



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

CHRISTOPHER M. HARKINS
DIRECTOR

February 9, 2022

The Honorable Jim Stamas, Chair
Senate Appropriations Committee
Michigan State Senate
State Capitol
Lansing, Michigan 48909

The Honorable Thomas Albert, Chair
House Appropriations Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48909

Dear Legislators:

Attached please find a report on funding recommended in the fiscal year 2023 Executive Budget and in fiscal year 2022 Supplemental letter 2022-2 to support the costs of legislation affecting local government operations. This report is submitted in compliance with MCL 21.235(3) and MCL 21.241.

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

Sincerely,

Christopher M. Harkins
State Budget Director

Attachment

cc: Mike Shirkey, Senate Majority Leader
Jason Wentworth, Speaker of the House
Jim Ananich, Senate Minority Leader
Donna Lasinski, House Minority Leader
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency

Departments
JoAnne Huls, Chief of Staff
Tricia Foster, Chief Operating Officer
Jen Flood, Deputy Chief of Staff
George Cook, Director of Legislative Affairs
Bethany Wicksall, Deputy State Budget Director
Heather Boyd, Office of Financial Management
Internal State Budget Office

FY23 Executive Budget Funding for Legislation Affecting Local Government Operations

In compliance with MCL 21.235(5) and 21.241(11), additional information is included for funding recommended in the FY23 Executive Budget and the proposed FY22 Supplemental that supports costs of state mandates to local government for Raise the Age, moving 17-year-olds out of adult courts and into the juvenile legal system.

A detailed list of all estimated payments to local governments in the Governor's FY 2023 Executive Budget follows.

Raise The Age

In 2019, Governor Whitmer signed legislation to raise the age of automatic adult court jurisdiction from 17 to 18 years of age, keeping youth out of adult court and providing access to age-appropriate rehabilitation services. The legislation requires the state to fund 100% of the costs attributable to the changes, rather than following the typical 50/50 cost-sharing between the state and county governments. The FY23 Executive Budget recommends an increase of \$7.7 million to fund the estimated local costs of Raise the Age legislation in the fiscal year ending September 30, 2023. A funding increase of \$7.7m is also included in the FY22 Supplemental accompanying the FY23 Executive Budget.

Funding for Legislation Affecting Local Government Operations FY23 Executive Budget & FY22 Supplemental Budget					
Requirement	Local Units Affected	Direct Local Cost	State Funding to Cover Local Cost	State Agency	Purpose
Raise the Age MCL 400.117a MCL 400.117i	-County governments - Local courts	Yes	State pays 100% of local costs of juvenile services. An increase of \$7.7 million is recommended in both the FY23 Executive Budget and the accompanying FY22 supplemental request.	Department of Health and Human Services	Raise The Age of adult court jurisdiction, provide 17-year-old youth access to age-appropriate rehabilitation.

