752,400	750,000	(1,250,000)	252,400
MSP	Nuclear Plant Emergency Planning Reimbursement	0	2,312,000	(2,311,900)	100	2,817,240	(2,817,240)	100
MSP	Precision Driving Track Fees	0	258,800	(258,800)	0	250,000	(250,000)	0
MSP	Reimbursed Services	0	2,322,500	(2,322,500)	0	1,513,000	(1,513,000)	0
MSP	Rental of Department Aircraft	0	25,700	(25,700)	0	21,000	(21,000)	0
MSP	Secondary Road Patrol & Training Fund	1,105,800	9,168,400	(9,167,000)	1,107,200	9,180,000	(9,175,000)	1,112,200
MSP	Sex Offenders Registration Fund	272,700	784,400	(600,900)	456,200	734,400	(953,500)	237,100

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			Available Fund Balance
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
MSP	State Forensic Laboratory Fund	861,000	1,023,900	(1,826,900)	58,000	974,500	(1,032,500)	0
MSP	State Police Service Fees	0	1,782,400	(1,782,400)	0	1,275,000	(1,275,000)	0
MSP	Traffic Crash Revenue	0	261,600	(261,600)	0	270,000	(270,000)	0
MSP	Traffic Law Enforcement and Safety Fund	3,173,500	23,512,300	(26,339,600)	346,200	24,850,000	(25,196,200)	0
MSP	Trooper Recruit School Fund	0	925,600	(500)	925,100	35,000	(960,100)	0
MSP	Truck Driver Safety Fund	2,830,600	806,000	(1,061,600)	2,575,000	900,000	(1,080,000)	2,395,000
DTMB	State Exposition & Fairground Fund	0	100,000	(100,000)	0	100,000	(100,000)	0
MDOT	Comprehensive Transportation Fund	33,656,300	268,634,000	(281,393,600)	20,896,700	264,278,500	(280,104,200)	5,071,000
MDOT	Michigan Transportation Fund	0	1,937,796,900	(1,937,796,900)	0	1,959,640,000	(1,959,640,000)	0
MDOT	State Aeronautics Fund	5,144,500	12,408,700	(12,599,000)	4,954,200	12,374,000	(15,006,600)	2,321,600
MDOT	State Trunkline Fund ⁹	0	721,812,600	(721,812,600)	0	981,262,000	(981,262,000)	0
Treasury	21st Century Jobs Trust Fund	0	75,000,000	(75,000,000)	0	75,000,000	(75,000,000)	0
Treasury	Airport Parking Revenue	0	22,433,332	(22,433,332)	0	16,280,300	(16,280,300)	0
Treasury	ALS of Michigan ⁷	0	39,357	(39,357)	0	0	0	0
Treasury	Boy Scout Troops Fund ⁷	0	12,832	(12,832)	0	0	0	0
Treasury	Convention Facility Development Fund	23,088,180	82,448,574	(82,404,995)	23,131,759	90,950,000	(90,950,000)	23,131,759
Treasury	Delinquent Tax Collection Revenue and MARCS ⁶	0	116,793,600	(116,793,600)	0	118,739,600	(118,739,600)	0
Treasury	Ducks Unlimited Fund ⁷	0	675	(675)	0	0	0	0
Treasury	Emergency 911 Administration & Coordination (State Police)	0	488,803	(488,803)	0	380,000	(380,000)	0
Treasury	Emergency 911 Dispatch Operations (State Police)	0	491,416	(491,416)	0	380,000	(380,000)	0
Treasury	Emergency 911 - Counties -	0	8,626,767	(8,626,767)	0	9,000,000	(9,000,000)	0
Treasury	Emergency 911 - Counties per Capita	0	12,940,186	(12,940,186)	0	13,000,000	(13,000,000)	0
Treasury	Emergency 911 - Local Exchange Providers Emergency 911	3,805,764	1,904,299	(1,151,697)	4,558,366	2,000,000	(1,200,000)	5,358,366
Treasury	Emergency 911 - PSAP Training ⁸	1,799,310	1,622,116	(1,837,636)	1,583,790	1,700,000	(1,700,000)	1,583,790
Treasury	Emergency 911 Administration	0	122,732	(122,732)	0	120,000	(120,000)	0
Treasury	Escheats Revenue ⁶	0	7,486,504	(7,486,504)	0	4,772,800	(4,772,800)	0
Treasury	Garnishment Fees ⁶	0	3,345,196	(3,345,196)	0	2,487,900	(2,487,900)	0
Treasury	Girl Scout Troops Fund ⁷	0	34,227	(34,227)	0	0	0	0
Treasury	Health and Safety Fund	1,441,868	2,339,129	320,906	4,101,903	9,000,000	(9,000,000)	4,101,903
Treasury	Health Insurance Claims Fund	0	1,189,358	(1,189,358)	0	2,033,800	(2,033,800)	0
Treasury	Justice System Fund	69,990	428,701	(445,112)	53,579	430,000	(430,000)	53,579

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2014			Fiscal Year Ending September 30, 2015			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Treasury	Land Reutilization Fund	8,233,223	1,815,165	(574,367)	9,474,021	900,000	(900,000)	9,474,021
Treasury	Levy/Warrant Cost Assessment Fees ⁶	0	2,977,359	(2,977,359)	0	2,000,000	(2,000,000)	0
Treasury	MI Merit Award Trust Fund	76,663,500	115,975,100	(118,003,200)	74,635,400	101,889,500	(100,859,100)	75,665,800
Treasury	Michigan Finance Authority Revenue	0	2,500,418	(2,500,418)	0	3,018,500	(3,018,500)	0
Treasury	Michigan Alzheimer's Association ⁷	0	69,838	(69,838)	0	0	0	0
Treasury	Municipal Finance Fees ⁶	0	694,932	(694,932)	0	520,000	(520,000)	0
Treasury	Principal Residence Prop Tax Exemption Audit Fund	6,664,409	2,445,882	(1,630,925)	7,479,366	1,700,000	(1,200,000)	7,979,366
Treasury	School Bond Fees	709,229	620,327	(562,910)	766,646	550,000	(550,000)	766,646
Treasury	School Bond Loan Repayments ⁶	0	14,522,236	(14,522,236)	0	14,000,000	(14,000,000)	0
Treasury	Special Olympics Michigan Fund ⁷	0	75,925	(75,925)	0	0	0	0
Treasury	State Campaign Funds	4,801,393	763,266	(5,564,659)	0	750,000	0	750,000
Treasury	Tobacco Tax Revenue	0	2,981,906	(2,981,906)	0	2,800,000	(2,800,000)	0
Treasury	Treasury Fees ⁶	0	1,202,286	(1,202,286)	0	1,665,700	(1,665,700)	0
Treasury	United Way Fund ⁶	0	143,501	(143,501)	0	0	0	0

¹ MDARD - Included in 2014 revenue for the Freshwater Protection Fund is an accounting adjustment for the prior year of accrued revenue of \$74,327.50.

² MDE - The decrease in FY 2014 student insurance revenue is due to one-time corrections to over collections and a change in eligibility requirements. The full impact of the change is not yet known, but some decrease in revenue is expected.

³ DLARA - Excess at year end lapse to the general fund.

⁴ DLARA - DLARA is responsible for the Motor Carrier Fund. Some of the money is given to the Truck Safety Fund. \$900,000 of revenues associated with the Truck Safety Fund were deducted from the revenue amounts for FY15.

⁵ DNR - Negative available fund balance is due to the state park repair and maintenance capital outlay appropriations that are not fully funded. The appropriation is being held as a reserve against the fund, thus resulting in a negative fund balance. Reduced appropriations are being recommended in FY 15 & FY 16 to correct this imbalance.

