

EXECUTIVE BUDGET

Fiscal Years 2017 and 2018

State of Michigan
Rick Snyder, CPA, Governor

John S. Roberts, State Budget Director

This publication was produced and printed by the Department of Technology, Management and Budget. The purpose of the publication is to inform state and local officials and residents about Governor Snyder's recommended budget for fiscal year 2017 and projections for fiscal year 2018. This document is required by law MCLA 18.1363 and by the Michigan Constitution, Article V, Section 18.

FISCAL YEARS 2017 AND 2018 EXECUTIVE BUDGET

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Budget Overview





STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

February 10, 2016

My Fellow Michiganders,

While Michigan's economic forecast remains positive, the state faces unique challenges that require immediate attention. Specifically, our work to respond to the Flint water crisis and the financial and educational crisis in Detroit Public Schools requires immediate action and investment. We worked to develop a solution to address Michigan's crumbling roads and bridges. Now we must solve the Flint water crisis and address the challenges at Detroit Public Schools.

In addition to the investments already made to provide emergency response for Flint's most immediate needs, this budget recommendation offers more investments to resolve the longer term needs of the city and the future health and well-being of the people of Flint. The path forward for Flint will require continued investment from the state not only in this budget, but in the years to come, to ensure Flint residents receive the care and services necessary for a healthy future.

All of Michigan's children deserve a quality education that prepares them for future success. The financial stress currently facing the Detroit Public Schools must be resolved in order to ensure Detroit's schoolchildren have the same opportunities for success as other children in our state. The plan I presented to resolve the crisis in Detroit schools requires action and this budget recommendation provides the necessary funding for the first steps of that plan.

Even with these big challenges, the values and priorities of our state have not changed and our key priorities such as economic growth, education, public safety and fiscal responsibility can be seen throughout this budget recommendation. This plan provides a balanced approach to addressing our special challenges while continuing to pay off debt, save money for the future, and make needed investments in critical areas.

Michiganders should remain excited about the future. The unemployment rate is at its lowest mark in 15 years and private payroll jobs are up by more than 440,000 since December 2010. I remain committed to the reinvention of our great state with this recommended budget for fiscal year 2017, as well as projections for fiscal year 2018.

I look forward to working in partnership with members of the Michigan House and Senate to enact the fiscal year 2017 budget, as together we work to build one Michigan that will thrive for generations to come.

Sincerely,

A handwritten signature in cursive script that reads "Rick Snyder".

Rick Snyder
Governor



Executive Budget Recommendation for Fiscal Years 2017 and 2018

Governor Rick Snyder's sixth budget recommendation is again focused on how to best serve Michigan residents and build one Michigan where the generations of today and tomorrow can flourish and thrive. This budget recommendation is presented with the understanding that our state is currently facing critical challenges in Flint and Detroit. While the governor's traditional priorities of education, job growth, health and wellness, public safety and fiscal responsibility are reflected in this budget recommendation, the lens is centered on these critical challenges facing our state today – the Flint water crisis and the financial and educational crisis in the Detroit Public Schools system.

This is not the first time Michigan has faced tough challenges. Our state has been tested time and again by seemingly insurmountable obstacles. We must again work together to provide Flint residents with safe, clean drinking water, and Detroit children with a quality education. Addressing the current challenges in Flint and Detroit will take a great deal of Michigan ingenuity and a significant financial investment. For our state to move forward as one Michigan, we must come together to tackle both of these challenges, while remaining focused on making budget decisions that will help all of Michigan move ahead.

With the goal of continuous improvement accompanied by relentless positive action, the governor's executive budget recommendation for fiscal year 2017 and projected fiscal year 2018 makes strategic investments that reach to all corners of our state and connect us all. We are one Michigan. Together, we will overcome these challenges and continue the work to make our great state even better.

Addressing the Flint Water Crisis

Clean drinking water is a necessity. Flint residents shouldn't have to rely on bottled water and water filters just to drink a glass of water or safely cook a meal. This is simply unacceptable. Gov. Snyder is dedicated to ensuring the situation is dealt with quickly and thoroughly, so that Flint's water is safe for residents once again.

Recognizing the magnitude of the crisis in Flint and the immediate need for swift action, the governor has already put forth two supplemental recommendations for fiscal year 2016 totaling \$37.3 million to begin addressing the critical demand for safe water in Flint. The funds have been used in a variety of ways, including reconnecting Flint to the Detroit water system; performing water inspections and public health monitoring; laboratory services; providing residents with bottled water, water filters and replacement cartridges; blood screening; plumbing inspections in schools, childcare and health facilities;

experts to assess potential linkages to Legionnaire’s disease; and bringing in outside experts to conduct an integrity study of the infrastructure. The supplemental funding provided to address the crisis is a good starting place, but the governor realizes that addressing the full scope of the situation requires additional resources long into the future.

Above and beyond the funds already set aside to tackle the urgent crisis in Flint, the governor recommends more than \$195.4 million in fiscal years 2016 and 2017 to provide the long-term health and educational support that will be needed for the children and residents of the city. Spread out across several state agencies, these funds will be used to continue the work to provide Flint residents with immediate needs like bottled water, water filters and replacement cartridges while also investing in longer term needs such as specialists and staff, including nurses and epidemiologists; support for health care access for Flint children; payment for testing and studies; and the ongoing treatment of children. Additional funds will be needed in the coming years to ensure Flint residents receive the care and services they need for a healthy future.

Turning Around Detroit Public Schools

Schools throughout the Detroit Public Schools (DPS) system are struggling both academically and financially to provide Detroit children with the education they need to succeed. Test scores of all Detroit high schoolers show that just 6 percent of high school students are proficient in math, 4 percent are proficient in science and two-thirds are not proficient in reading. With declining enrollment, losing nearly 100,000 students in the last decade, and accumulation of about \$483 million in debt, Gov. Snyder understands the severity of the challenges the district is facing and how desperately systemic change is needed. The long-term issue facing Detroit has reached a crisis point and the governor is determined to turn the district around. We cannot stand idly by and let Michigan’s largest city and school district falter. As one Michigan, we must acknowledge that our children are our future and we must do whatever we can to help ensure that every child receives a quality education.

The governor’s three-part plan to help turn around the district involves maintaining the current district to pay off the district’s debt; establishing a new district to operate the schools; and creating a commission that would hire an education manager to oversee all traditional and charter public schools in the city.

“For several months the governor has been working on a package to revamp the Detroit schools and while other governors have tried and failed, he hopes this plan will be different ...”

WLNS, September 15, 2015

Facing a debt load that will hit \$515 million by this coming summer, under the governor’s plan the Detroit Public Schools would use the existing local millage – about \$72 million per year – to pay off the debt. The governor is extremely concerned that the debt requires more than \$1,100 per student to pay down what is owed – money that would be better spent in the classroom helping students learn, which is why the governor’s budget recommendation provides \$72 million a year for 10 years from Michigan’s tobacco settlement proceeds to offset the loss of locally generated revenues. As part of the governor’s \$720 million plan, \$200 million provides for startup and transition costs, including space consolidation, academic and instructional support and investment in key academic programs. These funds will help get the school district back on firmer financial footing and, more importantly, help ensure Detroit children are receiving a quality education, setting them on a path toward a brighter future.

Economy Continues to Rebound

Earlier this year we heard economic experts once again forecast a promising future for Michigan. The unemployment rate is at its lowest mark in 15 years and private payroll jobs are up by more than 440,000 since the governor took office. Since December 2014, jobs have risen in manufacturing by 19,000 or 3.2 percent, at a time when national manufacturing job expansion has been sluggish. A total of 115,000 jobs have been created in the manufacturing sector since 2010. When it comes to job creation, Michigan is ranked sixth in the nation and personal income is increasing again in Michigan, more than doubling from 1.9 percent in 2013 to 3.9 percent in 2014.

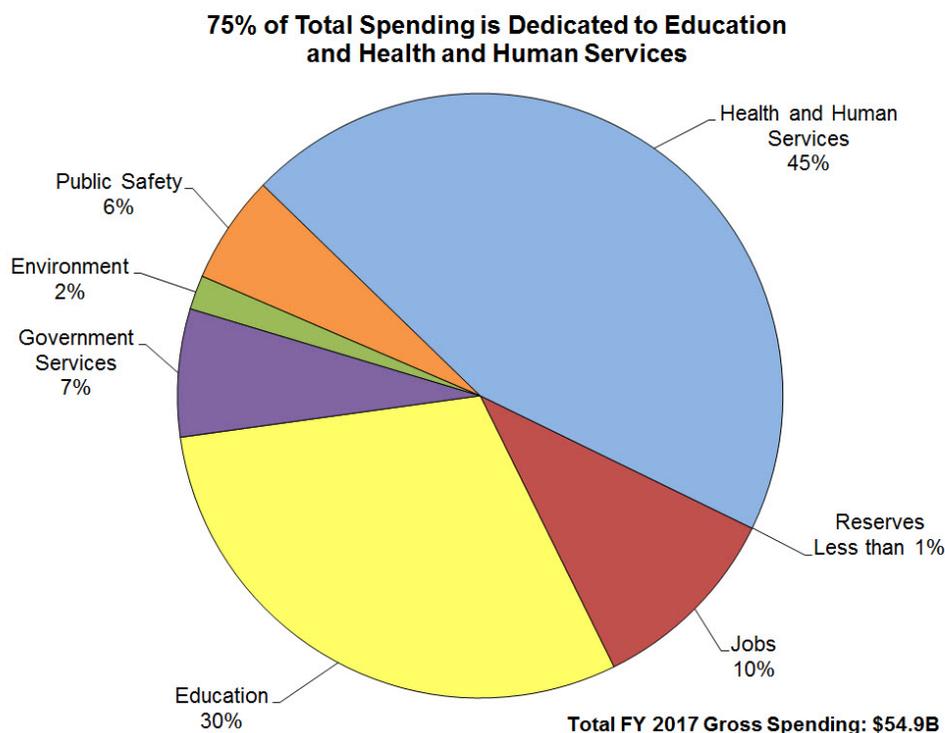
"Things are looking pretty good. The environment has stabilized and progress has been fairly impressive."

**George Fulton, director of Research Seminar in Quantitative Economics
Detroit Free Press, November 20, 2015**

Throughout 2015, home prices increased faster in Michigan than in the rest of the nation. In fact, home values have increased 32.1 percent since 2010, compared to the national average of only 22.7 percent. The state's per capita personal income increased 15.7 percent between 2010 and 2014 – 14th strongest among the states.

Budget Recommendation in Totality

The total Executive Budget Recommendation for fiscal year 2017, including all state and federal revenue sources, is \$54.9 billion. Seventy-five 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 \$10 billion in the general fund and \$12.5 billion in the School Aid Fund for fiscal year 2017, for a combined total of \$22.5 billion.

Fiscal year 2018 projected revenues are \$10.6 billion in the general fund and \$12.8 billion in the School Aid Fund, for a combined total of \$23.4 billion.

Preparing Our Children for the Future

The governor knows how vital a good education is to the future success of our children, which is why his executive recommendation once again makes significant investments in education to help Michigan’s children be more successful. Factoring in the proposed investments for fiscal year 2017, the governor has invested an additional \$1.4 billion in the state’s K-12 education system since taking office in 2011.

K-12

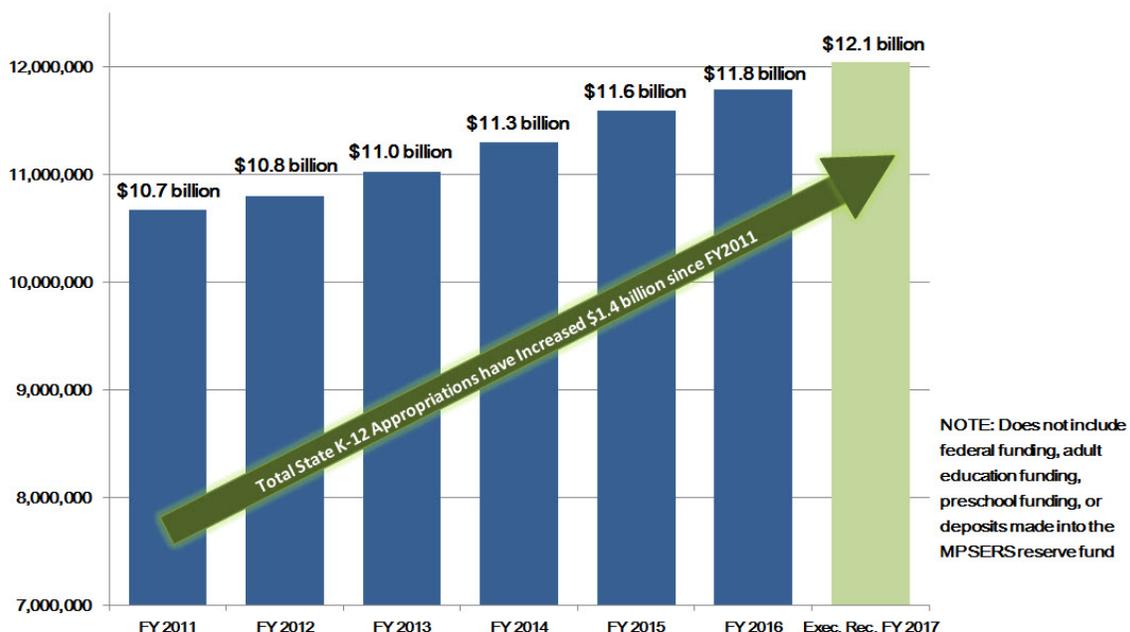
Despite continued declining enrollment, the governor recommends \$12.1 billion in state funds for K-12. The governor’s plan calls for \$150 million in funding for the foundation allowance, an investment that translates to \$60 to \$120 per pupil.

In addition, the proposed budget includes a \$15 million increase for career and technical education middle college programs and equipment, and a \$2.1 million investment in science, technology, engineering and mathematics programs to encourage students toward these fields of study.

“The education omnibus bills passed through the GOP-led House with flying colors, winning an unusually large number of votes from Democrats, who have traditionally opposed education budgets offered during Snyder’s tenure.”

MLive, June 4, 2015

**State K-12 Appropriations
Continue to Increase**



Post-secondary

With an ongoing investment of \$61.2 million, a 4.3 percent increase, the fiscal year 2017 recommendation fully restores aggregate university funding to fiscal year 2011 levels, a key goal of the governor since his first budget proposal in 2011. To help ensure college degrees remain affordable for Michigan students attending one of the state's 15 public universities, the governor's plan again relies on tuition restraint, setting restraint at 4.8 percent.

"Gov. Snyder recognizes that state government and state universities are partners in creating the Michigan of the future. Restoring higher education funding even in the face of difficult budget choices is an important part of that future."

The proposed budget also recommends a 2.4 percent increase of \$7.5 million for Michigan's 28 community colleges, for a total of \$319 million.

**Ferris State University President David Eisler,
February 11, 2015**

Protecting the Public

Following impressive results from the Secure Cities program, which has reduced violent crime in four of the state's larger cities (Detroit, Flint, Pontiac and Saginaw), the governor's plan calls for an investment of \$1.5 million to expand the program to the communities of Benton Harbor, Hamtramck, Harper Woods, Highland Park, Inkster and Muskegon Heights.

The governor's proposal also includes investments to protect the public of \$9.5 million to support an additional trooper recruit school aimed at producing 85 graduates to increase the strength of the Michigan State Police. Residents across the state will benefit from having more troopers trained and sworn to protect and serve the public.

"The Michigan State Police have battled cyber crime since the 1990s. And now, along with Gov. Rick Snyder's initiative to improve the state's criminal justice system, the State Police have organized a task force to help fight cybercrime and deal with virus attacks on computer networks. This is a worthwhile effort to improve the safety of the Internet."

Other public safety investments include \$8.5 million to run an academy to train and graduate 350 additional corrections officers; a deposit of \$6 million into the Disaster and Emergency

The Detroit News, June 6, 2015

Contingency Fund; \$4 million aimed at providing safe and secure learning environments for students; \$2.2 million to enhance capacity to combat the rising tide of digital crime; \$500,000 for a higher education sexual assault prevention and education initiative; and \$981,300 to purchase new ballistic vests to help keep probation and parole agents safe while on duty.

Putting People First

Gov. Snyder's executive recommendation includes several investments that put people first. The recently combined Michigan Department of Health and Human Services (DHHS) is designed to serve residents across the state.

Health

This budget recommendation achieves the governor's goal of fully expanding the Healthy Kids Dental program to cover all eligible children in all of the state's 83 counties. The \$25.6 million investment will bring the number of children with access to dental care to an estimated 826,800, compared to 285,000 who were covered in fiscal year 2011. Good dental hygiene is a vital building block to a lifetime of better health outcomes. According to Humana, research suggests that the inflammation from periodontal, or gum disease, puts individuals at a higher risk for diabetes, Alzheimer's and heart disease.

"For lawmakers and Gov. Rick Snyder, pat yourselves on the back for including dental in the Healthy Michigan Plan and for expanding Healthy Kids Dental to all 83 counties ..."

Lansing State Journal, July 8, 2015

Beyond dental health, the governor is also concerned with ensuring that residents across the state have access to affordable health care, which is why he signed the Healthy Michigan Plan into law three years ago. Since then, more than 600,000 Michiganders have signed up for health insurance. Per federal regulations, the state is starting to pick up a larger portion of program costs, which will help ensure that people continue to receive the quality coverage they've come to rely on for their health care.

The advancement of science and medicine has brought about countless new prescription drugs that can save lives and result in greatly improved health outcomes for individuals who live with a wide variety of medical conditions. While these new medications can significantly change lives, they are also rather costly. The state Pharmacy and Therapeutics Committee has recommended that new specialty medications to treat hepatitis C and cystic fibrosis be approved for Medicaid patients. The assumed cost to treat nearly 7,000 residents with hepatitis C for a full year is \$91.5 million general fund, while treating 320 Michigan children with cystic fibrosis would total \$43.7 million general fund. The DHHS base budget has been built to accommodate these costs. To prepare for additional medications in the pipeline to treat other conditions, the health and human services budget currently includes a specialty medications prescription reserve. Understanding that the need for funding will only increase as additional medications are recommended for treatment, the governor's executive recommendation includes a one-time deposit of \$30 million into the reserve.

Human Services

Approximately 20,000 Michigan children in the Family Independence Program (FIP) who live with a caregiver who does not qualify currently receive an annual payment of \$140 a year for clothing. To provide further assistance to these families and all families who qualify for FIP, the governor recommends a \$6.1 million increase to extend the clothing allowance to all children in the program, adding nearly another 25,000 children, and increasing the allowance to \$200 annually.

The governor's plan also includes \$22.3 million to improve child safety and welfare through enhanced information technology to better monitor child protective services, foster care, and adoption cases. Additionally, the governor recommends \$7.6 million to expand the Center for Forensic Psychiatry to help ensure persons ruled incompetent to stand trial or not guilty by reason of insanity receive mental health services they need.

Investing in Infrastructure

Michigan’s infrastructure was given a D grade by the American Society of Civil Engineers, which is why the governor’s supplemental request also includes \$25 million for infrastructure needs specific to Flint and another \$165 million to be set aside for statewide infrastructure needs in a newly created Michigan Infrastructure Fund.

The new fund will be used to make strategic improvements and provide local governments with financial assistance in making necessary improvements to known high-risk lead and copper service lines.

“Gov. Rick Snyder capped a four-year effort Tuesday when he signed into law a \$1.2 billion road funding package ...”

Detroit Free Press, November 10, 2015

With passage of a new comprehensive transportation package in 2015, Michigan has a new level of support and stability for infrastructure funding for the first time in many years. When fully implemented, the package will dedicate \$1.2 billion to maintain and repair Michigan roads, bridges and other critical infrastructure across the state. The added funding comes from a 7.3 cents per gallon increase in gasoline taxes, an 11.3 cents per gallon increase in diesel taxes and increased vehicle registration taxes and fees beginning in 2017. The package also redirects existing income tax revenue to transportation starting in fiscal year 2019.

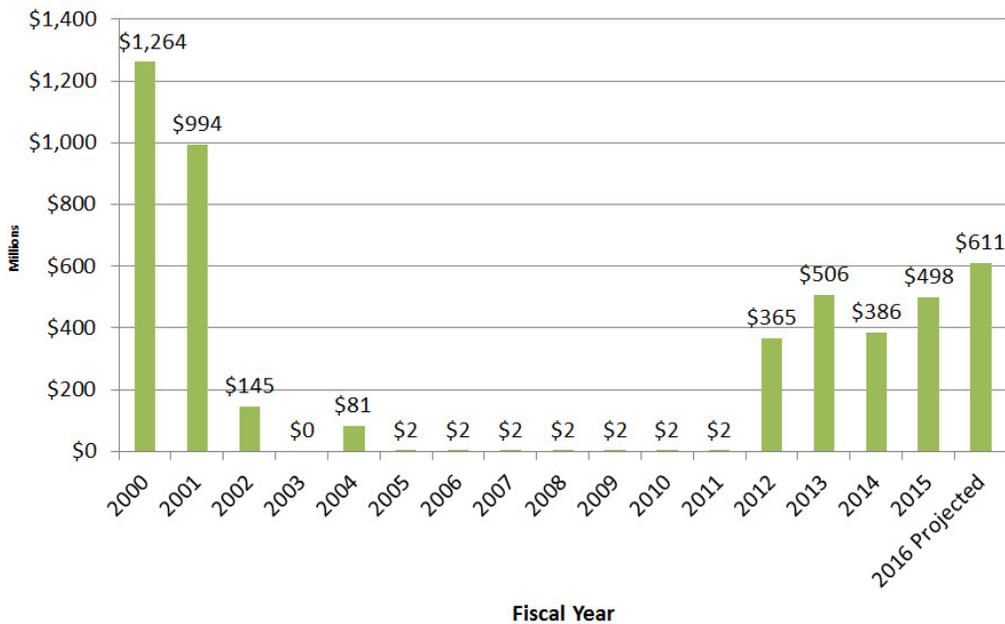
In the meantime, the governor’s plan for fiscal year 2017 features \$533.3 million in increased dedicated transportation revenue, which includes \$189 million for the State Trunkline Fund, \$283 million for local road agencies and \$51 million for rail and public transit. The budget proposal also includes \$57.5 million in new federal funds from the Fixing America’s Surface Transportation (FAST) Act, which will for the first time in a decade provide stabilized and predictable federal funding for five years, with 2 percent annual increases for highway funding through 2020. The FAST funds will be used for local road agencies (\$32 million), state trunklines (\$15 million), and local transit (\$10 million).

Saving for a Rainy Day

Saving for a rainy day is the cornerstone of any financially sound budget. Individuals and families throughout Michigan have to live according to a budget with three core concepts – set aside savings, pay bills and pay down debt. As a certified public accountant, Gov. Snyder understands that it’s prudent to tackle the state budget with the same approach: fund critical programs and services, make strategic, long-term investments and ensure there are sufficient reserves.

While the fiscal year 2017 budget does not call for a deposit into the state’s Budget Stabilization Fund (commonly referred to as the “Rainy Day Fund”), a fiscal year 2016 deposit will bring the fund to \$611 million, for a total Rainy Day Fund increase of \$609 million since the governor took office in 2011, when the balance was a mere \$2.2 million.

The Budget Stabilization Fund (BSF) peaked at \$1.3 billion in FY 2000, but was quickly depleted. Michigan started to rebuild the BSF balance in FY 2012. At the end of FY 2016 the balance will be approximately \$611M.



Conclusion

The governor’s sixth budget recommendation is focused on making strategic investments to address our challenges in Flint and Detroit while making statewide investments to educate our children, promote better health outcomes for Michiganders, protect state residents and ensure our infrastructure will last well into the future to support our needs. It’s a budget recommendation focused on one Michigan where we can all live, work and play. Together, we are one Michigan working toward a brighter future.

Adoption of Governor Snyder’s two-year budget recommendation for fiscal year 2017 is both measured and fiscally responsible. The governor and his administration are ready to work together with the members of the Michigan Senate and House of Representatives to enact a budget to build one Michigan that will prosper for generations to come.

Department Detail

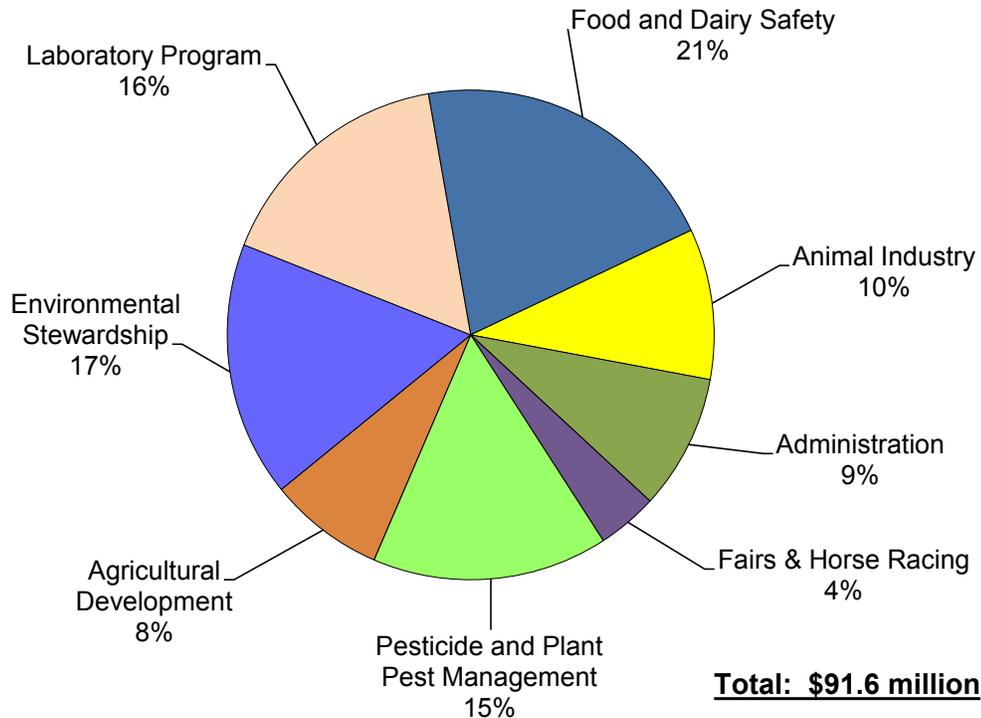
| | | |
|-----------------------------------|---|----|
| Agriculture and Rural Development | B | 1 |
| Attorney General | B | 5 |
| Civil Rights | B | 9 |
| Community Colleges | B | 11 |
| Corrections | B | 15 |
| Education | B | 19 |
| Environmental Quality | B | 23 |
| Executive Office | B | 27 |
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| Higher Education | B | 35 |
| Insurance and Financial Services | B | 39 |
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Department of Agriculture and Rural Development

The Department of Agriculture and Rural Development (MDARD) 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 2017 recommends total funding of \$91.6 million, of which \$48 million is general fund. The general fund recommendation for fiscal year 2018 increases by \$1.2 million to \$49.2 million.

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 state's agricultural laboratory program provides services to farmers, industry and consumers. The governor proposes to increase laboratory funding by \$3.1 million general fund. The additional funding for the Geagley laboratory will support new staff who will work to facilitate timely export of Michigan agricultural products utilizing internationally accepted testing methods, while ensuring that tainted commercial products are removed from the marketplace before they reach the consumer. Funding will also support updated equipment to facilitate quick identification of foodborne illness, and corresponding data upload onto shared platforms with the Centers for Disease Control, local public health agencies, and hospitals. The added resources within the Heffron laboratory will aid in consumer protection efforts including inspections of gasoline quality, product labeling, and accuracy of commercial scaling equipment.

- Included in the governor's fiscal year 2017 recommendation is \$1.2 million general fund to implement on-farm food produce safety requirements under the Food Safety Modernization Act (FSMA). This federal law is designed to develop food safety programs with a focus on prevention, and will require the establishment of minimum standards regarding the production and harvesting of fruits and vegetables. Half of the additional funding will be allocated to the Michigan State University Extension and various local conservation districts to provide training, education and technical assistance for Michigan produce farmers.
- Public Act 411 of 2012 created the rural development fund to be used for grants and loans for projects that address the expansion and sustainability of agriculture, mining, forestry, oil and gas production and tourism. The Executive Recommendation contains \$2 million to fund this program.
- The governor proposes an additional \$500,000 general fund for the Farmland and Open Space Preservation program to replace declining restricted revenue. The Farmland Preservation Program was established in 1975 to preserve Michigan farmland in exchange for certain tax benefits including a state income tax credit.
- The governor proposes to focus more resources on the refined petroleum product cleanup program in the Department of Environmental Quality (DEQ) by gradually shifting most refined petroleum fund from the Department of Agriculture and Rural Development to the DEQ. To accomplish this, the Executive Recommendation adds general fund to MDARD to maintain their critical laboratory services. At the end of 3 years, \$500,000 refined petroleum revenues will remain in MDARD to support gasoline and oil inspection programs.
- In order to focus available revenues on high priority programs, the Executive Budget reduces general fund support for several discretionary programs by approximately \$1 million.

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

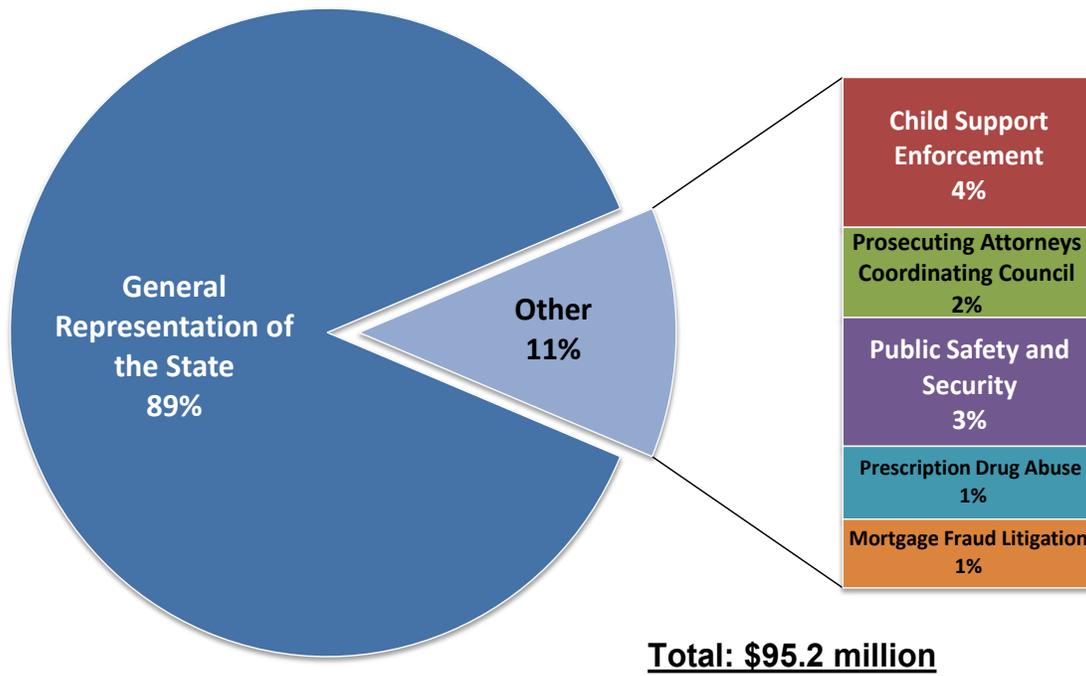
| | FY2016 Current Law (as of 1/28/16) | | FY2017 Recommendation | | FY2018 Recommendation | |
|--------------------------------------|---------------------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$41,873.5 | \$85,394.0 | \$48,036.9 | \$91,591.3 | \$49,236.9 | \$91,591.3 |
| One-Time Funding | \$1,200.0 | \$1,200.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$43,073.5 | \$86,594.0 | \$48,036.9 | \$91,591.3 | \$49,236.9 | \$91,591.3 |
| <i>% Change from Previous Year</i> | | | | | | |
| <i>Ongoing Funding</i> | | | <i>14.7%</i> | <i>7.3%</i> | <i>2.5%</i> | <i>0.0%</i> |
| <i>One-Time Funding</i> | | | <i>-100.0%</i> | <i>-100.0%</i> | <i>0.0%</i> | <i>0.0%</i> |
| <i>Total Funding</i> | | | <i>11.5%</i> | <i>5.8%</i> | <i>2.5%</i> | <i>0.0%</i> |
| Programs | | | | | | |
| Food and Dairy | | | \$12,895.5 | \$19,015.5 | \$12,895.5 | \$19,015.5 |
| Environmental Stewardship | | | \$6,456.4 | \$15,413.0 | \$6,456.4 | \$15,413.0 |
| Laboratory Program | | | \$6,599.7 | \$14,864.9 | \$7,799.7 | \$14,864.9 |
| Pesticide and Plant Pest Management | | | \$5,640.9 | \$14,325.5 | \$5,640.9 | \$14,325.5 |
| Animal Industry | | | \$8,196.1 | \$9,104.5 | \$8,196.1 | \$9,104.5 |
| Administration | | | \$6,547.2 | \$8,175.4 | \$6,547.2 | \$8,175.4 |
| Agriculture and Rural Development | | | \$1,701.1 | \$7,025.3 | \$1,701.1 | \$7,025.3 |
| Fairs and Horse Racing Awards | | | \$0.0 | \$3,667.2 | \$0.0 | \$3,667.2 |
| Total Ongoing Recommendation | | | \$48,036.9 | \$91,591.3 | \$49,236.9 | \$91,591.3 |
| None | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$48,036.9 | \$91,591.3 | \$49,236.9 | \$91,591.3 |



Attorney General

As the lawyer for the State of Michigan, 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 2017 and 2018 recommends total ongoing funding of \$94.5 million, of which \$38.4 million is general fund. In addition, one-time funding of \$700,000 general fund is recommended for fiscal year 2017.*

Attorney General Provides Legal Services on Behalf of the Public



Highlights of Governor's Budget Recommendation

- The Executive Budget includes \$86.2 million for Attorney General 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 deceptive practices which harm consumers.
- The Child Support Enforcement Division and the Prosecuting Attorneys Coordinating Council are supported with \$3.5 million and \$2.1 million, respectively. The Child Support Enforcement Division prosecutes parents who are able to pay their court-ordered obligations but fail to do so. The Prosecuting Attorneys Coordinating Council provides continuing professional education, case management support, and legal research for local prosecutors in Michigan.

- The governor's ongoing commitment to justice for rape victims is supported with \$1.7 million for sexual assault law enforcement efforts. Additionally, a comprehensive plan to fight human trafficking is supported with nearly \$400,000.
- The governor's public safety initiative is continued with \$900,000 to target repeat violent offenders and reduce backlogs of outstanding warrants in high-risk urban areas.
- To support the recommendations of the Michigan Prescription Drug and Opioid Abuse Task Force, the Attorney General will establish a prescription drug abuse unit with one-time funds of \$700,000.

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

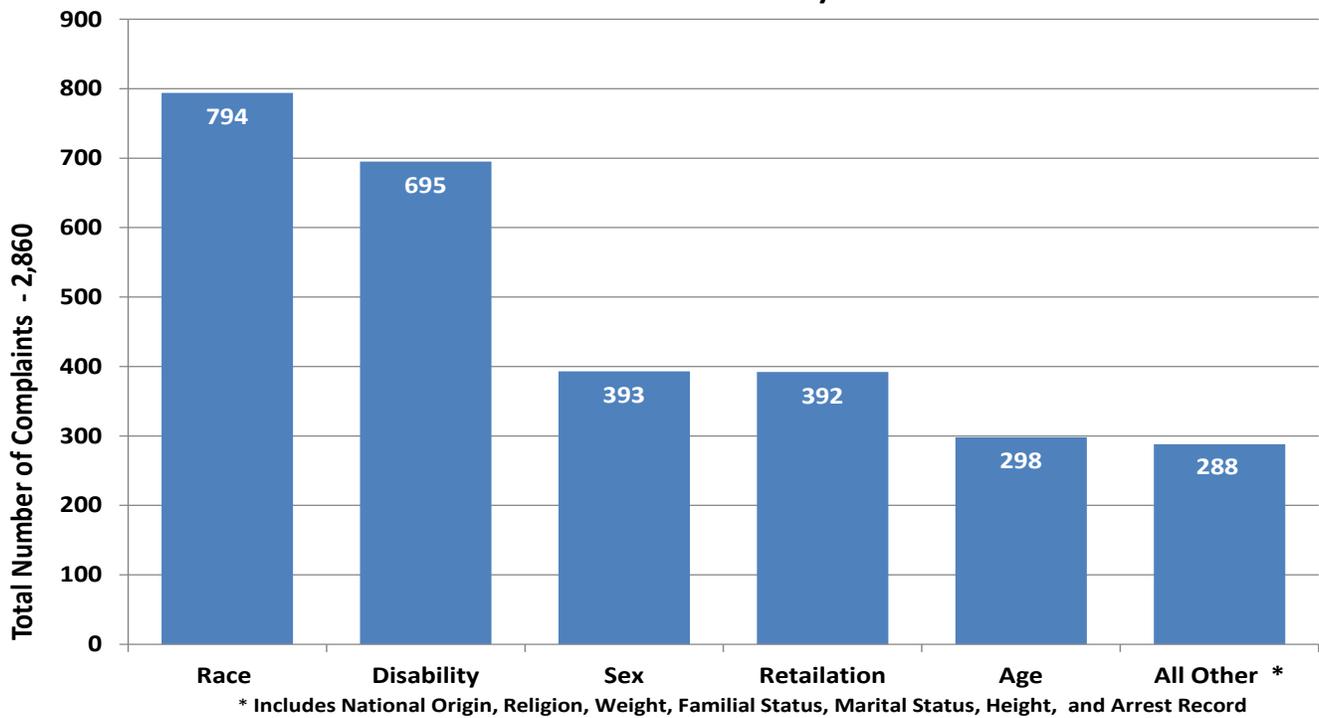
| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--|------------------------------------|------------|--------------------------|-------------------|--------------------------|-------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$37,013.4 | \$92,107.6 | \$38,440.5 | \$94,485.8 | \$38,440.5 | \$94,485.8 |
| One-Time Funding | \$0.0 | \$0.0 | \$700.0 | \$700.0 | \$0.0 | \$0.0 |
| Total Funding | \$37,013.4 | \$92,107.6 | \$39,140.5 | \$95,185.8 | \$38,440.5 | \$94,485.8 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 3.9% | 2.6% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 0.0% | 0.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 5.7% | 3.3% | -1.8% | -0.7% |
| Programs | | | | | | |
| Attorney General Operations | | | \$33,329.6 | \$86,220.1 | \$33,329.6 | \$86,220.1 |
| Child Support Enforcement | | | \$881.7 | \$3,503.8 | \$881.7 | \$3,503.8 |
| Prosecuting Attorneys Coordinating Council | | | \$1,609.9 | \$2,142.6 | \$1,609.9 | \$2,142.6 |
| Sexual Assault Law Enforcement | | | \$1,713.5 | \$1,713.5 | \$1,713.5 | \$1,713.5 |
| Public Safety Initiative | | | \$905.8 | \$905.8 | \$905.8 | \$905.8 |
| Total Ongoing Recommendation | | | \$38,440.5 | \$94,485.8 | \$38,440.5 | \$94,485.8 |
| Prescription Drug Abuse Unit | | | \$700.0 | \$700.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$700.0 | \$700.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$39,140.5 | \$95,185.8 | \$38,440.5 | \$94,485.8 |



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 residents 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, the Commission on Middle-Eastern American Affairs, and the staff for the American with Disabilities Act. *The governor’s proposed budget for fiscal years 2017 and 2018 recommends total ongoing funding of \$16.4 million, of which \$13.1 million is general fund. In fiscal year 2017, the governor also recommends one-time funding of \$350,000 general fund.*

Over Half of Complaints Received by Civil Rights in 2015 were Race or Disability Related



Highlights of Governor’s Budget Recommendation

- The governor’s recommendation provides one-time funding of \$250,000 general fund to expand 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 8 existing ALPACT organizations have expanded their membership and activities, while 3 additional cities will launch similar organizations in 2017.
- The Executive Recommendation also includes one-time funding of \$100,000 general fund for the Commission on Middle-Eastern American Affairs created under Executive Order 2015-6. The Commission will be responsible for reviewing the state’s policies concerning the Middle Eastern American community.

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

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--|------------------------------------|------------|--------------------------|-------------------|--------------------------|-------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$12,949.7 | \$16,128.7 | \$13,144.7 | \$16,371.9 | \$13,144.7 | \$16,371.9 |
| One-Time Funding | \$0.0 | \$0.0 | \$350.0 | \$350.0 | \$0.0 | \$0.0 |
| Total Funding | \$12,949.7 | \$16,128.7 | \$13,494.7 | \$16,721.9 | \$13,144.7 | \$16,371.9 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 1.5% | 1.5% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 0.0% | 0.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 4.2% | 3.7% | -2.6% | -2.1% |
| Programs | | | | | | |
| Civil Rights Operations | | | \$12,451.8 | \$15,664.0 | \$12,451.8 | \$15,664.0 |
| Information Technology | | | \$692.9 | \$707.9 | \$692.9 | \$707.9 |
| Total Ongoing Recommendation | | | \$13,144.7 | \$16,371.9 | \$13,144.7 | \$16,371.9 |
| Advocates and Leaders for Police & Community Trust | | | \$250.0 | \$250.0 | \$0.0 | \$0.0 |
| Commission on Middle-Eastern American Affairs | | | \$100.0 | \$100.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$350.0 | \$350.0 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$13,494.7 | \$16,721.9 | \$13,144.7 | \$16,371.9 |

Community Colleges

A key component of the state's education system, Michigan's 28 community colleges provide nearly 383,000 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 2017 recommends total funding of \$399 million, of which \$138.6 million is general fund. The recommendation for fiscal year 2018 is \$399.5 million, of which \$138.6 million is general fund.*

Highlights of Governor's Budget Recommendation

- Community colleges receive an increase of 2.9 percent in total funding over fiscal year 2016. Since fiscal year 2011, combined operations and retirement funding for community colleges has increased by \$98 million, an increase of 33 percent.
- This proposed budget includes a 2.4 percent inflationary increase of \$7.5 million in community college operations funding, which brings total operations funding to \$319 million. The increase is distributed through a modified version of the existing funding formula. The formula distributes 30 percent of new funding as an across-the-board increase. The other 70 percent of new funding is distributed based on the following performance metrics: student contact hours that are weighted based upon increased program costs in health and technology; degrees and certificates with an emphasis on natural sciences, engineering, technology, and health; completion improvement; administrative costs as a percentage of core expenditures; and best practices that enhance local strategic value. 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 2017 Community Colleges Funding (\$ in thousands) | | | |
|---|--------------------|-------------------|------------------|
| Community College | Operations Funding | Perform. Funding* | Percent Increase |
| Alpena | \$5,464.4 | \$162.7 | 3.0% |
| Bay de Noc | 5,490.2 | 100.9 | 1.8% |
| Delta | 14,704.0 | 348.4 | 2.4% |
| Glen Oaks | 2,551.1 | 45.6 | 1.8% |
| Gogebic | 4,509.9 | 117.0 | 2.6% |
| Grand Rapids | 18,187.3 | 444.4 | 2.4% |
| Henry Ford | 21,893.3 | 454.2 | 2.1% |
| Jackson | 12,245.3 | 259.1 | 2.1% |
| Kalamazoo Valley | 12,689.4 | 326.3 | 2.6% |
| Kellogg | 9,950.1 | 209.7 | 2.1% |
| Kirtland | 3,221.5 | 81.8 | 2.5% |
| Lake Michigan | 5,417.7 | 147.9 | 2.7% |
| Lansing | 31,288.2 | 627.1 | 2.0% |
| Macomb | 33,239.5 | 660.7 | 2.0% |
| Mid Michigan | 4,757.7 | 159.6 | 3.4% |
| Monroe County | 4,565.6 | 113.5 | 2.5% |
| Montcalm | 3,280.6 | 123.4 | 3.8% |
| Mott | 15,901.7 | 376.7 | 2.4% |
| Muskegon | 9,020.7 | 248.0 | 2.7% |
| North Central MI | 3,224.8 | 120.3 | 3.7% |
| Northwestern MI | 9,200.5 | 209.5 | 2.3% |
| Oakland | 21,429.4 | 548.8 | 2.6% |
| Schoolcraft | 12,706.4 | 351.4 | 2.8% |
| Southwestern MI | 6,657.6 | 116.0 | 1.7% |
| St. Clair | 7,158.0 | 179.1 | 2.5% |
| Washtenaw | 13,301.1 | 423.6 | 3.2% |
| Wayne County | 16,989.8 | 463.0 | 2.7% |
| West Shore | 2,446.2 | 81.3 | 3.3% |
| Total: | \$311,492.0 | \$7,500.0 | 2.4% |

* 30 percent of performance funding is distributed across-the-board and 70 percent through the performance formula.

- The governor's budget continues to cap the amount of unfunded accrued liability contributions paid by community colleges to the Michigan Public School Employees Retirement System, with the state making payments for amounts over the cap. This requires \$3.7 million in new funding and total ongoing funds of \$74.9 million in fiscal year 2017. The state funding provides community colleges with a more predictable cost for their retirement payments, facilitating greater long-term planning.
- State Building Authority rent payments of \$30.9 million, all general fund, support debt service for recently constructed community college building projects.

