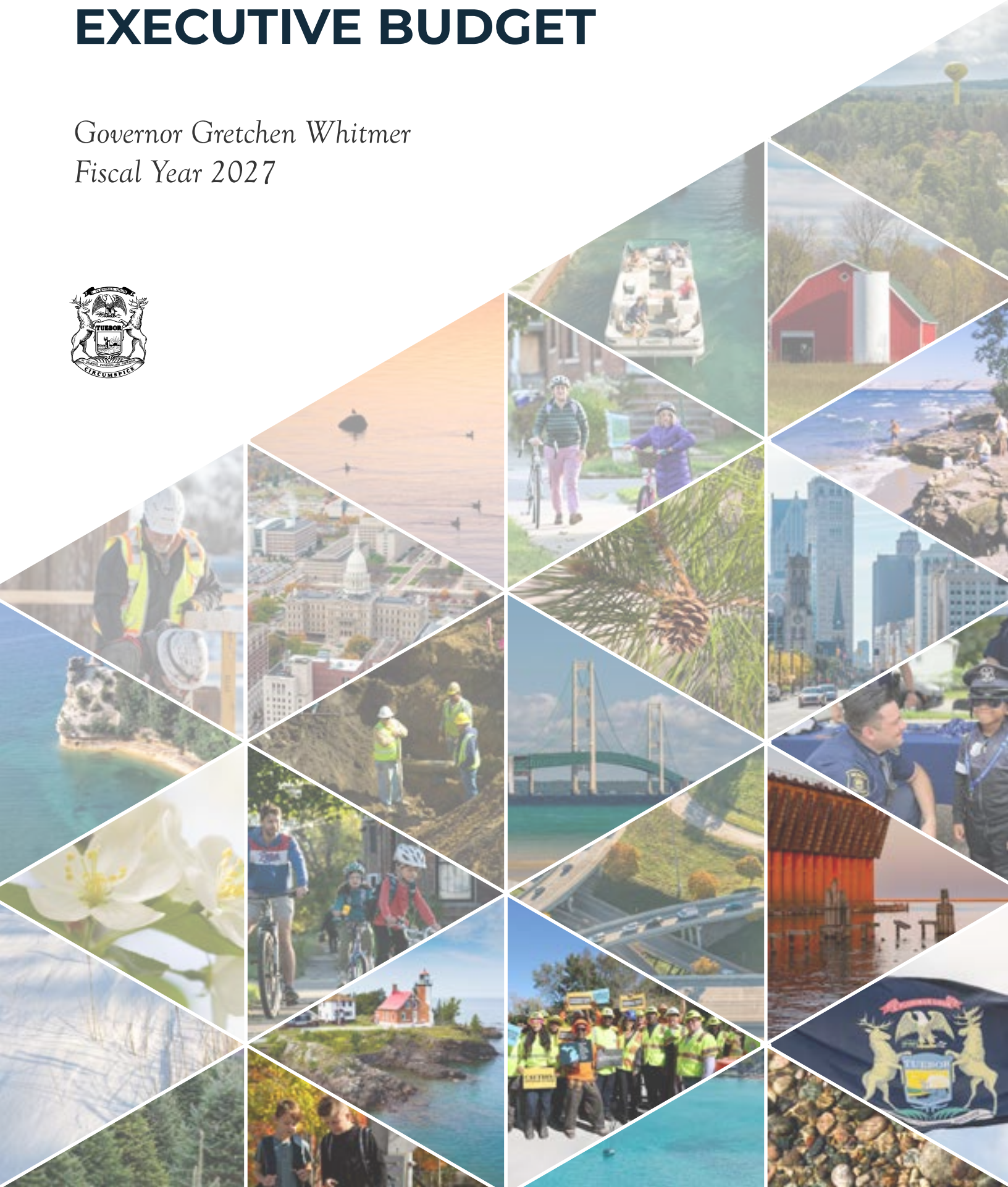


STATE OF MICHIGAN
EXECUTIVE BUDGET

Governor Gretchen Whitmer
Fiscal Year 2027



EXECUTIVE BUDGET

Fiscal Years 2027 and 2028

STATE OF MICHIGAN

Gretchen Whitmer, Governor

Jennifer L. Flood, State Budget Director

This publication was produced by the Department of Technology, Management and Budget. The purpose of the publication is to inform state and local officials and residents about Governor Whitmer's recommended budget for fiscal year 2027 and projections for fiscal year 2028. This document is required by law MCL 18.1363 and by the Michigan Constitution, Article V, Section 18.