⁶ Treasury - All balances lapse to general fund

⁷ Treasury - Pass through - fund is 100% distributed each year.

⁸ Treasury - Revenue collected in one AY is expended in subsequent AY.

⁹ MDOT - Includes revenues and expenditures of the Blue Water Bridge Fund, Economic Development Fund, General Fund (FY15 GF is \$127M plus state's share (\$56.4995M) of \$144.5M).

FISCAL YEAR 2016 GOVERNOR'S RECOMMENDATION

DEPARTMENT/AGENCY	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture & Rural Development	84,144,000	317,300	83,826,700	10,427,900	0	128,100	30,897,100	42,373,600	73,270,700	4,750,000
Attorney General	91,941,600	28,533,900	63,407,700	9,278,600	0	0	17,281,700	36,847,400	54,129,100	0
Civil Rights	16,128,700	286,700	15,842,000	2,721,700	0	18,700	151,900	12,949,700	13,101,600	0
Community Health	18,971,605,000	9,678,100	18,961,926,900	13,465,957,200	85,984,600	127,698,700	2,289,035,100	2,993,251,300	5,282,286,400	1,125,752,600
Corrections	1,976,226,000	225,000	1,976,001,000	5,568,700	8,533,200	0	42,950,700	1,918,948,400	1,961,899,100	114,323,600
Education	313,212,200	0	313,212,200	218,583,400	5,633,700	2,033,300	7,669,600	79,292,200	86,961,800	15,176,000
Environmental Quality	487,925,900	9,115,300	478,810,600	138,163,100	0	546,000	304,723,800	35,377,700	340,101,500	3,648,500
Executive Office	5,916,100	0	5,916,100	0	0	0	0	5,916,100	5,916,100	0
Human Services	5,734,326,500	24,260,300	5,710,066,200	4,542,043,600	45,441,300	26,356,900	117,333,400	978,891,000	1,096,224,400	97,088,300
Insurance and Financial Services	65,057,700	707,600	64,350,100	2,000,000	0	0	62,200,100	150,000	62,350,100	0
Judiciary	283,901,300	2,362,900	281,538,400	6,428,600	7,229,000	942,900	84,245,700	182,692,200	266,937,900	136,329,400
Legislative Auditor General	22,840,500	5,392,800	17,447,700	0	0	0	1,987,600	15,460,100	17,447,700	0
Legislature	136,464,300	0	136,464,300	0	0	400,000	4,192,000	131,872,300	136,084,300	0
Licensing and Regulatory Affairs	545,605,900	15,754,900	529,851,000	200,388,700	679,000	311,300	304,248,600	24,223,400	328,472,000	30,936,900
Military and Veterans Affairs	163,953,700	99,300	163,854,400	90,208,600	1,497,400	739,600	23,221,500	48,187,300	71,408,800	102,400
Natural Resources	389,494,200	1,352,700	388,141,500	76,028,000	0	8,157,700	264,183,000	39,772,800	303,955,800	5,548,400
State	225,256,700	20,000,000	205,256,700	1,460,000	0	100	186,635,100	17,161,500	203,796,600	1,272,100
State Police	613,531,200	26,224,300	587,306,900	87,945,900	5,456,700	76,700	120,353,900	373,473,700	493,827,600	11,899,400
Technology, Management & Budget	1,010,335,700	678,478,500	331,857,200	7,997,300	3,587,700	190,100	95,771,900	224,310,200	320,082,100	0
State Building Authority	254,570,600	0	254,570,600	0	0	0	0	254,570,600	254,570,600	0
Transportation	3,635,722,500	3,928,500	3,631,794,000	1,257,488,000	50,293,500	100,000	2,184,391,400	139,521,100	2,323,912,500	1,252,574,400
Treasury	533,426,200	9,500,700	523,925,500	39,661,500	9,029,700	25,400	354,978,600	120,230,300	475,208,900	1,431,094,300
Debt Service	156,449,000	0	156,449,000	0	0	0	0	156,449,000	156,449,000	0
Michigan Strategic Fund	1,006,582,500	0	1,006,582,500	627,305,000	4,433,500	5,649,000	142,568,000	226,607,000	369,195,000	15,224,800
Revenue Sharing / Incentive Grants	1,251,237,000	0	1,251,237,000	0	0	0	1,251,237,000	0	1,251,237,000	0
Total - Non-Education Omnibus	\$37,975,855,000	\$836,218,800	\$37,139,636,200	\$20,789,655,800	\$227,799,300	\$173,374,500	\$7,890,277,700	\$8,058,528,900	\$15,948,806,600	\$4,245,721,100
Higher Education	393,825,600	0	393,825,600	0	0	0	256,714,800	137,110,800	393,825,600	393,825,600
Community Colleges	1,541,219,200	0	1,541,219,200	97,026,400	0	0	205,279,500	1,238,913,300	1,444,192,800	0
Universities & Financial Aid	13,958,963,900	0	13,958,963,900	1,775,769,200	0	0	12,137,294,700	45,900,000	12,183,194,700	12,022,427,700
School Aid	\$15,894,008,700	\$0	\$15,894,008,700	\$1,872,795,600	\$0	\$0	\$12,899,289,000	\$1,421,924,100	\$14,021,213,100	\$12,415,253,300
TOTAL SPENDING	\$53,869,863,700	\$836,218,800	\$53,033,644,900	\$22,662,451,400	\$227,799,300	\$173,374,500	\$20,489,566,700	\$9,480,453,000	\$29,970,019,700	\$16,661,974,400
Budget Stabilization Fund Reserve	95,000,000	0	95,000,000	0	0	0	0	95,000,000	95,000,000	0
Roads and Risk Reserve Fund	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	\$53,964,863,700	\$836,218,800	\$53,128,644,900	\$22,662,451,400	\$227,799,300	\$173,374,500	\$20,489,566,700	\$9,575,453,000	\$30,065,019,700	\$16,661,974,400