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

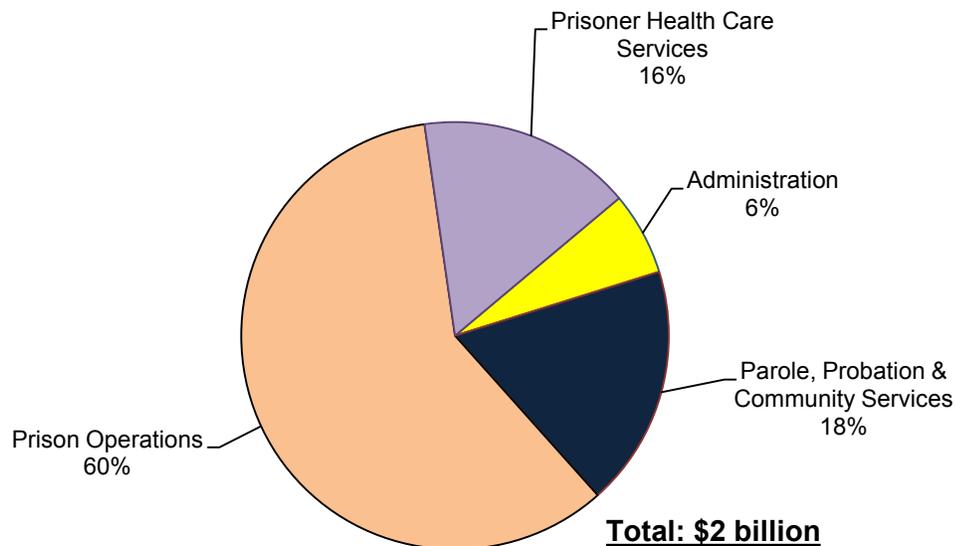
| | FY2016 Current Law | | | FY2017 Recommendation | | | FY2018 Recommendation | | |
|---------------------------------------|-------------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|
| | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds |
| Ongoing Funding | \$131,110.8 | \$256,714.8 | \$387,825.6 | \$138,610.8 | \$260,414.8 | \$399,025.6 | \$138,610.8 | \$260,914.8 | \$399,525.6 |
| One-Time Funding | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$131,110.8 | \$256,714.8 | \$387,825.6 | \$138,610.8 | \$260,414.8 | \$399,025.6 | \$138,610.8 | \$260,914.8 | \$399,525.6 |
| <i>% Change from Previous Year</i> | | | | | | | | | |
| | <i>Ongoing Funding</i> | | | 5.7% | 1.4% | 2.9% | 0.0% | 0.2% | 0.1% |
| | <i>One-Time Funding</i> | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | <i>Total Funding</i> | | | 5.7% | 1.4% | 2.9% | 0.0% | 0.2% | 0.1% |
| Programs | | | | | | | | | |
| Community College Operations | | | \$126,010.8 | \$185,481.2 | \$311,492.0 | \$133,510.8 | \$185,481.2 | \$318,992.0 | |
| MPSERS Retirement Contributions | | | \$0.0 | \$74,933.6 | \$74,933.6 | \$0.0 | \$75,433.6 | \$75,433.6 | |
| Community College Performance Funding | | | \$7,500.0 | \$0.0 | \$7,500.0 | \$0.0 | \$0.0 | \$0.0 | |
| Renaissance Zone Tax Reimbursements | | | \$5,100.0 | \$0.0 | \$5,100.0 | \$5,100.0 | \$0.0 | \$5,100.0 | |
| Total Ongoing Recommendation | | | \$138,610.8 | \$260,414.8 | \$399,025.6 | \$138,610.8 | \$260,914.8 | \$399,525.6 | |
| 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 | | | \$138,610.8 | \$260,414.8 | \$399,025.6 | \$138,610.8 | \$260,914.8 | \$399,525.6 | |



Department of Corrections

The Department of Corrections maintains public safety by providing custody and care for Michigan's incarcerated prisoners while maintaining oversight and supervision of parolees and felony probationers. *The governor's proposed budget for fiscal years 2017 and 2018 recommends total ongoing funding of \$2 billion, of which \$1.97 billion is general fund. The recommendation for fiscal year 2017 also includes \$9.5 million in one-time funding.*

Over 75% of Corrections Costs are in Prison Operations and Health Care Services



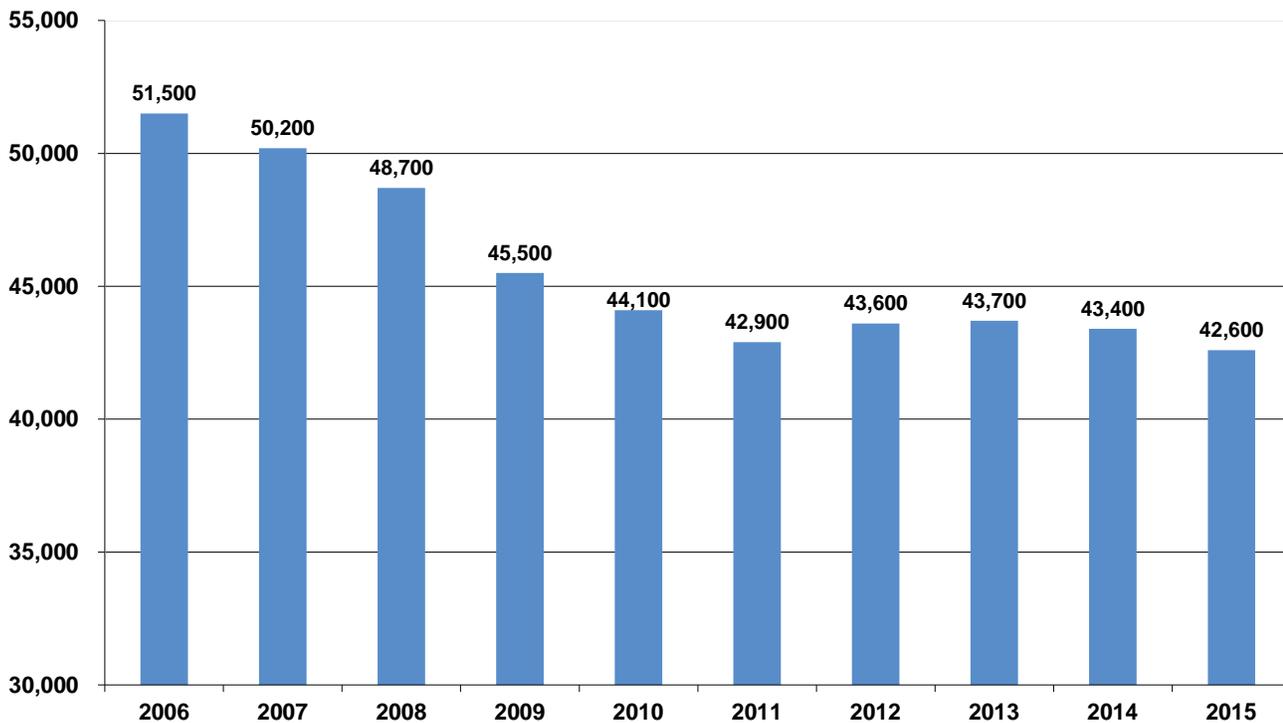
Highlights of Governor's Budget Recommendation

- The governor remains committed to tightly controlling corrections costs while ensuring public safety. The Executive Budget includes \$1.2 billion to operate safe and secure prison system facilities that currently house approximately 42,600 inmates.
- The budget includes almost \$370 million for parole, probation, and community programs that provide cost-effective local alternatives to more costly incarceration in the state prison system. The department supervises approximately 45,000 offenders on felony probation and more than 15,000 offenders on parole.

Efficient Prison Operations

- The Executive Budget recognizes \$3.8 million in general fund savings resulting from a new health care contract. Savings are realized by consolidating health care and pharmaceutical services from multiple providers to one provider.
- The governor recommends \$10 million in general fund savings due to the relocation of the Kinross Correctional Facility to the site of the former Hiawatha Correctional Facility and the redistribution of prisoners throughout the system to most efficiently utilize existing prison capacity.

Prison Population Continues to Decline



Health Care

- Based on the recommendation of the Michigan Pharmacy and Therapeutics committee, the Executive Budget includes \$17.3 million general fund to fund expanded treatment options for prisoners with Hepatitis C. The new class of drugs cures the most common type of Hepatitis C. Expanding the use of this treatment helps ensure a safe environment for the overall prison population and helps control long term health care costs.
- To address the ongoing mental and behavioral health challenges experienced by prisoners, the governor recommends \$2 million general fund to expand treatment options to best meet mental health and sex offender programming needs. The governor's budget recommends \$750,000 general fund to expand substance abuse programs specifically designed for probationers with a history of relapse.

Investing in Infrastructure and Safety

- The Executive Budget recommends \$981,300 in one-time funding to support the replacement of ballistic vests for parole and probation agents. Routine replacement of safety equipment helps to ensure the safety of agents in the field across the state.
- The governor's budget recommends approximately \$1 million to upgrade internet bandwidth to support video conferencing of court hearings and internet based education programs.

- To meet the workforce needs of the department, the governor's budget recommends \$8.5 million in one-time general fund to support a corrections officer academy with the anticipation of graduating 350 corrections officers. The additional officers will allow the department to keep pace with current attrition rates and ensure the safe and secure operations of Michigan's prisons.

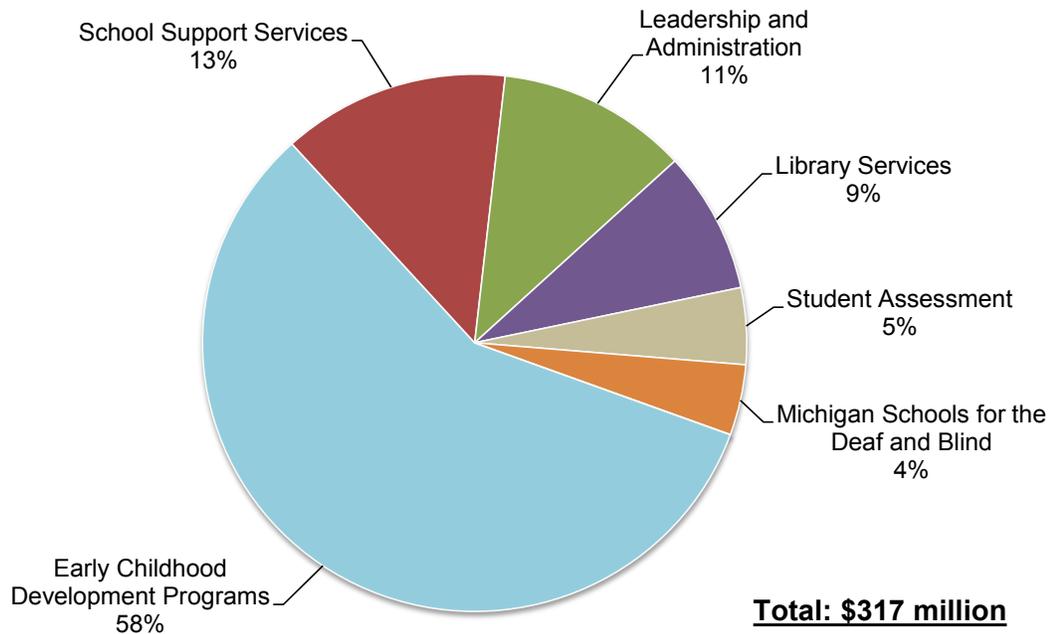
**Governor's Recommendation
Department of Corrections
(\$ in Thousands)**

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|------------------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$1,903,948.4 | \$1,962,226.0 | \$1,969,970.5 | \$2,019,898.7 | \$1,969,970.5 | \$2,019,898.7 |
| One-Time Funding | \$0.0 | \$0.0 | \$9,487.4 | \$9,487.4 | \$0.0 | \$0.0 |
| Total Funding | \$1,903,948.4 | \$1,962,226.0 | \$1,979,457.9 | \$2,029,386.1 | \$1,969,970.5 | \$2,019,898.7 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 3.5% | 2.9% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 0.0% | 0.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 4.0% | 3.4% | -0.5% | -0.5% |
| Programs | | | | | | |
| Prison Operations | | | \$1,197,013.3 | \$1,203,774.8 | \$1,197,013.3 | \$1,203,774.8 |
| Parole, Probation, and Community Services | | | \$344,662.5 | \$368,949.6 | \$344,662.5 | \$368,949.6 |
| Prisoner Health Care Services | | | \$327,491.5 | \$328,372.6 | \$327,491.5 | \$328,372.6 |
| Administration | | | \$100,803.2 | \$118,801.7 | \$100,803.2 | \$118,801.7 |
| Total Ongoing Recommendation | | | \$1,969,970.5 | \$2,019,898.7 | \$1,969,970.5 | \$2,019,898.7 |
| New Custody Training Staff | | | \$8,506.1 | \$8,506.1 | \$0.0 | \$0.0 |
| Ballistic Vests | | | \$981.3 | \$981.3 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$9,487.4 | \$9,487.4 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$1,979,457.9 | \$2,029,386.1 | \$1,969,970.5 | \$2,019,898.7 |

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 year 2017 and 2018 recommends total ongoing funding of \$308.4 million, of which \$75.9 million is general fund. For fiscal year 2017, the recommendation also includes \$8.6 million in one-time funding, of which \$500,000 is general fund.*

Almost 60 Percent of the Budget Supports Early Childhood Programs



Highlights of Governor’s Budget Recommendation

The fiscal year 2017 budget recommendation builds on the educational priorities of past budgets, with a focus on early literacy and career and college readiness.

Improving 3rd Grade Reading Proficiency and Student Outcomes

- The Executive Budget includes \$500,000 to support the development, implementation, and monitoring of multi-tiered systems of supports (MTSS) in districts with academically at-risk students. The MTSS framework is a proven strategy to improve early literacy that uses evidence-based, data-driven problem-solving to provide tiered academic and behavioral interventions based on identified student needs.
- Early identification of learning delays and special needs is vital to achieving literacy by the end of 3rd grade. The governor’s budget continues to recommend the ongoing investment of \$2.5 million in the school aid budget to support home visits for at-risk children prior to kindergarten entry. The department budget includes \$175,000 general fund to coordinate and monitor these efforts.

- The budget recommends \$300,000 general fund to implement recommendations of the Special Education Reform Task Force. This funding will improve the quality of the \$1.4 billion invested in the school aid budget for special education services.

Ensuring Students Are College and Career Ready

- The governor's budget continues to focus on programs that teach students the necessary skills for success after high school. The school aid budget includes a total of \$25 million (an increase of \$15 million) for career and technical education (CTE) and early/middle college (EMC) program expansions and equipment upgrades. The Executive Budget recommends \$395,000 general fund for the department to work collaboratively with intermediate school districts to develop and implement strategic training and career education plans that align new CTE and EMC programs with the skill needs of the state's prosperity regions.

Stabilizing Teacher Certification Resources

- The governor's budget recommends \$500,000 one-time general fund to stabilize declining restricted revenue dedicated to teacher preparation, teacher certification, and other quality-related activities. The budget includes a recommendation to increase teacher certification and renewal fees, which will generate additional ongoing revenue for the department to deliver these services.

Supporting the Children of Flint

In response to the emergency in the City of Flint, the governor's budget recommends investing \$8.1 million federal Child Care and Development Fund (CCDF) revenue to expand access to childcare for city residents, ensuring that children and families impacted by the emergency receive the early education resources they need. Funding is based on half-year cost estimates.

- The Executive Budget includes \$8 million CCDF to pilot the expansion of half-day childcare services to all children ages 0 to 3 in Flint, regardless of household income. This will guarantee that children in the city who may have been impacted by exposure to lead have access to high-quality childcare options to help address potential developmental delays.
- The governor's budget recommendation for fiscal year 2017 also includes \$50,000 CCDF to provide information to childcare providers on identification and intervention services for children needing additional supports due to lead exposure.
- For fiscal year 2016, the governor is recommending the adoption of a \$17.6 million (\$6 million general fund) supplemental to assist children and families impacted by the emergency. Recommendations include \$8.1 million CCDF for partial year funding for childcare eligibility expansions in Flint and \$9.5 million (\$6 million general fund) for food and nutrition programs.

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

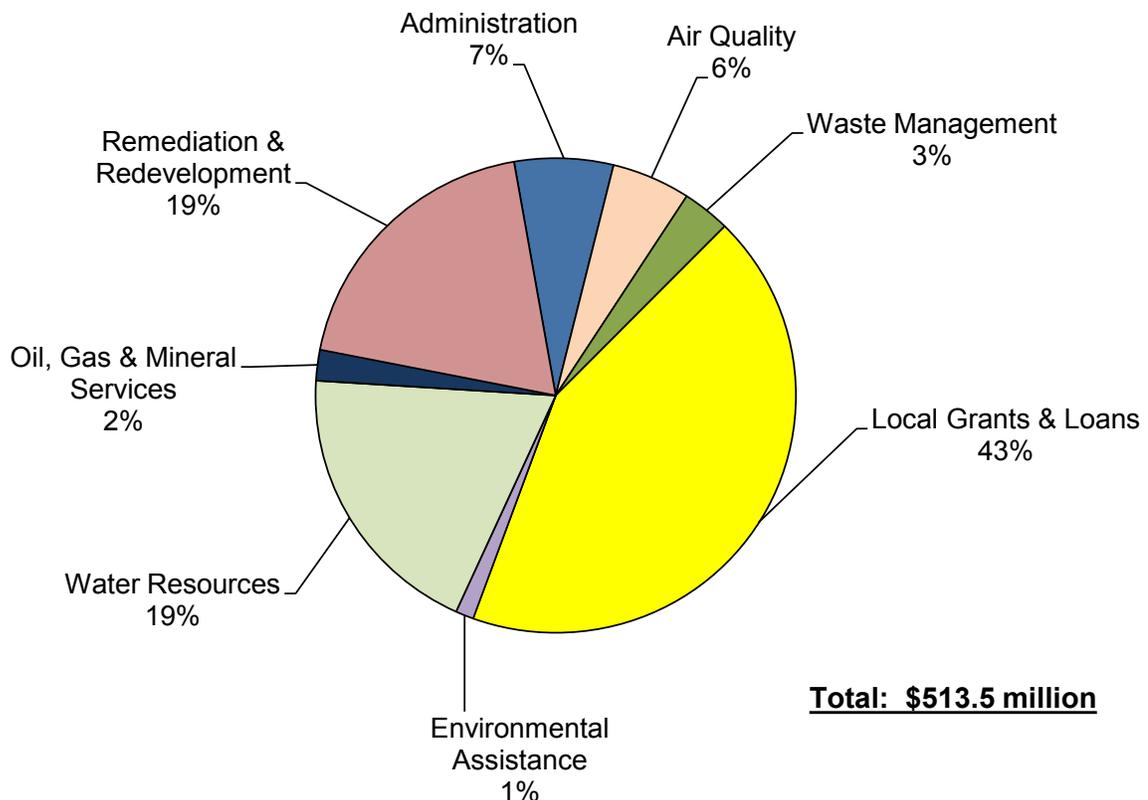
| | FY2016 Current Law (as of 1/28/16) | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|---------------------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$74,898.7 | \$305,876.2 | \$75,881.2 | \$308,367.3 | \$75,881.2 | \$308,367.3 |
| One-Time Funding | \$0.0 | \$0.0 | \$500.0 | \$8,550.1 | \$0.0 | \$0.0 |
| Total Funding | \$74,898.7 | \$305,876.2 | \$76,381.2 | \$316,917.4 | \$75,881.2 | \$308,367.3 |
| <i>% Change from Previous Year</i> | | | | | | |
| <i>Ongoing Funding</i> | | | 1.3% | 0.8% | 0.0% | 0.0% |
| <i>One-Time Funding</i> | | | 0.0% | 0.0% | -100.0% | -100.0% |
| <i>Total Funding</i> | | | 2.0% | 3.6% | -0.7% | -2.7% |
| Programs | | | | | | |
| Early Childhood Development Programs | | | \$37,590.7 | \$174,870.1 | \$37,590.7 | \$174,870.1 |
| School Support Services | | | \$7,220.3 | \$42,849.7 | \$7,220.3 | \$42,849.7 |
| Leadership and Administration | | | \$8,501.3 | \$35,533.6 | \$8,501.3 | \$35,533.6 |
| Library Services | | | \$21,425.7 | \$27,035.8 | \$21,425.7 | \$27,035.8 |
| Student Assessment | | | \$1,143.2 | \$14,619.4 | \$1,143.2 | \$14,619.4 |
| Michigan Schools for the Deaf and Blind | | | \$0.0 | \$13,458.7 | \$0.0 | \$13,458.7 |
| Total Ongoing Recommendation | | | \$75,881.2 | \$308,367.3 | \$75,881.2 | \$308,367.3 |
| Flint Emergency - Childcare Investments | | | \$0.0 | \$8,050.1 | \$0.0 | \$0.0 |
| Certification Fee Supports | | | \$500.0 | \$500.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$500.0 | \$8,550.1 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$76,381.2 | \$316,917.4 | \$75,881.2 | \$308,367.3 |



Department of Environmental Quality

Funding for the Department of Environmental Quality (DEQ) supports regulatory programs that protect public health, including water, land and air quality management; and 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 year 2017 recommends total funding of \$513.5 million, of which \$47.7 million is general fund. This includes one-time funding of \$13.1 million, of which \$12.4 million in general fund. The recommendation for fiscal year 2018 is \$486.7 million, of which \$35.3 million is general fund.*

Environmental Quality Funding Restores and Enhances the Environment



Highlights of Governor’s Budget Recommendation

The fiscal year 2017 Executive Recommendation focuses on assuring Michigan’s water quality with special emphasis on the water issues facing the city of Flint; supporting compliance assistance to minimize environmental risks; and promoting redevelopment of contaminated sites.

Flint Water Emergency

- The governor’s budget includes \$5.4 million one-time general fund for the Flint water emergency. Funding will be used to pay for the city of Flint to stay on the Great Lakes Water Authority water system until December 2016, or until the Karegnondi Water Authority water system is completed and in use. In addition, funding will be used to support staff, local health department contracts, testing, and lab equipment to ensure water safety of the city.

Environmental Stewardship

- The federal Drinking Water Revolving Fund Loan Program provides local governments with low interest loans for infrastructure improvements to their drinking water systems. This federal grant requires a 20 percent state match which is met by a combination of general fund and revolving loan match funds generated when local governments repay the loans. The governor's recommendation includes an additional \$2.95 million one-time general fund appropriation to fully leverage the available \$25 million federal grant.
- The oil and gas program is responsible for protecting public health and the environment while supporting oil and gas development; it is funded by a fee on oil and gas produced in Michigan. Program staff are responsible for reviewing new permit applications, conducting site inspections, and monitoring oil and gas production. In late 2014, oil and gas prices began to drop and no significant price increases are projected in the near future. As a result, the governor recommends a one-time \$4 million general fund appropriation to offset the declining revenue.
- Michigan has a number of sites contaminated by leaks of refined petroleum into the ground. The governor proposes to focus more resources on the refined petroleum product cleanup program by shifting refined petroleum revenues from administrative activities to remediation of contaminated sites. Fiscal year 2017 contains an additional \$1.5 million for this purpose, with an additional \$1.2 million proposed for fiscal year 2018.
- The governor's budget includes a \$16.4 million increase from the Clean Michigan Initiative bonds to support response activities, including addressing over 150,000 cubic yards of contaminated sediments in the Detroit and Rouge Rivers.

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

| | FY2016 Current Law (as of 1/28/16) | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|---------------------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$34,827.7 | \$486,909.3 | \$35,336.4 | \$500,449.3 | \$35,336.4 | \$486,749.3 |
| One-Time Funding | \$6,300.0 | \$7,300.0 | \$12,350.0 | \$13,050.1 | \$0.0 | \$0.0 |
| Total Funding | \$41,127.7 | \$494,209.3 | \$47,686.4 | \$513,499.4 | \$35,336.4 | \$486,749.3 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | <i>1.5%</i> | <i>2.8%</i> | <i>0.0%</i> | <i>-2.7%</i> |
| | <i>One-Time Funding</i> | | <i>96.0%</i> | <i>78.8%</i> | <i>-100.0%</i> | <i>-100.0%</i> |
| | <i>Total Funding</i> | | <i>15.9%</i> | <i>3.9%</i> | <i>-25.9%</i> | <i>-5.2%</i> |
| Programs | | | | | | |
| Local Grants and Loans | | | \$2,800.0 | \$218,108.2 | \$2,800.0 | \$218,108.2 |
| Remediation and Redevelopment | | | \$0.0 | \$98,184.7 | \$0.0 | \$84,484.7 |
| Water Resources | | | \$19,903.2 | \$93,178.4 | \$19,903.2 | \$93,178.4 |
| Administration | | | \$4,602.7 | \$34,126.7 | \$4,602.7 | \$34,126.7 |
| Air Quality | | | \$4,404.3 | \$27,231.5 | \$4,404.3 | \$27,231.5 |
| Waste Management | | | \$758.7 | \$16,567.3 | \$758.7 | \$16,567.3 |
| Oil, Gas and Mineral Services | | | \$0.0 | \$6,794.8 | \$0.0 | \$6,794.8 |
| Environmental Assistance | | | \$2,867.5 | \$6,257.7 | \$2,867.5 | \$6,257.7 |
| Total Ongoing Recommendation | | | \$35,336.4 | \$500,449.3 | \$35,336.4 | \$486,749.3 |
| Flint Emergency Funding | | | \$5,400.0 | \$5,400.1 | \$0.0 | \$0.0 |
| Oil, Gas and Mineral Services | | | \$4,000.0 | \$4,000.0 | \$0.0 | \$0.0 |
| Drinking Water Revolving Fund (State Match) | | | \$2,950.0 | \$2,950.0 | \$0.0 | \$0.0 |
| Clean Michigan Fund Cleanup Activities | | | \$0.0 | \$700.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$12,350.0 | \$13,050.1 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$47,686.4 | \$513,499.4 | \$35,336.4 | \$486,749.3 |



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. *The governor's proposed budget for fiscal years 2017 and 2018 recommends total funding of \$5.6 million.*

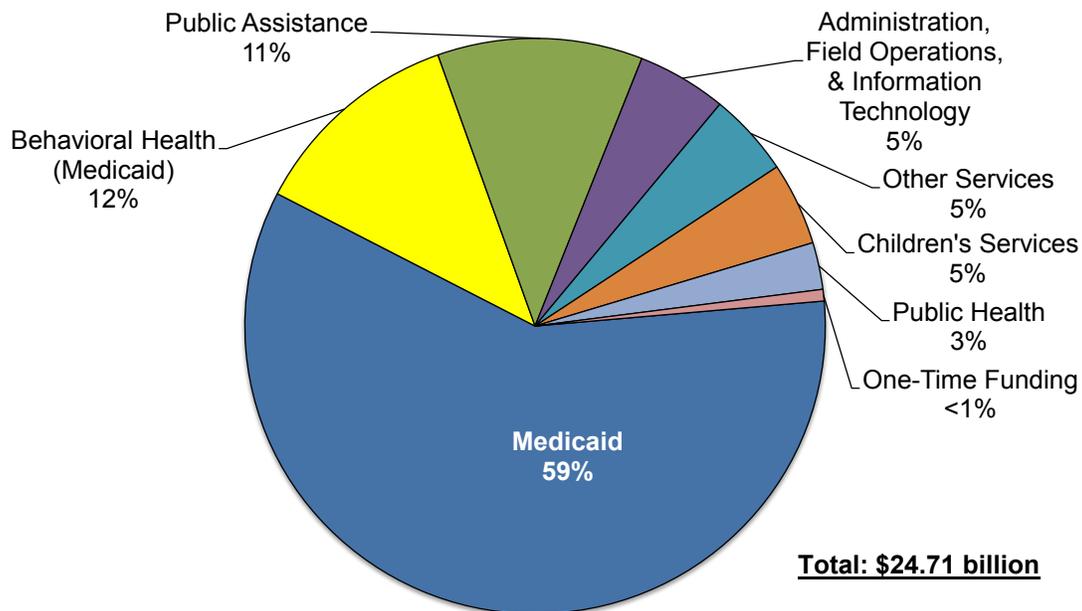
**Governor's Recommendation
Executive Office
(\$ in Thousands)**

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--------------------------------------|------------------------------------|-----------|--------------------------|------------------|--------------------------|------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$5,531.1 | \$5,531.1 | \$5,636.3 | \$5,636.3 | \$5,636.3 | \$5,636.3 |
| One-Time Funding | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$5,531.1 | \$5,531.1 | \$5,636.3 | \$5,636.3 | \$5,636.3 | \$5,636.3 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | <i>1.9%</i> | <i>1.9%</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>1.9%</i> | <i>1.9%</i> | <i>0.0%</i> | <i>0.0%</i> |
| Programs | | | | | | |
| Executive Office Operations | | | \$5,636.3 | \$5,636.3 | \$5,636.3 | \$5,636.3 |
| Total Ongoing Recommendation | | | \$5,636.3 | \$5,636.3 | \$5,636.3 | \$5,636.3 |
| None | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$5,636.3 | \$5,636.3 | \$5,636.3 | \$5,636.3 |

Department of Health and Human Services

The Department of Health and Human Services (DHHS) is responsible for assisting families and individuals to meet their financial, medical, and social service needs, as well as serving as the state's primary health policy organization and manager of publicly funded health care systems. The department provides financial and medical assistance to Michigan's low-income population chiefly through enrollment in the Healthy Michigan Program and through Medicaid health coverage, mental health services, and in connection with local public health programs. The department moves people toward self-sufficiency through employment and training services; and works to prevent abuse, neglect, and exploitation of children and vulnerable adults through direct services. *The governor's proposed budget for fiscal year 2017 recommends total funding of \$24.71 billion, of which \$4.35 billion is general fund. This includes one-time funding of \$40.2 million general fund. The recommendation for fiscal year 2018 is \$24.43 billion, of which \$4.31 billion is general fund.*

Over 70% of the Department Budget Supports Medicaid Programs and Services



Highlights of Governor's Budget Recommendation

- The Healthy Michigan Plan was initiated in 2014 with support from the legislature. The plan required the state to pursue a waiver from the federal government allowing for certain individuals who have been covered under this plan for 48 cumulative months to select a new cost-sharing option. The federal government has approved the state's waiver request and has authorized the continuation of the Healthy Michigan Plan which provides health care coverage to income-eligible uninsured adults. Over 600,000 Michigan residents are enrolled and are receiving health care as a result of the Healthy Michigan Plan. As was known at its inception, Michigan is required to begin contributing to the costs of operating the Healthy Michigan Fund in fiscal year 2017. The federal government will contribute 95 percent and the governor is recommending the state contribute the necessary state match of \$108.7 million general fund to maintain this successful program. Gross funding for the Healthy Michigan Plan is recommended at \$3.42 billion.

- The governor is recommending the full expansion of the Healthy Kids Dental program. This recommendation will be the final step needed to implement coverage in all counties across the state. This effort has been phased in over the last several years and the fiscal year 2017 recommendation will expand coverage to an estimated 131,000 children in Wayne, Oakland, and Kent counties ensuring that children under the age of 21 across the whole of Michigan have access to dental care. This additional funding totals \$25.6 million gross, \$8.9 million general fund and will bring total support for the Healthy Kids Dental Program to \$200 million gross (\$69.7 million general fund).

“For lawmakers and Gov. Rick Snyder, pat yourselves on the back for including dental in the Healthy Michigan Plan and for expanding Healthy Kids Dental to all 83 counties (though teens in the final three counties deserve coverage, too), but don’t let up.”

**Lansing State Journal,
July 8, 2015**

Behavioral Health Services

- The Center for Forensic Psychiatry is Michigan’s psychiatric restoration and evaluation facility for persons identified as Not Guilty by Reason of Insanity and Incompetent to Stand Trial. The governor is recommending that the department expand its service capability by opening a currently unused wing of the facility to allow for the treatment of 30 additional patients, bringing total capacity to 240 patient beds. The expansion, resulting from this investment of \$7.6 million general fund, will assist in moving individuals who are currently housed in other regional hospitals or local jails to a facility better suited to address their mental health needs.
- The governor’s budget continues his support of behavioral health and mental health services in Michigan. Governor Snyder recommends support for these programs with \$3.25 billion gross (\$1.19 billion general fund). Included in this programming recommendation is the continued support for the Mental Health and Wellness Commission, Medicaid mental health services, and Medicaid substance abuse treatment. In addition, funding for autism services is recommended at \$63 million gross (an increase of \$26.6 million). This recommendation reflects the expansion of coverage of applied behavioral analysis for youth up to the age of 21, beginning January 1, 2016.
- The governor recommends that the state begin the process to better integrate mental and behavioral health services with a patient’s physical health treatments. The governor expects to see improved coordination of care and a stronger focus on the needs of an individual patient by initiating a process by which all patient services are closely integrated. This budget recommendation asks the legislature and the health provider community to engage in an important conversation about integrating physical and behavioral health services into the larger consideration of patient need.

Family and Children’s Services

- The governor is recommending an increase in the funding for the children’s clothing allowance. The current \$140 clothing allowance is paid once a year to approximately 20,000 qualified children who reside in homes of adults who do not otherwise qualify for

assistance. The governor is recommending that all 45,000 children eligible for the Family Independence Program (FIP) receive a clothing allowance payment of \$200 per year. This investment in Michigan’s children is funded entirely through federal dollars.

- The DHHS budget recommendation includes \$22.3 million gross (\$7.7 million general fund) to support the continued implementation of the Michigan Statewide Automated Child Welfare Information System (MiSACWIS). This system is a tool for the state and private child welfare agencies to monitor child protective services, foster care, and adoption cases. This fiscal year 2017 investment will build upon the current system’s functionality and will help to ensure that the state is compliant with new federal requirements. Failure to comply with federal direction before fiscal year 2018 could result in fiscal penalties for non-compliance.
- The governor’s budget reinstates the longstanding cost-sharing agreement between the state and counties for certain types of foster care cases. Private agency administrative rates are maintained at the current year rate of \$40 per day. However, the governor’s budget recommends that both new and current cases in out-of-home care be returned to the historic 50/50 state and county cost-sharing model. These policy changes are assumed to save the general fund \$5.2 million.

Medicaid Services

- The state’s projected Medicaid caseload is supported in this budget recommendation with \$14.27 billion gross (\$1.82 billion general fund) for physical health medical services. The Medicaid caseload for fiscal year 2017 is projected at 1.65 million recipients. In addition to this traditional Medicaid population, the Healthy Michigan Plan population exceeds 600,000. In total, the umbrella of the state Medicaid program serves one in five of all Michigan residents.

“Healthy Michigan turned out to be a success, surpassing enrollment estimates. It also contains innovative features to encourage personal responsibility, proving the benefit of allowing states more room to craft health insurance programs outside the strict boundaries of Obamacare.”

**The Detroit News,
April 23, 2015**
- The governor’s recommendation assumes the continuation of policy implemented in fiscal year 2016 related to specialty pharmaceutical coverage. The state’s advisory Pharmacy and Therapeutics Committee recommended extending pharmaceutical coverage for certain individuals infected with Hepatitis C and youth living with cystic fibrosis. DHHS evaluated and concurred with the recommendations provided by the advisory committee because of the medical benefits and improved quality of life available to individuals afforded these treatments. These specialty pharmaceuticals are applicable to a limited population but come with significantly higher costs. Because of the speed with which similar high-cost medications are coming to market, the governor recommends a one-time reserve for unanticipated pharmaceutical needs that may arise during the coming fiscal year.

Resources for the People of Flint

- The recommended budget for DHHS focuses attention on continuing programming intended to evaluate and assist those affected by lead contamination and to dedicate resources to issues which are longer term in nature. In total, the DHHS fiscal year 2017 budget includes \$15.1 million gross (\$9.1 million general fund) specifically intended to assist the people of Flint.
 - o Nutritional services will be provided throughout the community to ensure that children and families have access to foods high in nutrients known to combat lead in the body. Resources will be allocated through food banks, in coordination with the Women, Infants, and Children (WIC) program, Double Up Food Bucks and other existing nutrition programming (\$4.7 million gross, \$1.1 million general fund).
 - o Food inspection costs of \$150,000 general fund will support the Department of Agriculture and Rural Development's work with local public health officials to monitor restaurants and other public venues.
 - o Additional funding will support existing Child and Adolescent health centers and additional Pathways to Potential staff in local schools to assist in providing children and their families a connection to the proper benefits and services that they need (\$1.1 million gross, \$949,500 general fund).
 - o Direct appropriations to the local community mental health provider will allow for the coordination with other key local health providers ensuring that children with elevated blood levels are evaluated and guided to the appropriate medical care, including intensive therapies and crisis intervention as needed (\$6.9 million gross, \$5 million general fund).
 - o Increased funding for lead investigations will support the evaluation of residences to determine the cause of lead exposure and to develop a plan for mitigation of lead (\$1.5 million gross, \$1 million general fund).
- In addition, Governor Snyder recommends a fiscal year 2016 supplemental appropriation of \$2.2 million general fund to continue to address immediate nutritional needs, to deploy resources for evidence based home visitation programs, and to support children requiring intensive therapies.

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

| | FY2016 | | FY2017 | | FY2018 | |
|---|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Current Law (as of 1-28-16) | | Recommendation | | Recommendation | |
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$4,135,398.1 | \$25,061,837.1 | \$4,310,548.1 | \$24,547,160.3 | \$4,312,132.1 | \$24,434,360.3 |
| One-Time Funding | \$8,250.1 | \$9,650.1 | \$40,219.2 | \$160,807.4 | \$0.0 | \$0.0 |
| Total Funding | \$4,143,648.2 | \$25,071,487.2 | \$4,350,767.3 | \$24,707,967.7 | \$4,312,132.1 | \$24,434,360.3 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 4.2% | -2.1% | 0.0% | -0.5% |
| | <i>One-Time Funding</i> | | 387.5% | 1566.4% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 5.0% | -1.4% | -0.9% | -1.1% |
| Programs | | | | | | |
| Medicaid | | \$1,869,363.2 | \$14,576,651.7 | \$1,866,200.2 | \$14,463,851.7 | |
| Behavioral Health / Substance Abuse Services | | \$972,319.6 | \$2,955,545.6 | \$977,066.6 | \$2,955,545.6 | |
| Food Assistance | | \$0.0 | \$2,348,117.4 | \$0.0 | \$2,348,117.4 | |
| Administration and Field Operations | | \$409,498.2 | \$1,232,915.0 | \$409,498.2 | \$1,232,915.0 | |
| Children's Services Agency | | \$443,181.1 | \$1,148,309.4 | \$443,181.1 | \$1,148,309.4 | |
| Public Health / Maternal and Child Health Services | | \$73,932.3 | \$651,536.3 | \$73,932.3 | \$651,536.3 | |
| Other Public Assistance | | \$106,386.6 | \$476,011.0 | \$106,386.6 | \$476,011.0 | |
| State Psychiatric Hospitals / Forensic Center | | \$218,232.1 | \$293,902.2 | \$218,232.1 | \$293,902.2 | |
| Children's Special Health Care Services | | \$129,670.4 | \$246,596.1 | \$129,670.4 | \$246,596.1 | |
| Child Support Operations | | \$34,506.3 | \$209,899.3 | \$34,506.3 | \$209,899.3 | |
| Disability Determination Services | | \$3,433.3 | \$111,995.6 | \$3,433.3 | \$111,995.6 | |
| Community Support Services | | \$12,518.4 | \$109,430.5 | \$12,518.4 | \$109,430.5 | |
| Aging and Adult Services Agency | | \$36,835.5 | \$101,386.0 | \$36,835.5 | \$101,386.0 | |
| Crime Victim Services Commission | | \$0.0 | \$78,314.4 | \$0.0 | \$78,314.4 | |
| Child Welfare Licensing | | \$671.1 | \$6,549.8 | \$671.1 | \$6,549.8 | |
| Total Ongoing Recommendation | | \$4,310,548.1 | \$24,547,160.3 | \$4,312,132.1 | \$24,434,360.3 | |
| Pharmacy Reserve Fund | | \$30,000.0 | \$86,083.2 | \$0.0 | \$0.0 | |
| Integrated Service Delivery IT Project | | \$0.0 | \$36,922.5 | \$0.0 | \$0.0 | |
| Flint Declaration of Emergency | | \$9,094.2 | \$15,138.1 | \$0.0 | \$0.0 | |
| Michigan Statewide Automated Child Welfare Information System (MiSACWIS) Implementation | | \$0.0 | \$11,538.6 | \$0.0 | \$0.0 | |
| Expansion of Family Preservation Programs | | \$0.0 | \$10,000.0 | \$0.0 | \$0.0 | |
| Autism Navigator | | \$1,125.0 | \$1,125.0 | \$0.0 | \$0.0 | |
| Total One-Time Recommendation | | \$40,219.2 | \$160,807.4 | \$0.0 | \$0.0 | |
| TOTAL RECOMMENDATION | | \$4,350,767.3 | \$24,707,967.7 | \$4,312,132.1 | \$24,434,360.3 | |



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 2017 and 2018 recommends total funding of \$1.6 billion, of which \$1.3 billion is general fund.*

Highlights of Governor's Budget Recommendation

- The Executive Budget invests an additional 4.3 percent, or \$61.2 million, in state university operations. This increase brings total operating funds for universities to over \$1.4 billion and restores aggregate university funding to fiscal year 2011 levels.
- One-half of the increase in university operations funding is distributed across-the-board and one-half through the current performance formula. This formula provides long-term planning stability to state universities while continuing to emphasize the following performance metrics: 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 4.8 percent or less in order to receive any new performance funding. This cap represents double the level of expected inflation.

| FY 2017 State University Funding (\$ in Thousands) | | | |
|--|----------------------|----------------------|------------------|
| University | Operations Funding | Performance Funding* | Percent Increase |
| Central Michigan University | \$81,127.1 | \$4,205.1 | 5.2% |
| Eastern Michigan University | 71,782.5 | 3,322.9 | 4.6% |
| Ferris State University | 50,369.8 | 2,840.2 | 5.6% |
| Grand Valley State University | 65,275.7 | 4,436.3 | 6.8% |
| Lake Superior State University | 13,207.4 | 541.0 | 4.1% |
| Michigan State University | 268,770.7 | 10,355.5 | 3.9% |
| Michigan Technological University | 46,754.7 | 2,017.8 | 4.3% |
| Northern Michigan University | 45,107.7 | 1,760.3 | 3.9% |
| Oakland University | 48,371.9 | 2,928.3 | 6.1% |
| Saginaw Valley State University | 28,181.2 | 1,401.7 | 5.0% |
| University of Michigan - Ann Arbor | 299,975.0 | 12,718.5 | 4.2% |
| University of Michigan - Dearborn | 24,033.1 | 1,157.4 | 4.8% |
| University of Michigan - Flint | 21,815.4 | 1,102.9 | 5.1% |
| Wayne State University | 191,451.3 | 6,631.5 | 3.5% |
| Western Michigan University | 104,334.1 | 4,368.0 | 4.2% |
| Subtotal: | \$1,360,557.6 | \$59,787.4 | 4.4% |
| MSU AgBioResearch & Extension | 60,503.1 | 1,412.6 | 2.3% |
| Total: | \$1,421,060.7 | \$61,200.0 | 4.3% |

*One-half of performance funding is distributed across-the-board and one-half through the performance formula.

- Included within the proposed operations increase is a combined \$1.4 million for Michigan State University AgBioResearch and Extension. This brings total funding for these programs to \$61.9 million.
- The governor's budget continues to recommend a cap on the amount of unfunded accrued liability contributions paid by the seven member universities of the Michigan Public School Employees Retirement System, with the state making payments for amounts over the cap. This requires \$730,000 in new funding and total ongoing funds of \$5.9 million. The state funding provides member universities with a more predictable cost for their retirement payments, facilitating greater long-term planning. Legislation is needed to authorize the proposed rate cap.
- Total recommended funding for student financial aid is \$107.5 million. An additional \$2 million funds increased reimbursement costs for the Tuition Incentive Program (TIP), supporting Michigan's low-income postsecondary students. Beginning in fiscal year 2018, the governor recommends capping TIP reimbursements to any university or college at \$8.5 million per year.
- State Building Authority rent payments of \$145 million, all general fund, support debt service for recently constructed university building projects.