EXECUTIVE BUDGET RECOMMENDATION

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STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

February 11, 2026

My Fellow Michiganders:

My Executive Budget Recommendation for fiscal year 2027 is balanced, fiscally responsible, and delivers lasting results that will make a real difference for all Michiganders.

This budget recommendation doubles down on my long-term priorities to improve student literacy; grow and diversify our economy; protect access to quality, affordable health care; lower costs; and protect public safety.

The investments we have made and accomplishments we have shared since I took office have moved Michigan forward. I am proud of the work we have done, including:

- Tax relief for seniors and working families – ensuring people keep more of their hard-earned money
- Raising per-pupil funding by more than 30% – directing more dollars into the classroom to help kids succeed
- Delivering on the Michigan guarantee – offering free pre-K and community college, saving families money and setting kids on a path toward opportunity
- Feeding all 1.4 million public school students free school meals
- Securing a bipartisan, sustainable deal to fix the damn roads, both state and local

While we have gotten a lot done over these past seven years, Michigan is facing major headwinds today, from reduced federal revenue and rising health care costs to high tariffs and ever-changing national policy. By working together, we can get through this uncertainty and continue delivering results for Michiganders.

The FY27 budget proposal continues investing in critical services and programs, with an emphasis on fiscal responsibility. We are building on our track record of passing seven balanced, bipartisan budgets; paying down debt; and our reserves are more than double than when I took office.

In the following pages you will find my FY27 Executive Budget Recommendation. I look forward to working with the Legislature to finalize a balanced and bipartisan budget ahead of the July 1 statutory deadline.

Sincerely,

A handwritten signature in blue ink that reads "Gretchen Whitmer". The signature is fluid and cursive, with the first name being the most prominent.

Gretchen Whitmer
Governor



BUDGET OVERVIEW

Executive Budget Summary

For Fiscal Years 2027 and 2028

The FY27 Executive Budget Recommendation builds on years of strategic investment to strengthen Michigan and prepare the state for the future. Informed by the experiences of Michiganders in classrooms, at work, on the road, and when accessing health care, the budget proposal prioritizes solutions that are practical, accountable, and focused on long-term results. It emphasizes lasting impact through measurable progress, responsible use of resources, and support for services that continue to meet the needs of families and communities across Michigan.

Over the course of this administration, Michigan has strengthened its financial footing, reduced long-term debt, and rebuilt reserves that provide stability during incomparable federal and economic uncertainty. The FY27 budget proposal continues that approach, pairing fiscal discipline with targeted investments that deliver results that last — supporting students and improving literacy, defending Medicaid, lowering costs, protecting public safety, and doubling down on long-term priorities.

At the same time, new federal policies are creating significant challenges. The state must balance its commitment to Michigan families with a sound response to the added pressures created by major changes at the federal level, while continuing to invest in the priorities that drive long-term growth and opportunity.

Addressing the Impacts of H.R. 1

The passage of H.R. 1 by Congress has created unprecedented budget pressures for Michigan. When enacted in July 2025, the law immediately put a \$1 billion hole in the state budget, with initial estimates projecting nearly \$10 billion in new costs through FY32. Through careful planning and partnership with the Legislature, the state took steps in FY26 to lessen the impact and brought that number down to nearly \$4 billion. Even so, H.R. 1 continues to exert significant pressures on Michigan's budget and will require continued attention and investment in the years ahead.

Starting in FY27, several new Medicaid provisions take effect, including work requirements and twice-yearly eligibility redeterminations. These requirements, combined with expanded SNAP work requirements, necessitate substantial state investment in administrative capacity, information technology systems, and workforce support to ensure residents can maintain coverage and meet program obligations, and the state can administer new eligibility requirements. The state's share of SNAP administrative costs will increase from 50% to 75% beginning in FY27, a significant added cost for Michigan and states nationwide.

Despite these challenges, Michigan remains dedicated to mitigating the impacts of these federal changes and doing everything we can to make sure people can maintain access to health care. The state is taking proactive steps to implement new requirements, strengthen administrative capacity, and maintain core services for those who need them most.