FISCAL YEAR 2017 GOVERNOR'S RECOMMENDATION

DEPARTMENT/AGENCY	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture & Rural Development	83,644,000	317,300	83,326,700	10,427,900	0	128,100	30,897,100	41,873,600	72,770,700	4,750,000
Attorney General	91,941,600	28,533,900	63,407,700	9,278,600	0	0	17,281,700	36,847,400	54,129,100	0
Civil Rights	16,128,700	286,700	15,842,000	2,721,700	0	18,700	151,900	12,949,700	13,101,600	0
Community Health	18,696,639,900	9,678,100	18,686,961,800	13,147,295,000	85,984,600	127,698,700	2,289,035,100	3,036,948,400	5,325,983,500	1,125,752,600
Corrections	1,976,226,000	225,000	1,976,001,000	5,568,700	8,533,200	0	42,950,700	1,918,948,400	1,961,899,100	114,323,600
Education	313,212,200	0	313,212,200	218,593,400	5,633,700	2,033,300	7,669,600	79,292,200	86,961,800	15,176,000
Environmental Quality	487,925,900	9,115,300	478,810,600	138,163,100	0	546,000	304,723,800	35,377,700	340,101,500	3,648,500
Executive Office	5,916,100	0	5,916,100	0	0	0	0	5,916,100	5,916,100	0
Human Services	5,727,663,100	24,260,300	5,703,402,800	4,536,909,200	45,441,300	26,356,900	117,333,400	977,362,000	1,094,695,400	97,088,300
Insurance and Financial Services	65,057,700	707,600	64,350,100	2,000,000	0	0	62,200,100	150,000	62,350,100	0
Judiciary	283,901,300	2,362,900	281,538,400	6,428,600	7,229,000	942,900	84,245,700	182,692,200	266,937,900	136,329,400
Legislative Auditor General	22,840,500	5,392,800	17,447,700	0	0	0	1,987,600	15,460,100	17,447,700	0
Legislature	136,464,300	0	136,464,300	0	0	400,000	4,192,000	131,872,300	136,064,300	0
Licensing and Regulatory Affairs	545,605,900	15,754,900	529,851,000	200,388,700	679,000	311,300	304,248,600	24,223,400	328,472,000	30,936,900
Military and Veterans Affairs	163,953,700	99,300	163,854,400	90,208,600	1,497,400	739,600	23,221,500	48,187,300	71,408,800	102,400
Natural Resources	380,994,200	1,352,700	379,641,500	73,028,000	0	7,407,700	259,683,000	39,522,800	299,205,800	5,048,400
State	225,256,700	20,000,000	205,256,700	1,460,000	0	100	186,635,100	17,161,500	203,796,600	1,272,100
State Police	616,003,300	26,224,300	589,779,000	87,945,900	5,459,700	76,700	120,353,900	375,945,800	486,299,700	944,400
Technology, Management & Budget	1,007,735,200	677,878,500	329,856,700	7,997,300	3,587,700	190,100	95,771,900	222,309,700	318,081,600	0
State Building Authority	254,570,600	0	254,570,600	0	0	0	0	254,570,600	254,570,600	0
Transportation	3,496,201,400	3,928,500	3,492,272,900	1,257,488,000	50,293,500	100,000	2,184,391,400	0	2,184,391,400	1,258,438,700
Treasury	513,526,200	9,500,700	504,025,500	39,661,500	9,029,700	25,400	354,978,600	100,330,300	455,308,900	1,460,190,100
Debt Service	156,449,000	0	156,449,000	0	0	0	0	156,449,000	156,449,000	0
Michigan Strategic Fund	963,682,500	0	963,682,500	627,305,000	4,433,500	5,649,000	142,588,000	183,707,000	326,295,000	15,224,800
Revenue Sharing / Incentive Grants	1,278,792,600	0	1,278,792,600	0	0	0	1,278,792,600	0	1,278,792,600	0
Total - Non-Education Omnibus	\$37,510,332,600	\$835,618,800	\$36,674,713,800	\$20,462,859,200	\$227,799,300	\$172,624,500	\$7,913,333,300	\$7,998,097,500	\$15,811,430,800	\$4,269,226,200
Higher Education	400,725,600	0	400,725,600	0	0	0	263,614,800	137,110,800	400,725,600	400,725,600
Community Colleges	1,541,399,200	0	1,541,399,200	97,026,400	0	0	205,459,500	1,238,913,300	1,444,372,800	0
Universities & Financial Aid	13,839,253,900	0	13,839,253,900	1,775,769,200	0	0	12,006,484,700	57,000,000	12,063,484,700	11,885,517,700
School Aid	\$15,781,378,700	\$0	\$15,781,378,700	\$1,872,795,600	\$0	\$0	\$12,475,559,000	\$1,433,024,100	\$13,908,583,100	\$12,286,243,300
TOTAL SPENDING	\$53,291,711,300	\$835,618,800	\$52,456,092,500	\$22,335,654,800	\$227,799,300	\$172,624,500	\$20,388,892,300	\$9,331,121,600	\$29,720,013,900	\$16,555,469,500
Budget Stabilization Fund Reserve	0	0	0	0	0	0	0	0	0	0
Roads and Risk Reserve Fund	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	\$53,291,711,300	\$835,618,800	\$52,456,092,500	\$22,335,654,800	\$227,799,300	\$172,624,500	\$20,388,892,300	\$9,331,121,600	\$29,720,013,900	\$16,555,469,500

GENERAL FUND/GENERAL PURPOSE
(\$ in Thousands)

DEPARTMENT/AGENCY	FY15 Ongoing Enacted	FY15 One-Time Current Law	FY15 Total Current Law	FY16 Ongoing Governor's Recommend	FY16 One-Time Governor's Recommend	FY16 Total Governor's Recommend	Difference FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	% Change FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	Difference FY16 Total Governor's Rec. from FY15 Total Current Law	% Change FY16 Total Governor's Rec. from FY15 Total Current Law
Agriculture & Rural Development	43,216.2	2,700.0	45,916.2	41,873.6	500.0	42,373.6	(1,342.6)	-3.1%	(3,542.6)	-7.7%
Attorney General	35,267.1	3,000.0	38,267.1	36,847.4	0.0	36,847.4	1,580.3	4.5%	(1,419.7)	-3.7%
Civil Rights	13,448.2	0.0	13,448.2	12,949.7	0.0	12,949.7	(498.5)	-3.7%	(498.5)	-3.7%
Community Health	3,222,159.1	17,542.3	3,239,701.4	2,986,251.3	7,000.0	2,993,251.3	(235,907.8)	-7.3%	(246,450.1)	-7.6%
Corrections	1,953,712.5	27,085.9	1,980,798.4	1,918,948.4	0.0	1,918,948.4	(34,764.1)	-1.8%	(61,850.0)	-3.1%
Education	81,183.0	900.0	82,083.0	79,292.2	0.0	79,292.2	(1,890.8)	-2.3%	(2,790.8)	-3.4%
Environmental Quality	38,375.9	2,500.0	40,875.9	35,377.7	0.0	35,377.7	(2,998.2)	-7.8%	(5,498.2)	-13.5%
Executive Office	5,916.1	0.0	5,916.1	5,916.1	0.0	5,916.1	0.0	0.0%	0.0	0.0%
Human Services	990,302.6	5,150.0	995,452.6	978,491.0	400.0	978,891.0	(11,811.6)	-1.2%	(16,561.6)	-1.7%
Insurance and Financial Services	55.0	0.0	55.0	150.0	0.0	150.0	95.0	172.7%	95.0	172.7%
Judiciary	186,152.4	375.0	186,527.4	182,692.2	0.0	182,692.2	(3,460.2)	-1.9%	(3,835.2)	-2.1%
Legislative Auditor General	14,937.3	0.0	14,937.3	15,460.1	0.0	15,460.1	522.8	3.5%	522.8	3.5%
Legislature	127,420.7	0.0	127,420.7	131,872.3	0.0	131,872.3	4,451.6	3.5%	4,451.6	3.5%
Licensing and Regulatory Affairs	25,033.8	15,100.0	40,133.8	24,223.4	0.0	24,223.4	(810.4)	-3.2%	(15,910.4)	-39.6%
Military and Veterans Affairs	45,754.5	3,400.0	49,154.5	48,187.3	0.0	48,187.3	2,432.8	5.3%	(967.2)	-2.0%
Natural Resources	43,841.5	4,750.0	48,591.5	39,522.8	250.0	39,772.8	(4,318.7)	-9.9%	(8,818.7)	-18.1%
State	17,539.0	0.0	17,539.0	17,161.5	0.0	17,161.5	(377.5)	-2.2%	(377.5)	-2.2%
State Police	366,191.7	47,979.3	414,171.0	369,773.7	3,700.0	373,473.7	3,582.0	1.0%	(40,697.3)	-9.8%
Technology, Management & Budget	143,277.6	18,250.3	161,527.9	152,309.7	2,000.5	154,310.2	9,032.1	6.3%	(7,217.7)	-4.5%
Information Technology Investments	63,000.0	0.0	63,000.0	70,000.0	0.0	70,000.0	7,000.0	11.1%	7,000.0	11.1%
State Building Authority	254,570.6	0.0	254,570.6	254,570.6	0.0	254,570.6	0.0	0.0%	0.0	0.0%
Transportation	0.0	284,647.9	284,647.9	0.0	139,521.1	139,521.1	0.0	0.0%	(145,126.8)	-51.0%
Treasury	94,618.3	23,500.0	118,118.3	100,330.3	19,900.0	120,230.3	5,712.0	6.0%	2,112.0	1.8%
Operations	152,395.0	0.0	152,395.0	156,449.0	0.0	156,449.0	4,054.0	2.7%	4,054.0	2.7%
Debt Service	183,992.5	60,650.0	244,642.5	183,707.0	42,900.0	226,607.0	(285.5)	-0.2%	(18,035.5)	-7.4%
Michigan Strategic Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Revenue Sharing / Incentive Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Total - Non-Education Omnibus	\$5,102,360.6	\$517,530.7	\$8,619,891.3	\$7,842,357.3	\$216,171.6	\$8,058,528.9	(\$260,003.3)	-3.2%	(\$561,362.4)	-6.5%
Higher Education	167,110.8	0.0	167,110.8	137,110.8	0.0	137,110.8	(30,000.0)	-18.0%	(30,000.0)	-18.0%
Community Colleges	1,214,902.0	0.0	1,214,902.0	1,238,913.3	0.0	1,238,913.3	24,011.3	2.0%	24,011.3	2.0%
Universities & Financial Aid	114,900.0	0.0	114,900.0	45,900.0	0.0	45,900.0	(69,000.0)	-60.1%	(69,000.0)	-60.1%
School Aid	114,900.0	0.0	114,900.0	45,900.0	0.0	45,900.0	(69,000.0)	-60.1%	(69,000.0)	-60.1%
Total - Education Omnibus	\$1,496,912.8	\$0.0	\$1,496,912.8	\$1,421,924.1	\$0.0	\$1,421,924.1	(\$74,988.7)	-5.0%	(\$74,988.7)	-5.0%
TOTAL SPENDING	\$9,599,273.4	\$517,530.7	\$10,116,804.1	\$9,264,281.4	\$216,171.6	\$9,480,453.0	(\$334,992.0)	-3.5%	(\$636,351.1)	-6.3%
Budget Stabilization Fund Reserve	0.0	94,000.0	94,000.0	0.0	95,000.0	95,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$9,599,273.4	\$611,530.7	\$10,210,804.1	\$9,264,281.4	\$311,171.6	\$9,575,453.0				