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

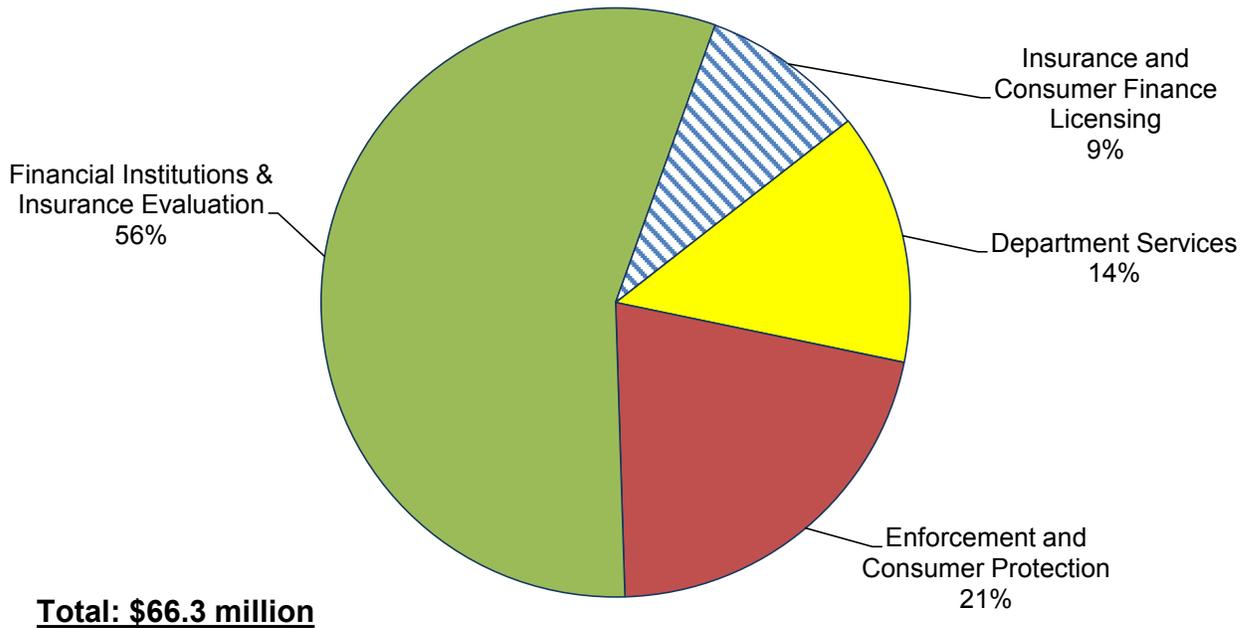
| | FY2016 Current Law | | | FY2017 Recommendation | | | FY2018 Recommendation | | |
|--|-----------------------|--------------------|----------------------|--------------------------|----------------------|----------------------|--------------------------|----------------------|----------------------|
| | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds |
| | Ongoing Funding | \$1,232,418.5 | \$205,179.5 | \$1,534,724.4 | \$1,262,418.5 | \$237,109.5 | \$1,598,654.4 | \$1,262,418.5 | \$237,309.5 |
| One-Time Funding | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$1,232,418.5 | \$205,179.5 | \$1,534,724.4 | \$1,262,418.5 | \$237,109.5 | \$1,598,654.4 | \$1,262,418.5 | \$237,309.5 | \$1,598,854.4 |
| <i>% Change from Previous Year</i> | | | | | | | | | |
| | | | | 2.4% | 15.6% | 4.2% | 0.0% | 0.1% | 0.0% |
| | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | | | 2.4% | 15.6% | 4.2% | 0.0% | 0.1% | 0.0% |
| Programs | | | | | | | | | |
| University Operations | | | \$1,129,338.1 | \$231,219.5 | \$1,360,557.6 | \$1,189,125.5 | \$231,219.5 | \$1,420,345.0 | |
| Student Financial Aid | | | \$8,370.8 | \$0.0 | \$107,497.2 | \$8,370.8 | \$0.0 | \$107,497.2 | |
| MSU AgBioResearch and Extension Activities | | | \$61,915.7 | \$0.0 | \$61,915.7 | \$61,915.7 | \$0.0 | \$61,915.7 | |
| University Performance Funding | | | \$59,787.4 | \$0.0 | \$59,787.4 | \$0.0 | \$0.0 | \$0.0 | |
| MPSERS Contributions | | | \$0.0 | \$5,890.0 | \$5,890.0 | \$0.0 | \$6,090.0 | \$6,090.0 | |
| Statewide Programs | | | \$3,006.5 | \$0.0 | \$3,006.5 | \$3,006.5 | \$0.0 | \$3,006.5 | |
| Total Ongoing Recommendation | | | \$1,262,418.5 | \$237,109.5 | \$1,598,654.4 | \$1,262,418.5 | \$237,309.5 | \$1,598,854.4 | |
| 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 | | | \$1,262,418.5 | \$237,109.5 | \$1,598,654.4 | \$1,262,418.5 | \$237,309.5 | \$1,598,854.4 | |



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 2017 and 2018 recommends total funding of \$66.3 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 \$37.1 million for financial institutions and insurance evaluation, \$14.1 million for enforcement and consumer protection, \$9.2 million for department services and information technology, and \$5.9 million for insurance and consumer finance licensing.
- Funding of \$150,000 general fund is recommended to continue to study and analyze the impact of the Healthy Michigan Plan on private market insurance rates.

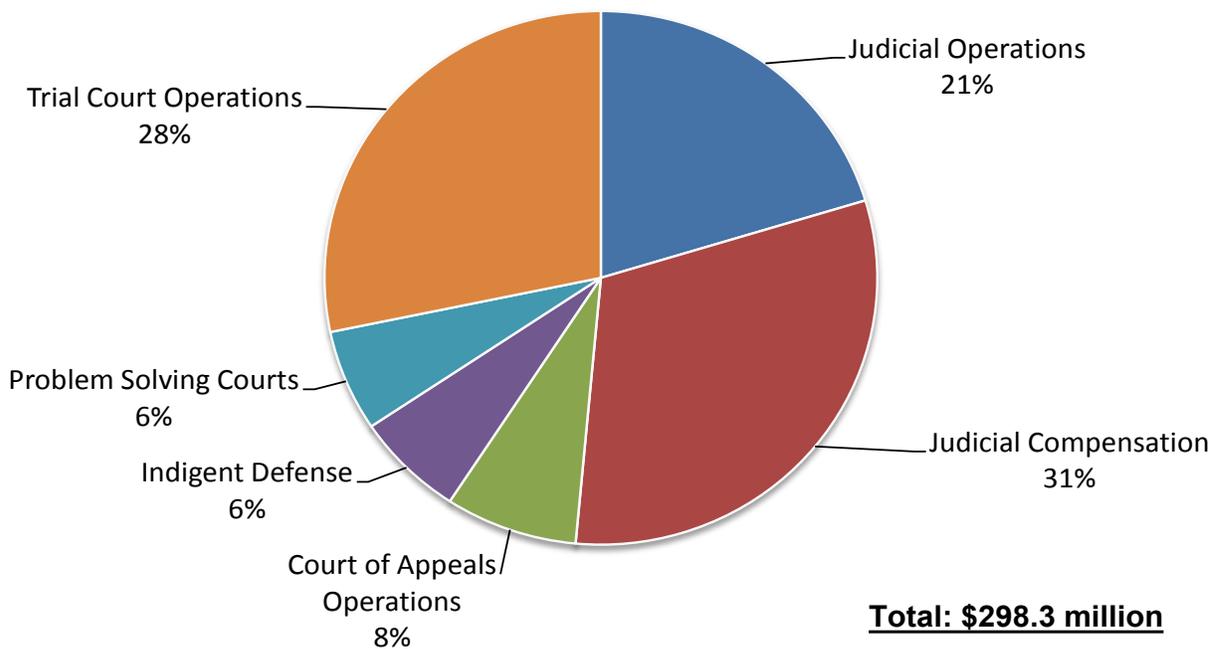
Governor's Recommendation
Department of Insurance and Financial Services
(\$ in Thousands)

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|------------------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$150.0 | \$65,057.7 | \$150.0 | \$66,307.2 | \$150.0 | \$66,307.2 |
| One-Time Funding | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$150.0 | \$65,057.7 | \$150.0 | \$66,307.2 | \$150.0 | \$66,307.2 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | <i>0.0%</i> | <i>1.9%</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>1.9%</i> | <i>0.0%</i> | <i>0.0%</i> |
| Programs | | | | | | |
| Financial Institutions and Insurance Evaluation | | | \$0.0 | \$37,121.7 | \$0.0 | \$37,121.7 |
| Enforcement and Consumer Protection | | | \$0.0 | \$14,077.1 | \$0.0 | \$14,077.1 |
| Department Services | | | \$150.0 | \$9,165.9 | \$150.0 | \$9,165.9 |
| Insurance and Consumer Finance Licensing | | | \$0.0 | \$5,942.5 | \$0.0 | \$5,942.5 |
| Total Ongoing Recommendation | | | \$150.0 | \$66,307.2 | \$150.0 | \$66,307.2 |
| 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 | \$66,307.2 | \$150.0 | \$66,307.2 |

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 2017 and 2018 recommends total ongoing funding of \$295.8 million. In fiscal year 2017, the general fund component is \$186.6 million, growing to \$186.7 million in 2018. In addition, the governor recommends one-time funding of \$2.6 million general fund in fiscal year 2017.*

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



Highlights of Governor's Budget Recommendation

Problem-Solving Courts

The governor recommends \$18.3 million (\$12.7 million general fund) for problem-solving courts focused on reducing recidivism rates and substance abuse among nonviolent offenders.

- The governor maintains \$11 million (\$5.4 million general fund) in ongoing support 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 highly successful courts improve public safety by reducing repeat offenses and save money by avoiding expensive incarceration. The governor adds \$500,000 in one-time general fund for drug courts to serve 50 to 75 additional participants within Michigan's 119 drug courts.

- One-time general fund support of \$500,000 will expand veterans' courts from 22 to approximately 26. Veterans' courts deliver a hybrid integration of drug and mental health services to military veterans to promote sobriety, recovery, and stability.
 - The budget also provides \$500,000 general fund one-time support to pilot a new Medication Assisted Treatment program within existing drug treatment courts targeting new drug or sobriety court admissions with heroin or other opiate disorders. The Medication Assisted Treatment program will operate in partnership with the departments of Corrections and Health and Human Services, and with probation officers, law enforcement, and physicians.
- *" . . . if mental health or substance abuse leads someone to crime, then treating those problems can improve their lives and prevent them from committing new crimes. . . . Our goal is for as many courts and judges as possible to have the resources of our highly successful problem-solving courts."*

Governor Rick Snyder,
A Special Message on Criminal Justice,
May 18, 2015

- The governor maintains support for mental health courts and diversion services with \$5.3 million. Targeting offenders with severe mental illness, mental health courts increase public safety, reduce recidivism rates, and lessen the overrepresentation of persons with mental illness in the criminal justice system. Jail diversion services include outpatient treatment assistance and court review hearings.

Efficient Government

- The statewide electronic filing system is supported with \$8.5 million in new judicial electronic filing fund revenue. The statewide electronic filing system facilitates filing documents in the Supreme Court, Court of Appeals, Court of Claims, circuit court, probate court, and district court. Pursuant to Public Acts 230 through 235 of 2015, revenue from the new judicial electronic filing fee will fully support the implementation, operation, and maintenance of a statewide electronic filing system and supporting technology.
- The recommended budget recognizes an additional net savings of \$259,700 general fund from the elimination of unnecessary judgeships. As a fiscally responsible standout, Michigan leads the nation in savings resulting from assuring that the number of judgeships matches the workload. The ongoing savings are projected to increase to \$4.5 million in fiscal year 2017, up from approximately \$600,000 in 2011.

Expanded Legal Representation

- The Executive Budget includes \$1.3 million general fund to facilitate the Michigan Indigent Defense Commission's reform efforts and to improve Michigan's provision of legal defense to the indigent. Additional commission staff will provide technical support and oversight to local courts to ensure their compliance with minimum indigent defense standards.

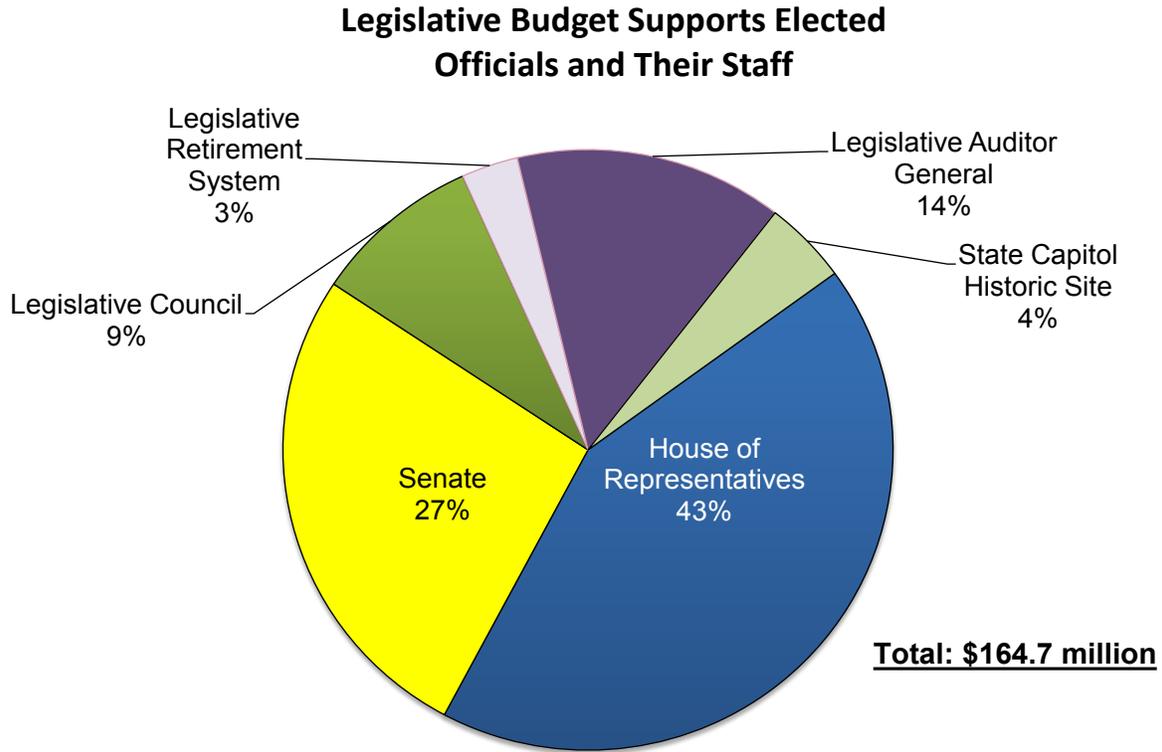
- A \$1.1 million one-time general fund increase to the State Appellate Defender Office is included to ensure Michigan's compliance with the United States Supreme Court 2016 *Montgomery v Louisiana* decision. Additional staff will address the increase in appeals from juvenile lifers and provide post-conviction resentencing representation. The governor's budget also includes an additional \$167,000 general fund to continue indigent defense training.
- The governor includes \$300,000 ongoing general fund to maintain the Michigan Courts Self Help Center. Through its self-help website and affiliated centers, this system provides around-the-clock free legal information and assistance to individuals representing themselves in civil legal matters including complaints, personal protection orders, divorce, custody, parenting time, child support, annulment, paternity, domestic violence, and housing matters.

Governor's Recommendation
Judiciary
(\$ in Thousands)

| | FY2016 | | FY2017 | | FY2018 | |
|---|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Current Law (as of 1/28/16) | | Recommendation | | Recommendation | |
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$183,442.2 | \$284,651.4 | \$186,584.8 | \$295,661.4 | \$186,686.3 | \$295,762.9 |
| One-Time Funding | \$200.0 | \$200.0 | \$2,600.0 | \$2,600.0 | \$0.0 | \$0.0 |
| Total Funding | \$183,642.2 | \$284,851.4 | \$189,184.8 | \$298,261.4 | \$186,686.3 | \$295,762.9 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | <i>1.7%</i> | <i>3.9%</i> | <i>0.1%</i> | <i>0.0%</i> |
| | <i>One-Time Funding</i> | | <i>1200.0%</i> | <i>1200.0%</i> | <i>-100.0%</i> | <i>-100.0%</i> |
| | <i>Total Funding</i> | | <i>3.0%</i> | <i>4.7%</i> | <i>-1.3%</i> | <i>-0.8%</i> |
| Programs | | | | | | |
| Justices' and Judges' Compensation | | | \$89,905.2 | \$92,893.3 | \$90,006.7 | \$92,994.8 |
| Judicial Trial Court Operations | | | \$10,375.7 | \$84,280.7 | \$10,375.7 | \$84,280.7 |
| Judicial Operations | | | \$42,237.1 | \$60,601.9 | \$42,237.1 | \$60,601.9 |
| Court of Appeals Operations | | | \$23,102.7 | \$23,102.7 | \$23,102.7 | \$23,102.7 |
| Indigent Defense | | | \$9,763.9 | \$17,987.1 | \$9,763.9 | \$17,987.1 |
| Problem Solving Courts | | | \$11,200.2 | \$16,795.7 | \$11,200.2 | \$16,795.7 |
| Total Ongoing Recommendation | | | \$186,584.8 | \$295,661.4 | \$186,686.3 | \$295,762.9 |
| Compliance with USSC 2016 Montgomery v. Louisiana | | | \$1,100.0 | \$1,100.0 | \$0.0 | \$0.0 |
| Problem Solving Court Expansion | | | \$1,000.0 | \$1,000.0 | \$0.0 | \$0.0 |
| Medication Assisted Treatment Pilot Program | | | \$500.0 | \$500.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$2,600.0 | \$2,600.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$189,184.8 | \$298,261.4 | \$186,686.3 | \$295,762.9 |

Legislature

The Michigan 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 a sovereign and 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 2017 and 2018 recommends total funding of \$164.7 million, of which \$152.5 million is general fund.*



Highlights of Governor's Budget Recommendation

- The Executive Budget provides \$119.2 million for the Senate, the House of Representatives, associated fiscal agencies, and supporting entities.
- The Legislative Council is a bipartisan, bicameral entity established in the constitution. The Executive Budget provides \$14.7 million to support Council operations which include bill drafting, research, and other services to the legislature.
- Over \$23.4 million is recommended for the Office of Auditor General, with constitutional authority to conduct financial and performance audits of all state branches, departments, offices, boards, authorities, and other institutions.
- The Executive Budget recommends \$7.4 million for the State Capitol Historic Site. This funding will maintain and restore the State Capitol building and grounds.

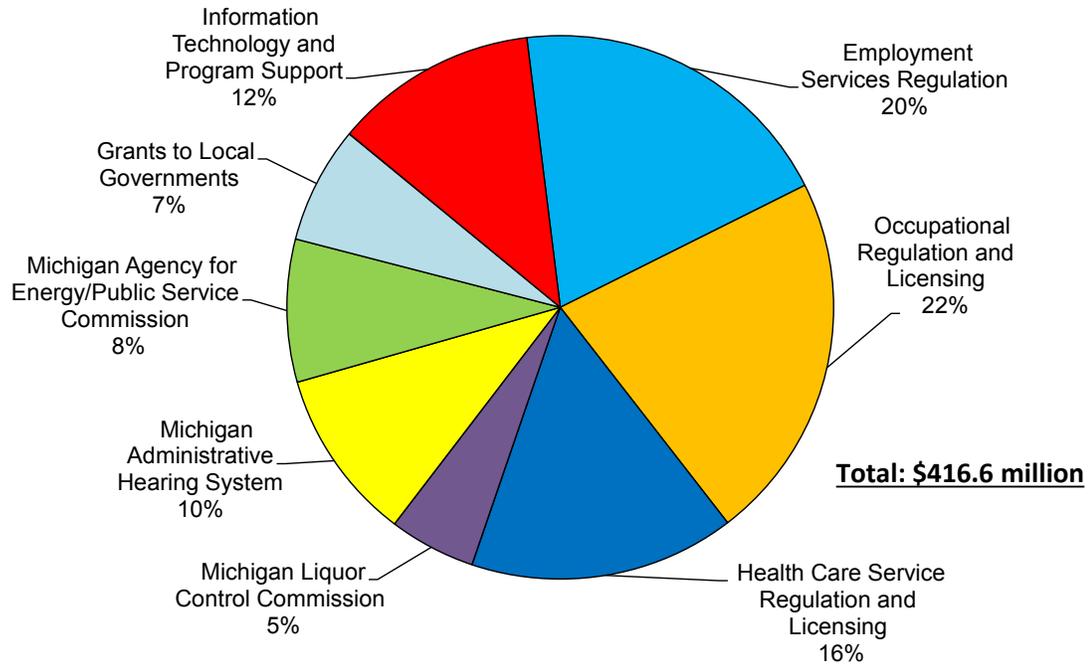
**Governor's Recommendation
Legislature
(\$ in Thousands)**

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--------------------------------------|------------------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$147,332.4 | \$159,304.8 | \$152,501.7 | \$164,705.5 | \$152,501.7 | \$164,705.5 |
| One-Time Funding | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Funding | \$147,332.4 | \$159,304.8 | \$152,501.7 | \$164,705.5 | \$152,501.7 | \$164,705.5 |
| | <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 | | | \$70,502.2 | \$70,502.2 | \$70,502.2 | \$70,502.2 |
| Senate | | | \$43,655.1 | \$43,655.1 | \$43,655.1 | \$43,655.1 |
| Auditor General Operations | | | \$15,923.9 | \$23,451.9 | \$15,923.9 | \$23,451.9 |
| Legislative Council | | | \$14,343.1 | \$14,743.1 | \$14,343.1 | \$14,743.1 |
| State Capitol Historic Site | | | \$4,269.2 | \$7,390.4 | \$4,269.2 | \$7,390.4 |
| Legislative Retirement System | | | \$3,808.2 | \$4,962.8 | \$3,808.2 | \$4,962.8 |
| Total Ongoing Recommendation | | | \$152,501.7 | \$164,705.5 | \$152,501.7 | \$164,705.5 |
| None | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$152,501.7 | \$164,705.5 | \$152,501.7 | \$164,705.5 |

Department of Licensing and Regulatory Affairs

The Department of Licensing and Regulatory Affairs (LARA) serves as the state’s primary regulatory agency, providing oversight of health and child care, business, construction, employment, energy, liquor, and professional occupations. *The governor’s proposed budget for fiscal years 2017 and 2018 recommends total ongoing funding of \$412.6 million, of which \$40.3 million is general fund. The governor also recommends \$4 million in one-time funding in fiscal year 2017, of which \$2.5 million is general fund.*

Over 1.2 Million Businesses and Individuals are Licensed and Regulated by LARA



Highlights of Governor’s Budget Recommendation

- As part of a series of recommendations from Lt. Governor Calley’s Michigan Prescription Drug and Opioid Abuse Task Force, the Executive Budget includes \$4.5 million general fund to upgrade the Michigan Automated Prescription System (MAPS). MAPS is a statewide database that assists in the prevention of prescription drug abuse by collecting and monitoring information related to prescription dispensed controlled substances. The enhancement of MAPS will allow for better coordination between health professionals and law enforcement agencies investigating prescription drug and opioid abuse in the state. Additionally, this funding will support additional analysts, technicians, and pharmacy investigators to further improve the prescription monitoring program.
- The Executive Budget includes \$1.5 million in one-time restricted funds for additional information technology enhancements within the Michigan Liquor Control Commission that support the pricing, ordering, payment and delivery of spirits throughout the state. These enhancements will improve business processes and system reliability for licensees, vendors and distributors, and will complete a series of multi-year information technology upgrades.

- In 2015, Governor Snyder issued Executive Order No. 2015-10 creating the Michigan Agency for Energy to ensure Michigan is taking the right steps for an affordable, reliable, and environmentally protective energy future. The governor's budget provides an additional \$984,300 in restricted funds to support interagency cooperation, energy mandates, emergency coordination, waste reduction, and improved reliability of the state's current energy assets. The Department of State Police budget also includes \$750,000 of one-time funds for risk assessment and planning related to energy generation and distribution systems.

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

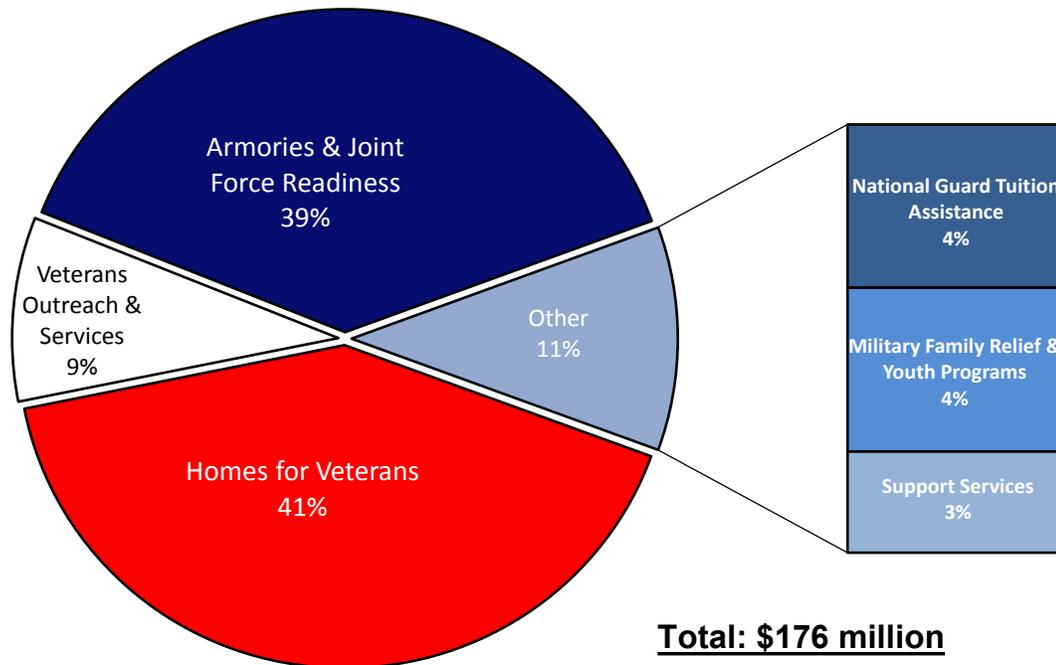
| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|------------------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$38,481.5 | \$407,649.0 | \$40,343.2 | \$412,537.5 | \$40,343.2 | \$412,537.5 |
| One-Time Funding | \$0.0 | \$200.0 | \$2,470.0 | \$4,030.0 | \$0.0 | \$0.0 |
| Total Funding | \$38,481.5 | \$407,849.0 | \$42,813.2 | \$416,567.5 | \$40,343.2 | \$412,537.5 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 4.8% | 1.2% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 0.0% | 1915.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 11.3% | 2.1% | -5.8% | -1.0% |
| Programs | | | | | | |
| Occupational Regulation and Licensing | | | \$5,716.7 | \$88,935.9 | \$5,716.7 | \$88,935.9 |
| Employment Services Regulation | | | \$10,920.9 | \$81,419.7 | \$10,920.9 | \$81,419.7 |
| Health Care Service Regulation and Licensing | | | \$19,086.9 | \$65,365.3 | \$19,086.9 | \$65,365.3 |
| Information Technology and Program Support | | | \$2,144.9 | \$50,221.7 | \$2,144.9 | \$50,221.7 |
| Michigan Administrative Hearing System | | | \$691.5 | \$42,554.8 | \$691.5 | \$42,554.8 |
| Grants to Local Governments | | | \$1,225.7 | \$28,975.7 | \$1,225.7 | \$28,975.7 |
| Michigan Public Service Commission | | | \$0.0 | \$22,395.4 | \$0.0 | \$22,395.4 |
| Michigan Liquor Control Commission | | | \$0.0 | \$19,739.9 | \$0.0 | \$19,739.9 |
| Michigan Agency for Energy | | | \$556.6 | \$12,929.1 | \$556.6 | \$12,929.1 |
| Total Ongoing Recommendation | | | \$40,343.2 | \$412,537.5 | \$40,343.2 | \$412,537.5 |
| Michigan Automated Prescription System Upgrades | | | \$2,470.0 | \$2,470.0 | \$0.0 | \$0.0 |
| Michigan Liquor Control Commission IT Upgrades | | | \$0.0 | \$1,560.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$2,470.0 | \$4,030.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$42,813.2 | \$416,567.5 | \$40,343.2 | \$412,537.5 |



Department of Military and Veterans Affairs

The primary mission of the Department of Military and Veterans Affairs is military and emergency preparedness, and services to veterans. The department is a key partner with the federal government in defending sovereign interests of the United States globally while protecting the lives and property of Michigan residents during times of natural disaster and public emergencies. There are currently 10,174 members of the Michigan National Guard, including 479 who are currently deployed. *The governor's proposed budget for fiscal years 2017 and 2018 recommends ongoing funding of \$168.5 million, of which \$49.6 million is general fund. One-time funding of \$7.5 million general fund is recommended in fiscal year 2017.*

Half of Funding Supports Services to Veterans



Highlights of Governor's Budget Recommendation

- The governor includes \$87.2 million (\$15.3 million general fund) for National Guard operations, outreach services, national defense, and homeland security. This includes a one-time general fund appropriation of \$2.5 million for armory maintenance.
- The governor recommends an additional \$1.1 million general fund to increase the National Guard Tuition Assistance Fund to \$3.5 million. The Tuition Assistance Fund is used to reimburse National Guard members for tuition and training costs at any public or private college, university, vocational school, technical school or trade school located in Michigan.
- The Michigan Veterans Affairs Agency is funded with \$16.2 million (\$11 million general fund) to help connect veterans with employment, housing, education, emergency assistance, and healthcare benefits.

Veteran Health System

The governor recommends over \$70 million to support the Grand Rapids and D.J. Jacobetti Homes for Veterans which provide direct nursing and domiciliary care for more than 600 veterans through our Michigan Veteran Health System.

In an effort to best position Michigan to meet the future health care needs of its 650,000 veterans, and to structure our veterans homes for long-term financial stability, the governor recommends pursuit of federal certification from the Centers for Medicare and Medicaid Services (CMS). Experts and stakeholders in the veteran health care industry believe CMS certification is critical to the long-term financial stability of Michigan's veterans homes, and implementation of industry best practices for provision of health care. CMS certification will enable opportunities for improvement in quality and quantity of services to veterans via public-private partnerships. Through such partnership opportunities, the Michigan Veteran Health System will have the capacity to deliver needed specialized services including physical and occupational therapy, behavioral health services, community-based adult day care services, and assisted living services.

The existing funding model for our veteran facilities involves a mix of federal resources, state general fund support, and client contributions. CMS certification will enable Michigan to leverage these existing resources to infuse a new federal source of revenue in the Michigan Veteran Health System, leading to structural financial stability. Working in partnership with the Department of Health and Human Services, a unique Medicaid rate will be developed specific to Michigan veteran homes, utilizing an actuarial-managed care approach.

- Fiscal year 2016 supplemental funding of \$1.9 million general fund will support efforts to implement a Medicaid pilot at the D.J. Jacobetti Veterans Facility. These resources will support a Medicaid consultant to provide guidance on the certification process, additional nursing staffing needed to accommodate CMS specifications, as well as minor physical plant changes.
- The governor's 2017 recommendation builds on the current year CMS certification effort and provides \$1.1 million on-going general fund support for additional staffing, and \$5 million one-time general fund for 4th floor remodeling to accommodate expansion of the CMS certification pilot to the Grand Rapids Home for Veterans.
- In addition, \$2.3 million general fund is included as a current year supplemental request to offset a projected shortfall in restricted revenue, with a corresponding base adjustment of the same amount included in the fiscal year 2017 recommendation.

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

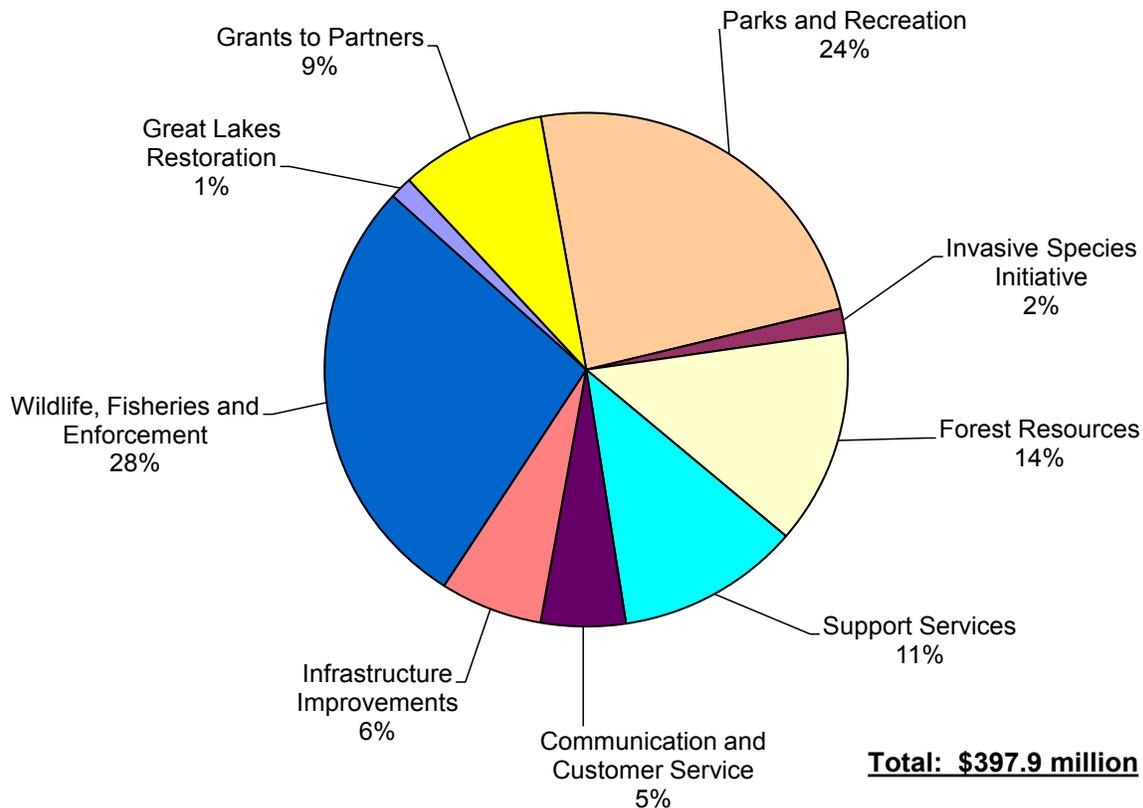
| | FY2016 Current Law (as of 1/28/16) | | FY2017 Recommendation | | FY2018 Recommendation | |
|---|---------------------------------------|-------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$48,187.3 | \$163,953.7 | \$49,643.6 | \$168,500.2 | \$49,643.6 | \$168,500.2 |
| One-Time Funding | \$3,000.0 | \$3,000.0 | \$7,500.0 | \$7,500.0 | \$0.0 | \$0.0 |
| Total Funding | \$51,187.3 | \$166,953.7 | \$57,143.6 | \$176,000.2 | \$49,643.6 | \$168,500.2 |
| <i>% Change from Previous Year</i> | | | | | | |
| | <i>Ongoing Funding</i> | | 3.0% | 2.8% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 150.0% | 150.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 11.6% | 5.4% | -13.1% | -4.3% |
| Programs | | | | | | |
| National Guard Operations and Outreach Services | | | \$12,811.5 | \$84,678.4 | \$12,811.5 | \$84,678.4 |
| Homes for Veterans | | | \$25,841.3 | \$67,619.7 | \$25,841.3 | \$67,619.7 |
| Veterans Outreach and Services | | | \$10,990.8 | \$16,202.1 | \$10,990.8 | \$16,202.1 |
| Total Ongoing Recommendation | | | \$49,643.6 | \$168,500.2 | \$49,643.6 | \$168,500.2 |
| Capital Outlay - Grand Rapids Home for Veterans | | | \$5,000.0 | \$5,000.0 | \$0.0 | \$0.0 |
| Armory Infrastructure Upgrades | | | \$2,500.0 | \$2,500.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$7,500.0 | \$7,500.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$57,143.6 | \$176,000.2 | \$49,643.6 | \$168,500.2 |



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 2017 recommends total funding of \$397.9 million, of which \$39.6 million is general fund. This includes one-time funding of \$8.7 million, of which \$1.3 million is general fund. The recommendation for fiscal year 2018 is \$388.7 million, of which \$38.3 million is general fund.*

DNR Funds a Variety of Recreational and Conservation Activities



Highlights of Governor's Budget Recommendation

The fiscal year 2017 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 \$150,000 ongoing funding and \$1 million one-time restricted funds to replace aging forest fire equipment. The DNR has over 350 pieces of forest fire equipment, more than half of which are at least 20 years old. Replacement of aging equipment is critical to support a fire fighting force that relies on rapid initial response utilizing specialized mechanized equipment to suppress wildfires and support local fire departments.
- The fiscal year 2017 Executive Recommendation includes \$2.1 million one-time restricted forest development funds to further enhance the Vegetative Management System to provide a more customer-friendly, efficient, and cost-effective system for administering timber sales.

- The governor recommends \$2.1 million restricted forest development funds and 7 new staff to help increase the supply of sustainable timber in an effort to attract further commercial investment in Michigan.
- The governor recommends \$4 million in one-time restricted funds to replace the land ownership tracking system. This investment will simplify records management of state land and support direct inquiry by local governments and private stakeholders, providing improved transparency and accountability.
- Included in the Executive Recommendation is an additional \$1 million one-time general fund for the invasive species prevention and control program, bringing total funding up to \$6 million. The additional funding is intended to spur innovation to prevent Asian Carp from entering Michigan waterways.
- The governor recommends a one-time investment of \$600,000 (\$300,000 general fund) to create a real-time electronic system for state-licensed commercial and tribal fishers and wholesale dealers to report harvest and transaction information. Federal, state, and tribal governments use this information to establish harvest levels and regulations of commercial and recreational fish within the Great Lakes. A recent Lean Process Improvement project found that 95 percent of the current 945 day process could be eliminated by improving the reporting systems for commercial harvest and wholesale transactions.
- The governor recommends capital outlay planning authorization to support increased rearing and stocking capabilities of coolwater fish species such as steelhead, walleye, northern pike, and muskellunge. This estimated \$12.2 million project will provide for a coolwater fish production facility and upgrade critical fish life support systems at the Thompson State Fish Hatchery, as well as renovating facilities at the Little Manistee River Weir. The planning authorization is contained in the Department of Technology, Management and Budget recommendation.

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

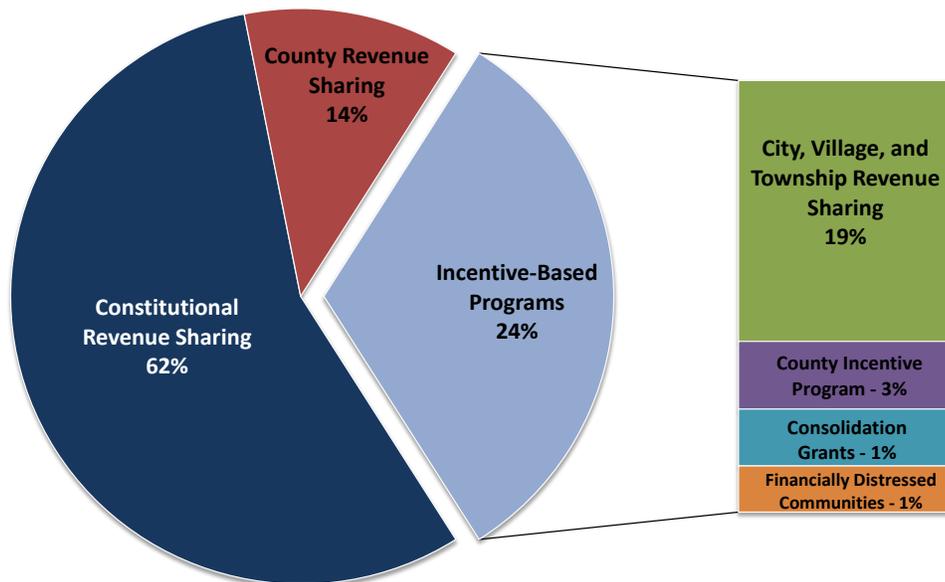
| | FY2016 | | FY2017 | | FY2018 | |
|---------------------------------------|------------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| | Current Law (as of 1/28/16) | | Recommendation | | Recommendation | |
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$38,522.8 | \$383,464.2 | \$38,260.0 | \$389,204.1 | \$38,260.0 | \$388,704.1 |
| One-Time Funding | \$1,075.0 | \$20,537.0 | \$1,300.0 | \$8,700.0 | \$0.0 | \$0.0 |
| Total Funding | \$39,597.8 | \$404,001.2 | \$39,560.0 | \$397,904.1 | \$38,260.0 | \$388,704.1 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | -0.7% | 1.5% | 0.0% | -0.1% |
| | <i>One-Time Funding</i> | | 20.9% | -57.6% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | -0.1% | -1.5% | -3.3% | -2.3% |
| Programs | | | | | | |
| Wildlife, Fisheries and Enforcement | | | \$11,620.3 | \$109,498.1 | \$11,620.3 | \$109,498.1 |
| Parks and Recreation | | | \$2,452.5 | \$92,381.1 | \$2,452.5 | \$92,381.1 |
| Forest Resources Management | | | \$7,199.1 | \$50,683.4 | \$7,199.1 | \$50,683.4 |
| Support Services | | | \$4,057.5 | \$41,178.4 | \$4,057.5 | \$41,178.4 |
| Grants to Partners | | | \$700.0 | \$36,004.6 | \$700.0 | \$35,504.6 |
| Infrastructure Improvements | | | \$1,500.0 | \$25,175.1 | \$1,500.0 | \$25,175.1 |
| Communication and Customer Service | | | \$4,498.7 | \$20,830.0 | \$4,498.7 | \$20,830.0 |
| Great Lakes Restoration | | | \$0.0 | \$5,500.0 | \$0.0 | \$5,500.0 |
| Invasive Species Initiative | | | \$5,028.3 | \$5,028.3 | \$5,028.3 | \$5,028.3 |
| Mackinac Island State Park Commission | | | \$203.6 | \$1,925.1 | \$203.6 | \$1,925.1 |
| Michigan Conservation Corps | | | \$1,000.0 | \$1,000.0 | \$1,000.0 | \$1,000.0 |
| Total Ongoing Recommendation | | | \$38,260.0 | \$389,204.1 | \$38,260.0 | \$388,704.1 |
| Land Ownership Tracking System | | | \$0.0 | \$4,000.0 | \$0.0 | \$0.0 |
| Forestry Investment | | | \$0.0 | \$2,100.0 | \$0.0 | \$0.0 |
| Forest Fire Equipment | | | \$0.0 | \$1,000.0 | \$0.0 | \$0.0 |
| Invasive Species Initiative | | | \$1,000.0 | \$1,000.0 | \$0.0 | \$0.0 |
| Fisheries Resource Management | | | \$300.0 | \$600.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$1,300.0 | \$8,700.0 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$39,560.0 | \$397,904.1 | \$38,260.0 | \$388,704.1 |



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 2017 is recommended at \$1.3 billion, which includes \$781.5 million for constitutionally-required revenue sharing payments; \$243 million for City, Village, and Township Revenue Sharing; \$172.2 million for County Revenue Sharing; \$43 million for the County Incentive Program; \$5 million for Financially Distressed Cities, Villages, and Townships, and \$11 million for the Competitive Grant Assistance Program. Anticipated funding for fiscal year 2018 is recommended at \$1.3 billion, which includes \$806.7 million for constitutionally-required revenue sharing payments.*

24% of Payments to Locals is Incentive-Based



Total: \$1.3 billion

Highlights of Governor’s Budget Recommendation

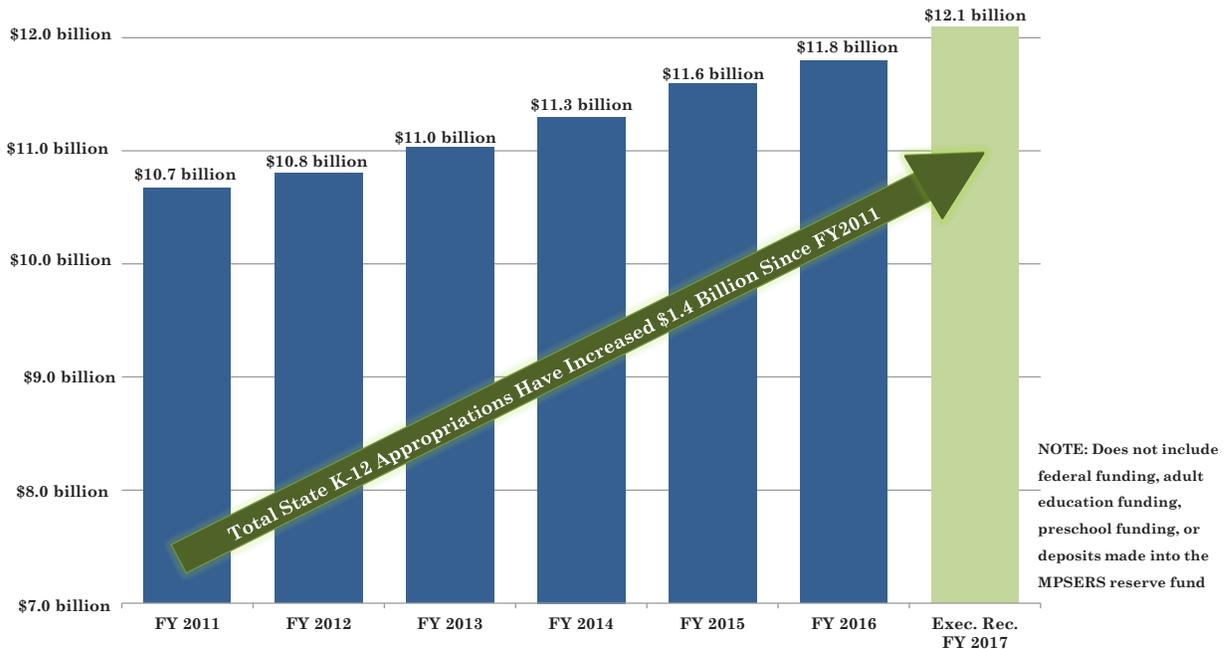
- Constitutional revenue sharing payments for cities, villages, and townships are increased by \$29.4 million (3.9 percent) to \$781.5 million, based on estimated sales tax collections.
- City, Village, and Township Revenue Sharing provides \$243 million for qualified cities, villages, and townships. 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, a performance dashboard, a debt service report, and a two-year budget projection.

- Eligible counties will receive a combination of revenue sharing payments and incentive-based payments, provided they meet “Accountability and Transparency” provisions consistent with requirements under City, Village, and Township Revenue Sharing. The fiscal year 2017 Executive Budget recommends \$215.2 million, providing maximum funding allowed under statutory provisions to 78 eligible counties, up from 76 counties in fiscal year 2016.
- The fiscal year 2017 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 community cannot exceed \$2 million.
- As an incentive to combine government operations, all local units may apply for grant assistance to help defray expenses related to consolidation of services or programs. For fiscal year 2017, the governor recommends \$11 million for this competitive grant assistance program.

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 2017 recommends total ongoing funding of \$14 billion, of which \$57 million is general fund. The governor also recommends \$185.6 million in one-time spending in fiscal year 2017, of which \$173 million is general fund. The estimated fiscal year 2018 budget totals \$14.1 billion, including \$57.4 million general fund.

State K-12 Appropriations Continue to Increase



Highlights of Governor's Budget Recommendation

- The governor is proposing an investment of \$150 million to provide schools with a foundation allowance increase of between \$60 and \$120 per-pupil, bringing the minimum foundation allowance to \$7,511 and the basic foundation allowance to \$8,229 per pupil. Total funding to support public school operations in fiscal year 2017 exceeds \$9 billion. Intermediate school districts will also see increased operations funding of \$1.1 million, bringing the total to \$68.2 million.
- The governor also recommends a change in the pupil membership blend to place greater weight on prior year pupil counts, providing more stability to districts with declining enrollment and ensuring greater predictability in school budgets.
- Providing further stability for schools, the governor's budget includes \$1 billion in funding to assist districts in meeting Michigan Public School Employees Retirement System (MPERS) obligations. This includes nearly \$983 million, an increase of \$89 million, for

payments over the statutory cap of 20.96 percent of payroll on the employer's contribution rate for retirement obligations.