Saving Michiganders Money

The budget recommendation continues to provide savings and reduce costs for families while ensuring the state is in a strong financial position. Governor Whitmer’s proposals are designed to make education more accessible and household budgets more manageable, ensuring that Michigan residents can pursue opportunities for learning and bigger paychecks without being overburdened by expenses.

Continued support for affordable education delivers lasting value for families and strengthens outcomes over the long term. The Great Start Readiness Program serves 51,000 four-year-olds statewide and helps families access high-quality pre-K — saving them \$14,000 per year. Free school meals support 1.4 million students, saving families approximately \$850 per student annually. Postsecondary affordability is supported through the Community College Guarantee, providing up to \$4,820 per year in tuition assistance, and the Michigan Achievement Scholarship, which can exceed \$25,000 over the course of a four-year degree.

The budget recommendation also maintains key tax relief measures that directly benefit Michigan families, while advancing new targeted relief. The retirement tax rollback continues to put roughly \$1,000 back into the pockets of 500,000 senior households, and the Working Families Tax Credit delivered an average combined state and federal refund of more than \$3,900 to 665,000 households last year. Deductions on tips and overtime will provide savings to approximately 300,000 and 500,000 workers, averaging \$400 and \$500 annually, respectively. Expanded Social Security deductions will benefit roughly 40,000 residents, saving an average of \$500 per year. The budget recommendation establishes a new sales tax holiday to provide back-to-school savings for families for three years. A new Senior Property Tax Credit will offer property tax relief to 335,000 seniors, saving them an average of \$345 each on their 2026 taxes.

This budget recommendation further lowers costs and makes it easier for Michiganders to access high demand careers. Since 2019, Michigan has supported programs that benefit nearly 10,000 National Guard members, helping them access education, childcare, and health services while serving Michigan — making it easier for residents to enter high demand careers.

Ensuring Every Student Eats, Reads, and Succeeds

The FY27 Executive Budget Recommendation continues Michigan’s focus on making sure students eat, read, and succeed. The budget proposal emphasizes strong fundamentals, especially reading proficiency, while ensuring schools and educators have the tools needed to support students with diverse needs. Michigan’s investments in education equip students with the tools they need to succeed in school, careers, and life.

The FY27 budget recommendation continues to expand support for all 1.4 million K–12 public school students in Michigan, raising base per-pupil funding to \$10,300, a 2.5% increase that provides an additional \$250 per student, up 31% since Governor Whitmer took office. The budget proposal also sustains enhanced resources for special education to ensure students with the greatest needs have access to the services and support they deserve. An additional \$128 million will support academically at-risk students, English language learners, career and technical education students, and those in rural districts, reflecting a commitment to meet diverse learning needs and provide every student with an opportunity to succeed. Funding for at-risk students has increased by more than \$850 million, or 64%, since 2019.

To further strengthen literacy outcomes, this budget recommendation continues to invest in expanded tutoring programs, literacy coaching, and teacher training on evidence-based reading instruction. Since 2019, support for literacy coaches has more than quadrupled, strengthening reading expertise in classrooms across the state. Additional support will expand elective tutoring in school districts, providing targeted support to help students improve reading proficiency and stay on track. Together, these efforts help close achievement gaps and build the foundational skills students need for lifelong learning. The state recognizes that academic success is inseparable from student well-being. Investments in mental health services and school safety programs have totaled \$2.3 billion since 2019, ensuring that every student has access to a safe, supportive environment where they can thrive.

Teacher preparation and workforce readiness are important elements of investments in learning and literacy. The MI Future Educator Reserve Fund supports fellowships and student teacher stipends, while the Grow Your Own Teacher program helps address staffing shortages by upskilling current educators.

The Governor’s budget recommendation continues to strengthen Michigan’s public universities and community colleges by protecting funding for operations support, ensuring students have access to high-quality, affordable education. Since 2019, state funding for university operations has increased by 19%, helping maintain strong academic programs and keeping tuition costs manageable. Community colleges have also seen sustained support, providing pathways for associate degrees, transfer programs, and skilled trades training across the state. Since 2019, appropriations for financial aid have increased by \$688.7 million, driven by the creation of transformative scholarships such as Michigan Reconnect, the Michigan Achievement Scholarship including the Community College Guarantee, the Michigan Future Educator Stipend, and more. As these new scholarship pathways phase in, students receiving state scholarships have increased 100% from academic year 2020-2025. Additionally, funding continues for dual enrollment and postsecondary instruction in high schools, allowing students to earn college credit and gain early exposure to rigorous coursework. Collectively, these investments position Michigan’s higher education system to prepare students for both immediate career opportunities and long-term success.