GENERAL FUND/GENERAL PURPOSE AND SCHOOL AID FUND COMBINED
(\$ in Thousands)

DEPARTMENT/AGENCY	FY15 Ongoing Current Law	FY15 One-Time Current Law	FY15 Total Current Law	FY16 Ongoing Governor's Recommend	FY16 One-Time Governor's Recommend	FY16 Total Governor's Recommend	Difference FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	% Change FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	Difference FY16 Total Governor's Rec. from FY15 Total Current Law	% Change FY16 Total Governor's Rec. from FY15 Total Current Law
Agriculture & Rural Development	43,216.2	2,700.0	45,916.2	41,873.6	500.0	42,373.6	(1,342.6)	-3.1%	(3,542.6)	-7.7%
Attorney General	35,267.1	3,000.0	38,267.1	36,847.4	0.0	36,847.4	1,580.3	4.5%	(1,419.7)	-3.7%
Civil Rights	13,448.2	0.0	13,448.2	12,949.7	0.0	12,949.7	(498.5)	-3.7%	(498.5)	-3.7%
Community Health	3,222,159.1	17,542.3	3,239,701.4	2,986,251.3	7,000.0	2,993,251.3	(235,907.8)	-7.3%	(246,450.1)	-7.6%
Corrections	1,953,712.5	27,085.9	1,980,798.4	1,918,948.4	0.0	1,918,948.4	(84,764.1)	-1.8%	(61,850.0)	-3.1%
Education	81,183.0	900.0	82,083.0	79,292.2	0.0	79,292.2	(1,890.8)	-2.3%	(2,790.8)	-3.4%
Environmental Quality	38,375.9	2,500.0	40,875.9	35,377.7	0.0	35,377.7	(2,998.2)	-7.8%	(5,498.2)	-13.5%
Executive Office	5,916.1	0.0	5,916.1	5,916.1	0.0	5,916.1	0.0	0.0%	0.0	0.0%
Human Services	990,302.6	5,150.0	995,452.6	978,491.0	400.0	978,891.0	(11,811.6)	-1.2%	(16,561.6)	-1.7%
Insurance and Financial Services	55.0	0.0	55.0	150.0	0.0	150.0	95.0	172.7%	95.0	172.7%
Judiciary	186,152.4	375.0	186,527.4	182,692.2	0.0	182,692.2	(3,460.2)	-1.9%	(3,835.2)	-2.1%
Legislative Auditor General	14,937.3	0.0	14,937.3	15,460.1	0.0	15,460.1	522.8	3.5%	522.8	3.5%
Legislature	127,420.7	0.0	127,420.7	131,872.3	0.0	131,872.3	4,451.6	3.5%	4,451.6	3.5%
Licensing and Regulatory Affairs	25,033.8	15,100.0	40,133.8	24,223.4	0.0	24,223.4	(810.4)	-3.2%	(15,910.4)	-39.6%
Military and Veterans Affairs	45,754.5	3,400.0	49,154.5	48,187.3	0.0	48,187.3	(2,432.8)	5.3%	(967.2)	-2.0%
Natural Resources	43,841.5	4,750.0	48,591.5	39,522.8	250.0	39,772.8	(4,318.7)	-9.9%	(8,818.7)	-18.1%
State	17,539.0	0.0	17,539.0	17,161.5	0.0	17,161.5	(377.5)	-2.2%	(377.5)	-2.2%
State Police	366,191.7	47,979.3	414,171.0	368,773.7	3,700.0	373,473.7	3,582.0	1.0%	(40,697.3)	-9.8%
Technology, Management & Budget	143,277.6	18,250.3	161,527.9	152,309.7	2,000.5	154,310.2	9,032.1	6.3%	(7,217.7)	-4.5%
Information Technology Investments	63,000.0	0.0	63,000.0	70,000.0	0.0	70,000.0	7,000.0	11.1%	7,000.0	11.1%
State Building Authority	254,570.6	0.0	254,570.6	254,570.6	0.0	254,570.6	0.0	0.0%	0.0	0.0%
Transportation	0.0	284,647.9	284,647.9	0.0	139,521.1	139,521.1	0.0	0.0%	(145,126.8)	-51.0%
Treasury										
Operations	94,618.3	23,500.0	118,118.3	100,330.3	19,900.0	120,230.3	5,712.0	6.0%	2,112.0	1.8%
Debt Service	152,395.0	0.0	152,395.0	156,449.0	0.0	156,449.0	4,054.0	2.7%	4,054.0	2.7%
Michigan Strategic Fund	183,992.5	60,650.0	244,642.5	183,707.0	42,900.0	226,607.0	(285.5)	-0.2%	(18,035.5)	-7.4%
Revenue Sharing / Incentive Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Total - Non-Education Omnibus	\$3,102,360.6	\$517,530.7	\$3,619,891.3	\$7,842,357.3	\$216,171.6	\$8,058,528.9	(\$260,003.3)	-3.2%	(\$561,362.4)	-6.5%
Higher Education										
Community Colleges	364,724.9	0.0	364,724.9	393,825.6	0.0	393,825.6	29,100.7	8.0%	29,100.7	8.0%
Universities & Financial Aid	1,415,367.7	4,002.2	1,419,369.9	1,444,092.8	0.0	1,444,092.8	28,725.1	2.0%	24,722.9	1.7%
School Aid	11,685,982.9	376,180.0	12,062,162.9	12,068,494.7	114,700.0	12,183,194.7	382,511.8	3.3%	121,031.8	1.0%
Total - Education Omnibus	\$13,466,075.5	\$380,182.2	\$13,846,257.7	\$13,906,413.1	\$114,700.0	\$14,021,113.1	\$440,337.6	3.3%	\$174,855.4	1.3%
TOTAL SPENDING	\$21,568,436.1	\$897,712.9	\$22,466,149.0	\$21,748,770.4	\$330,871.6	\$22,079,642.0	\$180,334.3	0.8%	(\$386,507.0)	-1.7%
Budget Stabilization Fund	0.0	94,000.0	94,000.0	0.0	95,000.0	95,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$21,568,436.1	\$991,712.9	\$22,560,149.0	\$21,748,770.4	\$425,871.6	\$22,174,642.0				