FY 2023 Payments to Locals - Executive Recommendation

Original Exec Rec amounts do not include revisions

Department Name	Appn Name	Original Exec Rec
Agriculture and Rural Development	Agricultural preservation easement grants	1,900,000
Agriculture and Rural Development	Environmental stewardship - MAEAP	4,100,000
Agriculture and Rural Development	Local conservation districts	2,000,000
Agriculture and Rural Development	Qualified forest program	1,400,000
Agriculture and Rural Development	Rural development fund grant program	1,400,000
Agriculture and Rural Development	Office of rural development	5,000,000
Agriculture and Rural Development Subtotal		15,800,000
Corrections	County jail reimbursement program	14,814,600
Corrections	Prosecutorial and detainer expenses	4,801,000
Corrections	Community corrections comprehensive plans and services	13,198,100
Corrections	Public safety initiative	4,000,000
Corrections	Residential probation diversions	16,575,500
Corrections	Field operations	69,726,100
Corrections	Residential alternative to prison program	1,500,000
Corrections	Leased beds and alternatives to leased beds	100
Corrections Subtotal		124,615,400
Education	Library pilot program	800,000
Education	Renaissance zone reimbursements	2,200,000
Education	State aid to libraries	15,067,700
Education	School board member training	260,000
Education Subtotal		18,327,700
Environment, Great Lakes, and Energy	Surface water	200,000
Environment, Great Lakes, and Energy	Technology advancements for water monitoring	500,000
Environment, Great Lakes, and Energy	Brownfield grants	1,000,000
Environment, Great Lakes, and Energy	Emergency cleanup actions	116,000
Environment, Great Lakes, and Energy	Refined petroleum product cleanup program	5,000,000
Environment, Great Lakes, and Energy	Renew Michigan program	20,000,000
Environment, Great Lakes, and Energy	Environmental health	400,000
Environment, Great Lakes, and Energy	Noncommunity water grants	2,000,000
Environment, Great Lakes, and Energy	Septage waste compliance grants	130,000
Environment, Great Lakes, and Energy	Environmental sustainability and stewardship	100,000
Environment, Great Lakes, and Energy	Medical waste program	70,000
Environment, Great Lakes, and Energy	Pollution prevention	200,000
Environment, Great Lakes, and Energy	Scrap tire grants	1,000,000
Environment, Great Lakes, and Energy Subtotal		30,716,000
Health and Human Services	Child support incentive payments	10,857,300
Health and Human Services	Legal support contracts	200
Health and Human Services	Crime victim grants administration services	395,300
Health and Human Services	Crime victim rights services grants	12,033,300
Health and Human Services	Domestic violence prevention and treatment	217,600
Health and Human Services	Homeless programs	9,200
Health and Human Services	Housing and support services	121,300
Health and Human Services	Adoption subsidies	25,400
Health and Human Services	Child care fund	152,649,000
Health and Human Services	Child care fund - indirect cost allotment	3,521,200
Health and Human Services	Child welfare licensing	120,000
Health and Human Services	Child welfare medical/psychiatric evaluations	19,000
Health and Human Services	Children's trust fund grants	24,200
Health and Human Services	Contractual services, supplies, and materials	156,200
Health and Human Services	Family preservation programs	311,500
Health and Human Services	Foster care payments	1,274,700
Health and Human Services	Raise the Age	7,688,900
Health and Human Services	Strong families/safe children	73,800
Health and Human Services	Youth in transition	2,900
Health and Human Services	Bay pines center	37,100
Health and Human Services	Community support services	103,300
Health and Human Services	Shawono center	1,700
Health and Human Services	Emergency services local office allocations	765,600

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Department Name	Appn Name	Original Exec Rec
Health and Human Services	Family independence program	1,100
Health and Human Services	Indigent burial	4,800
Health and Human Services	Michigan energy assistance program	216,100
Health and Human Services	Multicultural integration funding	1,615,900
Health and Human Services	State disability assistance payments	151,500
Health and Human Services	Contractual services, supplies, and materials	64,300
Health and Human Services	Employment and training support services	7,200
Health and Human Services	Disability determination operations	2,700
Health and Human Services	Behavioral health program administration	599,800
Health and Human Services	Gambling addiction	1,376,700
Health and Human Services	Mental health diversion council	202,200
Health and Human Services	Autism services	100,084,100
Health and Human Services	Children with serious emotional disturbance waiver	3,317,300
Health and Human Services	Children's waiver home care program	5,977,600
Health and Human Services	Community mental health non-Medicaid services	127,888,900
Health and Human Services	Community substance use disorder prevention, education, and treatment	4,977,700
Health and Human Services	Health homes	231,500
Health and Human Services	Healthy Michigan plan - behavioral health	69,732,000
Health and Human Services	Medicaid mental health services	1,153,898,600
Health and Human Services	Medicaid substance use disorder services	28,721,000
Health and Human Services	Nursing home PAS/ARR-OBRA	2,709,100
Health and Human Services	State disability assistance program substance use disorder services	1,788,900
Health and Human Services	Caro Regional Mental Health Center - psychiatric hospital - adult	195,200
Health and Human Services	Center for forensic psychiatry	606,500
Health and Human Services	Hawthorn Center - psychiatric hospital - children and adolescents	60,600
Health and Human Services	Kalamazoo Psychiatric Hospital - adult	54,600
Health and Human Services	Walter P. Reuther Psychiatric Hospital - adult	52,100
Health and Human Services	Primary care services	98,000
Health and Human Services	Epidemiology administration	285,100
Health and Human Services	Healthy homes program	1,333,200
Health and Human Services	AIDS prevention, testing, and care programs	2,416,200
Health and Human Services	Cancer prevention and control program	46,900
Health and Human Services	Essential local public health services	44,364,400
Health and Human Services	Implementation of 1993 PA 133, MCL 333.17015	400
Health and Human Services	Local health services	1,537,100
Health and Human Services	Sexually transmitted disease control program	505,100
Health and Human Services	Smoking prevention program	201,800
Health and Human Services	Family planning local agreements	253,200
Health and Human Services	Immunization program	2,197,400
Health and Human Services	Pregnancy prevention program	28,100
Health and Human Services	Prenatal care outreach and service delivery support	4,967,400
Health and Human Services	Medical care and treatment	461,000
Health and Human Services	Outreach and advocacy	2,631,100
Health and Human Services	Community services	23,833,500
Health and Human Services	Nutrition services	13,031,400
Health and Human Services	Respite care program	5,632,700
Health and Human Services	Senior volunteer service programs	914,800
Health and Human Services	Aging services administration	1,303,600
Health and Human Services	Adult home help services	139,900
Health and Human Services	Ambulance services	516,600
Health and Human Services	Auxiliary medical services	1,300
Health and Human Services	Dental services	822,000
Health and Human Services	Healthy Michigan plan	850,200
Health and Human Services	Home health services	6,500
Health and Human Services	Hospice services	23,900
Health and Human Services	Hospital disproportionate share payments	19,900
Health and Human Services	Hospital services and therapy	2,736,300
Health and Human Services	Long-term care services	82,997,200
Health and Human Services	Medicaid home- and community-based services waiver	15,147,800