- As part of an overall turnaround plan for Detroit Public Schools, the governor recommends that \$72 million per year from Michigan's tobacco settlement proceeds be placed in a Detroit Public Schools Trust Fund each year for ten years. This trust fund will be used to offset the loss of local tax revenue needed to retire the existing district's debt, protecting all other districts from reduced financial resources.

Health and Safety Concerns

- To ensure the children in Flint who may have been exposed to lead have the resources they need, the governor's budget recommends fiscal year 2016 supplemental funding of \$9.2 million and another \$10.1 million in fiscal year 2017 for expanded early education programs in Flint and added nutritional services, as well as resources to monitor the social, behavioral and developmental needs of affected children.
- Taking steps to ensure all schools maintain safe drinking water, the Executive Budget recommends \$9 million for reimbursements to districts statewide for costs associated with voluntary testing of water for possible lead problems. The governor is proposing these funds be made available beginning in fiscal year 2016.

Continued Investments in Early Learning and Literacy

- Evidence shows that reading proficiency in third grade is an early indicator of success in life and that the path to literacy begins before a child enters kindergarten. For fiscal year 2017, the governor's budget recommends \$243.9 million to provide preschool programs for at-risk 4-year-old children.

- Building on that investment, the governor's budget continues to invest in early learning programs with a comprehensive strategy to ensure children are reading at grade level by the end of the 3rd grade. A total of \$23.9 million is continued in the governor's budget for proven strategies to improve child literacy.

The investment in early literacy "will help Michigan educators identify struggling readers earlier and provide the support and training that our teachers require to better meet the needs of our youngest students."

**Amber Arellano, Executive Director
Education Trust-Midwest
June 3, 2015**

- Following recommendations of the Special Education Reform Task Force, the budget also includes \$1.4 million for a pilot program expanding the Michigan Integrated Behavior and Learning Support Initiative, a nationally recognized model of evidence-based and data-driven academic and behavioral intervention methods. The fiscal year 2017 budget includes over \$1.4 billion in funds for programs that provide nearly 200,000 students in the state with special education services.

Ensuring Our Students and Educators are Prepared

- The governor is recommending \$15 million, an increase of \$5 million, 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. The executive budget also invests \$10 million one-time to upgrade equipment for these programs.
- This recommendation includes \$10 million for reimbursement to districts for costs associated with required training and professional development related to educator evaluation tools being used by districts.
- The governor's budget includes \$5 million for the School Reform Office to implement turnaround models in qualifying chronically low-performing schools. With the assistance of appointed chief executive officers, these schools will implement reforms to improve student academic outcomes within three years.
- An additional \$2.5 million is proposed for science technology engineering and mathematics (STEM) initiatives consistent with the STEM Advisory Council's statewide strategy for delivering STEM-related opportunities to pupils statewide. Funding for First Robotics programs is also included at \$2.5 million.

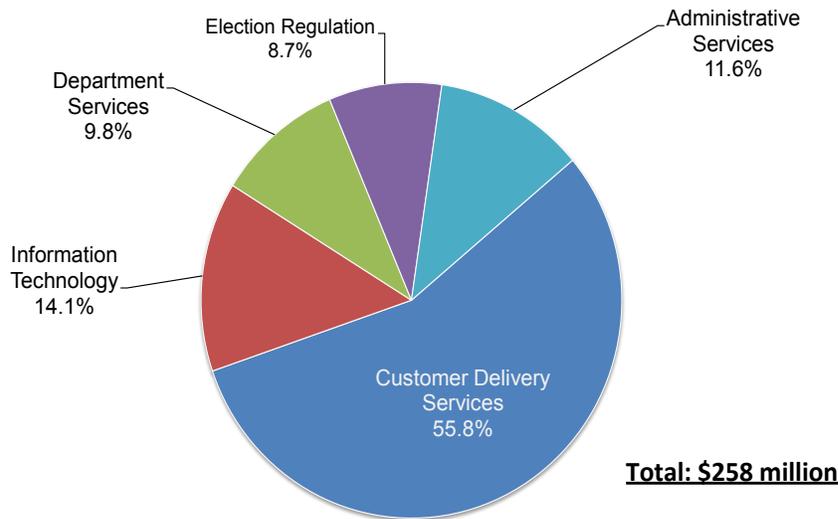
**Governor's Recommendation
School Aid
(\$ in Thousands)**

| | FY2016 | | | FY2017 | | | FY2018 | | |
|--|-------------------------|-----------------------|-----------------------|--------------------|-----------------------|-----------------------|-------------------|-----------------------|-----------------------|
| | Current Law | | | Recommendation | | | Recommendation | | |
| | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds | GF/GP | School Aid | All Funds |
| Ongoing Funding | \$45,900.0 | \$12,024,910.1 | \$13,846,579.3 | \$57,000.0 | \$12,049,926.8 | \$13,997,559.5 | \$57,400.0 | \$12,145,226.8 | \$14,093,259.5 |
| One-Time Funding | \$0.0 | \$54,075.0 | \$54,075.0 | \$173,000.0 | \$12,552.5 | \$185,552.6 | \$0.0 | \$1,500.0 | \$1,500.0 |
| Total Funding | \$45,900.0 | \$12,078,985.1 | \$13,900,654.3 | \$230,000.0 | \$12,062,479.3 | \$14,183,112.1 | \$57,400.0 | \$12,146,726.8 | \$14,094,759.5 |
| <i>% Change from Previous Year</i> | | | | | | | | | |
| | <i>Ongoing Funding</i> | | | 24.2% | 0.2% | 1.1% | 0.7% | 0.8% | 0.7% |
| | <i>One-Time Funding</i> | | | 0.0% | -76.8% | 243.1% | -100.0% | -88.1% | -99.2% |
| | <i>Total Funding</i> | | | 401.1% | -0.1% | 2.0% | -75.0% | 0.7% | -0.6% |
| Programs | | | | | | | | | |
| Basic Operations | | | | \$35,064.3 | \$8,940,117.7 | \$9,047,182.0 | \$30,714.3 | \$9,000,467.7 | \$9,103,182.0 |
| Special Education | | | | \$0.0 | \$973,046.1 | \$1,414,046.1 | \$0.0 | \$999,546.1 | \$1,440,546.1 |
| Supplemental and Support Services | | | | \$8,862.5 | \$469,716.6 | \$1,336,568.3 | \$10,362.5 | \$474,916.6 | \$1,343,268.3 |
| Michigan Public School Employees Retirement System | | | | \$600.0 | \$1,082,200.0 | \$1,082,800.0 | \$600.0 | \$1,087,700.0 | \$1,088,300.0 |
| School Meal Programs | | | | \$0.0 | \$24,995.1 | \$538,195.1 | \$0.0 | \$24,995.1 | \$538,195.1 |
| Great Start Preschool Programs | | | | \$300.0 | \$257,000.0 | \$257,300.0 | \$300.0 | \$257,000.0 | \$257,300.0 |
| Debt Service and Other Required Payments | | | | \$0.0 | \$154,905.1 | \$154,905.1 | \$0.0 | \$155,905.1 | \$155,905.1 |
| Assessments and Accountability | | | | \$12,173.2 | \$81,894.9 | \$100,511.6 | \$12,173.2 | \$81,894.9 | \$100,511.6 |
| College and Career Readiness | | | | \$0.0 | \$66,051.3 | \$66,051.3 | \$3,250.0 | \$62,801.3 | \$66,051.3 |
| Total Ongoing Recommendation | | | | \$57,000.0 | \$12,049,926.8 | \$13,997,559.5 | \$57,400.0 | \$12,145,226.8 | \$14,093,259.5 |
| General Fund Augmentation | | | | \$150,000.0 | \$0.0 | \$150,000.0 | \$0.0 | \$0.0 | \$0.0 |
| College and Career Readiness Programs | | | | \$10,000.0 | \$4,690.0 | \$14,690.0 | \$0.0 | \$0.0 | \$0.0 |
| Flint Declaration of Emergency | | | | \$10,142.5 | \$0.0 | \$10,142.6 | \$0.0 | \$0.0 | \$0.0 |
| District Support Services | | | | \$2,857.5 | \$6,342.5 | \$9,200.0 | \$0.0 | \$0.0 | \$0.0 |
| Special Education Services | | | | \$0.0 | \$1,520.0 | \$1,520.0 | \$0.0 | \$1,500.0 | \$1,500.0 |
| Total One-Time Recommendation | | | | \$173,000.0 | \$12,552.5 | \$185,552.6 | \$0.0 | \$1,500.0 | \$1,500.0 |
| TOTAL RECOMMENDATION | | | | \$230,000.0 | \$12,062,479.3 | \$14,183,112.1 | \$57,400.0 | \$12,146,726.8 | \$14,094,759.5 |

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. Convenient online services are provided through ExpressSOS.com to all customers. The Secretary of State also supervises statewide elections and ensures compliance with state election laws. *The governor's proposed budget for fiscal years 2017 and 2018 recommends total ongoing funding of \$243 million, of which \$17.1 million is general fund. In addition, one-time funding of \$15 million, of which \$10 million is general fund, is recommended for fiscal year 2017.*

Majority of Funding Supports Customer Delivery Services for Michigan Residents



Highlights of Governor's Budget Recommendation

- The Executive Recommendation includes one-time funding of \$15 million (\$10 million general fund and \$5 million in local matching funds) for the purchase and replacement of voting systems, voting devices, and elections management systems for counties, cities and townships. Unlike most states, Michigan still has a substantial amount of federal Help America Vote Act funding (\$25 million) that can augment the state funding. Most voting equipment is over 10 years old and these combined funds will be utilized to upgrade systems and software to ensure reliable and uniform statewide voting systems.
- The Executive Recommendation reflects an increase of \$14.1 million in restricted funds to begin a multi-year replacement of the department's legacy mainframe information technology systems. The total cost of the system replacement is estimated at \$45 million and is anticipated to take three years to complete. The restricted revenues will be derived through an increase in "look-up" fees which are charged to entities requesting driver and vehicle information, including data analysis companies. The current fee of \$8 will be raised to \$11, which will generate an additional \$14.1 million in revenue per year.
- The governor's recommendation includes \$470,000 restricted funds for MI-TIME line, which allows the public to schedule an appointment for various branch office transactions online, thereby reducing wait times and improving workflow.

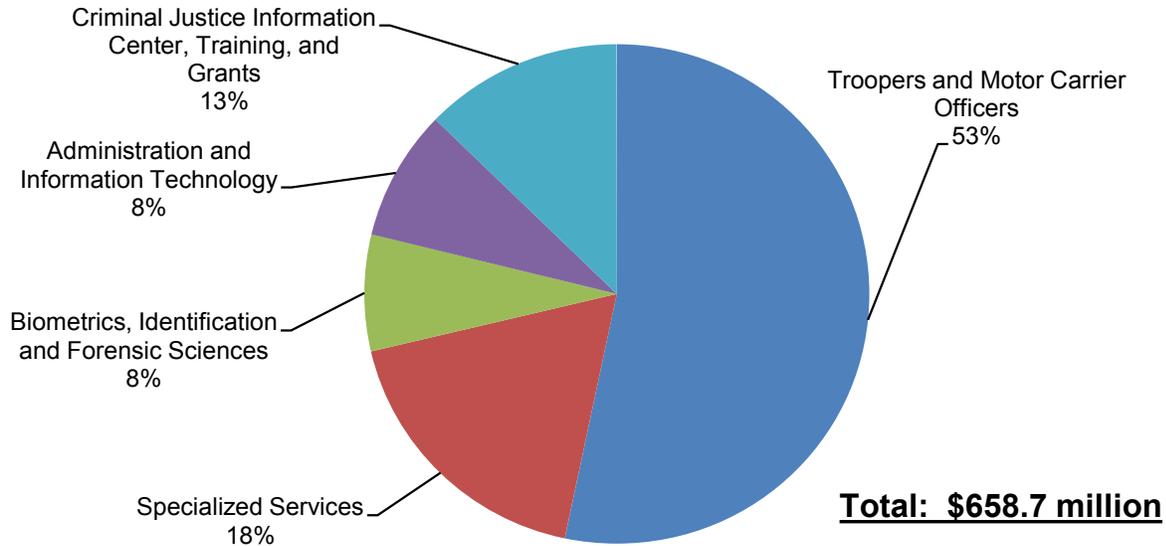
**Governor's Recommendation
Department of State
(\$ in Thousands)**

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--------------------------------------|------------------------------------|-------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$17,161.5 | \$225,256.7 | \$17,109.6 | \$243,015.6 | \$17,109.6 | \$243,015.6 |
| One-Time Funding | \$5,000.0 | \$5,000.0 | \$10,000.0 | \$15,000.0 | \$0.0 | \$0.0 |
| Total Funding | \$22,161.5 | \$230,256.7 | \$27,109.6 | \$258,015.6 | \$17,109.6 | \$243,015.6 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | -0.3% | 7.9% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 100.0% | 200.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 22.3% | 12.1% | -36.9% | -5.8% |
| Programs | | | | | | |
| Customer Delivery Services | | | \$3,407.2 | \$144,089.0 | \$3,407.2 | \$144,089.0 |
| Information Technology | | | \$1,588.1 | \$36,376.2 | \$1,588.1 | \$36,376.2 |
| Department Services | | | \$582.4 | \$25,315.1 | \$582.4 | \$25,315.1 |
| Legal Services | | | \$484.3 | \$14,501.5 | \$484.3 | \$14,501.5 |
| Departmentwide Appropriations | | | \$2,532.7 | \$10,046.4 | \$2,532.7 | \$10,046.4 |
| Election Regulation | | | \$6,935.4 | \$7,378.9 | \$6,935.4 | \$7,378.9 |
| Executive Direction | | | \$1,579.5 | \$5,308.5 | \$1,579.5 | \$5,308.5 |
| Total Ongoing Recommendation | | | \$17,109.6 | \$243,015.6 | \$17,109.6 | \$243,015.6 |
| Election Administration and Services | | | \$10,000.0 | \$15,000.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$10,000.0 | \$15,000.0 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$27,109.6 | \$258,015.6 | \$17,109.6 | \$243,015.6 |

Department of State Police

The Michigan State Police deliver statewide law enforcement services, forensic sciences, and emergency response coordination. The governor's proposed budget for fiscal year 2017 recommends total funding of \$658.7 million, of which \$411.9 million is general fund. Of that amount, \$15.75 million is recommended as one-time funding. The recommendation for fiscal year 2018 is \$650.3 million, of which \$403.4 million is general fund.

State Police Provide a Variety of Statewide Law Enforcement and Speciality Services



Highlights of Governor's Budget Recommendation

- The governor's budget provides approximately \$660 million for the Michigan State Police. This funding supports core programs of the department, including road patrols 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.
- To enhance the department's ability to provide basic law enforcement services and address emerging crime trends and public safety needs, the governor recommends \$9.5 million general fund for a trooper recruit school anticipated to graduate 85 troopers. These additional troopers will continue the governor's focus on improving public safety and reducing crime.
- The Secure Cities Partnership has reduced violent crime in Detroit by 8.1 percent, Flint by 37.3 percent, Pontiac by 10.1 percent, and Saginaw by 29.5 percent from 2012 through 2014. The fiscal year 2017 budget recommendation builds on this effective tool by including \$1.5 million general fund to expand Secure Cities Partnership to Benton Harbor, Hamtramck, Harper Woods, Highland Park, Inkster, and Muskegon Heights.

- The Executive Recommendation includes \$1.3 million general fund to deploy a statewide drug enforcement strategy in support of the recommendations made by the Michigan Prescription Drug and Opioid Abuse Task Force. This strategy will enhance the department's analysis and information sharing efforts to combat the illegal diversion and trafficking of prescription drugs, and enhance training programs for state and local law enforcement personnel actively engaged in drug interdiction efforts.

"The Secure Cities Partnership, has the state police working with local law enforcement and community organizations in Flint, Detroit, Pontiac and Saginaw to reduce crime. Since these are some of Michigan's most violent cities, that's the right call."

**The Detroit News,
June 30, 2015**

- The budget includes \$2.2 million general fund to expand the department's capacity to prevent, detect, and investigate cyber-crimes. This investment will strengthen the department's ability to provide statewide investigatory assistance and digital forensic examinations to law enforcement and criminal justice agencies as a leader in the realm of cyber security, computer crimes, and digital evidence.
- To best ensure disaster readiness, the governor's budget includes a \$6 million general fund deposit into the Disaster and Emergency Contingency Fund. The Disaster and Emergency Contingency Fund supports immediate response and recovery activities in the event of a disaster or emergency.
- The budget includes \$750,000 general fund to develop a statewide strategy and implementation plan for energy assurance in coordination with the Michigan Agency for Energy. The strategy will identify the necessary actions to effectively respond to potential widespread, long-duration power outages and ensure the state has the capabilities to deal with infrastructure and population impacts resulting from a catastrophic power outage.

School and Campus Safety

- The Executive Budget recommends a \$4 million grant program focused on school safety. This initiative will provide competitive grants to K-12 schools and county sheriff departments to support the purchase of equipment, technologies, and training to provide safe and secure learning environments for students.
- The governor's recommendation includes \$500,000 in grant funding to help prevent sexual assaults on higher education campuses. The sexual assault prevention and education initiative will support new and innovative education, awareness, prevention, reporting, and bystander intervention programs to combat sexual assault in campus environments.

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

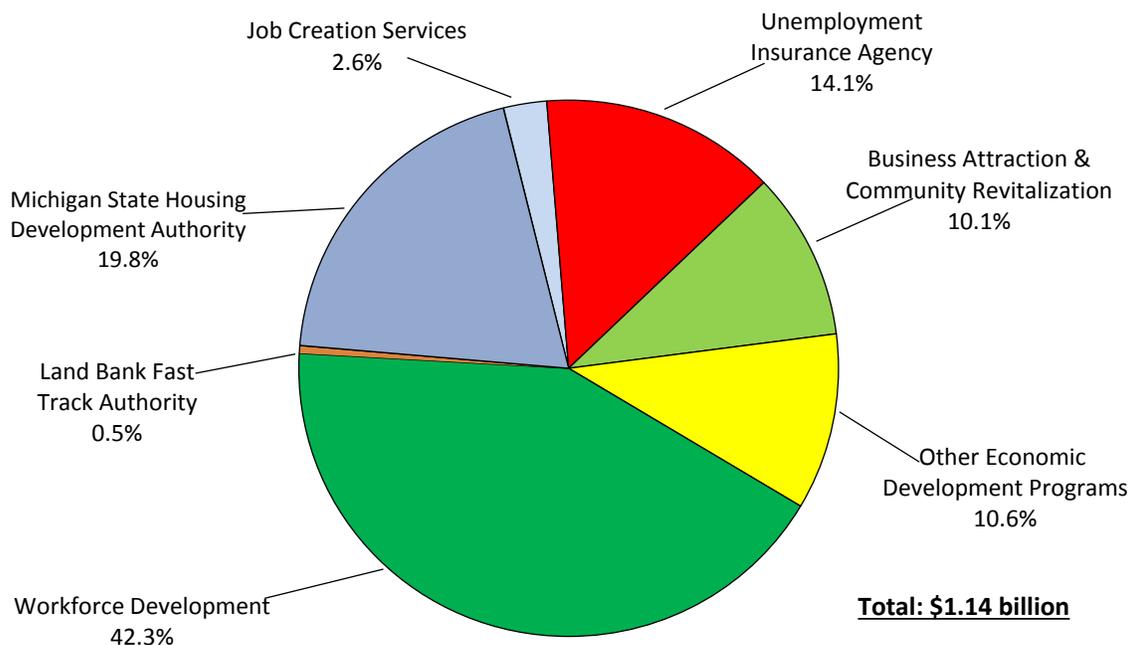
| | FY2016 | | FY2017 | | FY2018 | |
|--|------------------------------------|-------------|--------------------|--------------------|--------------------|--------------------|
| | Current Law (as of 1/28/16) | | Recommendation | | Recommendation | |
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$372,605.6 | \$617,137.4 | \$396,162.8 | \$642,976.1 | \$403,437.0 | \$650,250.3 |
| One-Time Funding | \$3,700.0 | \$3,700.0 | \$15,750.0 | \$15,750.0 | \$0.0 | \$0.0 |
| Total Funding | \$376,305.6 | \$620,837.4 | \$411,912.8 | \$658,726.1 | \$403,437.0 | \$650,250.3 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 6.3% | 4.2% | 1.8% | 1.1% |
| | <i>One-Time Funding</i> | | 325.7% | 325.7% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 9.5% | 6.1% | -2.1% | -1.3% |
| Programs | | | | | | |
| Troopers and Motor Carrier Officers | | | \$281,970.8 | \$346,634.9 | \$289,245.0 | \$353,909.1 |
| Specialized Services | | | \$34,299.3 | \$107,250.0 | \$34,299.3 | \$107,250.0 |
| Criminal Justice Center, Training and Grants | | | \$9,458.7 | \$83,857.5 | \$9,458.7 | \$83,857.5 |
| Administration and Information Technology | | | \$39,674.5 | \$55,531.6 | \$39,674.5 | \$55,531.6 |
| Biometric, Identification, and Forensic Sciences | | | \$30,759.5 | \$49,702.1 | \$30,759.5 | \$49,702.1 |
| Total Ongoing Recommendation | | | \$396,162.8 | \$642,976.1 | \$403,437.0 | \$650,250.3 |
| Disaster and Emergency Contingency Fund | | | \$6,000.0 | \$6,000.0 | \$0.0 | \$0.0 |
| Trooper School One-Time Costs | | | \$4,500.0 | \$4,500.0 | \$0.0 | \$0.0 |
| School Safety Initiative | | | \$4,000.0 | \$4,000.0 | \$0.0 | \$0.0 |
| Homeland Security - Energy Disaster Strategy | | | \$750.0 | \$750.0 | \$0.0 | \$0.0 |
| Sexual Assault Prevention and Education Initiative | | | \$500.0 | \$500.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$15,750.0 | \$15,750.0 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$411,912.8 | \$658,726.1 | \$403,437.0 | \$650,250.3 |



Department of Talent and Economic Development

The Department of Talent and Economic Development, which includes the Michigan Strategic Fund, the Talent Investment Agency, and 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 2017 and 2018 recommends total ongoing funding of \$1.1 billion, of which \$155.1 million is general fund. The governor also recommends \$29.6 million in one-time funding in fiscal year 2017, of which \$15 million is general fund.*

Over \$1 Billion Invested in Talent and Economic Development



Highlights of Governor's Budget Recommendation

- The governor's budget invests a total of \$115.5 million (\$92.9 million general fund) to grow Michigan's economy through business attraction and community revitalization efforts. This total includes \$102.5 million on an ongoing basis, as well as \$13 million of one-time general fund to fuel business and community development projects throughout the state. Other economic development programs in the department's budget total \$121.5 million (\$20.9 million general fund). Last year, the department's economic development programs resulted in more than 36,000 jobs created or retained, and leveraged approximately \$4.2 billion in private investment.
- Reflecting the governor's focus on skilled trades, an additional \$10 million in restricted funds are recommended for the skilled trades training program, bringing total program funding to \$35.6 million. Last year, funding for the skilled trades training program

resulted in over 2,900 jobs created and 6,400 jobs retained. Total funding for workforce development programs in the Executive Budget is \$483.3 million (\$34.9 million general fund).

- The Executive Budget includes one-time funding of \$8.8 million for the Statewide Data System Integration project. The project will help Michigan meet new workforce data reporting requirements, and integrate program data across state and federal workforce and education programs. Additionally, the project will enhance longitudinal data capabilities to better determine program outcomes.
- To help the structurally unemployed pursue career opportunities and maintain employment in Detroit, Flint, Saginaw, and Pontiac, \$9.8 million general fund is recommended for the Community Ventures program. Since 2013, Community Ventures has partnered with 110 companies to find employment for over 4,000 long-term unemployed individuals. Almost 70 percent of program participants were still employed after 6 months with wages averaging \$11.80 an hour. An additional \$2 million one-time general fund is recommended as a challenge match to encourage foundations and other organizations to support expansion of program services and integration into communities. This additional funding will be used for dollar-to-dollar matching opportunities to further leverage investment in the Community Ventures initiative.
- To support families in achieving greater self-sufficiency, an investment of \$5.8 million one-time federal funds is recommended to establish a three-year financial literacy pilot for Michigan Family Independence Program clients. The pilot will provide one-on-one sessions with professionally-trained financial counselors to aid clients in achieving financial independence.
- To continue efforts to support quality of place in local communities, \$10.2 million (\$9 million general fund) is recommended for arts and cultural grants. Last year, 422 grants were awarded to community and educational organizations across Michigan.
- The Rising Tide initiative will continue to be a priority in 2017 as work continues with communities in each of the state's ten prosperity regions. Rising Tide is an initiative to provide economically challenged communities with the tools they need to design and build a successful economic framework. By assisting each community in the creation of a solid planning, zoning, and development foundation, the department will support the growth of vibrant, thriving communities to attract business investment and talent.
- The Executive Budget includes \$231 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.

Governor's Recommendation
Department of Talent and Economic Development
(\$ in Thousands)

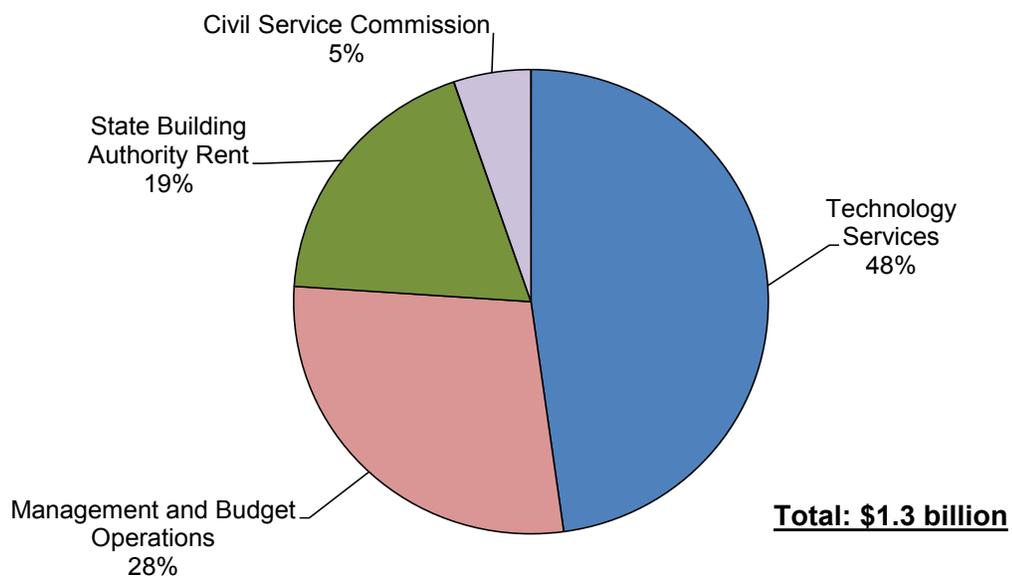
| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--|------------------------------------|---------------|--------------------------|----------------------|--------------------------|----------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$151,007.0 | \$1,105,573.5 | \$155,088.9 | \$1,112,915.8 | \$155,088.9 | \$1,112,915.8 |
| One-Time Funding | \$47,450.0 | \$47,450.0 | \$15,000.0 | \$29,578.5 | \$0.0 | \$0.0 |
| Total Funding | \$198,457.0 | \$1,153,023.5 | \$170,088.9 | \$1,142,494.3 | \$155,088.9 | \$1,112,915.8 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 2.7% | 0.7% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | -68.4% | -37.7% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | -14.3% | -0.9% | -8.8% | -2.6% |
| Programs | | | | | | |
| Workforce Development | | | \$32,909.1 | \$466,768.4 | \$32,909.1 | \$466,768.4 |
| Michigan State Housing Development Authority | | | \$0.0 | \$225,722.2 | \$0.0 | \$225,722.2 |
| Unemployment Insurance Agency | | | \$0.0 | \$161,566.5 | \$0.0 | \$161,566.5 |
| Other Economic Development Programs | | | \$20,900.0 | \$121,450.0 | \$20,900.0 | \$121,450.0 |
| Business Attraction and Community Revitalization | | | \$79,900.0 | \$102,500.0 | \$79,900.0 | \$102,500.0 |
| Job Creation and Support Services | | | \$17,421.2 | \$29,652.3 | \$17,421.2 | \$29,652.3 |
| Land Bank Fast Track Authority | | | \$3,958.6 | \$5,256.4 | \$3,958.6 | \$5,256.4 |
| Total Ongoing Recommendation | | | \$155,088.9 | \$1,112,915.8 | \$155,088.9 | \$1,112,915.8 |
| Business Attraction and Community Revitalization | | | \$13,000.0 | \$13,000.0 | \$0.0 | \$0.0 |
| Statewide Data System Integration | | | \$0.0 | \$8,778.5 | \$0.0 | \$0.0 |
| Financial Literacy Pilot | | | \$0.0 | \$5,800.0 | \$0.0 | \$0.0 |
| Community Ventures - Challenge Match | | | \$2,000.0 | \$2,000.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$15,000.0 | \$29,578.5 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$170,088.9 | \$1,142,494.3 | \$155,088.9 | \$1,112,915.8 |



Department of Technology, Management and Budget

The Department of Technology, Management and Budget (DTMB) supports the business operations of state agencies through a variety of services, including building management and maintenance; information technology; centralized contracting and procurement; space planning and leasing; construction management; motor vehicle fleet operations; and oversight of the state retirement systems. *The governor's proposed budget for fiscal years 2017 and 2018 recommends ongoing funding of \$1.3 billion, of which \$474.9 million is general fund. The governor also recommends \$32.4 million in one-time spending in fiscal year 2017, of which \$29.5 million is general fund.*

Nearly Half of Budget Supports Information Technology Services for State Agencies



Highlights of Governor's Budget Recommendation

- The Executive Recommendation includes \$502 million for information technology support for all state agencies, primarily funded with user fees from client agencies. In addition to information technology support, the Executive Budget includes a total of \$132.8 million (\$32.5 million general fund) for fourteen high priority information technology projects in seven agencies. These projects range from legacy system replacements to new or upgraded systems to improve data management, integration and customer service.
- In the DTMB budget, the fiscal year 2017 Executive Budget recommendation includes the following information technology investments:
 - o The Information Technology Investment Fund (ITIF) is increased by \$7 million, from \$65 million to \$72 million. The ITIF was established to provide a resource for financing information, communications and technology projects statewide. Existing resources in the ITIF are currently supporting several major multi-year enterprisewide information technology projects and upgrades, including the replacement of legacy systems. The

most significant ongoing project in the ITIF portfolio is replacement of the state's financial management system with a new suite of integrated enterprise resource planning applications known as Project SIGMA.

- o Of the \$7 million one-time increase for the ITIF, \$5 million supports the Department of Treasury's ongoing legacy system replacement project. An additional \$5 million of existing ITIF resources is also dedicated to this project for a total investment of \$10 million. The remaining \$2 million increase to the ITIF provides for one-time integration costs associated with the enterprise identity management project. This project provides an enterprisewide single sign-on and identity management tool to authenticate user identities across information technology systems to improve the online experience for citizens connecting through Michigan.gov and other online state resources. Ongoing support of \$6.7 million general fund is also recommended for a total investment in the enterprise identity management project of \$8.7 million.

- o An additional \$5 million in ongoing support is recommended for cyber security improvements. Cyber security is a top priority in order to safeguard citizens' personal information and protect critical infrastructure and government services against disruption. Increasingly sophisticated cyberattacks, malware and other unprecedented security

challenges require an ongoing vigilance to protect the state. Investment in the state's cyber security framework is critical as citizen demand grows for additional access to state programs and services through mobile and online applications.

"Unfortunately, in today's technology-driven world, illicit international organizations, state-sponsored hackers, terrorists, and even domestic-criminals threaten every smart device in existence...As governor, I take the threats to the cybersecurity ecosystem seriously."

**Governor Rick Synder,
Michigan Cyber Initiative 2015**

- o Information technology support of \$6.5 million (\$3.6 million ongoing and \$2.9 million one-time) is also recommended for the Office of Retirement Systems to modernize systems and enhance customer service for over 530,000 current and future retirees.

- o Funding is also included to transition to a rated service model for the provision of information technology services. This new model, which mirrors that used in the private sector, will allow for more efficient deployment of information technology resources across the enterprise, and client agencies will benefit from a more direct allocation of project expenses and transparent billing process.

- Ongoing funding of \$2.7 million (\$1.5 million general fund) is recommended to support transformative good government initiatives.
- Pursuant to P.A. 168 of 2015, ongoing funding of \$132,000 is recommended to provide an additional payment to State Police retirees and their beneficiaries whose annual pension is less than \$16,000.

- The Executive Budget includes funding of \$69.5 million, an increase of \$1.6 million, for the Civil Service Commission to provide professional, non-partisan oversight of the state's workforce.

Capital Outlay

- The governor recommends planning authorizations for four university, three community college and two state agency capital outlay projects. These nine recommended projects ranked the highest in capital outlay scoring evaluations in each of their respective categories. The total estimated cost of the projects is \$184 million, with an estimated state share of \$123.5 million.
 - o The universities and community colleges with projects recommended for planning include: Eastern Michigan University, Kalamazoo Community College, Northwestern Michigan College, Saginaw Valley State University, University of Michigan-Flint, Wayne County Community College, and Wayne State University.
 - o The state agencies with projects recommended for planning in support of fish protection and renewal of office facilities are the departments of Natural Resources and Technology, Management and Budget.
- In fiscal year 2017, enterprise-wide special maintenance for state facilities is increased by \$6.5 million general fund to a total of \$36 million. These funds are used to support non-routine maintenance projects at state facilities (offices, prisons, laboratories, and other installations) located across the state. One-time funding of \$7.5 million general fund is also recommended to complete Lansing area space moves designed to consolidate agencies into state-owned space.

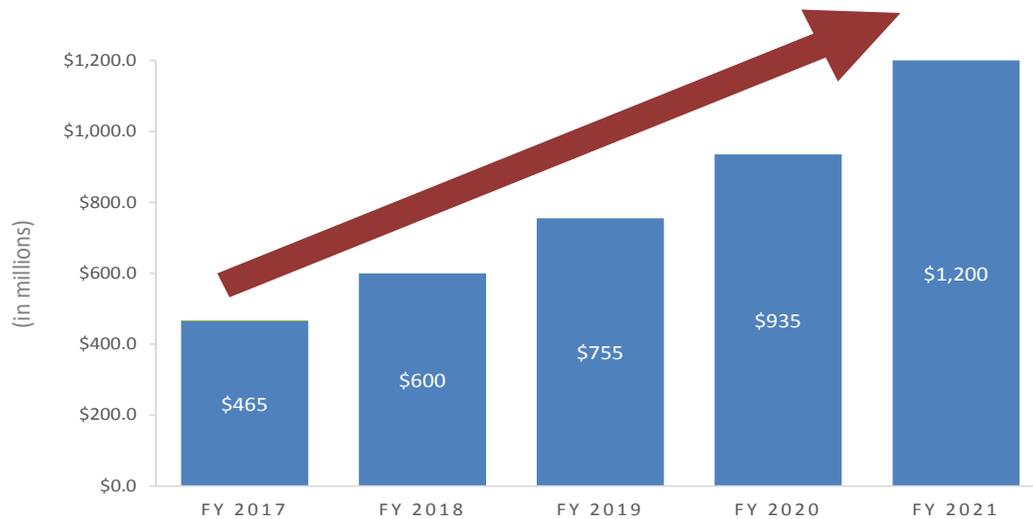
Governor's Recommendation
Department of Technology, Management and Budget
(\$ in Thousands)

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--|------------------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$472,593.2 | \$1,258,018.7 | \$474,922.2 | \$1,287,745.3 | \$474,922.2 | \$1,287,745.3 |
| One-Time Funding | \$4,605.4 | \$5,205.4 | \$29,500.9 | \$32,350.9 | \$0.0 | \$0.0 |
| Total Funding | \$477,198.6 | \$1,263,224.1 | \$504,423.1 | \$1,320,096.2 | \$474,922.2 | \$1,287,745.3 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 0.5% | 2.4% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | 540.6% | 521.5% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | 5.7% | 4.5% | -5.8% | -2.5% |
| Programs | | | | | | |
| Technology Services | | | \$116,989.7 | \$621,174.5 | \$116,989.7 | \$621,174.5 |
| Management and Budget Operations | | | \$89,778.0 | \$350,481.4 | \$89,778.0 | \$350,481.4 |
| State Building Authority Rent | | | \$246,570.6 | \$246,570.6 | \$246,570.6 | \$246,570.6 |
| Civil Service Commission | | | \$21,583.9 | \$69,518.8 | \$21,583.9 | \$69,518.8 |
| Total Ongoing Recommendation | | | \$474,922.2 | \$1,287,745.3 | \$474,922.2 | \$1,287,745.3 |
| Enterprisewide Special Maintenance | | | \$10,000.0 | \$10,000.0 | \$0.0 | \$0.0 |
| Capitol Area Reconfiguration | | | \$7,500.0 | \$7,500.0 | \$0.0 | \$0.0 |
| Information Technology Investment Fund (ITIF) One-Time Augmentation | | | \$7,000.0 | \$7,000.0 | \$0.0 | \$0.0 |
| Legal Services | | | \$5,000.0 | \$5,000.0 | \$0.0 | \$0.0 |
| Office of Retirement Services (ORS) Information Technology Modernization | | | \$0.0 | \$2,850.0 | \$0.0 | \$0.0 |
| Capital Outlay Planning Authorizations | | | \$0.9 | \$0.9 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$29,500.9 | \$32,350.9 | \$0.0 | \$0.0 |
| TOTAL RECOMMENDATION | | | \$504,423.1 | \$1,320,096.2 | \$474,922.2 | \$1,287,745.3 |

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 year 2017 and 2018 recommends total ongoing funding of \$4.1 billion. The governor also recommends \$10.4 million in general fund one-time spending in fiscal year 2017.*

New State Transportation Revenue Package Ramps Up to \$1.2 Billion by Fiscal Year 2021



Highlights of Governor's Budget Recommendation

With enactment of the state transportation revenue package, reauthorization of the federal Fixing American's Surface Transportation (FAST) Act, and the adoption of aviation sales tax legislation in December 2015, funding support for Michigan's transportation infrastructure has a stable outlook for the first time in many years. These additional revenues will help to address the backlog of critical infrastructure needs and allow new enhancements to Michigan's transportation network in the following manner.

"Residents and visitors alike deserve much better than what we drive on today. This targeted, ongoing investment will help preserve and fix our infrastructure now and in the future, which is fundamental to continuing and accelerating our economic comeback."

**Governor Rick Snyder,
November 10, 2015**

- **State Transportation Revenue Package**

Together with increases in baseline revenue, the state transportation revenue package will result in \$533.3 million in new revenues for the Michigan Transportation Fund (MTF) in fiscal year 2017. Upon full implementation of the revenue package in fiscal year 2021, an estimated \$1.2 billion new and re-directed funds will be dedicated to transportation.

The governor's fiscal year 2017 recommendation assumes that \$100 million in Roads Innovation Funds will be released by the Legislature according to P.A. 175 of 2015.

- **Federal FAST Act Reauthorization**

The FAST Act represents the first long-term federal transportation re-authorization bill in over a decade, providing \$57.5 million in new support for Michigan highway and transit programs in fiscal year 2017, in addition to the over \$1 billion that the state receives in federal transportation funding annually. The FAST Act maintains the existing federal formula-based programs and funding distributions among the states.

- **State Aviation Sales Tax Package**

The aviation sales tax package re-directs a portion of aviation fuel sales tax revenue to support aviation and airport improvement programs. For fiscal year 2017, an estimated \$13.5 million in new revenue will be available for airport improvements and aviation programs.

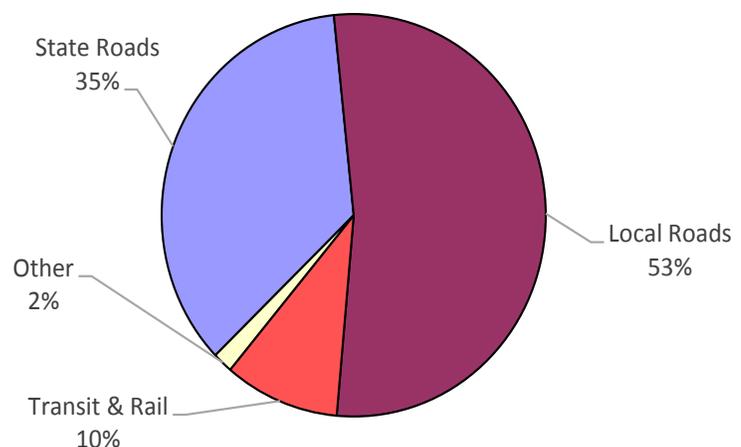
These three funding enhancements will have a significant and long-lasting impact on preserving and improving Michigan's transportation infrastructure. These impacts will be realized for the first time in fiscal year 2017, and the budget includes increases across all major modes of transportation:

- **State and Local Roads**

The Executive Recommendation provides a \$283 million increase in MTF support for local roads and a \$189.2 million increase for state roads. Under the federal FAST Act, Michigan is also expected to receive an additional \$47.5 million in federal highway funding (with 2 percent increases anticipated in each of the following four years).

One-time general fund support of \$10.4 million is included in the fiscal year 2017 recommendation for state trunkline roads and bridges to maintain support for state road projects at fiscal year 2016 levels as an interim step as the revenue package phases-in.

Local Roads Receive Over 50 Percent of New State Transportation Revenues



- **Transit and Rail**

Under the Executive Recommendation, transit and rail programs will receive an additional \$51.4 million in MTF funding. The Executive Recommendation allocates most of this additional funding into three program areas: transit capital (\$19 million), rail operations and infrastructure (\$15.8 million) and local bus operating (\$12.6 million). The additional

funding will positively benefit bus rapid transit corridor projects as well as continuing track, signal and grade crossing improvements on the Detroit – Chicago rail corridor. Operating support to local transit agencies will see a 7 percent increase, the first significant increase in over five years, and the investments in transit capital will also support bus replacements and terminal enhancements for local transit agencies.

Additionally, \$10 million in new federal bus and bus facility grants are anticipated under the FAST Act.

- **Aviation and Airport Improvement**

The aviation sales tax package will enable a \$2.8 million increase in State Aeronautics Fund support for the Airport Safety, Protection and Improvement program to be used for capital improvements at airports around the state and \$8.8 million for debt repayment and capital improvements at Detroit Metropolitan Airport. An additional \$514,600 is included for state aviation facility needs and \$250,000 will provide for the restoration of the Air Service Program, which supports the growth and development of Michigan’s airports and aviation sector.

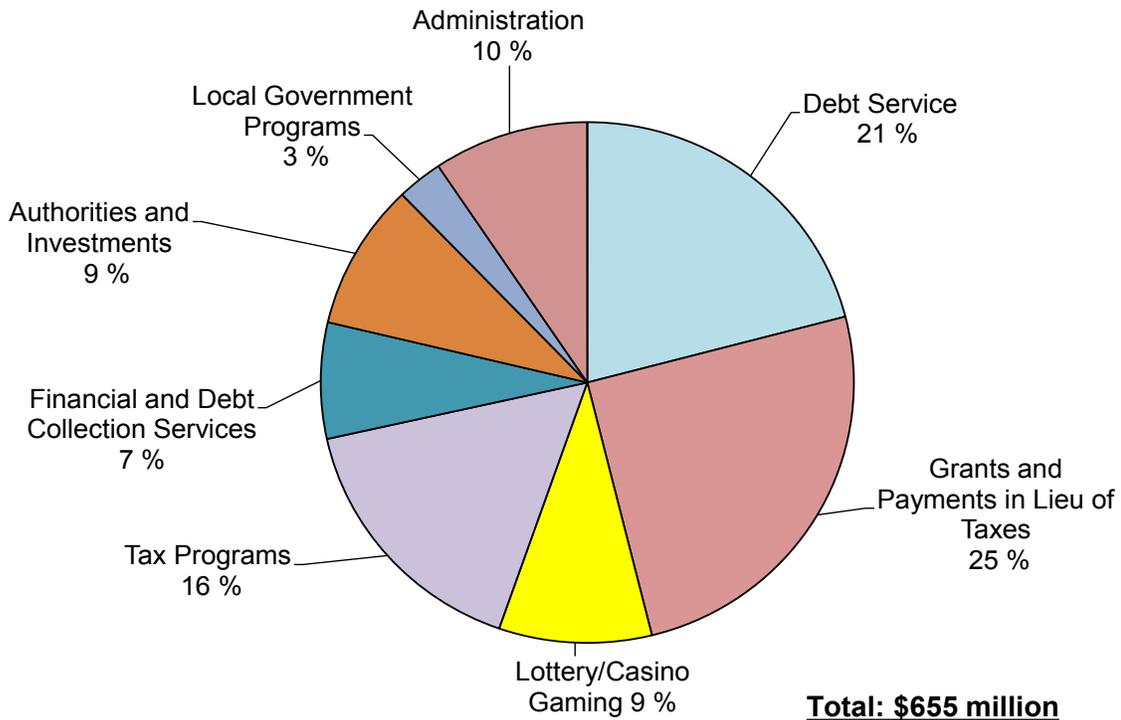
**Governor's Recommendation
Department of Transportation
(\$ in Thousands)**

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|--|------------------------------------|---------------|--------------------------|----------------------|--------------------------|----------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$142,000.0 | \$3,638,201.4 | \$0.0 | \$4,114,803.6 | \$0.0 | \$4,114,803.6 |
| One-Time Funding | \$258,000.0 | \$258,000.0 | \$10,400.0 | \$10,400.0 | \$0.0 | \$0.0 |
| Total Funding | \$400,000.0 | \$3,896,201.4 | \$10,400.0 | \$4,125,203.6 | \$0.0 | \$4,114,803.6 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | 0.0% | 13.1% | 0.0% | 0.0% |
| | <i>One-Time Funding</i> | | -96.0% | -96.0% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | -97.4% | 5.9% | -100.0% | -0.3% |
| Programs | | | | | | |
| Road and Bridge Construction and Maintenance | | | \$0.0 | \$3,199,843.4 | \$0.0 | \$3,199,843.4 |
| Transit, Rail, and Aeronautics Services | | | \$0.0 | \$446,288.1 | \$0.0 | \$446,288.1 |
| Debt Service | | | \$0.0 | \$237,925.3 | \$0.0 | \$237,925.3 |
| Support Services | | | \$0.0 | \$121,146.3 | \$0.0 | \$121,146.3 |
| Capital Outlay | | | \$0.0 | \$109,600.5 | \$0.0 | \$109,600.5 |
| Total Ongoing Recommendation | | | \$0.0 | \$4,114,803.6 | \$0.0 | \$4,114,803.6 |
| State Trunkline Road and Bridge Construction | | | \$10,400.0 | \$10,400.0 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$10,400.0 | \$10,400.0 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$10,400.0 | \$4,125,203.6 | \$0.0 | \$4,114,803.6 |

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, forecasting state economic activity and revenues, 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 2017 recommends total funding of \$655 million, of which \$234.9 million is general fund. In fiscal year 2017, the budget includes one-time funding of \$2.8 million general fund. For fiscal year 2018, the governor recommends total funding of \$633.7 million, of which \$213.6 million is general fund.*

Treasury Provides a Variety of Financial Services



Highlights of Governor's Budget Recommendation

- The governor's fiscal year 2017 budget provides \$2.8 million general fund for one-time development and implementation costs for an internet individual electronic file system that will allow residents to e-file their Michigan tax returns free of charge. Approximately 1.2 million residents will be eligible to use this new system for 2017 tax returns. Currently 80 percent of Michigan residents e-file their returns; this effort is directed at the remaining taxpayers who currently submit their individual income tax returns via paper.
- The governor's fiscal year 2017 budget provides \$750,000 in general fund resources for additional subject matter experts, who review changes in the department's tax programs, ensuring treasury tax systems are designed and tested properly during production and operation.