ALL FUNDS
(\$ in Thousands)

DEPARTMENT/AGENCY	FY15 Ongoing Current Law	FY15 One-Time Current Law	FY15 Total Current Law	FY16 Ongoing Governor's Recommendation	FY16 One-Time Governor's Recommendation	FY16 Total Governor's Recommendation	Difference FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	% Change FY16 Ongoing Governor's Rec. from FY15 Ongoing Current Law	Difference FY16 Total Governor's Rec. from FY15 Total Current Law	% Change FY16 Total Governor's Rec. from FY15 Total Current Law
Agriculture & Rural Development	81,762.2	2,700.0	84,462.2	83,844.0	500.0	84,144.0	1,881.8	2.3%	(318.2)	-0.4%
Attorney General	90,822.3	3,000.0	93,822.3	91,941.6	0.0	91,941.6	1,119.3	1.2%	(1,880.7)	-2.0%
Civil Rights	16,644.2	0.0	16,644.2	16,128.7	0.0	16,128.7	(515.5)	-3.1%	(515.5)	-3.1%
Community Health	18,185,671.1	40,173.8	18,225,844.9	18,964,605.0	7,000.0	18,971,605.0	778,933.9	4.3%	745,760.1	4.1%
Corrections	2,013,435.8	27,085.9	2,040,521.7	1,976,226.0	0.0	1,976,226.0	(37,209.8)	-1.8%	(64,295.7)	-3.2%
Education	286,196.1	900.0	287,096.1	313,212.2	0.0	313,212.2	27,016.1	9.4%	26,116.1	9.1%
Environmental Quality	500,091.8	2,500.0	502,591.8	487,925.9	0.0	487,925.9	(12,165.9)	-2.4%	(14,665.9)	-2.9%
Executive Office	5,916.1	0.0	5,916.1	5,916.1	0.0	5,916.1	0.0	0.0%	0.0	0.0%
Human Services	5,750,024.7	5,150.0	5,755,174.7	5,733,526.5	800.0	5,734,326.5	(16,498.2)	-0.3%	(20,848.2)	-0.4%
Insurance and Financial Services	65,189.7	0.0	65,189.7	65,057.7	0.0	65,057.7	(132.0)	-0.2%	(132.0)	-0.2%
Judiciary	287,392.6	375.0	287,767.6	283,901.3	0.0	283,901.3	(3,491.3)	-1.2%	(3,866.3)	-1.3%
Legislative Auditor General	22,158.8	0.0	22,158.8	22,840.5	0.0	22,840.5	681.7	3.1%	681.7	3.1%
Legislature	131,930.5	0.0	131,930.5	136,464.3	0.0	136,464.3	4,533.8	3.4%	4,533.8	3.4%
Licensing and Regulatory Affairs	508,888.2	33,700.0	542,588.2	545,605.9	0.0	545,605.9	36,717.7	7.2%	3,017.7	0.6%
Military and Veterans Affairs	163,543.7	3,400.0	166,943.7	163,953.7	0.0	163,953.7	410.0	0.3%	(2,990.0)	-1.8%
Natural Resources	379,935.4	4,750.0	384,685.4	380,994.2	8,500.0	389,494.2	1,058.8	0.3%	4,808.8	1.3%
State	223,984.9	0.0	223,984.9	225,256.7	0.0	225,256.7	1,271.8	0.6%	1,271.8	0.6%
State Police	620,343.7	51,729.3	672,073.0	609,831.2	3,700.0	613,531.2	(10,512.5)	-1.7%	(58,541.8)	-8.7%
Technology, Management & Budget	919,217.8	26,022.0	945,239.8	937,735.2	2,600.5	940,335.7	18,517.4	2.0%	(4,904.1)	-0.5%
Information Technology Investments	63,000.0	0.0	63,000.0	70,000.0	0.0	70,000.0	7,000.0	11.1%	7,000.0	11.1%
State Building Authority	254,570.6	0.0	254,570.6	254,570.6	0.0	254,570.6	0.0	0.0%	0.0	0.0%
Transportation	3,414,870.7	284,647.9	3,699,518.6	3,496,201.4	139,521.1	3,635,722.5	81,330.7	2.4%	(63,796.1)	-1.7%
Treasury										
Operations	522,136.4	23,500.0	545,636.4	513,526.2	19,900.0	533,426.2	(8,610.2)	-1.6%	(12,210.2)	-2.2%
Debt Service	152,395.0	0.0	152,395.0	156,449.0	0.0	156,449.0	4,054.0	2.7%	4,054.0	2.7%
Michigan Strategic Fund	964,129.9	60,650.0	1,024,779.9	963,682.5	42,900.0	1,006,582.5	(447.4)	0.0%	(18,197.4)	-1.8%
Revenue Sharing / Incentive Grants	1,217,512.4	8,800.0	1,226,312.4	1,251,237.0	0.0	1,251,237.0	33,724.6	2.8%	24,924.6	2.0%
Total - Non-Education Omnibus	\$36,841,764.6	\$579,083.9	\$37,420,848.5	\$37,750,433.4	\$225,421.6	\$37,975,855.0	\$908,668.8	2.5%	\$555,006.5	1.5%
Higher Education										
Community Colleges	364,724.9	0.0	364,724.9	393,825.6	0.0	393,825.6	29,100.7	8.0%	29,100.7	8.0%
Universities & Financial Aid	1,512,494.1	4,002.2	1,516,496.3	1,541,219.2	0.0	1,541,219.2	28,725.1	1.9%	24,722.9	1.6%
School Aid	13,484,145.6	376,180.0	13,870,325.6	13,844,263.9	114,700.0	13,958,963.9	350,118.3	2.6%	88,638.3	0.6%
Total - Education Omnibus	\$15,371,364.6	\$380,182.2	\$15,751,546.8	\$15,779,308.7	\$114,700.0	\$15,894,008.7	\$407,944.1	2.7%	\$142,481.9	0.9%
TOTAL SPENDING	\$52,213,129.2	\$959,266.1	\$53,172,395.3	\$53,529,742.1	\$340,121.6	\$53,869,863.7	\$1,316,612.9	2.5%	\$697,468.4	1.3%
Budget Stabilization Fund Reserve	0.0	94,000.0	94,000.0	0.0	95,000.0	95,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$52,213,129.2	\$1,053,266.1	\$53,266,395.3	\$53,529,742.1	\$435,121.6	\$53,964,863.7				