Protecting Medicaid and Health Care

The FY27 budget recommendation prioritizes protecting access to affordable, high-quality health care for Michigan residents at a time of growing cost pressures and increased federal uncertainty. As health care expenses continue to rise nationwide — and as federal actions continue to introduce new risks — the budget recommendation focuses on maintaining coverage for as many people as possible, stabilizing providers, and preserving the state’s ability to respond to future challenges.

Michigan’s Medicaid program provides coverage to 2.5 million residents — nearly one in four Michiganders — including more than 1 million children, 300,000 people living with disabilities, and 168,000 seniors. Medicaid also covers approximately 45% of births in the state and is a critical source of coverage in rural areas. Last year, the state shielded \$2.7 billion in Medicaid funding from potential federal cuts, helping ensure continuity of care for vulnerable populations and stability for hospitals. Despite these actions, federal changes are estimated to result in as many as 200,000 Michiganders losing Medicaid coverage once work requirements, more frequent redeterminations, and eligibility changes are fully in place. By maintaining strategic investments and planning ahead, the budget recommendation positions Michigan to mitigate the impacts of federal changes and do everything possible to protect access to care.

Protecting access to care also requires supporting the workforce and delivery systems that make care possible. Health care is Michigan’s largest industry, generating nearly \$80 billion in economic impact each year and supporting thousands of jobs across hospitals, clinics, pharmacies, and nursing homes. The FY27 budget recommendation increases wages for more than 160,000 direct care workers, ensuring competitive wages and paid sick leave are available to retain staff in nursing homes, home care, and other critical settings. Investments expand behavioral health capacity, including the transition to the Southeast Michigan State Psychiatric Hospital, and support community health workers who deliver coordinated, culturally responsive care. Long-term care services for seniors and people with disabilities remain a priority, helping residents remain in their homes while ensuring nursing home care is available when needed. These investments are especially critical for rural hospitals and providers, which rely heavily on Medicaid reimbursements and are often among the largest employers in their communities.

These proposed investments defend the progress Michigan has made expanding access, safeguarding health care against federal volatility, and ensuring residents can get the care they need.

Fixing Michigan’s Roads

Governor Whitmer has been committed to fixing Michigan’s roads since she took office. The long-term roads funding package passed last year reflects the delivery of that promise. FY27 will mark the first full year of the sustainable funding package that will provide an additional \$2 billion in ongoing support to rebuild and repair roads and bridges across the state once fully phased in. These investments impact every Michigander. Safe, reliable roads lower vehicle repair costs, reduce travel time, improve public safety, and support access to jobs, schools, and services in every region of the state. Whether in rural communities, small towns, or urban centers, drivers and businesses benefit from a transportation system that works.

The FY27 budget builds on significant progress already underway. Since 2019 through the end of the 2025 construction season, Michigan has fixed more than 16,038 lane miles of road and repaired or replaced 1,758 bridges — supporting an average of 30,492 jobs annually.

This long-term funding supports improvements across the entire transportation system, including state and local road repairs, local bridge replacement, rail grade separation projects that improve safety and reduce congestion, and investments in public transit infrastructure and local bus operations. Together, these investments strengthen Michigan’s economy, support good-paying jobs, and ensure that every community reaps the benefits.

Creating Jobs and Growing the Economy

Michigan’s economic strategy continues to focus on creating good-paying jobs, preparing workers for in-demand careers, and strengthening communities across the state. The FY27 Executive Budget Recommendation advances this work with targeted new investments that build on proven approaches—supporting innovation, expanding opportunity, and positioning Michigan for long-term growth.

Since 2019, sustained and strategic investments have provided training and career services for more than 827,000 Michiganders, helped over 45,000 workers build skills through apprenticeships and training programs, and supported more than 105,000 individuals with disabilities in securing or retaining employment. Michigan has also leveraged public investment to drive private-sector growth. Since 2019, \$476.7 million in business attraction and revitalization efforts has supported more than 22,300 estimated

jobs and leveraged nearly \$9.8 billion in private investment across Michigan's communities. Investments totaling \$100 million since 2019 have helped entrepreneurs and innovators spur \$12.6 billion in new industry investment, strengthening Michigan's position in high-growth and emerging sectors.