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Department Name	Appn Name	Original Exec Rec
Health and Human Services	Personal care services	27,300
Health and Human Services	Pharmaceutical services	3,600
Health and Human Services	Physician services	2,015,400
Health and Human Services	Special Medicaid reimbursement	29,600
Health and Human Services	Transportation	88,800
Health and Human Services Subtotal		1,906,415,400
Judiciary	Drug treatment courts	8,838,000
Judiciary	Mental health courts and diversion services	5,575,400
Judiciary	Next generation Michigan court system	4,116,000
Judiciary	Swift and sure sanctions program	3,350,000
Judiciary	Veterans courts	1,036,400
Judiciary	Court of appeals operations	200,000
Judiciary	Circuit court judicial salary standardization	9,956,800
Judiciary	District court judicial salary standardization	10,608,600
Judiciary	Probate court judges' state base salaries	12,568,900
Judiciary	Probate court judicial salary standardization	4,669,600
Judiciary	OASI, social security	1,241,200
Judiciary	Court equity fund reimbursements	60,815,700
Judiciary	Drug case-flow program	250,000
Judiciary	Drunk driving case-flow program	3,300,000
Judiciary	Judicial technology improvement fund	4,815,000
Judiciary	Juror compensation reimbursement	6,610,300
Judiciary	Statewide e-file system	11,107,300
Judiciary Subtotal		149,059,200
Labor and Economic Opportunity	Going pro	40,000,000
Labor and Economic Opportunity	Workforce development programs	10,999,900
Labor and Economic Opportunity	Michigan rehabilitation services	275,000
Labor and Economic Opportunity	Michigan regional empowerment program	200,000,000
Labor and Economic Opportunity Subtotal		251,274,900
Michigan Strategic Fund	Arts and cultural program	1,000,000
Michigan Strategic Fund Subtotal		1,000,000
Licensing and Regulatory Affairs	Firefighter training grants	2,300,000
Licensing and Regulatory Affairs	Liquor law enforcement grants	8,400,000
Licensing and Regulatory Affairs	Marihuana operation and oversight grants	3,000,000
Licensing and Regulatory Affairs	Michigan indigent defense commission grants	148,917,400
Licensing and Regulatory Affairs	Remonumentation grants	6,800,000
Licensing and Regulatory Affairs Subtotal		169,417,400
Military and Veterans Affairs	Military training sites and support facilities	46,500
Military and Veterans Affairs	County veteran service fund	4,250,000
Military and Veterans Affairs	Michigan veterans affairs agency administration	90,000
Military and Veterans Affairs Subtotal		4,386,500
Natural Resources	Invasive species prevention and control	1,900,000
Natural Resources	Dam management grant program	175,000
Natural Resources	Fisheries habitat improvement grants	125,000
Natural Resources	Grants to counties - marine safety	1,407,300
Natural Resources	Nonmotorized trail development and maintenance grants	100,000
Natural Resources	Off-road vehicle safety training grants	60,000
Natural Resources	Off-road vehicle trail improvement grants	959,500
Natural Resources	Recreation improvement fund grants	91,700
Natural Resources	Recreation passport local grants	2,000,000
Natural Resources	Snowmobile law enforcement grants	380,100
Natural Resources	Wildlife habitat improvement grants	150,300
Natural Resources	Local boating infrastructure maintenance and improvements	3,622,500
Natural Resources Subtotal		10,971,400
State	Motorcycle safety education grants	1,377,200
State	Fees to local units	40,000
State Subtotal		1,417,200
State Police	Justice training grants	5,810,000
State Police	Training only to local units	654,500