**HISTORICAL EXPENDITURES/APPROPRIATIONS
GENERAL FUND/GENERAL PURPOSE**

DEPARTMENT/AGENCY	FY 2008 Expenditures	FY 2009 Expenditures	FY 2010 Expenditures	FY 2011 Expenditures ¹	FY 2012 Expenditures	FY 2013 Expenditures	FY 2014 Expenditures	FY 2015 Current Law	FY 2016 Executive Recommendation	FY 2017 Executive Recommendation
Agriculture & Rural Development	31,343,641	28,789,293	29,491,686	28,743,091	29,334,024	35,596,028	39,022,096	45,916,200	42,373,600	41,873,600
Attorney General	31,479,029	30,402,847	28,431,484	26,606,307	29,626,037	35,975,926	34,465,466	38,267,100	36,847,400	36,847,400
Capital Outlay ²	220,421,286	231,622,691	230,885,862	233,767,220	242,888,624	244,772,926	318,015,924	13,448,200	12,949,700	12,949,700
Civil Rights	11,771,161	11,573,335	9,788,744	9,975,018	10,488,821	11,633,484	12,140,472	13,448,200	12,949,700	12,949,700
Civil Service Commission	5,590,433									
Community Health	3,142,139,136	2,443,109,120	2,154,822,760	2,604,209,003	2,743,204,694	2,688,294,455	2,789,787,775	3,239,701,400	2,983,251,300	3,036,948,400
Corrections	1,981,953,410	1,779,441,272	1,916,783,071	1,888,741,862	1,907,802,511	1,909,511,776	1,928,087,419	1,980,798,400	1,918,948,400	1,918,948,400
Education	6,823,871	7,160,078	19,762,307	20,638,645	64,105,162	67,677,141	67,735,150	82,083,000	79,292,200	79,292,200
Environmental Quality	42,452,208	38,467,057	4,676,391	24,315,317	21,999,596	29,996,002	29,178,966	40,875,900	35,377,700	35,377,700
Executive Office	5,170,371	4,977,867	4,676,391	4,512,135	4,450,312	4,651,797	5,075,487	5,916,100	5,916,100	5,916,100
Higher Education										
Community Colleges	318,938,465	298,966,989	90,625,435	295,880,500	24,251,100	109,016,400	137,813,500	167,110,800	137,110,800	137,110,800
Universities & Financial Aid	1,670,704,215	1,543,724,474	1,460,180,773	1,485,988,848	1,065,509,200	1,101,488,873	1,132,710,589	1,214,902,000	1,238,913,300	1,238,913,300
History, Arts and Libraries	38,773,711	38,426,890	48,074							
Human Services	1,314,675,746	1,188,617,890	861,872,475	915,603,770	912,134,888	1,019,632,053	984,108,159	985,452,600	978,891,000	977,362,000
Insurance and Financial Services										
Information Technology	0	0						55,000	150,000	150,000
Judiciary	157,690,137	156,304,254	152,252,504	147,936,655	155,575,743	165,518,932	179,170,612	186,527,400	182,692,200	182,692,200
Legislative Auditor General	12,216,535	12,025,831	11,565,912	10,971,052	11,596,857	12,791,930	13,238,888	14,937,300	15,460,100	15,460,100
Legislature	111,898,054	108,538,191	104,284,938	104,475,083	108,466,494	114,597,508	120,711,720	127,420,700	131,872,300	131,872,300
Library of Michigan										
Licensing & Regulatory Affairs	44,318,727	59,316,473	45,288,641	55,545,202	42,154,129	35,315,999	22,601,176	40,133,800	24,223,400	24,223,400
Management and Budget	37,016,989	57,902,890	26,989,328	32,104,465	134,963,992	154,451,327	237,148,282	244,642,500	226,607,000	183,707,000
Michigan Strategic Fund	32,962,448	27,704,072	35,224,024	35,413,187	37,768,897	36,549,448	39,018,223	49,154,500	48,187,300	48,187,300
Military & Veterans Affairs	39,538,471	36,869,791		15,417,740	19,532,386	17,714,831	24,176,612	48,591,500	39,772,800	39,522,800
Natural Resources	23,679,609	9,865,538								
Natural Resources & Environment										
School Aid	29,126,951	76,510,604	28,262,286	18,642,400	78,642,400	282,400,000	149,900,000	114,900,000	45,900,000	57,000,000
State	23,885,427	20,300,788	14,124,171	10,787,970	11,256,158	12,963,268	15,629,475	17,539,000	17,161,500	17,161,500
State Police	271,105,385	172,035,648	264,327,716	256,730,273	282,525,708	318,191,368	353,563,301	414,171,000	373,473,700	375,945,800
Technology, Management & Budget										
Transportation	0	0								
Treasury	163,095,232	73,223,720	53,230,719	48,524,329	101,280,446	97,481,170	113,629,813	118,118,300	120,230,300	100,330,300
Debt Service	53,293,503	50,734,853	52,053,461	38,942,415	122,504,551	131,061,246	148,348,693	152,395,000	156,449,000	156,449,000
Subtotal	9,822,064,148	8,506,612,456	7,695,576,868	8,362,625,875	8,256,068,717	8,741,533,293	9,179,881,551	10,116,804,100	9,480,453,000	9,331,121,600
Budget Stabilization Fund Reserve					362,700,000	140,000,000	75,000,000	94,000,000	95,000,000	0
Roads and Risk Reserve Fund							230,000,000	0	0	0
GRAND TOTAL	\$ 9,822,064,148	\$ 8,506,612,456	\$ 7,695,576,868	\$ 8,362,625,875	\$ 8,618,768,717	\$ 8,881,533,293	\$ 9,484,881,551	\$ 10,210,804,100	\$ 9,575,453,000	\$ 9,331,121,600

¹ The methodology was changed in FY 2011 to include the expenditures in the same location as the appropriation, with the exception of Capital Outlay.

² Capital Outlay includes all expenditures, regardless of agency.

³ Amounts include ongoing and one-time spending.