- The governor recommends \$137 million for debt service payments, adding \$10 million to fund debt service related to the issuance of new Strategic Water Quality bonds. These bonds will fund sanitary sewer and storm water infrastructure projects in local communities.
- The governor's recommendation provides an increase of \$1.3 million, of which \$1.1 million is general fund, to fully fund over \$25 million of payments in lieu of taxes to local units of government.
- The governor's recommendation provides \$500,000 restricted revenue to Michigan Gaming Control Board for enhancement to their information technology systems. In addition, \$250,000 of Equine Development funds will support horse sample testing during scheduled race dates.
- The governor's recommendation provides \$10 million in the Information Technology Investment Fund in the Department of Technology, Management and Budget to continue multi-year efforts to replace and modernize Treasury's old, obsolete legacy tax systems.

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

| | FY2016 Current Law | | FY2017 Recommendation | | FY2018 Recommendation | |
|---------------------------------------|------------------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| Ongoing Funding | \$250,479.3 | \$662,746.1 | \$232,103.3 | \$652,196.0 | \$213,561.3 | \$633,654.0 |
| One-Time Funding | \$29,900.0 | \$29,900.0 | \$2,842.5 | \$2,842.5 | \$0.0 | \$0.0 |
| Total Funding | \$280,379.3 | \$692,646.1 | \$234,945.8 | \$655,038.5 | \$213,561.3 | \$633,654.0 |
| | <i>% Change from Previous Year</i> | | | | | |
| | <i>Ongoing Funding</i> | | -7.3% | -1.6% | -8.0% | -2.8% |
| | <i>One-Time Funding</i> | | -90.5% | -90.5% | -100.0% | -100.0% |
| | <i>Total Funding</i> | | -16.2% | -5.4% | -9.1% | -3.3% |
| Programs | | | | | | |
| Grants and Payments in Lieu of Taxes | | | \$32,714.6 | \$164,868.8 | \$32,714.6 | \$164,868.8 |
| Debt Service Payments | | | \$137,037.0 | \$137,037.0 | \$118,495.0 | \$118,495.0 |
| Administration of Tax Programs | | | \$17,190.6 | \$105,764.1 | \$17,190.6 | \$105,764.1 |
| Authorities and Investments | | | \$0.0 | \$59,450.8 | \$0.0 | \$59,450.8 |
| Administration | | | \$29,688.7 | \$58,875.0 | \$29,688.7 | \$58,875.0 |
| Financial and Administrative Services | | | \$3,344.6 | \$47,240.8 | \$3,344.6 | \$47,240.8 |
| Casino Regulation | | | \$0.0 | \$30,722.0 | \$0.0 | \$30,722.0 |
| Bureau of State Lottery | | | \$0.0 | \$29,999.9 | \$0.0 | \$29,999.9 |
| Local Government Programs | | | \$12,127.8 | \$18,237.6 | \$12,127.8 | \$18,237.6 |
| Total Ongoing Recommendation | | | \$232,103.3 | \$652,196.0 | \$213,561.3 | \$633,654.0 |
| Free Individual E-file | | | \$2,842.5 | \$2,842.5 | \$0.0 | \$0.0 |
| Total One-Time Recommendation | | | \$2,842.5 | \$2,842.5 | \$0.0 | \$0.0 |
| | | | | | | |
| TOTAL RECOMMENDATION | | | \$234,945.8 | \$655,038.5 | \$213,561.3 | \$633,654.0 |



Background Information

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



Fiscal Years 2017 and 2018
Sources and Uses of General Fund/General Purpose
(in millions)

| | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|
| Ongoing Revenues: | | |
| January Consensus Revenues | \$10,213.9 | \$10,599.3 |
| <u>Proposed Adjustments:</u> | | |
| Payments to Local Government | (\$474.2) | (\$469.0) |
| Charge School Aid Fund for Short-term Borrowing | \$3.0 | \$4.0 |
| PA 161 and 162 of 2014 (HMO Use Tax) | \$101.7 | \$0.0 |
| Insurance Tax Credit Clarifying Amendments | \$80.0 | \$80.0 |
| Venture Michigan Fund Tax Vouchers | (\$30.5) | \$0.0 |
| Total Sources of Ongoing Revenues | \$9,893.9 | \$10,214.3 |
| Fiscal Year 2017 Executive Recommendation | \$9,697.9 | |
| Fiscal Year 2018 Executive Recommendation | \$9,689.9 | |
| Total Uses of Ongoing Revenues | \$9,697.9 | \$9,689.9 |
| Ongoing Revenue Balance | \$196.0 | \$524.4 |
| | | |
| One-Time Revenues: | | |
| Estimated Beginning Fund Balance, October 1 | \$152.9 | \$14.9 |
| Total Sources of One-Time Revenues | \$152.9 | \$14.9 |
| Fiscal Year 2017 Executive Recommendation | \$334.0 | |
| Fiscal Year 2018 Executive Recommendation | \$0.0 | |
| Total Uses of One-Time Revenues | \$334.0 | \$0.0 |
| One-Time Revenue Balance | (\$181.1) | \$14.9 |
| | | |
| Ending Fund Balance, September 30 | \$14.9 | \$539.3 |

Fiscal Years 2017 and 2018
Sources and Uses of All Funds
(in millions)

| | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|
| Estimated Beginning Unassigned Fund Balances, October 1 | \$1,930.8 | \$1,778.2 |
| REVENUES: | | |
| FY 2017 and Fiscal Year 2018 Revenue Estimates | \$53,574.0 | \$54,150.3 |
| Total Sources of Funds | \$55,504.8 | \$55,928.5 |
| EXPENDITURES: | | |
| Fiscal Year 2017 Executive Recommendation | \$54,892.7 | |
| Less: Interdepartmental Grants and Transfers | (867.3) | |
| Fiscal Year 2018 Executive Recommendation | \$54,365.2 | |
| Less: Interdepartmental Grants and Transfers | (864.5) | |
| Total Uses of Funds | \$54,025.4 | \$53,500.7 |
| Excess of Sources Over Uses | \$1,479.4 | \$2,427.8 |

Consensus Economic Outlook

The consensus economic outlook for 2016, 2017, and 2018 was adopted at the January 14, 2016, Consensus Revenue Estimating Conference by the Administration, House Fiscal Agency, and Senate Fiscal Agency.

2015 U.S. Economic Review

U.S. real gross domestic product (GDP) increased an estimated 2.5 percent in calendar year 2015, essentially unchanged from the 2.4 percent rate of growth recorded in 2014. As in the past few years, first quarter GDP was relatively weak in 2015, increasing only 0.6 percent. Growth rebounded in the second quarter to 3.9 percent and then eased back to a 2.0 percent rate of growth in the third quarter. The preliminary fourth quarter GDP growth rate was 0.7 percent. In 2015, the appreciating U.S. dollar was a drag on exports, which slowed activity in the manufacturing sector. Consumption spending helped boost GDP growth in 2015, however, an inventory correction after the first quarter kept GDP from rising at a faster rate.

The national labor market was one of the strengths of the U.S. economy in 2015. Wage and salary employment increased 2.941 million or 2.1 percent in 2015, which was the largest job gain since 1999 and the strongest growth rate since 2000. U.S. wage and salary employment has increased in every month since September 2010.

Nationally, the unemployment rate declined to 5.3 percent in 2015 from 6.2 percent in 2014. The 2015 monthly unemployment rate declined throughout the year from 5.7 percent in January to 5.0 percent by December 2015.

Oil prices declined sharply in 2015. The annual average price of \$48.66 was down \$44.51 per barrel from the 2014 average of \$93.17 a barrel and was the lowest price since 2004. Consumers benefitted from the lower gasoline prices which helped boost consumer spending in general and on light vehicle purchases in particular. One negative effect of the lower oil prices was reduced employment and investment in states that produce oil. In December 2015, the price of oil was down to \$37.21 per barrel and falling.

The residential housing market improved in 2015, but housing activity remains at historically low levels. While housing starts increased nearly 11 percent in 2015 to slightly over 1.1 million units, starts remain well below levels from the previous decade. Skilled labor shortages have been a constraint on new home building and first-time buyers have been reluctant to enter the market. New home sales improved in 2015, totaling 501,000 units, up 14.5 percent from 2014.

Light vehicle sales increased to 17.4 million units in 2015, which was up 6.1 percent from the 16.4 million units sold in 2014. The 2015 sales level was the highest in history. Vehicle sales continued to improve throughout 2015 and the monthly annualized sales rate topped 18 million units in September, October and November. A strong job market, low gasoline prices, and improved credit availability were all contributing factors to the record sales year.

The stock market was flat in 2015 as the S&P 500 was down 0.7 percent on the last day of trading in 2015 compared to the last day in 2014. In December 2015, the Federal Reserve raised the federal funds rate target range by 25 basis points to 0.25 percent to 0.50 percent. This marked the first time the Federal Reserve raised the federal funds rate since June 2006. The Federal Open Market Committee stated that the path of future rate changes will be gradual.

World economic growth was subpar in 2015. China's economy grew at a preliminary rate of 6.9 percent in 2015, which was the slowest pace in 25 years. Many emerging markets were hurt by the decline in oil and raw material prices. The Japanese economy is beginning to move towards a gradual recovery. While weak, 2015 growth will be positive after a slight decline in 2014. The Eurozone continues to grow slowly, but the Syrian refugee crisis and slow recovery from previous debt problems are a hindrance to economic growth reaching stronger levels.

2015 Michigan Economic Review

Michigan wage and salary employment increased an estimated 2.2 percent in 2015, which marked the fifth consecutive year of growth after declining for 10 consecutive years. Michigan employment gained a preliminary 90,200 jobs in 2015 after gaining 70,400 in 2014. Over the course of 2015, the unemployment rate fell from 6.3 percent in January to December's rate of 5.1 percent. On an annual basis, Michigan's unemployment rate fell to an estimated 5.4 percent in 2015 from 7.3 percent in 2014.

Michigan motor vehicle production edged down 1.3 percent in 2015 compared to 2014. Approximately 2,327,000 vehicles were produced in 2015 compared to the 2,358,000 vehicles produced in 2014. Michigan's 2015 vehicle production level marked the fourth year in a row that vehicle production topped two million units. Production in 2015 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. In December 2015, manufacturing employment totaled 603,500 jobs, which was up 162,900 or 37.0 percent from the historically low level recorded during the Great Recession.

In 2015, wage and salary payments received by Michigan workers rose an estimated 4.2 percent after increasing 4.9 percent in 2014. Total personal income grew an estimated 4.1 percent in 2015, which was unchanged from 2014. Inflation, as measured by the Detroit Consumer Price Index (CPI), actually declined 1.3 percent in 2015, so real (inflation adjusted) personal income rose an estimated 5.5 percent in 2015.

U.S. Consensus Economic Outlook: 2016 - 2018

Real GDP growth is projected to grow 2.5 percent in both 2016 and 2017, and then increase 2.4 percent in 2018 (see Table 1). U.S. light vehicle sales are expected to increase to a record high level of 18.0 million units in both 2016 and 2017. In 2018, light vehicle sales are forecast to remain at a very strong level of 17.9 million units.

The U.S. unemployment rate will fall to an estimated 4.9 percent in 2016 from 5.3 percent in 2015. In 2017, continued growth in employment will lower the jobless rate to a projected 4.7 percent and in 2018 it is expected to edge down to 4.6 percent.

Consumer prices, as measured by the U.S. CPI, are expected to rise 1.6 percent in 2016, 2.3 percent in 2017, and 2.4 percent in 2018.

Michigan Consensus Economic Outlook: 2016 - 2018

Michigan wage and salary employment is expected to increase 1.2 percent in 2016, 1.3 percent in 2017, and 1.0 percent in 2018, which translates into 152,000 new jobs over these three years. Michigan's unemployment rate is expected to fall from 5.4 percent in 2015 to 5.1 percent in 2016. The increase in employment will help decrease the jobless rate to an estimated 4.9 percent in 2017 and 4.8 percent in 2018.

Michigan personal income is projected to rise 4.4 percent in 2016, 4.2 percent in 2017, and 4.3 percent in 2018. Inflation is forecast to increase 1.6 percent in 2016, 2.4 percent in 2017 and 2.5 percent in 2018. As a result, real Michigan personal income is expected to rise 2.8 percent in 2016, and 1.8 percent in both 2017 and 2018.

Forecast Risks

World economic growth is a concern for the outlook. The Chinese economic slowdown negatively affects U.S. exports and also affects many emerging countries who provide raw materials and inputs to the Chinese manufacturing sector. China's weakening financial sector affects U.S. stock markets and banking sectors. Weaker than expected growth in China and other major economies such as Japan and the Eurozone would negatively affect U.S. exports and financial markets and result in slower than expected growth in the U.S. and Michigan economies.

U.S. federal monetary policy is also a risk to the overall pace of economic activity. The Federal Reserve has begun to raise interest rates, but there is uncertainty as to the timing and size of the future increases. If the Fed were to raise interest rates too quickly, it could have a dampening impact on economic growth.

Declining oil prices help increase disposable income and boost consumer spending. If oil prices were to rise quickly, consumer spending in general, and on light vehicles in particular, would fall below forecasted levels and this would negatively impact economic growth.

Light vehicle sales growth is projected to grow to a record level in 2016 and 2017. A pullback in sales would hurt both the U.S. and Michigan economies. Michigan's manufacturing employment would also be threatened with a downturn in sales.

Table 1
Consensus Economic Forecast

January 2016

| | Calendar 2014 Actual | Calendar 2015 Forecast | Percent Change from Prior Year | Calendar 2016 Forecast | Percent Change from Prior Year | Calendar 2017 Forecast | Percent Change from Prior Year | Calendar 2018 Forecast | Percent Change from Prior Year |
|---|----------------------------|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|
| United States | | | | | | | | | |
| Real Gross Domestic Product (Billions of Chained 2009 Dollars) | \$15,962 | \$16,361 | 2.5% | \$16,770 | 2.5% | \$17,189 | 2.5% | \$17,602 | 2.4% |
| Implicit Price Deflator GDP (2009 = 100) | 108.7 | 109.8 | 1.0% | 111.6 | 1.6% | 113.6 | 1.8% | 115.9 | 2.0% |
| Consumer Price Index (1982-84 = 100) | 236.736 | 236.956 | 0.1% | 240.723 | 1.6% | 246.309 | 2.3% | 252.304 | 2.4% |
| Consumer Price Index - Fiscal Year (1982-84 = 100) | 236.009 | 236.742 | 0.3% | 239.530 | 1.2% | 244.872 | 2.2% | 250.845 | 2.4% |
| Personal Consumption Deflator (2009 = 100) | 109.1 | 109.4 | 0.3% | 111.0 | 1.4% | 113.0 | 1.8% | 115.1 | 1.9% |
| 3-month Treasury Bills Interest Rate (percent) | 0.03 | 0.04 | | 0.9 | | 1.8 | | 2.8 | |
| Aaa Corporate Bonds Interest Rate (percent) | 4.2 | 3.9 | | 4.3 | | 4.4 | | 4.6 | |
| Unemployment Rate - Civilian (percent) | 6.2 | 5.3 | | 4.9 | | 4.7 | | 4.6 | |
| Wage and Salary Employment (millions) | 139.023 | 141.932 | 2.1% | 144.340 | 1.7% | 146.360 | 1.4% | 147.970 | 1.1% |
| Housing Starts (millions of starts) | 1.003 | 1.113 | 10.9% | 1.270 | 14.1% | 1.410 | 11.0% | 1.475 | 4.6% |
| Light Vehicle Sales (millions of units) | 16.4 | 17.4 | 5.8% | 18.0 | 3.5% | 18.0 | 0.0% | 17.9 | -0.6% |
| Passenger Car Sales (millions of units) | 7.7 | 7.5 | -2.1% | 7.6 | 1.0% | 7.6 | 0.0% | 7.5 | -1.3% |
| Light Truck Sales (millions of units) | 8.7 | 9.9 | 12.7% | 10.4 | 5.5% | 10.4 | 0.0% | 10.4 | 0.0% |
| Big 3 Share of Light Vehicles (percent) | 44.3 | 43.8 | | 44.2 | | 44.2 | | 44.2 | |
| Michigan | | | | | | | | | |
| Wage and Salary Employment (thousands) | 4,180 | 4,270 | 2.2% | 4,322 | 1.2% | 4,378 | 1.3% | 4,422 | 1.0% |
| Unemployment Rate (percent) | 7.3 | 5.4 | | 5.1 | | 4.9 | | 4.8 | |
| Personal Income (millions of dollars) | \$403,726 | \$420,279 | 4.1% | \$438,771 | 4.4% | \$457,200 | 4.2% | \$476,859 | 4.3% |
| Real Personal Income (millions of 1982-84 dollars) | \$182,036 | \$191,978 | 5.5% | \$197,291 | 2.8% | \$200,778 | 1.8% | \$204,402 | 1.8% |
| Wages and Salaries (millions of dollars) | \$204,476 | \$213,064 | 4.2% | \$222,865 | 4.6% | \$231,557 | 3.9% | \$240,356 | 3.8% |
| Detroit Consumer Price Index (1982-84 = 100) | 221.784 | 218.920 | -1.3% | 222.398 | 1.6% | 227.714 | 2.4% | 233.295 | 2.5% |

Revenue Estimates

Fiscal Year 2015 Revenue

In 2015, Michigan's economy expanded for the fifth consecutive year, led by strong employment growth and solid personal income gains. The growth in economic activity, coupled with some strong capital gains, helped boost net income tax collections 12.0 percent in FY 2015; however, some of this revenue gain was offset by a 1.9 percent decrease in sales tax receipts caused by the decline in gasoline prices. As a result, General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue on a consensus basis totaled \$21,781.5 million in FY 2015, which was up 6.0 percent from FY 2014. Including transfers, SAF federal aid, budget adjustments, and other revenue not included in the consensus base, GF/GP and SAF revenue totaled \$23,626.4 million.

Revenue Estimates: Fiscal Year 2016, Fiscal Year 2017, and Fiscal Year 2018

On January 14, 2016, the Administration and the House and Senate Fiscal Agencies reached a consensus on projected revenues for FY 2016, FY 2017, and FY 2018, and these estimates are used for the Governor's FY 2017-FY 2018 *Executive Budget*. While Michigan's economy is projected to continue to grow through 2018, the consensus revenue estimates have been reduced from earlier estimates due primarily to weaker sales tax projections, a shift in the timing of some business tax credits, and an unexpected reduction in insurance tax revenue.

In FY 2016, GF/GP revenue on a consensus basis will decline an estimated 1.9 percent to \$9,843.8 million and after factoring in transfers and other budget adjustments, GF/GP revenue will total an estimated \$9,844.0 million. On a consensus basis, SAF revenue will increase an estimated 3.3 percent to \$12,131.6 million. Including federal aid and other budget adjustments, SAF revenue will total an estimated \$14,165.8 million.

In FY 2017, consensus-based GF/GP revenue will total an estimated \$10,213.9 million, which is up 3.8 percent from FY 2016. Including transfers and other budget items, GF/GP revenue will total an estimated \$9,893.9 million. School Aid Fund revenue, on a consensus basis, will increase an estimated 2.9 percent to \$12,486.2 million in FY 2017; however, after factoring in federal aid and other budget measures, SAF revenue is expected to total \$14,576.2 million.

In FY 2018, GF/GP revenue is projected to increase 3.8 percent to \$10,599.3 million on a consensus basis and will total an estimated \$10,214.3 million including transfers and other budget items. School Aid Fund revenue will increase an estimated 2.8 percent to \$12,831.1 million on a consensus basis and will total an estimated \$14,707.1 million including federal aid and other budget items.

Overall Revenue: FY 2016, FY 2017, and FY 2018

Total net revenue for all funds is estimated to be \$55,404.8 million in FY 2016, \$55,504.8 million in FY 2017, and \$55,928.5 million in FY 2018. 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 2014 through FY 2018.

Projected Revenues FY 2017 & FY 2018

(millions)

| | <u>FY 2016 - 2017</u> | <u>FY 2017 - 2018</u> |
|--|-----------------------|-----------------------|
| General Fund - General Purpose | | |
| Consensus Estimate | 10,213.9 | 10,599.3 |
| Total Adjustments | (320.0) | (385.0) |
| Total General Fund - General Purpose | 9,893.9 | 10,214.3 |
| School Aid Fund (SAF) | | |
| Consensus Estimate | 12,486.2 | 12,831.1 |
| Proposed Changes | 41.4 | 0.0 |
| Transfers and Federal Aid | 2,048.6 | 1,876.0 |
| Total SAF Revenue | 14,576.2 | 14,707.1 |
| Transportation Funds | 5,225.0 | 5,461.5 |
| Special Revenue & Permanent Funds | 5,981.1 | 6,056.8 |
| Federal Aid (Not Elsewhere Itemized) | 19,370.5 | 19,082.7 |
| Sub-Total All Funds | 55,046.7 | 55,522.4 |
| Fund Balances Available | 1,930.8 | 1,778.2 |
| Gross Total All Resources | 56,977.5 | 57,300.6 |
| Less Interfund Transfers (excluding GF-GP) | (1,472.7) | (1,372.2) |
| Net Total All Resources | \$ 55,504.8 | \$ 55,928.5 |

Amounts may not tie to totals due to rounding.

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| GENERAL FUND - GENERAL PURPOSE REVENUE | | | | | |
| TAXES | | | | | |
| Individual Income ⁽¹⁾ | 7,549,809,243 | 8,152,266,999 | 8,339,900,000 | 8,619,600,000 | 8,872,000,000 |
| Less: Refunds | (1,895,571,178) | (1,693,333,789) | (1,744,000,000) | (1,798,100,000) | (1,846,600,000) |
| Net Individual Income | 5,654,238,065 | 6,458,933,210 | 6,595,900,000 | 6,821,500,000 | 7,025,400,000 |
| Single Business and Michigan Business | (767,138,872) | (633,609,526) | (1,041,000,000) | (748,900,000) | (642,600,000) |
| Corporate Income Tax | 906,389,342 | 1,077,701,211 | 1,116,000,000 | 1,147,300,000 | 1,171,400,000 |
| Essential Services Assessment | 0 | 0 | 55,000,000 | 73,100,000 | 79,200,000 |
| Sales ⁽²⁾ | 773,418,493 | 650,804,257 | 1,200,100,000 | 1,220,400,000 | 1,261,200,000 |
| Use ⁽¹⁾ | 1,092,081,127 | 1,361,873,064 | 866,900,000 | 650,200,000 | 648,900,000 |
| Insurance Company Premium Retaliatory | 362,207,768 | 322,404,825 | 310,000,000 | 317,000,000 | 330,000,000 |
| Tobacco ⁽¹⁾ | 192,886,966 | 188,079,271 | 185,700,000 | 183,300,000 | 180,900,000 |
| Utility Property | 49,705,760 | 44,346,577 | 43,500,000 | 43,500,000 | 42,500,000 |
| Penalties and Interest | 113,035,384 | 126,834,902 | 135,000,000 | 137,000,000 | 135,000,000 |
| Intangibles | 0 | 0 | 0 | 0 | 0 |
| Estate / Inheritance | 0 | 0 | 0 | 0 | 0 |
| Beer and Wine Excise | 51,249,170 | 46,686,408 | 52,000,000 | 53,000,000 | 54,000,000 |
| Oil and Gas Severance | 60,985,507 | 30,447,606 | 30,400,000 | 33,500,000 | 38,500,000 |
| Liquor Specific ⁽¹⁾ | 46,413,992 | 49,591,202 | 51,500,000 | 52,900,000 | 53,800,000 |
| Other | 177,038 | 159,531 | 0 | 0 | 0 |
| Enhanced Enforcement and ACS ⁽³⁾ | (142,296,606) | (152,049,561) | (147,000,000) | (147,000,000) | (147,000,000) |
| TOTAL GF - GP TAXES | 8,393,353,136 | 9,572,202,978 | 9,454,000,000 | 9,836,800,000 | 10,231,200,000 |

⁽¹⁾ See also School Aid Fund.

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

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

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|--|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| GENERAL FUND - GENERAL PURPOSE REVENUE | | | | | |
| NON-TAX REVENUE | | | | | |
| Federal Aid | 30,870,154 | 38,453,375 | 35,000,000 | 35,000,000 | 35,000,000 |
| Local Agencies | 99,338 | 768 | 100,000 | 100,000 | 100,000 |
| Services | 7,213,604 | 7,232,116 | 7,500,000 | 7,500,000 | 7,500,000 |
| Licenses & Permits | 14,359,121 | 11,547,924 | 11,500,000 | 11,500,000 | 11,500,000 |
| Miscellaneous | 160,642,613 | 175,608,635 | 135,700,000 | 119,000,000 | 105,000,000 |
| Interest and Investment Profits | 288,664 | 392,056 | (2,000,000) | (3,000,000) | (4,000,000) |
| TOTAL GF - GP NON-TAX REVENUE | 213,473,496 | 233,234,875 | 187,800,000 | 170,100,000 | 155,100,000 |
| TRANSFERS FROM OUTSIDE GENERAL & SPECIAL REVENUE FUNDS | | | | | |
| Other Interfund Transfers Received | (0) | 3,500,000 | 0 | 0 | 0 |
| Liquor Purchase Revolving Fund | 176,840,787 | 194,696,735 | 196,000,000 | 201,000,000 | 207,000,000 |
| Transfers From Lottery Charitable Gaming and Other Funds | 2,923,174 | 2,872,954 | 6,000,000 | 6,000,000 | 6,000,000 |
| TOTAL GF - GP TRANSFERS | 179,763,961 | 201,069,689 | 202,000,000 | 207,000,000 | 213,000,000 |
| General Fund - General Purpose Summary | | | | | |
| GF - GP Tax Revenue | 8,393,353,136 | 9,572,202,978 | 9,454,000,000 | 9,836,800,000 | 10,231,200,000 |
| GF - GP Non-Tax Revenue | 213,473,496 | 233,234,875 | 187,800,000 | 170,100,000 | 155,100,000 |
| GF - GP Transfers | 179,763,961 | 201,069,689 | 202,000,000 | 207,000,000 | 213,000,000 |
| TOTAL GENERAL FUND-GENERAL PURPOSE before Interfund Transfers | 8,786,590,592 | 10,006,507,542 | 9,843,800,000 | 10,213,900,000 | 10,599,300,000 |
| LESS: Interfund Transfers | 0 | (3,500,000) | 0 | 0 | 0 |
| CONSENSUS TOTAL GENERAL FUND-GENERAL PURPOSE | 8,786,590,592 | 10,003,007,542 | 9,843,800,000 | 10,213,900,000 | 10,599,300,000 |
| Excluding interfund transfers to GF-GP | | | | | |
| BUDGET ADJUSTMENTS | | | | | |
| Payments to Local Government | NA | NA | (468,500,000) | (462,700,000) | (462,700,000) |
| Charge School Aid Fund for Short-Term Borrowing | NA | NA | 2,000,000 | 3,000,000 | 4,000,000 |
| PA 161 and 162 of 2014 (HMO Use Tax) | NA | NA | 406,700,000 | 101,700,000 | 0 |
| TOTAL ADJUSTMENTS | NA | NA | (59,800,000) | (358,000,000) | (458,700,000) |
| ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET | | | | | |
| Payments to Local Government | NA | NA | 0 | (11,500,000) | (6,300,000) |
| Insurance Tax Credit - Clarifying Amendments | NA | NA | 60,000,000 | 80,000,000 | 80,000,000 |
| Venture Michigan Fund Tax Vouchers | NA | NA | 0 | (30,500,000) | 0 |
| TOTAL PROPOSED ADJUSTMENTS | NA | NA | 60,000,000 | 38,000,000 | 73,700,000 |
| TOTAL GENERAL FUND-GENERAL PURPOSE WITH ADJUSTMENTS | 8,786,590,592 | 10,003,007,542 | 9,844,000,000 | 9,893,900,000 | 10,214,300,000 |
| Excluding interfund transfers to GF-GP | | | | | |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| GENERAL FUND-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS (EXCLUDING FEDERAL AID) | | | | | |
| 21st Century Jobs Fund | 177,500,000 | 174,000,000 | 75,000,000 | 75,000,000 | 75,000,000 |
| Air Emission Fees | 9,401,965 | 9,427,436 | 10,743,500 | 10,543,200 | 10,346,000 |
| Airport Parking Revenue | 22,433,332 | 24,949,632 | 27,554,000 | 30,601,900 | 33,987,000 |
| Auto Repair Facilities Fees | 3,521,561 | 3,392,618 | 3,604,000 | 3,648,000 | 3,692,000 |
| Auto Theft Prevention Fund | 6,290,176 | 6,296,722 | 6,908,500 | 6,871,200 | 6,824,500 |
| Bank Fees | 5,087,354 | 5,449,282 | 6,100,000 | 6,100,000 | 6,100,000 |
| Bottle Deposits Fund | 21,721,926 | 18,812,889 | 17,621,100 | 17,656,700 | 17,665,800 |
| Budget Stabilization Fund | 463,931 | 18,030,588 | 17,900,000 | 17,900,000 | 17,900,000 |
| Capitol Historic Site Fund | 0 | 3,000,000 | 3,000,000 | 3,100,000 | 3,100,000 |
| Child Support Collections | 13,431,183 | 13,879,379 | 13,879,400 | 13,879,400 | 13,879,400 |
| Children's Trust Fund | 2,176,935 | 1,203,116 | 1,179,800 | 1,179,800 | 1,179,800 |
| Civil Infraction (Jail Reimbursement) Fee | 5,295,540 | 5,430,865 | 5,431,000 | 5,431,000 | 5,431,000 |
| Conservation and Recreation Bond Proceeds | 115 | 108 | 100 | 100 | 0 |
| Construction Code Fund | 8,876,895 | 8,877,813 | 13,315,900 | 8,407,000 | 8,542,100 |
| Consumer Finance Fees | 1,475,014 | 1,505,697 | 2,600,000 | 2,600,000 | 2,600,000 |
| Contingent Fund Regular Penalty & Interest | 1,077,107 | 1,087,009 | 16,000,000 | 42,123,600 | 42,467,300 |
| Contributions to Children of Veterans Tuition Grant Program | 67,865 | 64,472 | 100,000 | 100,000 | 100,000 |
| Convention Facility Development Fund | 84,307,551 | 88,729,460 | 93,778,200 | 99,175,100 | 104,966,400 |
| Corporation Fees | 23,065,407 | 23,253,439 | 24,763,000 | 24,221,400 | 24,754,300 |
| Court Equity Fund | 38,040,951 | 38,877,012 | 38,500,000 | 38,500,000 | 38,500,000 |
| Court Fee Fund | 2,420,065 | 2,894,647 | 7,900,000 | 7,900,000 | 7,900,000 |
| Credit Union Fees | 7,358,420 | 7,319,395 | 7,900,000 | 7,900,000 | 7,900,000 |
| Crime Victims Rights Fund | 20,079,995 | 20,724,592 | 19,977,100 | 19,977,100 | 19,977,100 |
| Criminal Justice Information Center Service Fees | 20,633,400 | 22,441,069 | 22,500,000 | 22,500,000 | 22,500,000 |
| Dairy and Food Safety Fund | 2,727,729 | 2,628,867 | 3,553,000 | 4,360,100 | 5,148,900 |
| Deferred Presentment Service | 2,887,773 | 3,623,145 | 3,000,000 | 3,000,000 | 3,000,000 |
| Delinquent Tax Collection Revenue & MARCS Revenue | 141,537,312 | 151,270,905 | 147,000,000 | 147,000,000 | 147,000,000 |
| Detroit Public Schools Trust Fund | 0 | 0 | 0 | 72,000,000 | 72,000,000 |
| Driver Fees | 27,831,058 | 28,109,099 | 29,737,000 | 28,910,000 | 27,704,000 |
| Elevator Fees | 3,965,627 | 3,560,095 | 4,071,400 | 4,071,400 | 4,071,400 |
| Emergency 911 Fund | 26,712,748 | 26,406,800 | 29,322,300 | 29,814,300 | 30,314,600 |
| Enhanced Driver License and Official State Personal Identification Card Fund | 7,791,500 | 7,871,857 | 6,807,000 | 7,693,000 | 8,209,000 |
| Equine Development Fund | 4,280,879 | 3,944,764 | 3,805,500 | 3,805,500 | 3,805,500 |
| Expedient Service Fees | 3,288,088 | 3,694,941 | 3,698,000 | 3,702,000 | 3,705,000 |
| Fees and Collections (DHHS) | 6,504,075 | 6,583,529 | 6,583,500 | 6,583,500 | 6,583,500 |
| Forest Development Fund | 40,398,988 | 44,974,284 | 40,882,600 | 40,950,800 | 40,856,300 |
| Freshwater Protection Fund | 4,881,592 | 5,042,812 | 5,628,700 | 5,629,000 | 5,630,000 |
| Game and Fish Protection Account | 74,964,470 | 81,940,046 | 83,458,200 | 82,881,100 | 82,850,500 |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| Game and Fish Protection Trust Fund | 26,211,215 | 11,925,904 | 0 | 0 | 0 |
| Group Insurance Fund, Flexible Spending and COBRA | 2,924,152 | 3,337,026 | 5,820,600 | 0 | 0 |
| Health and Safety Fund - Counties | (139,506) | 197,678 | 0 | 0 | 0 |
| Health Insurance Claims Assessment | 270,675,678 | 224,415,715 | 202,485,600 | 272,257,900 | 336,630,600 |
| Health Professions Regulatory Fund | 21,996,571 | 23,700,444 | 22,636,000 | 23,076,000 | 23,524,800 |
| Healthy Michigan Fund | 32,446,500 | 33,062,544 | 32,004,600 | 31,404,600 | 30,804,600 |
| Highway Safety Fund | 10,314,997 | 9,420,364 | 10,700,000 | 10,700,000 | 10,700,000 |
| Income and Assessments | 15,546,379 | 15,276,407 | 12,581,300 | 11,700,000 | 11,700,000 |
| Individual Income Tax - Refunds | 676,500,000 | 662,400,000 | 0 | 0 | 0 |
| Insurance Bureau Fund | 21,652,774 | 17,907,954 | 18,000,000 | 18,000,000 | 18,000,000 |
| Insurance Continuing Education Fees | 557,549 | 625,095 | 700,000 | 700,000 | 700,000 |
| Insurance Licensing Fees | 6,623,393 | 7,350,805 | 6,700,000 | 6,700,000 | 6,700,000 |
| Insurance Receivership Revenues | 200,828 | 176,383 | 0 | 0 | 0 |
| Judicial Electronic Filing Fund | 0 | 0 | 5,000,000 | 8,500,000 | 8,500,000 |
| Judicial Technology Improvement Fund | 3,601,053 | 3,670,616 | 3,650,000 | 3,650,000 | 3,650,000 |
| Juror Compensation Fund | 4,613,925 | 4,529,697 | 4,300,000 | 4,300,000 | 4,300,000 |
| Land Reutilization Fund | 1,159,675 | 1,612,794 | 900,000 | 850,000 | 850,000 |
| Licensing & Inspection Fees (MDA) | 3,529,922 | 3,671,045 | 4,000,600 | 3,688,500 | 3,688,500 |
| Licensing & Regulation Fund (DLARA) | 14,448,711 | 10,960,548 | 9,635,600 | 15,175,800 | 8,656,600 |
| Liquor License Fee Enhancement Fund | 193,300 | 141,550 | 141,600 | 141,600 | 141,600 |
| Liquor License Revenue | 12,730,388 | 13,290,650 | 15,004,800 | 15,004,800 | 15,004,800 |
| Liquor Purchase Revolving Fund - Operations | 20,959,800 | 20,421,400 | 20,188,400 | 22,102,500 | 22,102,500 |
| Local Funds - County Payback | 23,925,512 | 24,907,064 | 24,907,100 | 24,907,100 | 24,907,100 |
| Lottery Operations | 48,271,900 | 30,149,200 | 52,528,900 | 52,528,900 | 52,528,900 |
| Low Income Energy Assistance Fund | 0 | 0 | 50,000,000 | 50,000,000 | 50,000,000 |
| Mackinac Island State Park Fund | 1,810,200 | 1,844,500 | 1,545,600 | 1,565,000 | 1,585,000 |
| Manufacturer Rebates (DHHS) | 104,778,243 | 74,702,775 | 99,052,000 | 99,052,000 | 99,052,000 |
| Medicaid Benefits Trust Fund | 347,961,263 | 335,158,765 | 334,371,100 | 331,800,000 | 329,000,000 |
| Michigan Health Initiative Fund | 8,969,179 | 8,981,831 | 9,000,000 | 9,000,000 | 9,000,000 |
| Michigan Higher Education Assistance and Student Loan Authorities | 35,478,000 | 35,671,000 | 35,671,000 | 35,855,700 | 35,855,700 |
| Michigan Higher Education Assistance Authority Operating Fund | 14,280 | 13,672 | 0 | 0 | 0 |
| Michigan Justice Training Fund | 5,283,408 | 5,406,003 | 5,852,200 | 5,667,700 | 5,667,700 |
| Michigan Medical Marihuana Fund | 8,882,419 | 7,086,259 | 7,200,000 | 7,200,000 | 7,200,000 |
| Michigan Merit Award Trust Fund | 115,975,108 | 98,531,229 | 100,229,200 | 28,574,400 | 53,197,300 |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| Michigan Natural Resources Trust Fund | 41,395,942 | 13,894,283 | 32,048,700 | 32,946,200 | 33,925,600 |
| Michigan Nongame Fish and Wildlife Fund | 603,337 | 343,294 | 440,800 | 456,500 | 456,500 |
| Michigan State Parks Endowment Fund | 57,937,692 | 34,577,798 | 42,688,100 | 40,935,800 | 38,928,800 |
| Michigan State Waterways Account | 26,755,404 | 27,737,915 | 26,729,000 | 30,804,200 | 32,224,500 |
| Michigan Veterans' Trust Fund | 4,193,040 | 1,409,893 | 3,746,500 | 3,746,500 | 3,746,500 |
| Mortgage Brokers, Lenders and Servicers Licensing Act | 4,025,669 | 4,418,881 | 4,000,000 | 4,000,000 | 4,000,000 |
| Motor Carrier Fees | 6,859,794 | 6,960,418 | 8,600,000 | 8,686,000 | 8,772,900 |
| MSHDA Fees and Charges | 48,931,899 | 49,509,446 | 65,560,700 | 63,564,500 | 63,564,500 |
| National Pollution Discharge Elimination System Fees | 2,773,579 | 2,536,228 | 2,873,000 | 2,930,000 | 2,930,000 |
| Newborn Screening Fees | 12,821,928 | 14,595,189 | 14,595,200 | 14,595,200 | 14,595,200 |
| Off Road Vehicle Account | 6,483,067 | 7,517,076 | 7,057,000 | 7,170,300 | 7,184,700 |
| Oil and Gas Regulatory Fund | 11,596,548 | 5,434,074 | 3,740,700 | 4,000,000 | 4,000,000 |
| Outdoor Recreation Legacy Account | 2,751,457 | 3,046,707 | 2,804,900 | 3,099,400 | 3,186,000 |
| Parole and Probation Oversight Fees | 3,609,040 | 3,675,816 | 3,700,000 | 3,700,000 | 3,700,000 |
| Personal Identification Fees | 2,607,686 | 1,935,200 | 2,695,000 | 2,730,600 | 2,631,000 |
| Public Utility Assessments | 26,748,535 | 29,145,725 | 32,622,800 | 34,110,900 | 34,110,900 |
| Quality Assurance Assessment Tax | 975,786,703 | 1,007,474,480 | 1,130,641,100 | 1,279,779,700 | 1,279,779,700 |
| Refined Petroleum Fund | 54,618,152 | 32,670,083 | 30,160,000 | 30,160,000 | 30,160,000 |
| Reinstatement Fees | 4,045,135 | 4,348,724 | 4,291,000 | 4,235,000 | 4,179,000 |
| Resident Stores | 4,962,325 | 5,055,616 | 5,000,000 | 5,000,000 | 5,000,000 |
| Restructuring Mechanism Assessments (DLARA) | 12,522,813 | 16,055,813 | 16,400,000 | 16,500,000 | 16,600,000 |
| Retirement Operations | 44,864,600 | 46,495,700 | 47,836,400 | 54,738,500 | 51,888,500 |
| Safety Education and Training Fund | 9,830,700 | 9,575,324 | 9,575,000 | 9,575,000 | 9,575,000 |
| Sales Tax - Revenue Sharing | 739,093,164 | 750,701,490 | 752,114,700 | 781,501,400 | 806,679,900 |
| Scrap Tire Regulatory Fund | 4,426,845 | 4,964,850 | 4,700,000 | 4,700,000 | 4,700,000 |
| Second Injury Fund | 13,081,834 | 12,076,976 | 9,328,000 | 8,765,000 | 10,550,000 |
| Secondary Road Patrol & Training Fund | 9,724,989 | 10,039,294 | 10,000,000 | 10,000,000 | 10,000,000 |
| Securities Fees | 12,107,583 | 18,028,281 | 22,514,600 | 22,090,600 | 22,219,700 |
| Self Insurer's Security Fund | 11,829,005 | 5,790,309 | 12,571,000 | 7,571,000 | 7,500,000 |
| Silicosis & Dust Disease Fund | 1,201,466 | 1,441,855 | 842,000 | 915,000 | 915,000 |
| Snowmobile Account | 10,838,492 | 10,327,816 | 10,318,700 | 11,608,500 | 11,207,600 |
| Solid Waste Program Fees | 5,384,406 | 5,356,653 | 5,165,000 | 4,906,700 | 4,661,400 |
| Special Equipment Fund (DOC) | 11,546,936 | 12,209,144 | 6,794,500 | 5,126,000 | 5,126,000 |
| State Campaign Funds | 763,266 | 82,361 | 800,000 | 800,000 | 800,000 |
| State Casino Gaming Fund | 40,069,416 | 41,679,438 | 37,022,700 | 37,045,900 | 37,069,500 |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| State Court Sub-Fund | 6,551,850 | 6,711,220 | 6,700,000 | 6,700,000 | 6,700,000 |
| State Park Improvement Account | 53,498,514 | 60,189,676 | 58,534,000 | 58,731,500 | 58,690,100 |
| Supplemental Security Income Recoveries | 6,551,387 | 5,236,500 | 5,236,500 | 5,236,500 | 5,236,500 |
| Survey and Reenumeration Fund | 6,608,305 | 6,939,122 | 6,948,300 | 6,948,300 | 6,948,300 |
| Tax Tribunal Fund | 2,578,075 | 2,166,467 | 2,000,700 | 2,000,700 | 2,000,700 |
| Traffic Law Enforcement and Safety | 23,428,204 | 24,253,671 | 25,250,000 | 25,250,000 | 25,250,000 |
| Transportation Admin Collection Fund | 107,952,988 | 110,916,158 | 111,284,000 | 125,316,000 | 125,316,000 |
| Underground Storage Tank Cleanup Fund | 0 | 20,012,887 | 22,500,000 | 22,500,000 | 22,500,000 |
| Unemployment Obligation Trust Fund | 455,751,078 | 470,365,066 | 450,000,000 | 450,000,000 | 450,000,000 |
| Utility Consumer Representation Fund | 1,207,462 | 1,200,413 | 1,187,100 | 1,198,900 | 1,210,900 |
| Vehicle Theft Prevention Fees | 1,481,712 | 1,545,769 | 1,596,000 | 1,648,000 | 1,702,000 |
| Vital Records Fees | 4,379,008 | 4,072,977 | 5,000,000 | 5,000,000 | 5,000,000 |
| Other Restricted Revenues | 1,229,211,638 | 1,266,410,153 | 683,932,988 | 718,219,288 | 679,850,688 |
| Total GF-Special Purpose/Special Revenue & Permanent Funds | 6,796,588,009 | 6,740,977,527 | 5,648,755,688 | 5,981,062,288 | 6,056,812,688 |
| Less: Interfund Transfers | (401,314,003) | (188,912,963) | (107,963,500) | (112,338,800) | (113,811,200) |
| Net Total GF-Special Purpose/Special Revenue & Permanent Funds | 6,395,274,006 | 6,552,064,564 | 5,540,792,188 | 5,868,723,488 | 5,943,001,488 |
| FEDERAL AID NOT ELSEWHERE ITEMIZED: | | | | | |
| Federal Aid: Agriculture | 7,568,967 | 6,917,166 | 10,427,900 | 10,471,200 | 10,471,200 |
| Federal Aid: Attorney General | 3,640,790 | 3,831,464 | 9,278,600 | 9,476,700 | 9,476,700 |
| Federal Aid: Capital Outlay (excluding transportation) | 975,662 | 11,418,456 | 0 | 0 | 0 |
| Federal Aid: Civil Rights | 1,918,264 | 2,014,648 | 2,721,700 | 2,763,000 | 2,763,000 |
| Federal Aid: Community Health | 10,273,027,782 | 13,032,258,522 | 0 | 0 | 0 |
| Federal Aid: Corrections | 2,795,129 | 2,380,189 | 5,568,700 | 5,523,700 | 5,523,700 |
| Federal Aid: Education | 171,836,242 | 173,387,327 | 215,640,900 | 225,164,100 | 217,114,100 |
| Federal Aid: Environmental Quality | 48,836,780 | 50,392,067 | 138,079,100 | 138,687,200 | 138,687,200 |
| Federal Aid: Health and Human Services | 0 | 0 | 18,422,113,900 | 17,734,683,600 | 17,465,643,100 |
| Federal Aid: Higher Education | 92,193,608 | 93,557,263 | 97,026,400 | 99,026,400 | 99,026,400 |
| Federal Aid: Human Services | 4,386,241,012 | 4,178,845,769 | 0 | 0 | 0 |
| Federal Aid: Insurance and Financial Services | 1,759,426 | 1,610,841 | 2,000,000 | 2,000,000 | 2,000,000 |
| Federal Aid: Judiciary | 4,630,053 | 4,871,609 | 6,428,600 | 6,433,500 | 6,433,500 |
| Federal Aid: Licensing & Regulatory Affairs | 208,098,624 | 189,988,740 | 63,674,900 | 63,818,100 | 63,818,100 |
| Federal Aid: Military Affairs | 88,604,716 | 87,909,701 | 90,208,600 | 91,793,600 | 91,793,600 |
| Federal Aid: Natural Resources | 50,694,653 | 50,982,608 | 77,128,000 | 72,365,400 | 72,265,400 |
| Federal Aid: State | 1,682,348 | 3,496,197 | 1,460,000 | 1,460,000 | 1,460,000 |
| Federal Aid: State Police | 81,257,696 | 78,209,648 | 87,945,900 | 87,967,800 | 87,967,800 |
| Federal Aid: Talent and Economic Development | 0 | 0 | 764,102,800 | 773,944,800 | 763,344,800 |
| Federal Aid: Technology, Management & Budget | 0 | 0 | 7,997,300 | 4,958,200 | 4,958,200 |
| Federal Aid: Treasury | 278,764,322 | 285,176,417 | 39,661,500 | 39,954,200 | 39,954,200 |
| TOTAL FEDERAL AID excluding Transportation and School Aid | 15,704,526,073 | 18,257,248,633 | 20,041,464,800 | 19,370,491,500 | 19,082,701,000 |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|--|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| SCHOOL AID FUND REVENUE | | | | | |
| TAXES and LOTTERY | | | | | |
| Sales Tax | 5,349,899,402 | 5,265,531,509 | 5,476,700,000 | 5,652,600,000 | 5,835,200,000 |
| Use Tax | 546,147,716 | 680,794,539 | 481,600,000 | 515,600,000 | 529,900,000 |
| Income Tax Earmarking | 2,357,715,894 | 2,519,404,521 | 2,606,500,000 | 2,693,900,000 | 2,772,800,000 |
| State Education Tax | 1,804,238,192 | 1,857,683,658 | 1,890,100,000 | 1,935,800,000 | 1,994,400,000 |
| Real Estate Transfer Tax | 233,415,726 | 258,398,141 | 273,000,000 | 284,700,000 | 296,400,000 |
| Tobacco | 359,383,289 | 363,849,885 | 355,300,000 | 348,700,000 | 342,000,000 |
| Industrial & Commercial Facilities Tax | 33,458,909 | 34,650,923 | 36,000,000 | 37,000,000 | 38,000,000 |
| Casino Wagering Tax | 106,902,507 | 110,784,946 | 112,000,000 | 113,000,000 | 114,500,000 |
| Liquor Excise Tax | 45,952,005 | 49,084,051 | 51,100,000 | 52,500,000 | 53,400,000 |
| Other Specific Taxes | 31,669,650 | 27,336,087 | 29,300,000 | 29,300,000 | 29,800,000 |
| Sub-Total SAF Taxes | 10,868,783,288 | 11,167,518,260 | 11,311,600,000 | 11,663,100,000 | 12,006,400,000 |
| Transfer from Lottery Ticket Sales | 734,148,118 | 784,143,370 | 820,000,000 | 823,100,000 | 824,700,000 |
| CONSENSUS TOTAL SCHOOL AID FUND | 11,602,931,406 | 11,951,661,629 | 12,131,600,000 | 12,486,200,000 | 12,831,100,000 |
| NON-TAX REVENUE | | | | | |
| Federal Aid | 1,623,283,212 | 1,606,465,825 | 1,775,769,200 | 1,818,632,700 | 1,818,632,700 |
| Transfer from General Fund | 158,659,196 | 45,058,323 | 55,100,000 | 230,000,000 | 57,400,000 |
| Recovery of Prior Year State Aid and Receivables | 31,226,669 | 20,189,867 | 0 | 0 | 0 |
| Sub-Total SAF Other Source Revenues | 1,813,169,077 | 1,671,714,015 | 1,830,869,200 | 2,048,632,700 | 1,876,032,700 |
| TOTAL SCHOOL AID FUND before Interfund Transfers | 13,416,100,483 | 13,623,375,644 | 13,962,469,200 | 14,534,832,700 | 14,707,132,700 |
| Less Interfund Transfers | (158,659,196) | (45,058,323) | (55,100,000) | (230,000,000) | (57,400,000) |
| TOTAL SCHOOL AID FUND after adjustments excluding interfund transfers | 13,257,441,287 | 13,578,317,321 | 13,907,369,200 | 14,304,832,700 | 14,649,732,700 |
| ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET | | | | | |
| PA 161 and 162 of 2014 (HMO Use Tax) | 0 | 0 | 203,300,000 | 50,850,000 | 0 |
| Venture Michigan Fund Tax Vouchers | 0 | 0 | 0 | (9,500,000) | 0 |
| TOTAL PROPOSED ADJUSTMENTS | 0 | 0 | 203,300,000 | 41,350,000 | 0 |
| TOTAL SCHOOL AID FUND WITH ADJUSTMENTS | 13,257,441,287 | 13,578,317,321 | 14,110,669,200 | 14,346,182,700 | 14,649,732,700 |
| Excluding interfund transfers | | | | | |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|--|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| TRANSPORTATION: AERONAUTICS FUND 114 | | | | | |
| Aviation Fuel Tax | 5,056,196 | 6,386,372 | 5,500,000 | 5,500,000 | 5,500,000 |
| Sales Tax | 0 | 0 | 0 | 4,725,000 | 4,725,000 |
| Federal Aid | 74,101,312 | 74,587,518 | 79,000,000 | 79,000,000 | 79,000,000 |
| Local Agencies | 61,301 | 65,174 | 12,509,000 | 12,509,000 | 12,509,000 |
| Transfers and Other | 7,737,532 | 8,265,748 | 7,318,000 | 7,377,000 | 7,436,000 |
| TOTAL AERONAUTICS FUND | 86,956,341 | 89,304,812 | 104,327,000 | 109,111,000 | 109,170,000 |
| TRANSPORTATION: TRUNKLINE FUND 116 | | | | | |
| Federal Aid | 818,218,580 | 853,688,557 | 1,072,538,000 | 1,119,294,000 | 1,119,294,000 |
| Local Agencies | 10,517,599 | 14,518,800 | 30,000,000 | 30,000,000 | 30,000,000 |
| Licenses and Permits | 16,517,964 | 16,796,175 | 19,600,000 | 19,600,000 | 19,600,000 |
| Transfer from Michigan Transportation & Other Funds | 950,011,629 | 870,265,001 | 738,776,400 | 909,727,200 | 964,508,800 |
| Interest from Common Cash Investment | 507,762 | 683,711 | 3,000,000 | 8,000,000 | 13,000,000 |
| Other | 25,138,675 | 35,736,183 | 41,066,000 | 41,025,000 | 41,025,000 |
| TOTAL TRUNKLINE FUND | 1,820,912,209 | 1,791,688,427 | 1,904,980,400 | 2,127,646,200 | 2,187,427,800 |
| TRANSPORTATION: BLUE WATER BRIDGE FUND 118 | | | | | |
| Tolls and Rentals | 22,381,703 | 20,894,990 | 22,012,000 | 22,724,000 | 22,925,000 |
| Interest From Common Cash Investment and Other | 59,525 | 73,192 | 330,000 | 880,000 | 1,430,000 |
| TOTAL BLUE WATER BRIDGE TRANSPORTATION FUND | 22,441,228 | 20,968,182 | 22,342,000 | 23,604,000 | 24,355,000 |
| TRANSPORTATION: MICHIGAN TRANSPORTATION FUND 119 | | | | | |
| Diesel and Motor Carrier Fuel Tax | 137,816,145 | 136,714,218 | 137,500,000 | 215,600,000 | 233,900,000 |
| Gasoline and Liquefied Petroleum Gas Tax | 821,018,645 | 867,078,897 | 848,400,000 | 1,076,393,000 | 1,145,072,000 |
| Motor Vehicle Registration Tax | 940,556,338 | 978,145,533 | 1,006,000,000 | 1,180,700,000 | 1,250,100,000 |
| Licenses, Permits, Other and Transfers | 38,420,682 | 40,101,170 | 39,970,000 | 40,570,000 | 40,570,000 |
| Interest From Common Cash Investment | 92,424 | 134,827 | 600,000 | 1,600,000 | 2,600,000 |
| TOTAL MICHIGAN TRANSPORTATION FUND | 1,937,904,234 | 2,022,174,644 | 2,032,470,000 | 2,514,863,000 | 2,672,242,000 |
| TRANSPORTATION: COMPREHENSIVE TRANSPORTATION FUND 120 | | | | | |
| Sales Tax | 102,025,859 | 90,806,187 | 92,100,000 | 94,800,000 | 97,000,000 |
| Federal Aid | 123,938,580 | 118,693,860 | 105,950,000 | 116,450,000 | 116,450,000 |
| Local Agencies | 0 | 0 | 7,910,000 | 7,910,000 | 7,910,000 |
| Transfer from Michigan Transportation & Other Funds | 166,838,180 | 173,769,916 | 173,753,400 | 220,661,400 | 236,437,700 |
| Interest From Common Cash Investment and Other | 8,569,976 | 5,825,838 | 895,000 | 1,222,000 | 1,722,000 |
| TOTAL COMPREHENSIVE TRANSPORTATION FUND | 401,372,594 | 389,095,801 | 380,608,400 | 441,043,400 | 459,519,700 |
| TRANSPORTATION: QUALIFIED AIRPORT FUND | | | | | |
| Sales Tax | 0 | 0 | 0 | 8,775,000 | 8,775,000 |
| TOTAL QUALIFIED AIRPORT FUND | 0 | 0 | 0 | 8,775,000 | 8,775,000 |
| TRANSPORTATION BOND FUNDS | | | | | |
| TOTAL TRANSPORTATION REVENUE | 4,269,586,606 | 4,313,231,866 | 4,444,727,800 | 5,225,042,600 | 5,461,489,500 |
| LESS: Interfund Transfers | (1,116,849,809) | (1,044,034,918) | (912,529,800) | (1,130,388,600) | (1,200,946,500) |
| NET TOTAL TRANSPORTATION REVENUE After Transfers | 3,152,736,798 | 3,269,196,949 | 3,532,198,000 | 4,094,654,000 | 4,260,543,000 |