FY 2023 Payments to Locals - Executive Recommendation

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Department Name	Appn Name	Original Exec Rec
State Police	Secondary road patrol program	12,942,500
	State Police Subtotal	19,407,000
Transportation	Grants to regional planning councils	488,800
Transportation	Cities and villages	684,060,200
Transportation	County road commissions	1,226,915,200
Transportation	Grants to local programs	33,000,000
Transportation	Local bridge program	26,981,600
Transportation	Local agency wetland mitigation bank fund	2,000,000
Transportation	Movable bridge fund	2,929,200
Transportation	Rail grade crossing	1,500,000
Transportation	Rail grade crossing - surface improvements	3,000,000
Transportation	Community service infrastructure fund	3,000,000
Transportation	Forest roads	5,000,000
Transportation	Rural county primary	8,737,800
Transportation	Rural county urban system	2,500,000
Transportation	Target industries/economic redevelopment	11,144,700
Transportation	Urban county congestion	8,737,800
Transportation	Air service program	50,000
Transportation	Local bus operating	201,750,000
Transportation	Detroit/Wayne County Port Authority	500,000
Transportation	Marine passenger service	1,812,000
Transportation	Municipal credit program	2,000,000
Transportation	Service initiatives	9,029,400
Transportation	Specialized services	9,228,900
Transportation	Transit capital	68,076,100
Transportation	Airport safety, protection, and improvement program	5,961,900
Transportation	Detroit Metropolitan Wayne County Airport	5,850,000
Transportation	Priority rail grade crossing/separation initiative	60,000,000
	Transportation Subtotal	2,384,253,600
Treasury	Convention facility development distribution	118,590,700
Treasury	Emergency 911 payments	26,000,000
Treasury	Health and safety fund grants	1,500,000
Treasury	Recreational marihuana grants	50,580,000
Treasury	Senior citizen cooperative housing tax exemption program	11,421,800
Treasury	Commercial forest reserve	3,368,100
Treasury	Purchased lands	9,971,100
Treasury	Swamp and tax reverted lands	16,836,200
Treasury	City, village, and township revenue sharing	292,869,700
Treasury	Constitutional state general revenue sharing grants	964,585,400
Treasury	County incentive program	43,488,100
Treasury	County revenue sharing	211,594,000
Treasury	Financially distressed cities, villages, or townships	2,500,000
Treasury	Local community transition support	40,000,000
Treasury	Airport parking distribution	27,000,000
	Treasury Subtotal	1,820,305,100
Community Colleges	Operations	357,408,400
Community Colleges	MPSERS cost offset	7,020,000
Community Colleges	MPSERS normal cost offset	10,800,000
Community Colleges	MPSERS UAAL rate stabilization payment	92,600,000
Community Colleges	Renaissance zone tax reimbursements	2,200,000
	Community Colleges Subtotal	470,028,400
School Aid	School Aid Fund ongoing	15,600,688,500
School Aid	School Aid Fund one-time	188,249,800
	School Aid Subtotal	15,788,938,300
	Grand Total	23,166,333,500