**HISTORICAL EXPENDITURES/APPROPRIATIONS
ALL FUNDS**

DEPARTMENT/AGENCY	FY 2008 Expenditures	FY 2009 Expenditures	FY 2010 Expenditures	FY 2011 Expenditures ¹	FY 2012 Expenditures	FY 2013 Expenditures	FY 2014 Expenditures	FY 2015 Current Law	FY 2016 Executive Recommendation	FY 2017 Executive Recommendation
Agriculture & Rural Development	82,475,560	72,573,188	63,866,074	60,357,898	63,635,690	69,080,451	69,913,723	84,462,200	84,144,000	83,644,000
Attorney General	69,457,429	68,911,093	66,093,561	63,779,854	71,392,106	83,360,236	84,172,269	93,822,300	91,941,600	91,941,600
Capital Outlay ²	383,270,768	405,112,519	376,350,577	1,257,740,111	1,294,763,169	1,267,500,429	1,484,821,097			
Civil Rights	13,849,312	13,492,101	11,928,435	11,725,603	12,776,536	13,656,541	14,104,736	16,644,200	16,128,700	16,128,700
Civil Service Commission	27,082,507									
Community Health	11,954,835,930	12,829,679,832	13,548,360,093	14,381,932,451	13,989,052,545	14,181,705,090	15,418,269,757	18,225,844,900	18,971,605,000	18,696,639,900
Corrections	2,063,635,854	2,038,941,638	2,000,642,848	1,933,028,040	1,944,161,589	1,946,007,554	1,968,577,025	2,040,521,700	1,976,226,000	1,976,226,000
Education	61,927,616	64,566,200	82,724,729	126,415,700	336,656,000	327,550,745	251,014,631	287,096,100	313,212,200	313,212,200
Environmental Quality	219,067,682	204,037,900		196,626,820	229,964,007	215,258,849	217,577,635	502,591,800	487,925,900	487,925,900
Executive Office	5,170,371	4,977,867	4,676,391	4,512,135	4,450,312	4,651,197	5,075,487	5,916,100	5,916,100	5,916,100
Higher Education										
Community Colleges	318,938,465	298,966,989	299,025,435	295,880,500	283,880,500	306,630,500	335,427,600	364,724,900	393,825,600	400,725,600
Universities & Financial Aid	1,874,252,990	1,741,657,796	1,610,991,653	1,571,962,994	1,350,592,911	1,393,885,179	1,425,476,471	1,516,496,300	1,541,219,200	1,541,399,200
History, Arts and Libraries	47,831,005	50,440,406	1,001,280							
Human Services	4,621,555,720	5,325,801,517	6,047,030,889	6,316,482,364	5,888,728,106	5,947,534,527	5,551,232,449	5,755,174,700	5,734,326,500	5,727,663,100
Insurance & Financial Services										
Information Technology	366,097,470	372,435,920	236,616,084	234,695,153	235,263,103	245,599,458	252,507,833	287,767,600	283,901,300	283,901,300
Judiciary	247,401,193	241,415,358	17,068,823	16,871,695	17,848,101	19,989,686	20,194,779	22,158,800	22,840,500	22,840,500
Legislative Auditor General	16,969,689	17,063,712	105,732,309	95,206,409	107,747,770	107,295,816	111,315,788	131,930,500	136,464,300	136,464,300
Legislature	113,312,121	109,705,797	1,431,058,170	1,175,632,746	636,709,235	518,895,956	432,071,618	542,588,200	545,605,900	545,605,900
Licensing & Regulatory Affairs	1,181,354,299	1,367,643,100								
Management and Budget	242,514,875	300,420,008								
Michigan Strategic Fund	158,448,175	168,184,761	175,288,360	189,777,421	261,972,232	571,230,497	426,515,318	1,024,779,900	1,006,582,500	963,682,500
Military & Veterans Affairs	147,170,057	156,993,535	166,389,660	127,040,441	133,404,046	138,854,249	137,048,077	166,943,700	163,953,700	163,953,700
Natural Resources	274,073,772	258,679,524	483,548,507	267,370,342	281,690,687	288,603,442	297,999,501	384,685,400	389,494,200	380,994,200
Natural Resources & Environment										
School Aid	12,790,183,678	13,135,762,870	13,053,072,521	13,290,024,000	12,720,665,000	12,772,644,200	13,053,226,000	13,870,325,600	13,958,963,900	13,839,253,900
State	190,598,425	187,562,850	188,863,841	177,250,135	185,618,877	196,247,922	209,721,548	223,984,900	225,256,700	225,256,700
State Police	489,853,718	483,784,727	497,788,945	478,070,870	509,206,726	541,025,294	581,720,833	672,073,000	613,531,200	616,003,300
Technology, Management & Budget										
Transportation	2,844,829,778	2,893,590,964	682,314,465	636,250,100	706,358,442	718,800,089	811,730,818	1,262,810,400	1,264,906,300	1,262,305,800
Transparency	2,679,180,140	2,639,763,225	3,219,334,134	2,993,748,007	2,928,085,528	3,160,012,920	3,297,503,830	3,699,518,600	3,635,722,500	3,496,201,400
Treasury	77,208,003	66,249,353	2,938,885,967	2,993,283,028	2,714,216,958	2,271,622,096	2,290,204,213	1,771,948,800	1,784,663,200	1,792,318,800
Debt Service			67,567,961	54,456,915	138,019,051	136,575,746	151,363,193	152,395,000	156,449,000	156,449,000
Subtotal	43,562,546,601	45,518,414,742	47,376,241,714	48,950,121,732	47,046,959,227	47,444,219,269	48,960,474,173	53,172,395,300	53,869,863,700	53,291,711,300
Budget Stabilization Fund Reserve					362,700,000	140,000,000	(119,800,000)	94,000,000	95,000,000	0
Roads and Risk Reserve Fund							83,393,800	0	0	0
GRAND TOTAL	\$ 43,562,546,601	\$ 45,518,414,742	\$ 47,376,241,714	\$ 48,950,121,732	\$ 47,409,659,227	\$ 47,584,219,269	\$ 48,924,067,973	\$ 53,266,395,300	\$ 53,964,863,700	\$ 53,291,711,300

¹ The methodology was changed in FY 2011 to include the expenditures in the same location as the appropriation, with the exception of Capital Outlay.

² Capital Outlay includes all expenditures, regardless of agency.

³ Amounts include ongoing and one-time spending.



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

February 11, 2015

Ladies and Gentlemen 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 2 percent base wage increase in fiscal year 2016 on October 1, 2015. Negotiations with the Michigan State Police Troopers Association for fiscal year 2016 have not yet concluded. The Office of State Employer has estimated that the additional cost of these pay recommendations is \$89.5 million for fiscal year 2016. 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 black ink that reads "Rick Snyder".

Rick Snyder
Governor

Attachment

Summary
Michigan State Classified Service
Fiscal Year 2016
(10/1/2015 - 9/30/2016)

	A-02 MSEA Saf. & Reg. ¹	A-31 MSEA Labor & Trades ¹	C-12 MCO Security ¹	E-42 SEIU 517M Human Sv. Support ¹	H-21 SEIU 517M Scientific & Engineering ¹	L-32 SEIU 517M Technical ¹	T-01 MSP/TA State Police Enlisted ²	U-11 AFSCME Institutional ¹	W-22 UAW Human Sv. ¹	W-41 UAW Admin. Supt. ¹	MSC's & NERE's ¹	TOTAL ALL UNITS
³ Number of FTEs	1,153	1,884	6,449	605	2,115	835	1,596	1,379	10,473	5,732	14,072	46,293
³ Avg. Hourly Salary - 12/20/14	\$ 26.19	\$ 23.19	\$ 23.92	\$ 24.51	\$ 33.41	\$ 25.19	\$ 30.54	\$ 20.77	\$ 26.82	\$ 21.40	\$ 35.03	\$ 28.27
Base Pay Adjustments for FY 2016												
Base Pay Increase 10/01/15	\$ 1,261,030	\$ 1,824,493	\$ 6,441,901	\$ 619,240	\$ 2,950,851	\$ 878,365	\$ -	\$ 1,196,083	\$ 11,729,794	\$ 5,122,482	\$ 20,585,265	\$ 52,609,504
Additional Roll-Up Cost Resulting from Base Pay Increase												
⁴ FICA/Ret./OERC Blended Rates	61.11%	61.16%	61.13%	61.14%	60.87%	60.81%		61.60%	61.35%	61.18%	60.70%	
FICA/Ret./OERC on Base Wage Increase	\$ 770,615	\$ 1,115,860	\$ 3,937,934	\$ 378,603	\$ 1,796,183	\$ 534,134	\$ -	\$ 736,787	\$ 7,196,229	\$ 3,133,934	\$ 12,495,256	
⁵ Life Insurance Increase	\$ 13,770	\$ 19,923	\$ 70,346	\$ 6,762	\$ 32,223	\$ 9,592	\$ -	\$ 13,061	\$ 128,089	\$ 55,938	\$ 224,791	
⁶ Long Term Disability Increase	\$ 9,962	\$ 14,413	\$ 50,891	\$ 4,892	\$ 23,312	\$ 6,939	\$ -	\$ 9,449	\$ 92,665	\$ 40,468	\$ 162,624	
⁷ Overtime Increase	\$ 47,075	\$ 144,388	\$ 1,046,758	\$ 21,944	\$ 41,793	\$ 84,758	\$ -	\$ 204,726	\$ 253,331	\$ 60,507	\$ 238,639	
⁸ Shift Differential Increase	\$ 6,825	\$ 3,923	\$ 146,272	\$ 7	\$ 52	\$ 770	\$ -	\$ 21,594	\$ 14,006	\$ 4,362	\$ 35,845	
FICA/Ret./OERC on OT and Shift Diff. Inc.	\$ 32,938	\$ 90,707	\$ 729,299	\$ 13,421	\$ 25,471	\$ 52,010	\$ -	\$ 139,413	\$ 164,011	\$ 39,687	\$ 166,612	
FY 2016 ATB Cost Increase	\$ 2,142,215	\$ 3,213,707	\$ 12,423,401	\$ 1,044,869	\$ 4,869,885	\$ 1,566,568	\$ -	\$ 2,321,113	\$ 19,578,125	\$ 8,457,378	\$ 33,909,032	\$ 89,526,293
Other Adjustments for FY 2016												
⁹ Cleaning Allowance	\$ 4,000											\$ 4,000
FY2016 Compensation Increases	\$ 2,146,215	\$ 3,213,707	\$ 12,423,401	\$ 1,044,869	\$ 4,869,885	\$ 1,566,568	\$ -	\$ 2,321,113	\$ 19,578,125	\$ 8,457,378	\$ 33,909,032	\$ 89,530,293

¹ A 2% base wage increase is scheduled to be received in FY16 on 10/1/15.