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

| | ACTUAL FY 2013 - 2014 | ACTUAL FY 2014 - 2015 | ESTIMATES FY 2015 - 2016 | ESTIMATES FY 2016 - 2017 | ESTIMATES FY 2017 - 2018 |
|--|--------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| All Funds Summary | | | | | |
| General Fund - General Purpose | 8,786,590,592 | 10,006,507,542 | 9,843,800,000 | 10,213,900,000 | 10,599,300,000 |
| General Fund - General Purpose Budget Adjustments | NA | NA | 200,000 | (320,000,000) | (385,000,000) |
| General Fund - Special Purpose/Special Revenue & Permanent Funds | 6,796,588,009 | 6,740,977,527 | 5,648,755,688 | 5,981,062,288 | 6,056,812,688 |
| Federal Aid Not Elsewhere Categorized | 15,704,526,073 | 18,257,248,633 | 20,041,464,800 | 19,370,491,500 | 19,082,701,000 |
| School Aid Fund | 13,416,100,483 | 13,623,375,644 | 14,165,769,200 | 14,576,182,700 | 14,707,132,700 |
| Transportation Revenues | 4,269,586,606 | 4,313,231,866 | 4,444,727,800 | 5,225,042,600 | 5,461,489,500 |
| TOTAL ALL FUNDS | 48,973,391,764 | 52,941,341,212 | 54,144,717,488 | 55,046,679,088 | 55,522,435,888 |
| LESS: Interfund Transfers | (1,676,823,007) | (1,281,506,204) | (1,075,593,300) | (1,472,727,400) | (1,372,157,700) |
| NET TOTAL REVENUE after transfers | 47,296,568,757 | 51,659,835,008 | 53,069,124,188 | 53,573,951,688 | 54,150,278,188 |

OTHER REVENUE OR NON-CURRENT YEAR SOURCES OF FINANCING

| | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund (Unassigned) | 1,186,646,920 | 306,382,429 | 694,734,413 | 152,900,000 | 14,900,000 |
| Restricted Fund Subfunds of the General Fund (Unobligated) | 474,075,691 | 557,844,177 | 513,064,447 | 514,000,000 | 514,000,000 |
| Budget Stabilization Fund (Unobligated) | 505,610,567 | 386,231,298 | 498,149,186 | 611,000,000 | 628,900,000 |
| Michigan Infrastructure Fund | 0 | 0 | 0 | 165,000,000 | 165,000,000 |
| Roads and Risks Reserve Fund | 0 | 83,393,800 | 493,800 | 0 | 0 |
| School Aid Stabilization Fund (Unobligated) | 292,033,255 | 455,079,358 | 190,188,588 | 47,900,000 | 15,400,000 |
| Special Revenue and Permanent Funds Balances (Available) | 406,831,362 | 569,718,241 | 439,041,715 | 440,000,000 | 440,000,000 |
| MPERS Reserve Fund | 156,000,000 | 18,000,000 | 0 | 0 | 0 |
| Sub-Total Fund Balances | 3,021,197,795 | 2,376,649,303 | 2,335,672,149 | 1,930,800,000 | 1,778,200,000 |
| NET TOTAL RESOURCES | 50,317,766,552 | 54,036,484,311 | 55,404,796,337 | 55,504,751,688 | 55,928,478,188 |

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



CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

| CFDA Number Title | FY 2017 Budget Recommendation | FY 2018 Budget Recommendation |
|---|--|--|
| 16.588 Violence Against Women Formula Grants Grantee: Health and Human Services Subrecipient State Agency: State Police | 3,379,400 175,700 | 3,379,400 175,700 |
| 17.503 Occupational Safety and Health-State Program Grantee: Licensing & Regulatory Affairs Subrecipient State Agency: Attorney General | 10,869,800 107,700 | 10,869,800 107,700 |
| 20.600 State and Community Highway Safety Grantee: State Police Subrecipient State Agency: Judiciary | 8,978,100 2,210,700 | 8,978,500 2,210,700 |
| 66.469 Great Lakes Program Grantee: Environmental Quality Subrecipient State Agency: Agriculture and Rural Development Subrecipient State Agency: Natural Resources | 14,131,900 352,000 4,724,600 | 14,131,900 352,000 4,724,600 |
| 84.002 Adult Education-State Program Grantee: Talent and Economic Development Subrecipient State Agency: Corrections Subrecipient State Agency: Health and Human Services | 20,000,000 353,400 21,000 | 20,000,000 353,400 21,000 |
| 84.013 Title I Program for Neglected and Delinquent Children Grantee: Education Subrecipient State Agency: Corrections Subrecipient State Agency: Health and Human Services | 15,600 899,400 114,700 | 15,600 899,400 114,700 |
| 84.027 Special Education-Grants to States Grantee: Education Subrecipient State Agency: Education via School Aid Budget Subrecipient State Agency: Corrections Subrecipient State Agency: Health and Human Services | 15,968,800 370,000,000 115,200 66,600 | 15,968,800 370,000,000 115,200 66,600 |
| 84.048 Vocational Education-Basic Grants to States Grantee: Education Subrecipient State Agency: Education via School Aid Budget Subrecipient State Agency: Talent and Economic Development Subrecipient State Agency: Corrections Subrecipient State Agency: Health and Human Services | 2,591,800 24,000,000 19,000,000 152,200 97,000 | 2,591,800 24,000,000 19,000,000 152,200 97,000 |
| 84.181 Special Ed-Grants for Infants and Families with Disabilities Grantee: Education Subrecipient State Agency: Education via School Aid Budget Subrecipient State Agency: Health and Human Services | 1,200,000 14,000,000 68,900 | 1,000,000 14,000,000 68,900 |
| 93.558 Temporary Assistance For Needy Families Grantee: Health and Human Services Subrecipient State Agency: Higher Education Subrecipient State Agency: Talent and Economic Development | 556,929,300 95,826,400 70,698,800 | 553,947,800 95,826,400 64,898,800 |

CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

| CFDA Number | Title | FY 2017 Budget Recommendation | FY 2018 Budget Recommendation |
|----------------|---|----------------------------------|----------------------------------|
| 93.568 | Low-Income Home Energy Assistance Grantee: Health and Human Services Subrecipient State Agency: Treasury | 174,951,600 3,086,200 | 174,951,600 3,086,200 |

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

| Fund/Department | FY 2017 Budget Recommendation | FY 2018 Budget Recommendation |
|--|--------------------------------------|--------------------------------------|
| Bottle Deposits Fund | | |
| Environmental Quality | 19,644,700 | 19,644,700 |
| Treasury | 250,000 | 250,000 |
| Comprehensive Transportation Fund | | |
| Transportation | 320,032,800 | 320,032,800 |
| Attorney General | 204,500 | 204,500 |
| Civil Service Commission | 200,000 | 200,000 |
| Technology, Management and Budget | 42,200 | 42,200 |
| Legislative Auditor General | 39,000 | 39,000 |
| Treasury | 13,500 | 13,500 |
| Forest Development Fund | | |
| Natural Resources | 44,288,400 | 39,188,400 |
| Technology, Management and Budget | 278,200 | 278,200 |
| Treasury | 4,300 | 4,300 |
| Game and Fish Protection Account | | |
| Natural Resources | 81,737,000 | 81,437,000 |
| Treasury | 2,925,200 | 2,925,200 |
| Attorney General | 751,100 | 751,100 |
| Technology, Management and Budget | 464,500 | 464,500 |
| Legislative Auditor General | 31,300 | 31,300 |
| Game and Fish Protection Trust Fund | | |
| Natural Resources | 6,000,000 | 6,000,000 |
| Treasury | 127,200 | 127,200 |
| Health Insurance Claims Assessment | | |
| Health and Human Services | 270,187,300 | 334,560,000 |
| Treasury | 2,070,600 | 2,070,600 |
| Michigan Merit Award Trust Fund | | |
| Health and Human Services | 74,772,800 | 50,732,300 |
| Treasury | 1,163,800 | 1,163,800 |
| State Police | 805,500 | 805,500 |
| Attorney General | 495,700 | 495,700 |
| Michigan Natural Resources Trust Fund | | |
| Natural Resources | 1,870,700 | 1,270,700 |
| Treasury | 2,384,800 | 2,384,800 |
| Michigan Nongame Fish and Wildlife Fund | | |
| Natural Resources | 483,400 | 483,400 |
| Treasury | 3,800 | 3,800 |
| Michigan State Parks Endowment Fund | | |
| Natural Resources | 26,541,300 | 26,241,300 |
| Technology, Management and Budget | 145,200 | 145,200 |
| Treasury | 144,300 | 144,300 |

SPECIAL REVENUE FUNDS SHARED BETWEEN DEPARTMENTS

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

| Fund/Department | FY 2017 Budget Recommendation | FY 2018 Budget Recommendation |
|---|----------------------------------|----------------------------------|
| Michigan State Waterways Account | | |
| Natural Resources | 26,425,700 | 26,425,700 |
| State | 1,505,600 | 1,505,600 |
| Treasury | 365,700 | 365,700 |
| Technology, Management and Budget | 112,500 | 112,500 |
| Attorney General | 140,000 | 140,000 |
| Legislative Auditor General | 11,300 | 11,300 |
| Michigan Transportation Fund | | |
| Transportation | 1,309,285,100 | 1,309,285,100 |
| State | 20,000,000 | 20,000,000 |
| Treasury | 2,684,100 | 2,684,100 |
| Environmental Quality | 1,335,100 | 1,335,100 |
| Legislative Auditor General | 315,800 | 315,800 |
| Off-Road Vehicle Account | | |
| Natural Resources | 7,272,200 | 7,272,200 |
| State | 170,400 | 170,400 |
| Treasury | 1,800 | 1,800 |
| Outdoor Recreation Legacy Fund | | |
| Natural Resources | 2,948,600 | 2,948,600 |
| Treasury | 500 | 500 |
| Snowmobile Account | | |
| Natural Resources | 10,921,600 | 10,921,600 |
| State | 390,000 | 390,000 |
| Treasury | 2,300 | 2,300 |
| State Aeronautics Fund | | |
| Transportation | 19,797,700 | 19,797,700 |
| Attorney General | 177,600 | 177,600 |
| Civil Service Commission | 150,000 | 150,000 |
| Treasury | 73,900 | 73,900 |
| Technology, Management and Budget | 33,500 | 33,500 |
| Legislative Auditor General | 30,300 | 30,300 |
| State Park Improvement Account | | |
| Natural Resources | 63,980,600 | 63,480,600 |
| State | 1,000,000 | 1,000,000 |
| Treasury | 5,200 | 5,200 |
| State Trunkline Fund | | |
| Transportation | 899,260,400 | 899,260,400 |
| State Police | 11,627,600 | 11,627,600 |
| Civil Service Commission | 5,847,000 | 5,847,000 |
| Attorney General | 2,429,200 | 2,429,200 |
| Technology, Management and Budget | 1,226,000 | 1,226,000 |
| Legislative Auditor General | 733,500 | 733,500 |
| Treasury | 157,900 | 157,900 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | |
|------------------|---|---------------------------------------|-----------|--------------|------------------------|---------------------------------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| MDARD | Agriculture Equine Industry Development Fund | 1,341,007 | 3,962,013 | (3,194,556) | 554,219 | 3,805,500 | (2,541,500) | 19 |
| MDARD | Agriculture Licensing & Inspection | 696,085 | 3,719,915 | (3,234,344) | 1,132,051 | 4,000,600 | (4,092,100) | 990,251 |
| MDARD | Agriculture Preservation Fund | 328,451 | 538,942 | (494,713) | 363,102 | 593,200 | (581,100) | 365,602 |
| MDARD | Animal Welfare Fund | 131,972 | 139,256 | (165,163) | 105,891 | 95,000 | (145,000) | 55,691 |
| MDARD | Commodity Inspection Fees | 68,544 | 445,497 | (437,091) | 70,447 | 444,600 | (508,600) | 47 |
| MDARD | Consumer & Industry Food Safety Education Fund | 489,877 | 248,451 | (314,120) | 424,107 | 250,000 | (348,000) | 326,107 |
| MDARD | Dairy and Food Safety Fund | 422,182 | 2,663,583 | (2,339,402) | 711,647 | 3,553,000 | (3,824,500) | 405,447 |
| MDARD | Feed Control Fund | 0 | 0 | 0 | 0 | 969,000 | (888,000) | 81,000 |
| MDARD | Freshwater Protection Fund | 1,208,785 | 5,079,744 | (4,259,365) | 2,010,004 | 5,628,700 | (5,935,400) | 1,685,904 |
| MDARD | Gasoline Inspection and Testing Fund | 438,546 | 1,599,995 | (1,148,775) | 861,497 | 1,565,500 | (1,810,800) | 587,897 |
| MDARD | Grain Dealer Fee Fund | | 470,960 | (440,971) | 21,923 | 579,800 | (593,400) | 23 |
| MDARD | Horticulture Fund | 1,313 | 34,812 | (34,284) | 1,841 | 33,200 | (35,000) | 41 |
| MDARD | Industry Support Fund | 125,278 | 254,363 | (226,643) | 152,789 | 267,500 | (299,700) | 117,689 |
| MDARD | Migrant labor Housing Fund | 95,588 | 128,593 | (63,110) | 159,318 | 129,000 | (138,200) | 148,318 |
| MDARD | Non-Retail Liquor Fee | 296,149 | 733,055 | (663,030) | 359,526 | 725,000 | (800,000) | 277,926 |
| MDARD | Private Forestland Enhancement Fund | 66,429 | 181,196 | (1,148) | 246,478 | 200,000 | (246,300) | 200,178 |
| MDARD | Renewable Fuels Fund | 17,496 | 119 | 0 | 17,615 | 0 | (17,600) | 15 |
| MDARD | Rural Development Fund | 0 | 0 | 0 | 0 | 2,000,000 | 0 | 2,000,000 |
| MDARD | Test Fees | | 199,032 | (196,885) | 0 | 190,000 | (187,900) | 0 |
| MDARD | Weights & Measures Regulation Fund | 944,232 | 679,846 | (1,057,560) | 551,455 | 600,000 | (952,000) | 184,355 |
| Attorney General | Antitrust Enforcement Collections | 250,000 | 621,213 | (621,213) | 250,000 | 746,400 | (746,400) | 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 | 1,161,512 | 1,349,697 | (1,213,000) | 1,298,209 | 1,207,900 | (1,207,900) | 1,298,209 |
| Attorney General | Franchise Fees | 0 | 323,875 | (323,875) | 0 | 374,300 | (374,300) | 0 |
| Attorney General | Homeowner Protection Fund | 4,000,862 | 3,604 | (1,178,293) | 2,826,173 | 2,000 | (1,200,000) | 1,628,173 |
| Attorney General | Human Trafficking Commission Fund | 0 | 0 | 0 | 0 | 100,000 | 0 | 100,000 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | |
|------------------|--|---------------------------------------|------------|--------------|------------------------|---------------------------------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| Attorney General | Litigation Expense Reimbursement Fund | 500,000 | 474,580 | (474,580) | 500,000 | 500,000 | (500,000) | 500,000 |
| Attorney General | Prisoner Reimbursement | 0 | 405,849 | (405,849) | 0 | 611,900 | (611,900) | 0 |
| Attorney General | Prisoner Reimbursement Excess Collections | 0 | 1,000,000 | (1,000,000) | 0 | 1,000,000 | (1,000,000) | 0 |
| Attorney General | Prosecuting Attorney's Training Fees | 0 | 247,636 | (247,636) | 0 | 404,000 | (404,000) | 0 |
| Casino Gaming | Casino Gambling Agreements | 765,054 | 765,726 | (688,029) | 842,751 | 765,700 | (804,100) | 804,351 |
| Casino Gaming | Laboratory Fees | 0 | 636,490 | (636,490) | 0 | 700,000 | (700,000) | 0 |
| Casino Gaming | State Casino Gaming Fund | 2,789,893 | 914,495 | 0 | 3,704,388 | 325,000 | (2,300,000) | 1,729,388 |
| Casino Gaming | State Services Fee Fund | 6,691,650 | 35,255,288 | (33,859,944) | 8,086,994 | 35,232,000 | (36,123,200) | 7,195,794 |
| Civil Rights | Division on Deafness Fund | 0 | 44,140 | (44,140) | 0 | 45,000 | (45,000) | 0 |
| DOC | Correctional Industries Revolving Fund | 0 | 338,135 | (338,135) | 0 | 338,000 | (338,000) | 0 |
| DOC | Jail Reimbursement Program Fund | 0 | 5,430,865 | (5,430,865) | 0 | 5,431,000 | (5,431,000) | 0 |
| DOC | Parole / Probation Oversight Fee Set-Aside | 3,506,862 | 770,323 | (1,904,802) | 2,372,383 | 770,000 | (770,000) | 2,372,383 |
| DOC | Parole / Probation Oversight Fees | 0 | 3,675,816 | (3,675,816) | 0 | 3,700,000 | (3,700,000) | 0 |
| DOC | Prisoner Health Care Copayments | 0 | 229,317 | (229,317) | 0 | 229,000 | (229,000) | 0 |
| DOC | Program And Special Equipment Fund | 28,581,954 | 12,209,144 | (9,390,569) | 31,400,529 | 6,794,500 | (38,195,029) | 0 |
| DOC | Re-Entry Center Offender Reimbursements | 0 | 8,565 | (8,565) | 0 | 8,600 | (8,600) | 0 |
| DOC | Resident Stores | 0 | 4,970,256 | (4,970,256) | 0 | 5,000,000 | (5,000,000) | 0 |
| DOC | State Restricted Revenues And Reimbursements | 0 | 75,618 | (75,618) | 0 | 75,000 | (75,000) | 0 |
| DOC | Tether Program Participant Contributions | 0 | 2,244,417 | (2,244,417) | 0 | 2,244,000 | (2,244,000) | 0 |
| Education | Certification Fees | 1,469,085 | 4,660,353 | (4,536,161) | 1,593,277 | 4,660,000 | (5,670,000) | 583,277 |
| Education | Commodity Distribution Fees | 4,298 | 9,805 | (9,799) | 4,305 | 10,000 | (10,000) | 4,305 |
| Education | Library Fees | 267,399 | 25,163 | (57,947) | 234,616 | 65,500 | (97,900) | 202,216 |
| Education | Low Incidence Outreach Fees | 0 | 0 | 0 | 0 | 243,400 | (220,300) | 252,621 |
| Education | Student Insurance Revenue | 0 | 81,450 | (81,450) | 0 | 81,500 | (81,500) | 0 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | | |
|-----------|---|---------------------------------------|------------|--------------|------------------------|---------------------------------------|--------------|------------------------|--|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance | |
| Education | Teacher College Review Fees | 71,418 | 10,800 | (50,065) | 32,152 | 10,800 | (42,952) | 0 | |
| Education | Teacher Testing Fees | 89,067 | 103,405 | (164,878) | 27,594 | 160,000 | (164,900) | 22,694 | |
| Education | Training & Orientation Workshop Fees | 0 | 67,451 | (67,451) | 0 | 67,500 | (67,500) | 0 | |
| DEQ | Air Emissions Fees | 1,935,510 | 9,563,473 | (9,811,436) | 1,687,547 | 10,743,500 | (10,760,600) | 1,634,247 | |
| DEQ | Aquatic Nuisance Control Fund | 0 | 736,976 | (736,544) | 431 | 900,000 | (900,400) | 31 | |
| DEQ | Aquifer Protection Revolving Fund | 583,003 | 387 | (24,401) | 558,989 | 400 | (40,000) | 519,389 | |
| DEQ | Brownfield Revolving Loan Fund | 25,424,548 | 140,655 | 0 | 25,565,202 | 0 | 0 | 25,565,202 | |
| DEQ | Campground Fund | 75,096 | 282,452 | (316,015) | 41,532 | 260,000 | (254,300) | 47,232 | |
| DEQ | Clean Michigan Initiative - Clean Water Fund | 0 | 1,956,343 | (1,956,343) | 0 | 2,942,100 | (2,617,100) | 0 | |
| DEQ | Clean Michigan Initiative - Contaminated Sediments | 0 | 121,686 | (121,686) | 0 | 1,565,000 | (1,565,000) | 0 | |
| DEQ | Clean Michigan Initiative - Pollution Prevention Activities | 0 | 41,759 | (41,759) | 0 | 0 | 0 | 0 | |
| DEQ | Clean Michigan Initiative - Nonpoint Source | 24,977 | 497,598 | (522,575) | 0 | 2,000,000 | (2,000,000) | 0 | |
| DEQ | Clean Michigan Initiative - Response Activities | 0 | 3,988,155 | (3,988,155) | 0 | 6,000,000 | (6,000,000) | 0 | |
| DEQ | Clean Michigan Initiative - Revenue Fund | 0 | 1,200 | (1,200) | 0 | 0 | 0 | 0 | |
| DEQ | Clean Michigan Initiative - Waterfront Improvements | 0 | 6,664 | (6,664) | 0 | 0 | 0 | 0 | |
| DEQ | Cleanup And Redevelopment Fund | 18,135,203 | 14,119,509 | (18,861,616) | 13,393,096 | 13,220,000 | (20,524,600) | 2,831,297 | |
| DEQ | Cleanup And Redevelopment Trust Fund | 2,339,301 | 1,655,857 | (810,699) | 3,184,458 | 1,655,900 | 0 | 3,840,358 | |
| DEQ | Community Pollution Prevention Fund | 2,901,169 | 1,656,041 | (304,367) | 3,252,843 | 1,657,200 | (1,000,000) | 2,910,043 | |
| DEQ | Electronic Waste Recycling Fund | 510,204 | 287,042 | (257,992) | 539,254 | 290,000 | (300,000) | 529,254 | |
| DEQ | Environmental Education Fund | 20,076 | 111,975 | (57,420) | 74,631 | 106,700 | (164,000) | 17,331 | |
| DEQ | Environmental Perpetual Care Fund | 113,472 | 13,469 | (88,487) | 38,454 | 0 | (38,454) | 0 | |
| DEQ | Environmental Pollution Prevention Fund | 4,219,892 | 5,984,308 | (6,171,334) | 4,032,866 | 5,390,000 | (7,514,600) | 1,908,266 | |
| DEQ | Environmental Protection Fund | 1,855,256 | 973,701 | (2,155,200) | 1,673,758 | 0 | (2,219,900) | 1,453,858 | |
| DEQ | Environmental Protection Bond Fund | 9,684 | 1,296,688 | (1,306,372) | 0 | 700,000 | (700,000) | 0 | |
| DEQ | Environmental Response Fund | 8,986,793 | 1,165,908 | (1,060,603) | 9,092,098 | 1,009,000 | (2,072,000) | 8,029,098 | |
| DEQ | Fees And Collections | 0 | 242,579 | (242,579) | 0 | 232,500 | (232,500) | 0 | |

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|--------|--|---------------------------------------|------------|--------------|---------------------------------------|------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DEQ | Financial Instruments | 0 | 3,752,442 | (3,534,674) | 217,768 | 1,000,000 | (1,217,768) | 0 |
| DEQ | Great Lakes Protection Fund | 557,247 | 550,056 | (175,790) | 931,512 | 350,000 | (213,000) | 981,512 |
| DEQ | Groundwater Discharge Permit Fees | 1,156,866 | 1,194,664 | (1,471,555) | 879,975 | 1,162,000 | (1,376,900) | 665,075 |
| DEQ | Infrastructure Construction Fund | 32,689 | 50,698 | (40,791) | 42,596 | 31,800 | (35,000) | 39,396 |
| DEQ | Land And Water Permit Fees | 5,500,609 | 2,317,429 | (3,833,850) | 3,984,188 | 2,163,000 | (2,150,000) | 2,475,859 |
| DEQ | Landfill Maintenance Trust Fund | 42,961 | 461 | 0 | 43,422 | 400 | 0 | 43,822 |
| DEQ | Landfill Maintenance Trust Sub-Fund Corpus | 500,000 | 100 | (100) | 500,000 | 100 | (100) | 500,000 |
| DEQ | Medical Waste Emergency Response Fund | 723,318 | 233,256 | (339,483) | 617,092 | 470,000 | (329,400) | 757,692 |
| DEQ | Metallic Mining Surveillance Fee Revenue | 42,805 | 71,014 | (38,281) | 75,537 | 70,000 | (29,500) | 116,037 |
| DEQ | Mineral Well Regulatory Fee Revenue | 104,025 | 131,418 | (124,366) | 111,076 | 132,000 | (139,600) | 103,476 |
| DEQ | Natural Resource Damage Fund | 3,664,103 | 52,481 | (313,215) | 3,403,369 | 50,000 | (100,000) | 3,353,369 |
| DEQ | Nonferrous Metallic Mineral Surveillance | 2,524 | 31,713 | (30,603) | 3,634 | 285,000 | (165,600) | 123,034 |
| DEQ | NPDES Fees | 3,821,968 | 2,600,102 | (3,624,943) | 2,797,128 | 2,873,000 | (2,817,000) | 2,845,428 |
| DEQ | Oil And Gas Regulatory Fund | 9,251,232 | 5,560,851 | (9,375,242) | 5,436,841 | 3,740,700 | (8,500,000) | 639,541 |
| DEQ | Orphan Well Fund | 2,501,604 | 1,128,924 | (1,737,883) | 1,892,645 | 1,000,000 | (1,472,800) | 1,419,845 |
| DEQ | Public Swimming Pool Fund | 105,550 | 558,200 | (495,043) | 168,707 | 525,000 | (553,700) | 140,007 |
| DEQ | Public Water Supply Fees | 408,932 | 4,412,221 | (4,332,661) | 488,492 | 4,200,000 | (4,181,300) | 495,492 |
| DEQ | Refined Petroleum Fund | 77,056,735 | 29,090,178 | (29,825,354) | 76,321,558 | 30,160,000 | (42,208,000) | 58,273,558 |
| DEQ | Retired Engineers Technical Assistance Program | 1,468,479 | 0 | (327,661) | 1,140,818 | 0 | 0 | 0 |
| DEQ | Revitalization Revolving Loan Fund | 6,172,319 | 12,179 | (5,813) | 6,178,685 | 15,000 | (10,000) | 6,183,685 |
| DEQ | Sand Extraction Fee Revenue | 118,816 | 63,751 | (32,655) | 149,912 | 55,000 | (25,800) | 179,112 |
| DEQ | Scrap Tire Regulatory Fund | 7,814,484 | 4,991,464 | (3,955,803) | 8,850,145 | 4,700,000 | (8,311,500) | 5,238,645 |
| DEQ | Septage Waste Contingency Fund | 11,231 | 12 | (3,635) | 7,607 | 0 | (4,200) | 3,407 |
| DEQ | Septage Waste Program Fund | 148,307 | 437,849 | (292,822) | 293,334 | 420,000 | (451,600) | 261,734 |
| DEQ | Settlement Funds | 2,355,314 | 741,402 | (307,558) | 2,789,158 | 1,000,000 | (3,789,158) | 0 |
| DEQ | Sewage Sludge Land Application Fees | 36,973 | 803,160 | (710,224) | 129,909 | 750,000 | (750,000) | 129,909 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | |
|--------|---|---------------------------------------|-------------|---------------|------------------------|---------------------------------------|---------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DEQ | Small Business Pollution Prevention Revolving Loan Fund | 2,066,013 | 1,458 | (29,771) | 2,037,701 | 2,500 | (132,500) | 1,907,701 |
| DEQ | Soil Erosion And Sedimentation Control Training Fund | 21,009 | 124,234 | (132,589) | 12,654 | 106,100 | (110,000) | 8,754 |
| DEQ | Solid Waste Management Fund - Perpetual Care | 635,260 | 105,169 | (100) | 740,329 | 100,000 | (100) | 840,229 |
| DEQ | Solid Waste Management Fund - Staff Account | 3,761,002 | 5,436,793 | (5,123,513) | 4,074,281 | 5,165,000 | (5,054,300) | 4,165,281 |
| DEQ | State Site Cleanup Fund | 4,341,741 | 13,998 | (557,736) | 3,798,003 | 14,000 | (1,800) | 3,810,203 |
| DEQ | Stormwater Permit Fees | 2,218,141 | 1,533,857 | (1,848,886) | 1,903,111 | 1,673,800 | (1,716,400) | 1,860,511 |
| DEQ | Strategic Water Quality Initiatives Fund | 4,421,511 | 9,103,770 | (13,525,280) | 0 | 117,178,600 | (117,178,600) | 0 |
| DEQ | Underground Storage Tank Cleanup Fund | 0 | 20,012,887 | (21,869) | 19,991,018 | 22,500,000 | (1,045,000) | 41,446,018 |
| DEQ | Wastewater Operator Training Fees | 219,310 | 454,351 | (393,865) | 279,796 | 391,000 | (430,100) | 240,696 |
| DEQ | Water Analysis Fees | 157,556 | 1,741,403 | (1,633,862) | 265,097 | 1,730,000 | (1,670,400) | 324,697 |
| DEQ | Water Pollution Control Revolving Fund | 0 | 2,806,249 | (2,806,249) | 0 | 2,204,700 | (2,204,700) | 0 |
| DEQ | Water Quality Protection Fund | 375,246 | 70,897 | (82,540) | 363,603 | 71,200 | (100,000) | 334,803 |
| DEQ | Water Use Reporting Fees | 372,523 | 245,970 | (236,043) | 382,451 | 213,500 | (277,100) | 318,851 |
| DHHS | Certificate of Need | 874,676 | 4,052,583 | (2,020,182) | 2,907,076 | 2,715,000 | (2,213,100) | 3,408,976 |
| DHHS | Child Support Collections | 0 | 13,879,379 | (12,199,927) | 1,679,452 | 13,879,400 | (11,035,000) | 4,523,852 |
| DHHS | Children's Advocacy Center Fund | 1,467,433 | 849,929 | (1,367,303) | 950,059 | 850,000 | (1,367,300) | 432,759 |
| DHHS | Children's Trust Fund | 1,195,067 | 1,203,116 | (1,717,325) | 2,315,367 | 1,179,800 | (1,717,300) | 1,777,867 |
| DHHS | Compulsive Gaming Prevention Fund | 3,343,658 | 2,111,579 | (2,284,448) | 3,170,789 | 6,040,500 | (2,500,000) | 6,711,289 |
| DHHS | Crime Victim Services Fund | 14,812,064 | 20,724,592 | (13,014,658) | 21,826,401 | 19,977,100 | (13,100,000) | 28,703,501 |
| DHHS | EMS Fees | 285,874 | 431,997 | (308,446) | 409,425 | 396,300 | (504,800) | 300,925 |
| DHHS | Fees and Collections | 1,537,660 | 6,583,529 | (6,606,180) | 1,518,379 | 6,583,500 | (6,606,200) | 1,495,679 |
| DHHS | Health Insurance Claims Assessment | 6,348,805 | 224,415,715 | (230,764,520) | 0 | 202,485,600 | (202,485,600) | 0 |
| DHHS | Healthy Michigan Fund | 722,470 | 33,062,544 | (32,340,900) | 1,444,114 | 32,004,600 | (33,152,000) | 296,714 |
| DHHS | Human Services State Restricted | 0 | 2,153,500 | (2,153,500) | 0 | 2,157,700 | (2,157,700) | 0 |
| DHHS | Medicaid Benefits Trust Fund | 13,960,830 | 335,158,765 | (343,646,200) | 5,473,395 | 334,371,100 | (324,146,200) | 15,698,295 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|-----------|---|---------------------------------------|---------------|-----------------|---------------------------------------|---------------|-----------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DHHS | MIChild Premium Payments | 0 | 2,499,600 | (2,499,600) | 0 | 2,600,000 | (2,600,000) | 0 |
| DHHS | Michigan Health Initiative Fund | 1,090,028 | 8,981,831 | (8,858,139) | 646,869 | 9,000,000 | (9,646,869) | 0 |
| DHHS | Newborn Screening Fees | 2,526,769 | 14,595,189 | (13,792,516) | 3,353,196 | 14,595,200 | (15,621,800) | 2,326,596 |
| DHHS | Pharmaceutical Products Fund | 1,061,349 | 0 | 0 | 1,061,349 | 0 | 0 | 1,061,349 |
| DHHS | Public Assistance Recoupment Revenue | 0 | 4,503,026 | (4,503,026) | 0 | 4,500,000 | (4,500,000) | 0 |
| DHHS | Quality Assurance Assessment Tax | 0 | 1,007,474,480 | (1,007,474,480) | 0 | 1,130,641,100 | (1,130,641,100) | 0 |
| DHHS | Rehabilitation Service Fees | 0 | 37,374 | (37,374) | 0 | 400,000 | (400,000) | 0 |
| DHHS | Second Injury Fund | 0 | 7,700 | (7,700) | 0 | 40,000 | (40,000) | 0 |
| DHHS | Senior Care Respite Fund | 2,291,293 | 1,249,709 | (2,665,201) | 875,801 | 1,400,000 | (2,125,801) | 150,000 |
| DHHS | Sexual Assault Victims' Medical Forensic Intervention | 2,504,808 | 1,218,498 | (943,411) | 2,779,895 | 1,250,000 | (943,400) | 3,086,495 |
| DHHS | Health Services State Restricted | 0 | 123,411,439 | (122,235,727) | 1,541,338 | 104,272,000 | (100,000,000) | 5,813,338 |
| DHHS | Supplemental Security Income Recoveries | 0 | 5,236,500 | (5,236,500) | 0 | 5,236,500 | (5,236,500) | 0 |
| DHHS | Vital Records Fees | 1,125,154 | 4,072,977 | (4,424,598) | 770,756 | 5,000,000 | (4,798,100) | 972,656 |
| DIFS | Autism Coverage fund | 17,790,060 | (2,960,302) | (8,914,813) | 5,914,945 | 4,478 | (5,919,423) | 0 |
| DIFS | Bank Fees | 632,901 | 5,450,441 | (5,891,640) | 191,702 | 5,500,000 | (5,500,000) | 191,702 |
| DIFS | Captive Insurance Regulatory & Supervision Fees | 99,818 | 151,873 | (153,657) | 98,034 | 135,000 | (135,000) | 98,034 |
| DIFS | Consumer Finance Fees | 329,568 | 1,506,342 | (1,326,068) | 509,842 | 1,300,000 | (1,200,000) | 609,842 |
| DIFS | Credit Union Fees | 586,670 | 7,320,864 | (7,558,936) | 348,598 | 7,800,000 | (7,800,000) | 348,598 |
| DIFS | Debt Management | 0 | 4,342 | 0 | 4,342 | 5,000 | 0 | 9,342 |
| DIFS | Deferred Presentment Service Transaction Fees | 320,285 | 3,624,108 | (2,574,885) | 1,369,508 | 3,000,000 | (2,800,000) | 1,569,508 |
| DIFS | Insurance Bureau Fund | 6,209,673 | 17,923,357 | (20,395,466) | 3,737,563 | 16,000,000 | (16,000,000) | 3,737,563 |
| DIFS | Insurance Continuing Education Fees | 322,313 | 625,249 | (589,045) | 358,517 | 600,000 | (600,000) | 358,517 |
| DIFS | Insurance Licensing and Regulation Fees | 4,133,225 | 7,353,963 | (5,841,227) | 5,645,961 | 6,700,000 | (8,000,000) | 4,345,961 |
| DIFS | MBLSLA Fund | 4,051,115 | 4,419,747 | (4,622,212) | 3,848,650 | 4,000,000 | (4,500,000) | 3,348,650 |
| DIFS | Multiple Employer Welfare Arrangement | 562,217 | 121,034 | (65,830) | 617,421 | 140,000 | (81,400) | 676,021 |
| Judiciary | Community Dispute Resolution Fund | 1,543,282 | 1,720,968 | (1,684,623) | 1,579,628 | 1,716,000 | (1,716,000) | 1,579,628 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | | |
|-----------|--|---------------------------------------|------------|--------------|------------------------|---------------------------------------|--------------|------------------------|--|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance | |
| Judiciary | Court Equity Fund | 0 | 38,877,012 | (38,877,012) | 0 | 38,500,000 | (38,500,000) | 0 | |
| Judiciary | Court Fee Fund | 44,843 | 7,897,183 | (7,851,536) | 90,490 | 7,900,000 | (7,900,000) | 90,490 | |
| Judiciary | Court Filing/Motion Fees | 0 | 1,320,579 | (1,320,579) | 0 | 1,350,000 | (1,350,000) | 0 | |
| Judiciary | Drug Court Fund | 1,262,273 | 1,248,140 | (507,991) | 2,002,423 | 1,230,000 | (1,500,000) | 1,732,423 | |
| Judiciary | Drug Fund | 0 | 217,480 | (217,480) | 0 | 220,000 | (220,000) | 0 | |
| Judiciary | Drunk Driving Fund | 0 | 2,326,456 | (2,326,456) | 0 | 2,350,000 | (2,350,000) | 0 | |
| Judiciary | Electronic Filing System Fee | 0 | 0 | 0 | 0 | 5,000,000 | (5,000,000) | 0 | |
| Judiciary | Judicial Technology Improvement Fund | 4,791 | 3,670,616 | (3,671,595) | 3,813 | 3,650,000 | (3,650,000) | 3,813 | |
| Judiciary | Juror Compensation Fund | 6,471,502 | 4,529,697 | (2,587,801) | 8,413,397 | 4,300,000 | (2,800,000) | 9,913,397 | |
| Judiciary | Justice System Fund | 346,051 | 448,005 | (376,679) | 417,377 | 440,000 | (450,000) | 407,377 | |
| Judiciary | Law Exam Fees | 0 | 640,052 | (640,052) | 0 | 640,000 | (640,000) | 0 | |
| Judiciary | Miscellaneous Revenue | 0 | 196,490 | (196,490) | 0 | 200,000 | (200,000) | 0 | |
| Judiciary | State Court Fund | 0 | 6,711,220 | (6,711,220) | 0 | 6,700,000 | (6,700,000) | 0 | |
| DLARA | Aboveground Storage Tank Fees | 574,849 | 611,954 | (868,608) | 318,195 | 560,500 | (592,700) | 285,995 | |
| DLARA | Accountancy Enforcement Fund | 3,311,886 | 857,217 | (218,910) | 3,950,193 | 267,600 | (164,000) | 4,053,793 | |
| DLARA | Asbestos Abatement Fund | 258,770 | 794,544 | (907,568) | 145,746 | 805,000 | (918,000) | 32,746 | |
| DLARA | Boiler Inspection Fund | 1,712,213 | 3,116,314 | (3,331,028) | 1,497,499 | 3,155,400 | (3,625,900) | 1,026,999 | |
| DLARA | Builder Enforcement Fund | 2,388,420 | 135,096 | (375,583) | 2,147,933 | 110,400 | (451,000) | 1,807,333 | |
| DLARA | Construction Code Fund | 1,959,491 | 8,877,813 | (8,710,392) | 2,007,275 | 13,315,900 | (8,017,800) | 7,185,375 | |
| DLARA | Corporation Fees | 7,925,041 | 23,253,439 | (21,989,577) | 9,188,903 | 24,763,000 | (21,877,600) | 12,074,303 | |
| DLARA | Direct Shipper Enforcement Revolving Fund | 628,987 | 106,561 | (100,065) | 635,483 | 100,500 | (100,000) | 635,983 | |
| DLARA | Distance Education Fund | 0 | 62,000 | 0 | 62,000 | 300,000 | (300,000) | 62,000 | |
| DLARA | Elevator Fees | 3,450,194 | 3,560,095 | (4,766,593) | 2,243,696 | 4,071,400 | (5,273,400) | 1,041,696 | |
| DLARA | Energy Efficiency & Renewable Energy Revolving Loan Fund | 25,537,663 | 1,733,726 | (294,832) | 24,214,347 | 1,556,700 | (300,000) | 25,471,047 | |
| DLARA | Fire Alarm Fees | 0 | 86,563 | (86,563) | 0 | 135,000 | (126,900) | 8,100 | |
| DLARA | Fire Protection Fund | 4,414 | 8,498,539 | (8,500,000) | 2,953 | 8,500,000 | (8,500,000) | 2,953 | |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|--------|---|---------------------------------------|---------------|--------------|---------------------------------------|---------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DLARA | Fire Safety Standard & Enforcement Fund | 124,394 | 9,829 | (40,000) | 94,223 | 105,000 | (40,000) | 159,223 |
| DLARA | Fire Service Fees | 65,024 | 2,294,976 | (2,136,373) | 223,627 | 2,300,500 | (1,563,400) | 960,727 |
| DLARA | Fireworks Safety Fund | 4,071,676 | 2,871,229 | (1,733,784) | 5,209,121 | 2,752,500 | (1,776,500) | 6,185,122 |
| DLARA | Health Professions Regulatory Fund | 6,646,769 | 23,700,444 | (20,904,347) | 9,442,866 | 22,636,000 | (21,088,600) | 10,990,266 |
| DLARA | Health Systems Fees | 2,750,946 | 4,441,278 | (2,146,475) | 5,045,749 | 3,501,700 | (3,122,300) | 5,425,149 |
| DLARA | Licensing & Regulation Fund | 4,406,401 | 10,960,548 | (12,245,485) | 3,121,464 | 9,635,600 | (11,534,300) | 1,222,764 |
| DLARA | Liquor License Fee Enhancement Fund | 993,650 | 141,550 | 0 | 1,135,200 | 141,600 | (75,000) | 1,201,800 |
| DLARA | Liquor License Revenue | 1,208,444 | 13,290,650 | (14,499,094) | 0 | 15,004,800 | (14,804,100) | 200,700 |
| DLARA | Liquor Purchase Revolving Fund | 0 | 1,378,853,845 | (20,421,400) | 0 | 1,372,290,600 | (20,188,400) | 0 |
| DLARA | Low Income Energy Assistance Fund | 1,278,032 | 49,284,747 | (49,220,854) | 1,341,925 | 50,000,000 | (49,280,000) | 2,061,925 |
| DLARA | Michigan Business Enterprise Program Fund | 0 | 285,088 | (285,088) | 0 | 285,000 | (285,000) | 0 |
| DLARA | Michigan Medical Marijuana Fund | 26,542,851 | 7,086,259 | (3,904,847) | 29,724,263 | 7,200,000 | (7,228,700) | 29,695,563 |
| DLARA | Michigan Unarmed Combat Fund | 13,215 | 63,295 | (76,510) | 0 | 71,200 | (71,200) | 0 |
| DLARA | Mobile Home Code Fund | 668,726 | 2,700,851 | (2,573,228) | 796,348 | 2,386,800 | (3,183,100) | 0 |
| DLARA | Nurse Professional Fund | 1,216,898 | 1,423,561 | (1,090,607) | 1,549,853 | 1,383,000 | (1,649,200) | 1,283,653 |
| DLARA | PMECSEMA Fund | 3,714,490 | 1,304,613 | (1,589,306) | 3,429,797 | 1,265,500 | (1,812,200) | 2,883,097 |
| DLARA | Private Occupational School License Fees | 183,031 | 423,018 | (494,822) | 111,227 | 400,000 | (511,200) | 0 |
| DLARA | Property Development Fees | 79,991 | 53,685 | (2,542) | 131,134 | 53,800 | (5,100) | 179,834 |
| DLARA | Public Utility Assessments | 2,777,019 | 29,145,725 | (29,659,556) | 2,263,188 | 32,622,800 | (31,709,700) | 3,176,288 |
| DLARA | Radiological Health Fees | 1,560,362 | 2,408,130 | (2,790,704) | 1,177,788 | 2,342,700 | (2,848,100) | 672,388 |
| DLARA | Real Estate Appraiser Education Fund | 470,854 | 31,520 | (35,949) | 466,425 | 32,000 | (9,100) | 489,325 |
| DLARA | Real Estate Education Fund | 2,981,007 | 269,010 | (361,100) | 2,888,917 | 644,300 | (196,300) | 3,336,917 |
| DLARA | Real Estate Enforcement Fund | 1,487,561 | 264,653 | (11,682) | 1,740,532 | 644,300 | (31,700) | 2,353,132 |
| DLARA | Restructuring Mechanism Assessments | 267,411 | 16,055,813 | (16,315,495) | 0 | 16,400,000 | (555,100) | 0 |
| DLARA | Retired Engineers Technical Assistance Program Fund | 1,468,479 | 0 | (327,661) | 1,140,818 | 1,140,800 | (298,200) | 1,983,418 |
| DLARA | Safety Education & Training Fund | 6,629,642 | 9,575,324 | (10,321,070) | 5,883,896 | 9,575,000 | (10,240,000) | 5,218,896 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|---------|---|---------------------------------------|------------|--------------|---------------------------------------|------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DLARA | Second Injury Fund | 13,028,035 | 12,076,976 | (11,357,866) | 13,747,145 | 9,328,000 | (3,024,800) | 12,375,145 |
| DLARA | Securities Fees | 0 | 18,028,281 | (18,159,619) | 0 | 22,514,600 | (17,449,400) | 0 |
| DLARA | Securities Investor Education & Training Fund | 401,968 | 1,218 | (57,434) | 345,752 | 10,000 | (23,000) | 332,752 |
| DLARA | Security Business Fund | 190,359 | 97,687 | (29,128) | 258,918 | 97,000 | (42,400) | 313,519 |
| DLARA | Self-Insurers Security Fund | 23,901,065 | 5,790,309 | (11,619,040) | 5,951,323 | 12,571,000 | (2,043,000) | 7,022,323 |
| DLARA | Silicosis & Dust Disease Fund | 1,534,010 | 1,441,855 | (1,374,399) | 1,601,466 | 842,000 | (1,200,000) | 1,243,466 |
| DLARA | Survey & Remonumentation Fund | 3,420,949 | 6,939,122 | (8,365,283) | 1,994,788 | 6,948,300 | (6,146,200) | 2,796,888 |
| DLARA | Tax Tribunal Fund | 1,293,786 | 2,166,467 | (2,837,469) | 622,783 | 2,000,700 | (2,623,500) | 0 |
| DLARA | Underground Storage Tank Fees | 816,849 | 1,777,649 | (2,216,582) | 377,916 | 1,816,000 | (2,193,900) | 0 |
| DLARA | Utility Consumer Representation Fund | 2,214,878 | 1,200,413 | (1,566,414) | 1,843,022 | 1,187,100 | (545,400) | 1,694,122 |
| DLARA | Worker's Compensation Administrative Revolving Fund | 540,314 | 1,334,401 | (1,187,011) | 687,704 | 1,250,000 | (1,937,700) | 0 |
| Lottery | Lottery Operations | 0 | 48,106,500 | (42,309,949) | 0 | 52,528,900 | (52,528,900) | 0 |
| DMVA | Billeting Fund | 0 | 14,714 | (14,714) | 0 | 1,500,000 | (1,500,000) | 0 |
| DMVA | Homeowner Protection Fund | 401,425 | 0 | (401,425) | 0 | 0 | 0 | 0 |
| DMVA | Income and Assessments | 0 | 15,071,793 | (14,528,125) | 543,668 | 14,881,300 | (14,881,300) | 543,668 |
| DMVA | Lease Revenue | 0 | 30,000 | (30,000) | 0 | 30,000 | (30,000) | 0 |
| DMVA | Mackinac Bridge Authority | 0 | 69,683 | (69,683) | 0 | 70,000 | (70,000) | 0 |
| DMVA | Michigan National Guard Armory Construction Fund | 55,679 | 266,315 | (5,535) | 316,459 | 25,000 | 0 | 341,459 |
| DMVA | Michigan Veterans' Trust Fund | 0 | 3,746,500 | (1,747,235) | 0 | 3,746,500 | (1,725,000) | 0 |
| DMVA | Military Family Relief Fund | 2,443,367 | 107,497 | (89,802) | 2,461,062 | 100,000 | (85,000) | 2,476,062 |
| DMVA | Rental Fees | 0 | 197,810 | (197,810) | 0 | 175,000 | (175,000) | 0 |
| DNR | Cervidae Licensing And Inspection Fees | 0 | 97,500 | (97,500) | 0 | 83,900 | (83,900) | 0 |
| DNR | Clean Michigan Initiative Fund | 86,100 | 100 | (29,100) | 57,100 | 100 | (29,200) | 28,000 |
| DNR | Commercial Forest Fund | 44,300 | 36,000 | (28,600) | 51,700 | 27,100 | (26,500) | 52,300 |
| DNR | Fire Equipment Fund | 867,200 | 296,300 | (560,200) | 603,300 | 300,000 | (662,900) | 240,400 |
| DNR | Forest Development Fund | 8,501,500 | 45,020,000 | (37,524,500) | 15,997,000 | 40,882,600 | (44,155,400) | 12,724,200 |

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|--------|---|---------------------------------------|------------|--------------|---------------------------------------|------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DNR | Forest Land User Charges | 477,000 | 338,600 | (281,600) | 534,000 | 241,200 | (285,500) | 489,700 |
| DNR | Forest Recreation Account | 218,100 | 2,009,500 | (1,675,600) | 552,000 | 1,820,500 | (1,692,600) | 679,900 |
| DNR | Game And Fish Protection Fund | 531,800 | 75,510,600 | (75,522,100) | 520,300 | 76,334,900 | (76,855,200) | 0 |
| DNR | Game And Fish Protection Fund - Deer Habitat Reserve | 672,300 | 2,017,000 | (2,237,900) | 451,400 | 1,996,200 | (2,130,700) | 316,900 |
| DNR | Game And Fish Protection Fund - Fisheries Settlement | 865,700 | 894,300 | (1,244,100) | 515,900 | 595,100 | (1,049,000) | 62,000 |
| DNR | Game And Fish Protection Fund - Turkey Permit Fees | 190,200 | 1,053,300 | (1,084,700) | 158,800 | 1,023,100 | (1,018,600) | 163,300 |
| DNR | Game And Fish Protection Fund - Waterfowl Fees | 40,800 | 111,300 | (146,900) | 5,200 | 111,300 | (116,500) | 0 |
| DNR | Game And Fish Protection Fund - Waterfowl Hunt Stamp | 3,161,300 | 520,100 | (3,000,000) | 681,400 | 520,100 | 0 | 1,201,500 |
| DNR | Game And Fish Protection Fund - Wildlife Management Public Education Fund | 1,200,900 | 1,596,200 | (1,521,000) | 1,276,100 | 1,600,000 | (1,600,000) | 1,276,100 |
| DNR | Game And Fish Protection Fund - Wildlife Resource Protection Fund | 105,700 | 1,194,700 | (1,135,600) | 164,800 | 1,194,700 | (1,133,400) | 226,100 |
| DNR | Game And Fish Protection Fund - Youth Hunting And Fishing Education And Outreach Fund | 233,400 | 82,800 | (96,500) | 219,700 | 82,800 | (96,400) | 206,100 |
| DNR | History Fees Fund | 116,800 | 177,400 | (125,000) | 169,200 | 172,700 | (230,100) | 111,800 |
| DNR | Invasive Species Fund | 20,000 | 0 | 0 | 20,000 | 0 | (20,000) | 0 |
| DNR | Land Exchange Facilitation Fund | 3,177,500 | 3,496,900 | (1,740,400) | 4,934,000 | 1,510,800 | (1,632,000) | 4,812,800 |
| DNR | Local Public Recreation Facilities Fund | 1,180,000 | 1,230,300 | (958,300) | 1,452,000 | 1,214,300 | (1,591,200) | 1,075,100 |
| DNR | Mackinac Island State Park Fund | 0 | 1,450,900 | (1,450,900) | 0 | 1,410,600 | (1,410,600) | 0 |
| DNR | Mackinac Island State Park Operation Fund | 0 | 48,600 | (48,600) | 0 | 135,000 | (135,000) | 0 |
| DNR | Marine Safety Fund | 446,900 | 5,079,000 | (4,559,800) | 966,100 | 4,773,300 | (4,631,800) | 1,107,600 |
| DNR | Michigan Heritage Publications Fund | 87,500 | 200 | (29,200) | 58,500 | 200 | (38,600) | 20,100 |
| DNR | Michigan Natural Resources Trust Fund | 22,832,800 | 13,894,300 | (23,827,300) | 12,899,800 | 32,048,700 | (31,526,200) | 13,422,300 |
| DNR | Michigan State Parks Endowment Fund | 11,324,300 | 34,381,800 | (37,881,100) | 7,825,000 | 42,688,100 | (49,996,600) | 516,500 |
| DNR | Michigan State Waterways Fund | 6,292,900 | 22,860,900 | (21,169,300) | 7,984,500 | 21,955,700 | (22,804,000) | 7,136,200 |
| DNR | Michigan Trailways Fund | 0 | 100 | (100) | 0 | 100 | (100) | 0 |
| DNR | Museum Operations Fund | 136,900 | 460,200 | (479,000) | 118,100 | 479,000 | (501,600) | 95,500 |
| DNR | Nongame Wildlife Fund | 416,400 | 343,300 | (323,000) | 436,700 | 440,800 | (505,700) | 371,800 |
| DNR | Off-Road Vehicle Safety Education Fund | 247,700 | 219,000 | (177,200) | 289,500 | 208,000 | (203,800) | 293,700 |

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|--------|---|---------------------------------------|------------|--------------|---------------------------------------|------------|--------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| DNR | Off-Road Vehicle Trail Improvement Fund | 4,009,700 | 7,298,100 | (5,653,700) | 5,654,100 | 6,849,000 | (7,045,700) | 5,457,400 |
| DNR | Park Improvement Fund | 2,385,000 | 51,640,700 | (47,332,200) | 6,693,500 | 50,345,400 | (47,394,100) | 9,644,800 |
| DNR | Park Improvement Fund - Belle Isle Sub-Account | 336,400 | 593,100 | (921,000) | 8,500 | 600,000 | (608,500) | 0 |
| DNR | Permanent Snowmobile Trail Easement Fund | 2,308,400 | 522,600 | (600) | 2,830,400 | 578,000 | (700,000) | 2,708,400 |
| DNR | Public Use And Replacement Deed Fees | 0 | 20,100 | (20,100) | 0 | 25,000 | (25,000) | 0 |
| DNR | Recreation Improvement Account | 448,700 | 1,037,200 | (1,021,300) | 464,600 | 984,400 | (1,023,200) | 425,800 |
| DNR | Recreation Passport Fees | (1,357,800) | 6,520,600 | (3,291,300) | 1,871,500 | 6,374,300 | (5,241,500) | 3,004,300 |
| DNR | Snowmobile Registration Fee Revenue | 505,900 | 1,237,700 | (1,204,000) | 539,600 | 1,298,200 | (1,251,600) | 586,200 |
| DNR | Snowmobile Trail Improvement Fund | 2,935,400 | 8,567,400 | (8,648,800) | 2,854,000 | 8,442,500 | (9,008,500) | 2,288,000 |
| DNR | Sportsmen Against Hunger Fund | 93,100 | 81,000 | (27,700) | 146,400 | 85,000 | (76,600) | 154,800 |
| DNR | Underwater Preservation Fund | 3,000 | 0 | 0 | 3,000 | 0 | (3,000) | 0 |
| State | Abandoned Vehicle Fees | 0 | 362,174 | (362,174) | 0 | 362,000 | (362,000) | 0 |
| State | Administrative Order Processing Fee | 0 | 1,020 | (1,020) | 0 | 1,000 | (1,000) | 0 |
| State | Auto Repair Facilities Fees | 0 | 3,392,618 | (3,392,618) | 0 | 3,604,000 | (3,604,000) | 0 |
| State | Child Support Clearance Fees | 0 | 152,407 | (152,407) | 0 | 152,000 | (152,000) | 0 |
| State | Children's Protection Registry Fund | 366,150 | 84,983 | 0 | 451,133 | 85,000 | (85,000) | 451,133 |
| State | Credit And Debit Assessment Service Fees | 2,698,152 | 6,682,245 | (5,551,222) | 3,829,175 | 5,612,000 | (6,000,000) | 3,441,175 |
| State | Driver Education Provider And Instructor Fund | 233,998 | 97,980 | (75,100) | 256,878 | 52,000 | (75,000) | 233,878 |
| State | Driver Fees | 0 | 29,172,078 | (29,172,078) | 0 | 29,737,000 | (29,737,000) | 0 |
| State | Driver Improvement Course Fund | 0 | 1,277,137 | (1,277,137) | 0 | 1,281,000 | (1,281,000) | 0 |
| State | Driver Responsibility Fees | 0 | 1,000,000 | (1,000,000) | 0 | 1,000,000 | (1,000,000) | 0 |
| State | Enhanced Driver License And Enhanced Official State Personal Identification Card Fund | 5,619,418 | 7,871,857 | (8,746,900) | 4,744,375 | 6,807,000 | (8,821,700) | 2,729,675 |
| State | Expedient Service Fees | 0 | 3,694,941 | (3,694,941) | 0 | 3,698,000 | (3,698,000) | 0 |
| State | Mobile Home Commission Fees | 0 | 303,312 | (303,312) | 0 | 310,000 | (310,000) | 0 |
| State | Motor Vehicle Accident Claims Fund | 162,403 | 3,835 | 0 | 166,238 | 3,000 | 0 | 169,238 |
| State | Motorcycle Safety Fund | 222,932 | 1,489,996 | (1,511,585) | 201,343 | 1,515,000 | (1,516,000) | 200,343 |

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

Boilerplate language in the Fiscal Year 2016 Enacted Appropriations requires an annual report, within 14 days after the release of the Executive Budget Recommendation, on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2015 and September 30, 2016.

| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|--------|--|---------------------------------------|-------------|---------------|---------------------------------------|-------------|---------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| State | Notary Education And Training Fund | 21,781 | 46,447 | (55,000) | 13,228 | 30,000 | (40,000) | 3,228 |
| State | Notary Fee Fund | 0 | 141,770 | (141,770) | 0 | 93,000 | (93,000) | 0 |
| State | Parking Ticket Court Fines | 0 | 1,557,111 | (1,557,111) | 0 | 1,591,000 | (1,591,000) | 0 |
| State | Personal Identification Card Fees | 0 | 2,735,200 | (2,735,200) | 0 | 2,695,000 | (2,695,000) | 0 |
| State | Reinstatement Fees - Operator Licenses | 0 | 4,348,724 | (4,348,724) | 0 | 4,291,000 | (4,291,000) | 0 |
| State | Scrap Tire Fund | 0 | 77,300 | (77,300) | 0 | 77,200 | (77,200) | 0 |
| State | Transportation Administration Collection Fund | 2,116,421 | 110,935,748 | (110,256,447) | 2,795,722 | 111,284,000 | (111,358,900) | 2,720,822 |
| State | Vehicle Theft Prevention Fees | 0 | 1,545,769 | (1,545,769) | 0 | 1,596,000 | (1,596,000) | 0 |
| MSP | Auto Theft Prevention Fund | 1,852,587 | 6,923,336 | (7,383,289) | 1,392,634 | 6,908,500 | (7,265,500) | 1,035,634 |
| MSP | Criminal Justice Information Center Service Fees | 0 | 22,485,374 | (21,280,877) | 0 | 22,500,000 | (22,000,000) | 500,000 |
| MSP | Drunk Driving Prevention & Training | 86,239 | 767,157 | (503,163) | 350,233 | 765,000 | (850,000) | 265,233 |
| MSP | Forensic Science Reimbursement Fees | 0 | 1,086,159 | (1,086,159) | 0 | 1,090,000 | (1,090,000) | 0 |
| MSP | Forfeiture Funds | 0 | 28,457 | (28,457) | 0 | 25,000 | (25,000) | 0 |
| MSP | Hazardous Materials Training Center Fees | 0 | 855,582 | (855,582) | 0 | 950,000 | (950,000) | 0 |
| MSP | Highway Safety Fund | 3,080 | 9,420,798 | (9,135,508) | 288,370 | 10,700,000 | (10,988,300) | 70 |
| MSP | Licensing Fees | 0 | 1,600 | (1,600) | 0 | 1,500 | (1,500) | 0 |
| MSP | Michigan Justice Training Fund | 2,648,993 | 6,167,466 | (7,112,980) | 1,704,315 | 5,852,200 | (6,048,200) | 1,508,315 |
| MSP | Motor Carrier Fees | 0 | 4,378,096 | (4,378,096) | 0 | 8,600,000 | (8,600,000) | 0 |
| MSP | Narcotics Investigation Revenues | 752,443 | 1,592,375 | (700,453) | 1,644,365 | 1,000,000 | (1,500,000) | 1,144,365 |
| MSP | Nuclear Plant Emergency Planning Reimbursement | 0 | 2,308,952 | (2,308,952) | 0 | 2,900,000 | (2,900,000) | 0 |
| MSP | Precision Driving Track Fees | 0 | 223,211 | (223,211) | 0 | 225,000 | (225,000) | 0 |
| MSP | Reimbursed Services | 0 | 1,097,370 | (1,097,370) | 0 | 1,300,000 | (1,300,000) | 0 |
| MSP | Rental Of Department Aircraft | 0 | 22,314 | (22,314) | 0 | 25,000 | (25,000) | 0 |
| MSP | Retired Law Enforcement Officer Safety Fund | 0 | 2,802 | (2,802) | 0 | 2,000 | (2,000) | 0 |
| MSP | Secondary Road Patrol & Training Fund | 933,401 | 9,941,533 | (9,802,096) | 1,170,599 | 10,000,000 | (9,803,000) | 1,367,599 |
| MSP | Sex Offenders Registration Fund | 456,196 | 882,792 | (381,758) | 957,230 | 880,000 | (608,700) | 1,228,530 |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | | Fiscal Year Ending September 30, 2016 | | | |
|----------|---|---------------------------------------|---------------|-----------------|------------------------|---------------------------------------|-----------------|------------------------|--|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance | |
| MSP | State Forensic Laboratory Fund | 66,074 | 949,125 | (168,869) | 846,330 | 969,900 | (1,816,200) | 30 | |
| MSP | State Police Service Fees | 0 | 1,438,852 | (1,438,852) | 0 | 1,475,000 | (1,475,000) | 0 | |
| MSP | Traffic Crash Revenue | 0 | 250,388 | (250,388) | 0 | 270,000 | (270,000) | 0 | |
| MSP | Traffic Law Enforcement And Safety Fund | 364,232 | 24,343,052 | (23,301,686) | 913,098 | 25,250,000 | (26,034,600) | 128,498 | |
| MSP | Trooper Recruit School Fund | 926,082 | 1,802,157 | (502) | 2,727,737 | 2,500 | (2,030,200) | 700,037 | |
| MSP | Truck Driver Safety Fund | 2,578,958 | 3,619,856 | (3,395,503) | 3,145,023 | 3,778,600 | (4,158,600) | 2,765,023 | |
| DTED | 21st Century Jobs Fund - Operations | 96,150,419 | 78,110,156 | (76,988,015) | 97,272,560 | 75,000,000 | (90,672,200) | 81,600,360 | |
| DTED | Contingent Fund, Regular Penalty & Interest | 0 | 1,087,009 | (1,077,628) | 9,381 | 16,000,000 | (16,000,000) | 9,381 | |
| DTED | Defaulted Loan Collection Fees | 0 | 107,803 | (107,549) | 254 | 150,000 | (150,000) | 254 | |
| DTED | Industry Support Fees | 0 | 5,500 | (5,500) | 0 | 5,500 | (5,500) | 0 | |
| DTED | Land Bank Fast Track Fund | 12,052,466 | 3,611,300 | (1,683,710) | 13,980,055 | 297,500 | (297,500) | 13,980,055 | |
| DTED | Michigan Film Office Revenues | 0 | 133,771 | (133,771) | 0 | 400,000 | (400,000) | 0 | |
| DTED | Michigan Lighthouse Preservation Fund | 899,661 | 130,859 | (135,109) | 895,411 | 130,000 | (116,000) | 909,411 | |
| DTED | MSHDA Fees & Charges | 49,010 | 49,509,446 | (49,510,526) | 47,930 | 65,560,700 | (65,560,700) | 47,930 | |
| DTMB | State Exposition & Fairground Fund | 0 | 313,500 | (313,500) | 0 | 313,500 | (313,500) | 0 | |
| MDOT | Comprehensive Transportation Fund | 20,896,700 | 264,766,100 | (276,179,000) | 9,483,800 | 266,748,400 | (272,383,600) | 3,848,600 | |
| MDOT | Michigan Transportation Fund | 0 | 2,022,160,300 | (2,022,160,300) | 0 | 2,032,470,000 | (2,032,470,000) | 0 | |
| MDOT | State Aeronautics Fund | 4,421,700 | 15,636,400 | (15,336,500) | 4,721,600 | 14,818,000 | (16,878,600) | 2,661,000 | |
| MDOT | State Trunkline Fund | 0 | 996,871,300 | (996,871,300) | 0 | 1,037,448,700 | (1,037,448,700) | 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 | 4,095,707 | 24,949,632 | (18,809,678) | 4,235,661 | 27,554,000 | (27,600,000) | 4,189,661 | |
| Treasury | ALS of Michigan | 0 | 54,094 | (54,094) | 0 | 0 | 0 | 0 | |
| Treasury | Boy Scout Troops Fund | 0 | 13,003 | (13,003) | 0 | 0 | 0 | 0 | |
| Treasury | Convention Facility Development Fund | 24,990,736 | 88,729,460 | (110,323,230) | 3,396,966 | 93,778,200 | (90,950,000) | 6,225,166 | |
| Treasury | Delinquent Tax Collection Revenue and MARCS | 0 | 151,270,905 | (151,270,905) | 0 | 147,000,000 | (28,569,100) | 118,430,900 | |
| Treasury | Ducks Unlimited Fund | 0 | 29,476 | (29,476) | 0 | 0 | 0 | 0 | |

STATE RESTRICTED REVENUE and EXPENDITURE PROJECTIONS

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| Agency | Fund Name | Fiscal Year Ending September 30, 2015 | | | Fiscal Year Ending September 30, 2016 | | | |
|----------|--|---------------------------------------|------------|---------------|---------------------------------------|-------------|---------------|------------------------|
| | | Beginning Fund Balance | Revenues | Expenditures | Available Fund Balance | Revenues | Expenditures | Available Fund Balance |
| Treasury | Emergency 911 Administration & Coordination (State Police) | 0 | 525,235 | (525,235) | 0 | 565,000 | (565,000) | 0 |
| Treasury | Emergency 911 Dispatch Operations (State Police) | 0 | 528,044 | (528,044) | 0 | 565,000 | (565,000) | 0 |
| Treasury | Emergency 911 - Counties - | 0 | 8,803,336 | (8,803,336) | 0 | 9,840,000 | (9,840,000) | 0 |
| Treasury | Emergency 911 - Counties per Capita | 0 | 13,904,583 | (13,904,583) | 0 | 14,029,000 | (14,000,000) | 29,000 |
| Treasury | Emergency 911 - Local Exchange Providers Emergency 911 | 4,734,683 | 1,943,367 | (1,978,075) | 4,699,975 | 2,600,000 | (2,600,000) | 4,699,975 |
| Treasury | Emergency 911 - PSAP Training | 1,720,292 | 1,736,179 | (1,763,554) | 1,692,917 | 1,800,000 | (1,800,000) | 1,692,917 |
| Treasury | Emergency 911 Administration | 0 | 126,374 | (126,374) | 0 | 130,000 | (130,000) | 0 |
| Treasury | Escheats Revenue | 0 | 7,576,739 | (7,576,739) | 0 | 4,765,800 | (4,765,800) | 0 |
| Treasury | Garnishment Fees | 0 | 2,471,717 | (1,895,462) | 0 | 2,484,000 | (2,484,000) | 0 |
| Treasury | Girl Scout Troops Fund | 0 | 2,036 | (2,036) | 0 | 0 | 0 | 0 |
| Treasury | Health and Safety Fund | 981,456 | 197,678 | 0 | 1,179,134 | 9,000,000 | (9,000,000) | 1,179,134 |
| Treasury | Justice System Fund | 53,579 | 441,805 | (427,600) | 67,785 | 450,000 | (450,000) | 67,785 |
| Treasury | Land Reutilization Fund | 4,364,787 | 6,023,848 | (914,137) | 9,474,498 | 900,000 | (900,000) | 9,474,498 |
| Treasury | MI Merit Award Trust Fund | 75,191,031 | 98,531,229 | (112,535,210) | 61,187,050 | 100,229,200 | (112,752,800) | 48,663,450 |
| Treasury | Michigan Finance Authority Revenue | 0 | 2,811,174 | (2,811,174) | 0 | 3,015,200 | (3,015,200) | 0 |
| Treasury | Michigan Alzheimer's Association | 0 | 72,671 | (72,671) | 0 | 0 | 0 | 0 |
| Treasury | Municipal Finance Fees | 338,854 | 635,165 | (366,558) | 607,460 | 600,000 | (600,000) | 607,460 |
| Treasury | Principal Residence Property Tax Exemption Audit Fund | 7,061,161 | 1,928,028 | (1,900,639) | 7,088,550 | 1,800,000 | (1,800,000) | 7,088,550 |
| Treasury | School Bond Fees | 509,310 | 1,458,480 | (525,179) | 1,442,611 | 550,000 | (550,000) | 1,442,611 |
| Treasury | School Bond Loan Repayments | 0 | 59,035,963 | (59,035,963) | 0 | 15,000,000 | (15,000,000) | 0 |
| Treasury | Special Olympics Michigan Fund | 0 | 59,468 | (59,468) | 0 | 0 | 0 | 0 |
| Treasury | State Campaign Funds | 4,574,659 | 82,361 | 0 | 4,657,020 | 800,000 | 0 | 5,457,020 |
| Treasury | Tobacco Tax Revenue | 0 | 7,392,917 | (7,392,917) | 0 | 7,434,700 | (7,434,700) | 0 |
| Treasury | Treasury Fees | 0 | 1,661,271 | (1,661,271) | 0 | 1,711,100 | (1,711,100) | 0 |
| Treasury | United Way Fund | 0 | 103,101 | (103,101) | 0 | 0 | 0 | 0 |

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

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 | 91,591,300 | 323,200 | 91,268,100 | 10,471,200 | 0 | 130,700 | 32,629,300 | 48,036,900 | 80,666,200 | 4,750,000 |
| Attorney General | 95,185,800 | 28,989,700 | 66,196,100 | 9,476,700 | 0 | 0 | 17,578,900 | 39,140,500 | 56,719,400 | 0 |
| Civil Rights | 16,721,900 | 293,600 | 16,428,300 | 2,763,000 | 0 | 18,700 | 151,900 | 13,494,700 | 13,646,600 | 0 |
| Corrections | 2,029,386,100 | 0 | 2,029,386,100 | 5,523,700 | 8,692,800 | 0 | 35,711,700 | 1,979,457,900 | 2,015,169,600 | 110,420,700 |
| Education | 316,917,400 | 0 | 316,917,400 | 225,164,100 | 5,557,200 | 2,034,200 | 7,780,700 | 76,381,200 | 84,161,900 | 15,176,000 |
| Environmental Quality | 513,499,400 | 9,225,700 | 504,273,700 | 138,687,200 | 0 | 555,300 | 317,344,800 | 47,686,400 | 365,031,200 | 3,750,000 |
| Executive Office | 5,636,300 | 0 | 5,636,300 | 0 | 0 | 0 | 0 | 5,636,300 | 5,636,300 | 0 |
| Health and Human Services | 24,707,967,700 | 13,513,700 | 24,694,454,000 | 17,734,683,600 | 123,892,300 | 156,279,300 | 2,328,831,500 | 4,350,767,300 | 6,679,598,800 | 1,259,438,500 |
| Insurance and Financial Services | 66,307,200 | 707,600 | 65,599,600 | 2,000,000 | 0 | 0 | 63,449,600 | 150,000 | 63,599,600 | 0 |
| Judiciary | 298,261,400 | 1,550,000 | 296,711,400 | 6,433,500 | 7,349,300 | 957,800 | 92,786,000 | 189,184,800 | 281,970,800 | 138,718,300 |
| Legislative Auditor General | 23,451,900 | 5,558,600 | 17,893,300 | 0 | 0 | 400,000 | 1,969,400 | 15,923,900 | 17,893,300 | 0 |
| Legislature | 141,253,600 | 0 | 141,253,600 | 0 | 0 | 0 | 4,275,800 | 136,577,800 | 140,853,600 | 0 |
| Licensing and Regulatory Affairs | 416,567,500 | 46,923,800 | 369,643,700 | 63,818,100 | 251,600 | 314,100 | 262,446,700 | 42,813,200 | 305,259,900 | 28,225,700 |
| Military and Veterans Affairs | 176,000,200 | 101,800 | 175,898,400 | 91,793,600 | 1,522,400 | 742,800 | 24,696,000 | 57,143,600 | 81,839,600 | 102,400 |
| Natural Resources | 397,904,100 | 1,375,900 | 396,528,200 | 72,365,400 | 0 | 7,446,400 | 277,156,400 | 39,560,000 | 316,716,400 | 6,100,000 |
| State | 258,015,600 | 20,000,000 | 238,015,600 | 1,460,000 | 5,000,000 | 100 | 204,445,900 | 27,109,600 | 231,555,500 | 1,211,300 |
| State Police | 658,726,100 | 26,580,400 | 632,145,700 | 87,967,800 | 5,828,500 | 78,100 | 126,358,500 | 411,912,800 | 538,271,300 | 19,198,900 |
| Talent and Economic Development | 1,142,494,300 | 0 | 1,142,494,300 | 773,944,800 | 500,000 | 5,619,000 | 192,341,600 | 170,088,900 | 362,430,500 | 11,224,800 |
| Technology, Management & Budget | 1,073,525,600 | 696,904,100 | 376,621,500 | 4,958,200 | 2,320,000 | 0 | 111,490,800 | 257,852,500 | 369,343,300 | 0 |
| State Building Authority | 246,570,600 | 0 | 246,570,600 | 0 | 0 | 0 | 0 | 246,570,600 | 246,570,600 | 0 |
| Transportation | 4,125,203,600 | 4,013,400 | 4,121,190,200 | 1,314,744,000 | 50,418,500 | 100,000 | 2,745,527,700 | 10,400,000 | 2,755,927,700 | 1,583,461,200 |
| Treasury | | | | | | | | | | |
| Operations | 518,001,500 | 11,250,600 | 506,750,900 | 39,954,200 | 9,265,700 | 26,700 | 359,595,500 | 97,908,800 | 457,504,300 | 1,441,979,600 |
| Debt Service | 137,037,000 | 0 | 137,037,000 | 0 | 0 | 0 | 0 | 137,037,000 | 137,037,000 | 0 |
| Revenue Sharing / Incentive Grants | 1,255,708,900 | 0 | 1,255,708,900 | 0 | 0 | 0 | 1,255,708,900 | 0 | 1,255,708,900 | 0 |
| Total - Non-Education Omnibus | \$38,711,935,000 | \$867,312,100 | \$37,844,622,900 | \$20,586,209,100 | \$220,598,300 | \$174,703,200 | \$8,462,277,600 | \$8,400,834,700 | \$16,863,112,300 | \$4,623,757,400 |
| Higher Education | | | | | | | | | | |
| Community Colleges | 399,025,600 | 0 | 399,025,600 | 0 | 0 | 0 | 260,414,800 | 138,610,800 | 399,025,600 | 399,025,600 |
| Universities & Financial Aid | 1,598,654,400 | 0 | 1,598,654,400 | 99,026,400 | 0 | 0 | 237,209,500 | 1,262,418,500 | 1,499,628,000 | 0 |
| School Aid | 14,183,112,100 | 0 | 14,183,112,100 | 1,818,632,700 | 0 | 0 | 12,134,479,400 | 230,000,000 | 12,364,479,400 | 12,212,368,600 |
| Total - Education Omnibus | \$16,180,792,100 | \$0 | \$16,180,792,100 | \$1,917,659,100 | \$0 | \$0 | \$12,632,103,700 | \$1,631,029,300 | \$14,263,133,000 | \$12,611,394,200 |
| TOTAL SPENDING | \$54,892,727,100 | \$867,312,100 | \$54,025,415,000 | \$22,503,868,200 | \$220,598,300 | \$174,703,200 | \$21,094,381,300 | \$10,031,864,000 | \$31,126,245,300 | \$17,235,151,600 |
| Budget Stabilization Fund Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| GRAND TOTAL | \$54,892,727,100 | \$867,312,100 | \$54,025,415,000 | \$22,503,868,200 | \$220,598,300 | \$174,703,200 | \$21,094,381,300 | \$10,031,864,000 | \$31,126,245,300 | \$17,235,151,600 |

SUMMARY OF EXPENDITURE RECOMMENDATION

FISCAL YEAR 2018 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 | 91,591,300 | 323,200 | 91,268,100 | 10,471,200 | 0 | 130,700 | 31,429,300 | 49,236,900 | 80,666,200 | 4,750,000 |
| Attorney General | 94,485,800 | 28,989,700 | 65,496,100 | 9,476,700 | 0 | 0 | 17,578,900 | 38,440,500 | 56,019,400 | 0 |
| Civil Rights | 16,371,900 | 293,600 | 16,078,300 | 2,763,000 | 0 | 18,700 | 151,900 | 13,144,700 | 13,296,600 | 0 |
| Corrections | 2,019,898,700 | 0 | 2,019,898,700 | 5,523,700 | 8,692,800 | 0 | 35,711,700 | 1,969,970,500 | 2,005,682,200 | 110,420,700 |
| Education | 308,367,300 | 0 | 308,367,300 | 217,114,100 | 5,557,200 | 2,034,200 | 7,780,600 | 75,881,200 | 83,661,800 | 15,176,000 |
| Environmental Quality | 486,749,300 | 9,225,700 | 477,523,600 | 138,687,200 | 0 | 555,300 | 302,944,700 | 35,336,400 | 338,281,100 | 3,750,000 |
| Executive Office | 5,636,300 | 0 | 5,636,300 | 0 | 0 | 0 | 0 | 5,636,300 | 5,636,300 | 0 |
| Health and Human Services | 24,434,360,300 | 13,513,700 | 24,420,846,600 | 17,465,643,100 | 123,892,300 | 156,279,300 | 2,362,899,800 | 4,312,132,100 | 6,675,031,900 | 1,259,438,500 |
| Insurance and Financial Services | 66,307,200 | 707,600 | 65,599,600 | 2,000,000 | 0 | 0 | 63,449,600 | 150,000 | 63,599,600 | 0 |
| Judiciary | 295,762,900 | 1,550,000 | 294,212,900 | 6,433,500 | 7,349,300 | 957,800 | 92,786,000 | 186,686,300 | 279,472,300 | 138,764,000 |
| Legislative Auditor General | 23,451,900 | 5,558,600 | 17,893,300 | 0 | 0 | 0 | 1,969,400 | 15,923,900 | 17,893,300 | 0 |
| Legislature | 141,253,600 | 0 | 141,253,600 | 0 | 0 | 400,000 | 4,275,800 | 136,577,800 | 140,853,600 | 0 |
| Licensing and Regulatory Affairs | 412,537,500 | 46,923,800 | 365,613,700 | 63,818,100 | 251,600 | 314,100 | 260,886,700 | 40,343,200 | 301,229,900 | 28,225,700 |
| Military and Veterans Affairs | 168,500,200 | 101,800 | 168,398,400 | 91,793,600 | 1,522,400 | 742,800 | 24,696,000 | 49,643,600 | 74,339,600 | 102,400 |
| Natural Resources | 388,704,100 | 1,375,900 | 387,328,200 | 72,265,400 | 0 | 7,446,400 | 269,356,400 | 38,260,000 | 307,616,400 | 5,087,500 |
| State | 243,015,600 | 20,000,000 | 223,015,600 | 1,460,000 | 0 | 100 | 204,445,900 | 17,109,600 | 221,555,500 | 1,211,300 |
| State Police | 650,250,300 | 26,580,400 | 623,669,900 | 87,967,800 | 5,828,500 | 78,100 | 126,358,500 | 403,437,000 | 529,795,500 | 15,198,900 |
| Talent and Economic Development | 1,112,915,800 | 0 | 1,112,915,800 | 763,344,800 | 500,000 | 5,619,000 | 188,363,100 | 155,088,900 | 343,452,000 | 11,224,800 |
| Technology, Management & Budget | 1,041,174,700 | 694,054,100 | 347,120,600 | 4,958,200 | 2,320,000 | 0 | 111,490,800 | 228,351,600 | 339,842,400 | 0 |
| State Building Authority | 246,570,600 | 0 | 246,570,600 | 0 | 0 | 0 | 0 | 246,570,600 | 246,570,600 | 0 |
| Transportation | 4,114,803,600 | 4,013,400 | 4,110,790,200 | 1,314,744,000 | 50,418,500 | 100,000 | 2,745,527,700 | 0 | 2,745,527,700 | 1,583,461,200 |
| Treasury | | | | | | | | | | |
| Operations | 515,159,000 | 11,250,600 | 503,908,400 | 39,954,200 | 9,265,700 | 26,700 | 359,595,500 | 95,066,300 | 454,661,800 | 1,465,343,200 |
| Debt Service | 118,495,000 | 0 | 118,495,000 | 0 | 0 | 0 | 0 | 118,495,000 | 118,495,000 | 0 |
| Revenue Sharing / Incentive Grants | 1,275,687,400 | 0 | 1,275,687,400 | 0 | 0 | 0 | 1,275,687,400 | 0 | 1,275,687,400 | 0 |
| Total - Non-Education Omnibus | \$38,272,050,300 | \$864,462,100 | \$37,407,588,200 | \$20,296,418,600 | \$215,598,300 | \$174,703,200 | \$8,487,385,700 | \$8,231,482,400 | \$16,718,866,100 | \$4,642,154,200 |
| Higher Education | | | | | | | | | | |
| Community Colleges | 399,525,600 | 0 | 399,525,600 | 0 | 0 | 0 | 260,914,800 | 138,610,800 | 399,525,600 | 399,525,600 |
| Universities & Financial Aid | 1,598,854,400 | 0 | 1,598,854,400 | 99,026,400 | 0 | 0 | 237,409,500 | 1,262,418,500 | 1,499,828,000 | 0 |
| School Aid | 14,094,759,500 | 0 | 14,094,759,500 | 1,818,632,700 | 0 | 0 | 12,218,726,800 | 57,400,000 | 12,276,126,800 | 12,125,239,300 |
| Total - Education Omnibus | \$16,093,139,500 | \$0 | \$16,093,139,500 | \$1,917,669,100 | \$0 | \$0 | \$12,717,051,100 | \$1,458,429,300 | \$14,175,480,400 | \$12,524,764,900 |
| TOTAL SPENDING | \$54,365,189,800 | \$864,462,100 | \$53,500,727,700 | \$22,216,077,700 | \$215,598,300 | \$174,703,200 | \$21,204,436,800 | \$9,689,911,700 | \$30,894,348,500 | \$17,166,919,100 |
| Budget Stabilization Fund Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| GRAND TOTAL | \$54,365,189,800 | \$864,462,100 | \$53,500,727,700 | \$22,216,077,700 | \$215,598,300 | \$174,703,200 | \$21,204,436,800 | \$9,689,911,700 | \$30,894,348,500 | \$17,166,919,100 |