² Negotiations with MSP/TA for FY 2016 have not yet concluded.

³ 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 12/20/2014.

⁴ FICA/Ret./OERC rates for FY 2015 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 12/20/2014.

⁵ Life insurance increase on incremental cost increase. Annual \$5.46 per \$1000 of extra coverage (FY 2015 rate).

⁶ FY 2015 rate - (Increase/100)*79.

⁷ Based on FY 2014 overtime amount with FY15 (+1%) - Comptroller Object Codes 3050, 3055, 3060, 3070, 3075, 3080, 3110, 3115, 3120.

⁸ Business Objects HR Human Resource System FY 2014 shift differential hours of classified employees under status code of AA, AB, AC, AD, AE & AP.

⁹ An increase in the cleaning allowance for DEQ Conservation Officer Environmental Investigator classification.



**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2016
BUDGET RECOMMENDATION**

DEPARTMENT	PURPOSE	Michigan Compiled Law (MCL) Amended
Agriculture and Rural Development	Commercial Feed Fee Revisions	MCL 287.521 - 287.535
	Food Establishment Fee Revisions	MCL 289.2111 - 289.4113
	Fertilizer and Pesticides Fee Revisions	MCL 324.8307a - 324.8506
	Michigan Agriculture and Environmental Assurance Program Sunset Elimination	MCL 324.8715
	Licensing Livestock Dealers Sunset Elimination	MCL 287.123
Community Colleges	Independent Part-Time Student Grant Revisions	MCL 390.1281-390.1288
Community Health	Nursing Home Quality Assurance Assessment Program Sunset Elimination	MCL 333.20161
	Health Insurance Claims Assessment Revisions and Sunset Elimination	MCL 550.1733
Education	Eliminate Teacher Testing Fee Cap	MCL 380.1531
	Amend the Revised School Code - Educator Evaluations	MCL 380.1249; 380.1249a; New MCL 380.1249b; 380.1531j
Environmental Quality	Title Disposal Surcharge Sunset Elimination	MCL 257.806
	Drinking Water Operator Training Fee Revisions	MCL 325.1009
	Eliminate Sunsets for Various fees and Establish the Surface Water Quality Fund in the Natural Resources and Environmental Protection Act	MCL 324.3101 - 324.3135 (new)
	Sewer Expedited Permit Fee Sunset Elimination	MCL 324.4101; 324.4112; 324.4113
	Air Emission Fee Revisions and Sunset Elimination	MCL 324.5522
	Soil Erosion and Sedimentation Control Training Fee Revisions	MCL 324.9101; 324.9123; 324.9123a

**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2016
BUDGET RECOMMENDATION**

DEPARTMENT	PURPOSE	Michigan Compiled Law (MCL) Amended
Environmental Quality	Solid Waste Surcharge, Waste and Sustainability Management Fund Revisions and Sunset Elimination	MCL 324.11509 - 324.11554 (new)
	Scrap Tire Regulatory Fund Revisions	MCL 324.16901; 324.16908
	Electronic Device Manufacturers and Recyclers Registration Revisions and Sunset Eliminations	MCL 324.17301 - 324.17334 (new)
	Inland Lakes and Streams Application Fee Sunset Elimination	MCL 324.30104 - 324.30114 (new)
	Water Use Reporting Revisions	MCL 324.32701 - 324.32731 (new)
Higher Education	MPSERS University Reforms	MCL 38.1341; 38.1341a
Human Services	Eliminate Extended Family Independence Program	MCL 400.57s
Licensing and Regulatory Affairs	Eliminate Sunsets for the Building Official, Inspector, and Plan Reviewers Registration Fee in Building Officials and Inspections Registration Act	MCL 338.2313
	Eliminate Sunsets for the Business Corporation Report Filing Fees in Business Corporation Act	MCL 450.2060
	Eliminate Sunsets for Various Electrician and Fire Alarm Fees in Electrical Administration Act	MCL 338.883
	Eliminate Sunsets for the Mechanical Contractor Exam Fee and License Fee in Forbes Mechanical Contractors Act	MCL 338.980
	Eliminate Sunset for Limited Liability Company Statement of Resident Agent Fee in Michigan Limited Liability Company Act	MCL 450.5101
	Eliminate Sunsets for the Non-Profit Corporation Report Filing Fee in Non-Profit Corporation Act	MCL 450.3060
	Eliminate Sunsets for Various Professional Occupational License Fees in State License Fee Act	MCL 338.2213 - 338.2243

**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2016
BUDGET RECOMMENDATION**

DEPARTMENT	PURPOSE	Michigan Compiled Law (MCL) Amended
Licensing and Regulatory Affairs	Eliminate Sunsets for Various Plumber and Plumbing Contractor License Fees in State Plumbing Act	MCL 338.3541; 338.3545
	Eliminate Sunset for Broker Dealers, Agent, Investment Advisors in Uniform Securities Act	MCL 451.2410
	Revise Base Fees, Bed Fees, and Existing Regulatory Requirements for Health Care Facilities in the Public Health Code Act and Mental Health Code Act	MCL 330.1100c - 330.1149b; MCL 333.20104 - 333.20161; MCL 333.20501 - 333.20551; MCL 333.6237
	Revise Liquor License Fees in the Liquor Control Code	MCL 436.1525; 436.1529
	Amend the Michigan Employment Security Act	MCL 421.10
School Aid	Amend the Revised School Code - Assessments Updates	MCL 380.1 - 380.1853
Michigan State Police	Fingerprint and ICHAT Fee Sunset Elimination and Revisions to the Criminal Justice Information System Service Fees	MCL 28.273; 28.274 (new)
	Vehicle Registration Tax Sunset Removal	MCL 257.801
State	Transportation Administration Collection Fund Sunset Extensions	MCL 28.297 MCL 257.208b; 257.217a; 257.232 MCL 257.801 – 257.811h MCL 324.80130 - 324.82156
Technology, Management and Budget	Create a Loan Program for Information, Communications, and Technology Improvements	New MCL

**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2016
BUDGET RECOMMENDATION**

DEPARTMENT	PURPOSE	Michigan Compiled Law (MCL) Amended
Transportation	Redirect Transportation Economic Development Fund (Category A) to the State Trunkline Fund	MCL 247.911
Treasury	Amend Local Community Stabilization Authority Act	MCL 123.1341-123.1362
	Amend Local Financial Stability and Choice Act	MCL 141.1541 – 141.1575
	Amend Surplus Funds in Treasury Act	MCL 21.141
	Amend Emergency Municipal Loan Act	MCL 141.933; 141.934; 141.936; 141.937
	Amend Uniform Budgeting and Accounting Act	MCL 141.421 - 141.440a