GENERAL FUND/GENERAL PURPOSE
(\$ in Thousands)

| DEPARTMENT/AGENCY | FY16 Ongoing Enacted | FY16 One-Time Current Law | FY16 Total Current Law | FY17 Ongoing Governor's Recommend | FY17 One-Time Governor's Recommend | FY17 Total Governor's Recommend | Difference FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | % Change FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | Difference FY17 Total Governor's Rec. from FY16 Total Current Law | % Change FY17 Total Governor's Rec. from FY16 Total Current Law |
|--------------------------------------|----------------------|---------------------------|------------------------|-----------------------------------|------------------------------------|---------------------------------|---|---|---|---|
| Agriculture & Rural Development | 41,873.6 | 1,200.0 | 43,073.6 | 48,036.9 | 0.0 | 48,036.9 | 6,163.3 | 14.7% | 4,963.3 | 11.5% |
| Attorney General | 37,013.4 | 0.0 | 37,013.4 | 38,440.5 | 700.0 | 39,140.5 | 1,427.1 | 3.9% | 2,127.1 | 5.7% |
| Civil Rights | 12,949.7 | 0.0 | 12,949.7 | 13,144.7 | 350.0 | 13,494.7 | 195.0 | 1.5% | 545.0 | 4.2% |
| Corrections | 1,903,948.4 | 0.0 | 1,903,948.4 | 1,969,970.5 | 9,487.4 | 1,979,457.9 | 66,022.1 | 3.5% | 75,509.5 | 4.0% |
| Education | 74,898.7 | 0.0 | 74,898.7 | 75,881.2 | 500.0 | 76,381.2 | 982.5 | 1.3% | 1,482.5 | 2.0% |
| Environmental Quality | 34,827.7 | 6,300.0 | 41,127.7 | 35,336.4 | 12,350.0 | 47,686.4 | 508.7 | 1.5% | 6,558.7 | 15.9% |
| Executive Office | 5,531.1 | 0.0 | 5,531.1 | 5,636.3 | 0.0 | 5,636.3 | 105.2 | 1.9% | 105.2 | 1.9% |
| Health and Human Services | 4,135,398.1 | 8,250.1 | 4,143,648.2 | 4,310,548.1 | 40,219.2 | 4,350,767.3 | 175,150.0 | 4.2% | 207,119.1 | 5.0% |
| Insurance and Financial Services | 150.0 | 0.0 | 150.0 | 150.0 | 0.0 | 150.0 | 0.0 | 0.0% | 0.0 | 0.0% |
| Judiciary | 183,442.2 | 200.0 | 183,642.2 | 186,584.8 | 2,600.0 | 189,184.8 | 3,142.6 | 1.7% | 5,542.6 | 3.0% |
| Legislative Auditor General | 15,460.1 | 0.0 | 15,460.1 | 15,923.9 | 0.0 | 15,923.9 | 463.8 | 3.0% | 463.8 | 3.0% |
| Legislature | 131,872.3 | 0.0 | 131,872.3 | 136,577.8 | 0.0 | 136,577.8 | 4,705.5 | 3.6% | 4,705.5 | 3.6% |
| Licensing and Regulatory Affairs | 38,481.5 | 0.0 | 38,481.5 | 40,343.2 | 2,470.0 | 42,813.2 | 1,861.7 | 4.8% | 4,331.7 | 11.3% |
| Military and Veterans Affairs | 48,187.3 | 3,000.0 | 51,187.3 | 49,643.6 | 7,500.0 | 57,143.6 | 1,456.3 | 3.0% | 5,956.3 | 11.6% |
| Natural Resources | 38,522.8 | 1,075.0 | 39,597.8 | 38,260.0 | 1,300.0 | 39,560.0 | (262.8) | -0.7% | (37.8) | -0.1% |
| State | 17,161.5 | 5,000.0 | 22,161.5 | 17,109.6 | 10,000.0 | 27,109.6 | (51.9) | -0.3% | 4,948.1 | 22.3% |
| State Police | 372,605.6 | 3,700.0 | 376,305.6 | 396,162.8 | 15,750.0 | 411,912.8 | 23,557.2 | 6.3% | 35,607.2 | 9.5% |
| Talent and Economic Development | 151,007.0 | 47,450.0 | 198,457.0 | 155,088.9 | 15,000.0 | 170,088.9 | 4,081.9 | 2.7% | (28,368.1) | -14.3% |
| Technology, Management & Budget | 153,022.6 | 4,605.4 | 157,628.0 | 163,351.6 | 22,500.9 | 185,852.5 | 10,329.0 | 6.7% | 28,224.5 | 17.9% |
| Information Technology Investments | 65,000.0 | 0.0 | 65,000.0 | 65,000.0 | 7,000.0 | 72,000.0 | 0.0 | 0.0% | 7,000.0 | 10.8% |
| State Building Authority | 254,570.6 | 0.0 | 254,570.6 | 246,570.6 | 0.0 | 246,570.6 | (8,000.0) | -3.1% | (8,000.0) | -3.1% |
| Transportation | 142,000.0 | 258,000.0 | 400,000.0 | 0.0 | 10,400.0 | 10,400.0 | (142,000.0) | -100.0% | (389,600.0) | -97.4% |
| Treasury | | | | | | | | | | |
| Operations | 94,030.3 | 29,900.0 | 123,930.3 | 95,066.3 | 2,842.5 | 97,908.8 | 1,036.0 | 1.1% | (26,021.5) | -21.0% |
| Debt Service | 156,449.0 | 0.0 | 156,449.0 | 137,037.0 | 0.0 | 137,037.0 | (19,412.0) | -12.4% | (19,412.0) | -12.4% |
| 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 | \$8,108,403.5 | \$368,680.5 | \$8,477,084.0 | \$8,239,864.7 | \$160,970.0 | \$8,400,834.7 | \$131,461.2 | 1.6% | (\$76,249.3) | -0.9% |
| Higher Education | | | | | | | | | | |
| Community Colleges | 131,110.8 | 0.0 | 131,110.8 | 138,610.8 | 0.0 | 138,610.8 | 7,500.0 | 5.7% | 7,500.0 | 5.7% |
| Universities & Financial Aid | 1,232,418.5 | 0.0 | 1,232,418.5 | 1,262,418.5 | 0.0 | 1,262,418.5 | 30,000.0 | 2.4% | 30,000.0 | 2.4% |
| School Aid | 45,900.0 | 0.0 | 45,900.0 | 57,000.0 | 173,000.0 | 230,000.0 | 11,100.0 | 24.2% | 184,100.0 | 401.1% |
| Total - Education Omnibus | \$1,409,429.3 | \$0.0 | \$1,409,429.3 | \$1,458,029.3 | \$173,000.0 | \$1,631,029.3 | \$48,600.0 | 3.4% | \$221,600.0 | 15.7% |
| TOTAL SPENDING | \$9,517,832.8 | \$368,680.5 | \$9,886,513.3 | \$9,697,894.0 | \$333,970.0 | \$10,031,864.0 | \$180,061.2 | 1.9% | \$145,350.7 | 1.5% |
| Budget Stabilization Fund Reserve | 0.0 | 95,000.0 | 95,000.0 | 0.0 | 0.0 | 0.0 | N/A | N/A | N/A | N/A |
| GRAND TOTAL | \$9,517,832.8 | \$463,680.5 | \$9,981,513.3 | \$9,697,894.0 | \$333,970.0 | \$10,031,864.0 | | | | |

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

| DEPARTMENT/AGENCY | FY16 Ongoing Current Law | FY16 One-Time Current Law | FY16 Total Current Law | FY17 Ongoing Governor's Recommend | FY17 One-Time Governor's Recommend | FY17 Total Governor's Recommend | Difference FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | % Change FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | Difference FY17 Total Governor's Rec. from FY16 Total Current Law | % Change FY17 Total Governor's Rec. from FY16 Total Current Law |
|--------------------------------------|--------------------------|---------------------------|------------------------|-----------------------------------|------------------------------------|---------------------------------|---|---|---|---|
| Agriculture & Rural Development | 41,873.6 | 1,200.0 | 43,073.6 | 48,036.9 | 0.0 | 48,036.9 | 6,163.3 | 14.7% | 4,963.3 | 11.5% |
| Attorney General | 37,013.4 | 0.0 | 37,013.4 | 38,440.5 | 700.0 | 39,140.5 | 1,427.1 | 3.9% | 2,127.1 | 5.7% |
| Civil Rights | 12,949.7 | 0.0 | 12,949.7 | 13,144.7 | 350.0 | 13,494.7 | 195.0 | 1.5% | 545.0 | 4.2% |
| Corrections | 1,903,948.4 | 0.0 | 1,903,948.4 | 1,969,970.5 | 9,487.4 | 1,979,457.9 | 66,022.1 | 3.5% | 75,509.5 | 4.0% |
| Education | 74,898.7 | 0.0 | 74,898.7 | 75,881.2 | 500.0 | 76,381.2 | 982.5 | 1.3% | 1,482.5 | 2.0% |
| Environmental Quality | 34,827.7 | 6,300.0 | 41,127.7 | 35,336.4 | 12,350.0 | 47,686.4 | 508.7 | 1.5% | 6,558.7 | 15.9% |
| Executive Office | 5,531.1 | 0.0 | 5,531.1 | 5,636.3 | 0.0 | 5,636.3 | 105.2 | 1.9% | 105.2 | 1.9% |
| Health and Human Services | 4,135,398.1 | 8,250.1 | 4,143,648.2 | 4,310,548.1 | 40,219.2 | 4,350,767.3 | 175,150.0 | 4.2% | 207,119.1 | 5.0% |
| Insurance and Financial Services | 150.0 | 0.0 | 150.0 | 150.0 | 0.0 | 150.0 | 0.0 | 0.0% | 0.0 | 0.0% |
| Judiciary | 183,442.2 | 200.0 | 183,642.2 | 186,584.8 | 2,600.0 | 189,184.8 | 3,142.6 | 1.7% | 5,542.6 | 3.0% |
| Legislative Auditor General | 15,460.1 | 0.0 | 15,460.1 | 15,923.9 | 0.0 | 15,923.9 | 463.8 | 3.0% | 463.8 | 3.0% |
| Legislature | 131,872.3 | 0.0 | 131,872.3 | 136,577.8 | 0.0 | 136,577.8 | 4,705.5 | 3.6% | 4,705.5 | 3.6% |
| Licensing and Regulatory Affairs | 38,481.5 | 0.0 | 38,481.5 | 40,343.2 | 2,470.0 | 42,813.2 | 1,861.7 | 4.8% | 4,331.7 | 11.3% |
| Military and Veterans Affairs | 48,187.3 | 3,000.0 | 51,187.3 | 49,643.6 | 7,500.0 | 57,143.6 | 1,456.3 | 3.0% | 5,956.3 | 11.6% |
| Natural Resources | 38,522.8 | 1,075.0 | 39,597.8 | 38,260.0 | 1,300.0 | 39,560.0 | (262.8) | -0.7% | (37.8) | -0.1% |
| State | 17,161.5 | 5,000.0 | 22,161.5 | 17,109.6 | 10,000.0 | 27,109.6 | (51.9) | -0.3% | 4,948.1 | 22.3% |
| State Police | 372,605.6 | 3,700.0 | 376,305.6 | 396,162.8 | 15,750.0 | 411,912.8 | 23,557.2 | 6.3% | 35,607.2 | 9.5% |
| Talent and Economic Development | 151,007.0 | 47,450.0 | 198,457.0 | 155,088.9 | 15,000.0 | 170,088.9 | 4,081.9 | 2.7% | (28,368.1) | -14.3% |
| Technology, Management & Budget | 153,022.6 | 4,605.4 | 157,628.0 | 163,351.6 | 22,500.9 | 185,852.5 | 10,329.0 | 6.7% | 28,224.5 | 17.9% |
| Information Technology Investments | 65,000.0 | 0.0 | 65,000.0 | 65,000.0 | 7,000.0 | 72,000.0 | 0.0 | 0.0% | 7,000.0 | 10.8% |
| State Building Authority | 254,570.6 | 0.0 | 254,570.6 | 246,570.6 | 0.0 | 246,570.6 | (8,000.0) | -3.1% | (8,000.0) | -3.1% |
| Transportation | 142,000.0 | 258,000.0 | 400,000.0 | 0.0 | 10,400.0 | 10,400.0 | (142,000.0) | -100.0% | (389,600.0) | -97.4% |
| Treasury | 94,030.3 | 29,900.0 | 123,930.3 | 95,066.3 | 2,842.5 | 97,908.8 | 1,036.0 | 1.1% | (26,021.5) | -21.0% |
| Debt Service | 156,449.0 | 0.0 | 156,449.0 | 137,037.0 | 0.0 | 137,037.0 | (19,412.0) | -12.4% | (19,412.0) | -12.4% |
| 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 | \$8,108,403.5 | \$368,680.5 | \$8,477,084.0 | \$8,239,864.7 | \$160,970.0 | \$8,400,834.7 | \$131,461.2 | 1.6% | (\$76,249.3) | -0.9% |
| Higher Education | 387,825.6 | 0.0 | 387,825.6 | 399,025.6 | 0.0 | 399,025.6 | 11,200.0 | 2.9% | 11,200.0 | 2.9% |
| Community Colleges | 1,437,598.0 | 0.0 | 1,437,598.0 | 1,499,528.0 | 0.0 | 1,499,528.0 | 61,930.0 | 4.3% | 61,930.0 | 4.3% |
| Universities & Financial Aid | 12,070,810.1 | 54,075.0 | 12,124,885.1 | 12,106,926.8 | 185,562.5 | 12,292,479.3 | 36,116.7 | 0.3% | 167,594.2 | 1.4% |
| School Aid | \$13,896,233.7 | \$54,075.0 | \$13,950,308.7 | \$14,005,480.4 | \$185,562.5 | \$14,191,032.9 | \$109,246.7 | 0.8% | \$240,724.2 | 1.7% |
| TOTAL SPENDING | \$22,004,637.2 | \$422,755.5 | \$22,427,392.7 | \$22,245,345.1 | \$346,522.5 | \$22,591,867.6 | \$240,707.9 | 1.1% | \$164,474.9 | 0.7% |
| Budget Stabilization Fund | 0.0 | 95,000.0 | 95,000.0 | 0.0 | 0.0 | 0.0 | N/A | N/A | N/A | N/A |
| GRAND TOTAL | \$22,004,637.2 | \$517,755.5 | \$22,522,392.7 | \$22,245,345.1 | \$346,522.5 | \$22,591,867.6 | | | | |

ALL FUNDS
(\$ in Thousands)

| DEPARTMENT/AGENCY | FY16 Ongoing Current Law | FY16 One-Time Current Law | FY16 Total Current Law | FY17 Ongoing Governor's Recommend | FY17 One-Time Governor's Recommend | FY17 Total Governor's Recommend | Difference FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | % Change FY17 Ongoing Governor's Rec. from FY16 Ongoing Current Law | Difference FY17 Total Governor's Rec. from FY16 Total Current Law | % Change FY17 Total Governor's Rec. from FY16 Total Current Law |
|--------------------------------------|--------------------------|---------------------------|------------------------|-----------------------------------|------------------------------------|---------------------------------|---|---|---|---|
| Agriculture & Rural Development | 85,394.0 | 1,200.0 | 86,594.0 | 91,591.3 | 0.0 | 91,591.3 | 6,197.3 | 7.3% | 4,997.3 | 5.8% |
| Attorney General | 92,107.6 | 0.0 | 92,107.6 | 94,485.8 | 700.0 | 95,185.8 | 2,378.2 | 2.6% | 3,078.2 | 3.3% |
| Civil Rights | 16,128.7 | 0.0 | 16,128.7 | 16,371.9 | 350.0 | 16,721.9 | 243.2 | 1.5% | 593.2 | 3.7% |
| Corrections | 1,962,226.0 | 0.0 | 1,962,226.0 | 2,019,898.7 | 9,487.4 | 2,029,386.1 | 57,672.7 | 2.9% | 67,160.1 | 3.4% |
| Education | 305,876.2 | 0.0 | 305,876.2 | 308,367.3 | 8,550.1 | 316,917.4 | 2,491.1 | 0.8% | 11,041.2 | 3.6% |
| Environmental Quality | 486,909.3 | 7,300.0 | 494,209.3 | 500,449.3 | 13,050.1 | 513,499.4 | 13,540.0 | 2.8% | 19,290.1 | 3.9% |
| Executive Office | 5,531.1 | 0.0 | 5,531.1 | 5,636.3 | 0.0 | 5,636.3 | 105.2 | 1.9% | 105.2 | 1.9% |
| Health and Human Services | 25,061,837.1 | 9,650.1 | 25,071,487.2 | 24,547,160.3 | 160,807.4 | 24,707,967.7 | (514,676.8) | -2.1% | (363,519.5) | -1.4% |
| Insurance and Financial Services | 65,057.7 | 0.0 | 65,057.7 | 66,307.2 | 0.0 | 66,307.2 | 1,249.5 | 1.9% | 1,249.5 | 1.9% |
| Judiciary | 284,651.4 | 200.0 | 284,851.4 | 295,661.4 | 2,600.0 | 298,261.4 | 11,010.0 | 3.9% | 13,410.0 | 4.7% |
| Legislative Auditor General | 22,840.5 | 0.0 | 22,840.5 | 23,451.9 | 0.0 | 23,451.9 | 611.4 | 2.7% | 611.4 | 2.7% |
| Legislature | 136,464.3 | 0.0 | 136,464.3 | 141,253.6 | 0.0 | 141,253.6 | 4,789.3 | 3.5% | 4,789.3 | 3.5% |
| Licensing and Regulatory Affairs | 407,649.0 | 200.0 | 407,849.0 | 412,537.5 | 4,030.0 | 416,567.5 | 4,888.5 | 1.2% | 8,718.5 | 2.1% |
| Military and Veterans Affairs | 163,953.7 | 3,000.0 | 166,953.7 | 168,500.2 | 7,500.0 | 176,000.2 | 4,546.5 | 2.8% | 9,046.5 | 5.4% |
| Natural Resources | 383,464.2 | 20,537.0 | 404,001.2 | 389,204.1 | 8,700.0 | 397,904.1 | 5,739.9 | 1.5% | (6,097.1) | -1.5% |
| State | 225,256.7 | 5,000.0 | 230,256.7 | 243,015.6 | 15,000.0 | 258,015.6 | 17,758.9 | 7.9% | 27,758.9 | 12.1% |
| State Police | 617,137.4 | 3,700.0 | 620,837.4 | 642,976.1 | 15,750.0 | 658,726.1 | 25,838.7 | 4.2% | 37,888.7 | 6.1% |
| Talent and Economic Development | 1,105,573.5 | 47,450.0 | 1,153,023.5 | 1,112,915.8 | 29,578.5 | 1,142,494.3 | 7,342.3 | 0.7% | (10,529.2) | -0.9% |
| Technology, Management & Budget | 938,448.1 | 5,205.4 | 943,653.5 | 976,174.7 | 25,350.9 | 1,001,525.6 | 37,726.6 | 4.0% | 57,872.1 | 6.1% |
| Information Technology Investments | 65,000.0 | 0.0 | 65,000.0 | 65,000.0 | 7,000.0 | 72,000.0 | 0.0 | 0.0% | 7,000.0 | 10.8% |
| State Building Authority | 254,570.6 | 0.0 | 254,570.6 | 246,570.6 | 0.0 | 246,570.6 | (8,000.0) | -3.1% | (8,000.0) | -3.1% |
| Transportation | 3,638,201.4 | 258,000.0 | 3,896,201.4 | 4,114,803.6 | 10,400.0 | 4,125,203.6 | 476,602.2 | 13.1% | 229,002.2 | 5.9% |
| Treasury | 506,297.1 | 29,900.0 | 536,197.1 | 515,159.0 | 2,842.5 | 518,001.5 | 8,861.9 | 1.8% | (18,195.6) | -3.4% |
| Debt Service | 156,449.0 | 0.0 | 156,449.0 | 137,037.0 | 0.0 | 137,037.0 | (19,412.0) | -12.4% | (19,412.0) | -12.4% |
| Revenue Sharing / Incentive Grants | 1,246,606.1 | 5,800.0 | 1,252,406.1 | 1,250,508.9 | 5,200.0 | 1,255,708.9 | 3,902.8 | 0.3% | 3,302.8 | 0.3% |
| Total - Non-Education Omnibus | \$38,233,630.7 | \$397,142.5 | \$38,630,773.2 | \$38,385,038.1 | \$326,896.9 | \$38,711,935.0 | \$151,407.4 | 0.4% | \$81,161.8 | 0.2% |
| Higher Education | 387,825.6 | 0.0 | 387,825.6 | 399,025.6 | 0.0 | 399,025.6 | 11,200.0 | 2.9% | 11,200.0 | 2.9% |
| Community Colleges | 1,534,724.4 | 0.0 | 1,534,724.4 | 1,598,654.4 | 0.0 | 1,598,654.4 | 63,930.0 | 4.2% | 63,930.0 | 4.2% |
| Universities & Financial Aid | 13,846,579.3 | 54,075.0 | 13,900,654.3 | 13,997,559.5 | 185,552.6 | 14,183,112.1 | 150,980.2 | 1.1% | 282,457.8 | 2.0% |
| School Aid | \$15,769,129.3 | \$4,075.0 | \$15,823,204.3 | \$15,995,239.5 | \$185,552.6 | \$16,180,792.1 | \$225,110.2 | 1.4% | \$357,587.8 | 2.3% |
| TOTAL SPENDING | \$54,002,760.0 | \$451,217.5 | \$54,453,977.5 | \$54,380,277.6 | \$512,449.5 | \$54,892,727.1 | \$377,517.6 | 0.7% | \$438,749.6 | 0.8% |
| Budget Stabilization Fund Reserve | 0.0 | 95,000.0 | 95,000.0 | 0.0 | 0.0 | 0.0 | N/A | N/A | N/A | N/A |
| GRAND TOTAL | \$54,002,760.0 | \$546,217.5 | \$54,548,977.5 | \$54,380,277.6 | \$512,449.5 | \$54,892,727.1 | \$54,892,727.1 | | | |



**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 Expenditures | FY 2016 Current Law | FY 2017 Executive Recommendation | FY 2018 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 | 42,497,156 | 43,073,600 | 48,036,900 | 49,236,900 |
| Attorney General | 31,479,029 | 30,402,847 | 28,431,484 | 26,606,307 | 29,626,037 | 35,975,926 | 34,465,466 | 35,400,492 | 37,013,400 | 39,140,500 | 38,440,500 |
| Capital Outlay ² | 220,421,286 | 231,622,691 | 230,885,862 | 233,767,220 | 242,888,624 | 244,772,926 | 318,015,924 | 538,002,988 | 12,949,700 | 13,494,700 | 13,144,700 |
| Civil Rights | 11,771,161 | 11,573,335 | 9,788,744 | 9,975,018 | 10,488,821 | 11,633,484 | 12,140,472 | 12,988,355 | 0 | 0 | 0 |
| 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 | 2,981,427,987 | 1,903,948,400 | 1,979,457,900 | 1,969,970,500 |
| 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 | 1,928,067,419 | 1,931,250,254 | 74,898,700 | 76,381,200 | 75,881,200 |
| Education | 6,823,871 | 7,160,078 | 19,762,307 | 20,638,645 | 64,105,162 | 67,677,141 | 67,735,150 | 64,950,158 | 41,127,700 | 47,686,400 | 35,336,400 |
| Environmental Quality | 42,452,208 | 38,467,057 | 4,676,391 | 24,315,317 | 21,989,596 | 29,996,002 | 29,178,966 | 35,343,995 | 5,636,300 | 5,636,300 | 5,636,300 |
| Executive Office | 5,170,371 | 4,977,867 | 4,676,391 | 4,512,135 | 4,450,312 | 4,651,797 | 5,075,487 | 5,655,203 | 4,143,648,200 | 4,350,767,300 | 4,312,132,100 |
| Health and Human Services | | | | | | | | | | | |
| 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 | 550,000 | 131,110,800 | 138,610,800 | 138,610,800 |
| 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 | 1,212,594,335 | 1,232,418,500 | 1,262,418,500 | 1,262,418,500 |
| 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 | 970,047,546 | 150,000 | 150,000 | 150,000 |
| Insurance and Financial Services | | | | | | | | | | | |
| Judiciary | 157,690,137 | 156,304,254 | 152,252,504 | 147,936,655 | 155,575,743 | 165,518,932 | 179,170,612 | 183,940,325 | 183,642,200 | 189,184,800 | 186,686,300 |
| Legislative Auditor General | 12,216,535 | 12,025,831 | 11,565,912 | 10,971,052 | 11,596,857 | 12,791,930 | 13,238,888 | 13,859,421 | 15,460,100 | 15,923,900 | 15,923,900 |
| Legislature | 111,898,054 | 108,538,191 | 104,284,938 | 104,475,083 | 108,466,494 | 114,597,508 | 120,711,720 | 128,295,883 | 131,872,300 | 136,577,800 | 136,577,800 |
| Licensing & Regulatory Affairs | 44,318,727 | 59,316,473 | 45,288,641 | 55,545,202 | 42,154,129 | 35,315,999 | 22,601,176 | 30,299,155 | 38,481,500 | 42,813,200 | 40,343,200 |
| Management and Budget | 37,016,989 | 57,902,890 | 26,989,328 | 32,104,465 | 134,963,992 | 154,451,327 | 237,148,282 | 222,980,281 | | | |
| Michigan Strategic Fund | 32,962,448 | 27,704,072 | 35,224,024 | 35,413,187 | 37,768,897 | 36,549,448 | 39,018,223 | 47,277,466 | 51,187,300 | 57,143,600 | 49,643,600 |
| Military & Veterans Affairs | 39,538,471 | 36,869,791 | | 15,417,740 | 19,532,386 | 17,714,831 | 24,176,612 | 34,809,153 | 39,597,800 | 39,560,000 | 38,260,000 |
| Natural Resources | 23,679,609 | 9,865,538 | 44,020,360 | | | | | | | | |
| 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 | 33,700,000 | 45,900,000 | 230,000,000 | 57,400,000 |
| State | 23,885,427 | 20,300,788 | 14,124,171 | 10,787,970 | 11,256,158 | 12,963,268 | 15,629,475 | 14,665,145 | 22,161,500 | 27,109,600 | 17,109,600 |
| State Police | 271,105,385 | 172,035,648 | 284,327,716 | 256,730,273 | 282,525,708 | 318,191,368 | 353,563,301 | 395,606,774 | 376,305,600 | 411,912,800 | 403,437,000 |
| Talent & Economic Development | | | | | | | | | | | |
| Technology, Management & Budget | | | | | | | | | | | |
| Transportation | 0 | 0 | 56,583,746 | 48,153,388 | 93,505,987 | 92,467,258 | 103,252,834 | 209,820,679 | 198,457,000 | 170,088,900 | 155,088,900 |
| Treasury | 163,095,232 | 73,223,720 | 53,230,719 | 48,524,329 | 101,280,446 | 97,481,170 | 113,629,813 | 220,283,460 | 400,000,000 | 504,423,100 | 474,922,200 |
| Debt Service | 53,293,503 | 50,734,853 | 52,053,461 | 38,942,415 | 122,504,551 | 131,061,246 | 148,348,693 | 148,969,694 | 156,449,000 | 137,037,000 | 118,495,000 |
| Subtotal | 9,822,064,148 | 8,506,612,456 | 7,695,576,868 | 8,362,625,875 | 8,286,068,717 | 8,741,533,293 | 9,179,881,551 | 9,555,814,614 | 9,886,513,300 | 10,031,864,000 | 9,689,911,700 |
| Budget Stabilization Fund/ Reserve | | | | | 362,700,000 | 140,000,000 | 75,000,000 | 94,000,000 | 95,000,000 | 0 | 0 |
| Roads and Risk Reserve Fund | | | | | | | 230,000,000 | 0 | 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 | \$ 9,649,814,614 | \$ 9,981,513,300 | \$ 10,031,864,000 | \$ 9,689,911,700 |

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 Expenditures | FY 2016 Current Law | FY 2017 Executive Recommendation | FY 2018 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 | 72,140,140 | 86,594,000 | 91,591,300 | 91,591,300 |
| Attorney General | 69,457,429 | 68,911,093 | 66,093,561 | 63,779,854 | 71,392,106 | 83,360,236 | 84,172,269 | 85,512,800 | 92,107,600 | 95,185,800 | 94,485,600 |
| 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 | 1,620,141,451 | | | |
| Civil Rights | 13,849,312 | 13,492,101 | 11,928,435 | 11,725,603 | 12,776,536 | 13,656,541 | 14,104,736 | 15,047,163 | 16,128,700 | 16,721,900 | 16,371,900 |
| 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 | 18,365,397,391 | | | |
| 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 | 1,972,422,734 | 1,962,226,000 | 2,029,386,100 | 2,019,898,700 |
| Education | 61,927,816 | 64,566,200 | 82,724,729 | 126,415,700 | 336,656,000 | 327,550,745 | 251,014,631 | 248,302,550 | 305,876,200 | 316,917,400 | 308,367,300 |
| Environmental Quality | 219,067,682 | 204,037,900 | 196,626,820 | 196,626,820 | 229,964,007 | 215,258,849 | 217,577,635 | 228,726,576 | 494,209,300 | 513,499,400 | 486,749,300 |
| Executive Office | 5,170,371 | 4,977,667 | 4,676,391 | 4,512,135 | 4,450,312 | 4,651,797 | 5,075,487 | 5,655,203 | 5,531,100 | 5,636,300 | 5,636,300 |
| Health and Human Services | | | | | | | | | 25,071,487,200 | 24,707,967,700 | 24,434,360,300 |
| 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 | 365,274,900 | 387,825,600 | 399,025,600 | 399,525,600 |
| 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 | 1,512,866,043 | 1,534,724,400 | 1,598,654,400 | 1,598,854,400 |
| 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 | 5,321,792,840 | | | |
| Insurance & Financial Services | | | | | | | | | | | |
| Information Technology | 386,097,470 | 372,435,920 | 236,616,084 | 234,695,153 | 235,263,103 | 245,599,458 | 252,507,833 | 256,246,723 | 284,851,400 | 298,261,400 | 295,762,900 |
| Judiciary | 247,401,193 | 241,415,358 | 17,088,823 | 16,871,695 | 17,948,101 | 19,989,686 | 20,194,779 | 21,080,883 | 22,840,500 | 23,451,900 | 23,451,900 |
| Legislative Auditor General | 16,969,689 | 17,063,712 | 105,732,309 | 95,206,409 | 107,747,770 | 107,295,816 | 111,315,788 | 119,526,171 | 136,464,300 | 141,253,600 | 141,253,600 |
| Legislature | 113,312,121 | 109,705,797 | 1,431,058,170 | 1,175,632,746 | 636,709,235 | 518,895,956 | 432,071,618 | 426,414,766 | 407,849,000 | 416,567,500 | 412,537,500 |
| Licensing & Regulatory Affairs | 1,191,354,299 | 1,367,643,100 | | | | | | | | | |
| Management and Budget | 242,514,875 | 300,420,008 | 175,288,360 | 189,777,421 | 261,972,232 | 571,230,497 | 426,515,318 | 471,095,934 | 166,953,700 | 176,000,200 | 168,500,200 |
| Michigan Strategic Fund | 158,448,175 | 168,184,761 | 166,389,660 | 127,040,441 | 133,404,046 | 138,854,249 | 137,048,077 | 169,404,996 | 404,001,200 | 397,904,100 | 388,704,100 |
| Military & Veterans Affairs | 147,170,057 | 156,993,535 | | | | | | | | | |
| Natural Resources | 274,073,772 | 258,679,524 | 483,548,507 | 267,370,342 | 281,680,687 | 288,603,442 | 297,999,501 | 316,867,588 | | | |
| 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 | 13,278,709,669 | 13,900,654,300 | 14,183,112,100 | 14,094,759,500 |
| State | 190,598,425 | 187,562,850 | 188,863,841 | 177,250,135 | 185,618,877 | 196,247,922 | 209,721,548 | 213,975,729 | 230,256,700 | 258,015,600 | 243,015,600 |
| State Police | 489,853,718 | 483,784,727 | 497,788,945 | 478,070,870 | 509,206,726 | 541,025,294 | 581,720,833 | 609,647,117 | 620,837,400 | 658,726,100 | 650,250,300 |
| Talent & Economic Development | | | | | | | | | | | |
| Technology, Management & Budget | | | | | | | | | | | |
| Transportation | 2,844,829,778 | 2,893,590,954 | 3,219,334,134 | 2,993,746,007 | 2,928,085,528 | 3,160,012,920 | 3,297,503,830 | 3,302,690,406 | 3,896,201,400 | 4,125,203,600 | 4,114,803,600 |
| Treasury | 2,679,180,140 | 2,639,763,225 | 2,938,885,967 | 2,993,283,028 | 2,714,216,958 | 2,271,622,096 | 2,290,204,213 | 2,581,832,367 | 1,788,603,200 | 1,773,710,400 | 1,790,846,400 |
| Debt Service | 77,208,003 | 66,249,353 | 67,567,961 | 54,456,915 | 138,019,051 | 136,575,746 | 151,363,193 | 148,969,694 | 156,449,000 | 137,037,000 | 118,495,000 |
| Subtotal | 43,562,546,601 | 45,518,414,742 | 47,376,241,714 | 48,950,121,732 | 47,046,659,227 | 47,444,219,269 | 48,960,474,173 | 52,711,997,954 | 54,453,977,500 | 54,892,727,100 | 54,365,189,800 |
| Budget Stabilization Fund Reserve | | | | | 362,700,000 | 140,000,000 | (119,800,000) | 94,000,000 | 95,000,000 | 0 | 0 |
| Roads and Risk Reserve Fund | | | | | | | 83,393,800 | 82,900,000 | 0 | 0 | 0 |
| GRAND TOTAL | \$ 43,562,546,601 | \$ 45,518,414,742 | \$ 47,376,241,714 | \$ 48,950,121,732 | \$ 47,409,559,227 | \$ 47,584,219,269 | \$ 48,924,067,973 | \$ 52,888,897,954 | \$ 54,548,977,500 | \$ 54,892,727,100 | \$ 54,365,189,800 |

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 10, 2016

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 1 percent base wage increase in fiscal year 2017 on October 1, 2016. A 1.5% lump sum payment for fiscal year 2017 is scheduled to be processed in October, 2016. The Office of State Employer has estimated that the additional cost of these pay recommendations is \$111.4 million for fiscal year 2017. 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 cursive script that reads "Rick Snyder".

Rick Snyder
Governor

Summary
Michigan State Classified Service
Fiscal Year 2017
(10/1/2016 - 9/30/2017)

| | A-02 MSEA Saf. & Reg. ¹ | A-31 MSEA Labor & Trades ¹ | C-12 MCO Security ¹ | E-42 SEIU 517M Human Srv. Support ¹ | H-21 SEIU 517M Scientific & Engineering ¹ | L-32 SEIU 517M Technical ¹ | T-01 MSPTA State Police Enlisted ¹ | U-11 AFSCME Institutional ¹ | W-22 UAW Human Srv. ¹ | W-41 UAW Admin. Supt. ¹ | MSC's & NERE's ¹ | TOTAL ALL UNITS |
|--|--|--|--------------------------------------|---|---|---|--|--|--|--|-----------------------------------|-----------------------|
| ² Number of FTEs | 1,164 | 1,863 | 6,777 | 544 | 2,118 | 831 | 1,584 | 1,341 | 10,439 | 5,693 | 14,185 | 46,539 |
| ² Avg. Hourly Salary - 12/19/15 | \$ 26.28 | \$ 23.54 | \$ 23.61 | \$ 25.13 | \$ 34.00 | \$ 25.59 | \$ 32.19 | \$ 20.95 | \$ 27.39 | \$ 21.79 | \$ 35.70 | \$ 28.73 |
| Base Pay Increase 10/01/16 | \$ 638,718 | \$ 915,693 | \$ 3,340,904 | \$ 285,445 | \$ 1,503,611 | \$ 444,019 | \$ 1,064,649 | \$ 586,602 | \$ 5,970,098 | \$ 2,590,174 | \$ 10,573,726 | \$ 27,913,639 |
| Additional Roll-up Cost Resulting from Base Pay Increase | | | | | | | | | | | | |
| ³ FICA/Ret./OERC Blended Rates | 57.81% | 58.06% | 58.12% | 57.75% | 57.62% | 57.51% | 86.29% | 58.39% | 58.04% | 57.90% | 57.38% | |
| FICA/Ret./OERC on Base Wage Increase | \$ 369,243 | \$ 531,560 | \$ 1,941,733 | \$ 164,844 | \$ 866,381 | \$ 255,355 | \$ 918,686 | \$ 342,517 | \$ 3,465,045 | \$ 1,499,711 | \$ 6,067,204 | |
| ⁴ Life Insurance Increase | \$ 7,971 | \$ 11,428 | \$ 41,694 | \$ 3,562 | \$ 18,765 | \$ 5,541 | \$ 13,287 | \$ 7,321 | \$ 74,507 | \$ 32,325 | \$ 131,960 | |
| ⁵ Long Term Disability Increase | \$ 5,046 | \$ 7,234 | \$ 26,393 | \$ 2,255 | \$ 11,879 | \$ 3,508 | \$ 8,411 | \$ 4,634 | \$ 47,164 | \$ 20,462 | \$ 83,532 | |
| ⁶ Overtime Increase | \$ 26,697 | \$ 64,916 | \$ 647,538 | \$ 9,638 | \$ 21,641 | \$ 40,048 | \$ 128,896 | \$ 121,771 | \$ 96,069 | \$ 28,417 | \$ 126,398 | |
| ⁷ Shift Differential Increase | \$ 3,371 | \$ 2,120 | \$ 69,119 | \$ 2 | \$ 5 | \$ 342 | \$ 15,689 | \$ 10,026 | \$ 6,679 | \$ 2,152 | \$ 18,279 | |
| FICA/Ret./OERC on OT and Shift Diff. Inc. | \$ 17,382 | \$ 38,914 | \$ 416,521 | \$ 5,567 | \$ 12,472 | \$ 23,228 | \$ 124,762 | \$ 76,956 | \$ 59,635 | \$ 17,699 | \$ 83,016 | |
| FY 2017 ATB Cost Increase | \$ 1,068,428 | \$ 1,571,865 | \$ 6,483,902 | \$ 471,313 | \$ 2,434,754 | \$ 772,041 | \$ 2,274,380 | \$ 1,149,827 | \$ 9,719,197 | \$ 4,190,940 | \$ 17,084,115 | \$ 47,220,762 |
| Lump Sum Adjustments for FY 2017 | | | | | | | | | | | | |
| ⁸ Lump Sum payment 10/22/2016 | \$ 967,657 | \$ 1,387,275 | \$ 5,061,469 | \$ 432,449 | \$ 2,277,970 | \$ 672,689 | \$ - | \$ 888,702 | \$ 9,044,698 | \$ 3,924,113 | \$ 16,019,195 | \$ 40,676,216 |
| FICA/Ret./OERC on Lump Sums | \$ 559,403 | \$ 805,313 | \$ 2,941,726 | \$ 249,739 | \$ 1,312,566 | \$ 386,864 | \$ - | \$ 519,913 | \$ 5,249,543 | \$ 2,272,062 | \$ 9,191,814 | \$ 23,487,941 |
| FY2017 Compensation Increases | \$ 2,595,488 | \$ 3,764,453 | \$ 14,487,097 | \$ 1,153,501 | \$ 6,025,290 | \$ 1,831,594 | \$ 2,274,380 | \$ 2,557,441 | \$ 24,013,437 | \$ 10,387,115 | \$ 42,295,124 | \$ 111,384,919 |

¹ A 1% base wage increase is scheduled to be received in FY17 on 10/1/16.

² Business Objects HR Human Resource System count and wage average of classified employees under status code of AA, AB, AC, AD, AE & AP as of 12/19/2015.

³ FICA/RET/OERC rates for FY 2016 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 12/19/2015.

⁴ Life insurance increase on incremental cost increase. Annual \$6.24 per \$1000 of extra coverage (FY 2016 rate).

⁵ FY 2016 rate - (Increase/100)*.79.

⁶ Based on FY 2015 overtime amount with FY16 (+1%) - Comptroller Object Codes 3050, 3055, 3060, 3070, 3075, 3080, 3110, 3115, 3120.

⁷ Business Objects HR Human Resource System FY 2015 shift differential hours of classified employees under status code of AA, AB, AC, AD, AE & AP.

⁸ A 1.5% lump sum payment for FY17 is scheduled to be processed in mid October 2016 with the exception of MSPTA.



**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2017
BUDGET RECOMMENDATION**

| DEPARTMENT | PURPOSE | Michigan Compiled Law (MCL) Being Amended |
|--|--|--|
| Agriculture and Rural Development | Eliminate Sunset on Refined Petroleum Fund | MCL 324.21506a |
| Education | Increase Teacher Certification Fees | MCL 380.1538 |
| Health and Human Services | Amend Hospital Quality Assurance Assessment Program | MCL 333.20161 |
| | Health Insurance Claims Assessment Sunset Extension | MCL 550.1733, 550.1737 |
| | Eliminate Sunset of Michigan Energy Assistance Program | MCL 400.1236 |
| Higher Education | Cap MPSERS Unfunded Liability Rate | MCL 38.1341, 38.1341a |
| Licensing and Regulatory Affairs | Michigan Prescription Drug and Opioid Abuse Task Force--Recommended Changes to the Michigan Automated Prescription System (MAPS) | MCL 333.7303a, 333.7333a, 333.16315 |
| Michigan State Police | Increase Appropriation Cap on the Disaster and Emergency Contingency Fund | MCL 30.418 |
| School Aid | Detroit Public Schools Reform (Changes to Incompatible Office Act) | MCL 15.183 |
| | Detroit Public Schools Reform (Emergency Loans) | MCL 21.141 |
| | Detroit Public Schools Reform (Changes to Fire Prevention Code) | MCL 29.1, 29.2b, 29.3c |

**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2017
BUDGET RECOMMENDATION**

| DEPARTMENT | PURPOSE | Michigan Compiled Law (MCL) Being Amended |
|-----------------------|--|---|
| School Aid | Detroit Public Schools Reform (Emergency Loans) | MCL 141.932-934, 141.936 |
| | Detroit Public Schools Reform (Changes to Financial Review Commission Act) | MCL 141.1632-1638, 141.1642 |
| | Detroit Public Schools Reform (Changes to Revised School Code) | MCL 380.3, 380.5, 380.6, 380.11, 380.11a, 380.501-502, 380.507, 380.522, 380.528, 380.551-552, 380.561, 380.654, 380.705, 380.921, 380.1147, 380.1225, 380.1229, 380.1231, 380.1351a, 380.1356 |
| | Detroit Public School Reform (Changes to State School Aid Act) | MCL 388.1603, 388.1606, 388.1620, 388.1631a |
| Transportation | Release of Funds in Roads Innovation Fund to the Michigan Transportation Fund (MTF) | Concurrent Resolution |
| Treasury | Create the Detroit Public Schools Trust Fund | MCL 12.261 |
| | Insurance Tax Credit Clarifying Amendments (Changes to Income Tax Act) | MCL 206.637 |
| | Insurance Tax Credit Clarifying Amendments (Changes to Michigan Business Tax Act) | MCL 208.1237 |
| | Create the Michigan Infrastructure Fund | New MCL |