New investments support innovation, high-tech jobs, and advanced manufacturing, reinforcing Michigan's leadership in mobility, engineering, and defense-related industries. New support for maritime manufacturing strengthens workforce development and supply chains critical to the state's defense and industrial economy. The Governor's budget proposal also establishes a Maritime and Port Facility Office and provides ongoing funding to strengthen port infrastructure, improving coordination and positioning Michigan to attract additional federal and private investment. In addition, a \$150 million investment in strategic site readiness will support new public infrastructure and create a statewide inventory of development-ready sites, ensuring Michigan is prepared to compete for major projects that bring jobs and long-term economic growth.

The recommendation also invests in the places that attract people and opportunity. Restored support for arts and cultural programs, and new investments to attract major events and conventions help drive tourism, support small businesses, and strengthen local economies. The state's tourism marketing efforts are reinforced by continued investment in Pure Michigan, which has attracted an estimated 6.9 million ad-influenced trips and generated nearly \$9.9 billion in ad-influenced visitor spending for local businesses across the state.

This approach to growing and diversifying jobs in Michigan will support workers and strengthen communities.

Keeping Communities Safe

Keeping communities safe means ensuring Michiganders can live, work, and raise families in areas that are secure, healthy, and resilient. The FY27 Executive Budget Recommendation continues Michigan's commitment to community safety by supporting law enforcement, first responders, courts, and victim services, while also investing in crime prevention, coordination, environmental protection, and accountability. These efforts build on nearly \$2 billion Michigan has invested in public safety since 2019 and reflect a comprehensive approach to safety that strengthens communities today and for years to come.

The FY27 Executive Budget Recommendation maintains support for Michigan State Police personnel, supports essential operations across local, county, and state law enforcement agencies, and maintains critical systems like the Michigan Public Safety Communications System, which connects over 2,630 agencies statewide.

The budget recommendation also includes targeted new investments to address emerging challenges and strengthen community safety. Support for the Gun Violence Prevention Taskforce will enhance safety and prevention across the state, while the Local Infrastructure Preparedness and Protection Program helps communities identify vulnerabilities and implement strategies to reduce risk. Local ambulance services will continue to receive support, maximizing federal resources to ensure emergency medical care remains reliable across Michigan. Ongoing grants for liquor law enforcement, firefighter training, and community-based programs such as drug treatment, mental health, and veterans' courts provide alternatives to incarceration and support rehabilitation.

Building on a strong track record of environmental stewardship, the FY27 budget recommendation invests in protecting communities from out-of-state waste, cleaning up contaminated sites, and supporting local waste management efforts. The recommendation continues replacing lead service lines — maximizing federal funding to ensure access to clean drinking water — and ensures transportation revenues from the new roads package support natural resources, delivering recreational benefits alongside safer roads. Additional investments expand access to recreation at state parks, strengthen stewardship of private forests through the Qualified Forests Program, and preserve public boating access along the Detroit River. These efforts build on progress since 2019, including helping more than 2,600 farms adopt sustainable practices, preserving over 2,634 acres of private forestland, managing nearly 4 million acres of state forest, and protecting more than 76,000 miles of rivers and streams and 11,000 lakes across Michigan.

Together, these investments enhance public safety, strengthen emergency response, and ensure Michigan's communities are safer, more resilient, and supported in times of need.

Effective and Efficient State Government

The FY27 budget recommendation continues the state's commitment to efficient and accountable government, ensuring that state services are secure, reliable, and responsive to the needs of Michigan residents.

New investments strengthen the integrity and accessibility of government operations. Deposits into the Election Reserve Fund will support local election administration and lifecycle maintenance of election equipment. Funding is included for continued oversight of the Great Lakes Tunnel Project, ensuring project safety and compliance. The budget recommendation also provides resources to expand internal compliance, risk management, and fraud prevention efforts to safeguard taxpayer dollars and improve service delivery across state programs.

These measures complement long-standing initiatives that have modernized information technology infrastructure, enhanced cybersecurity, and improved the delivery of services. The FY27 Executive Budget Recommendation enhances the state's ability to serve residents efficiently, maintain public trust, and ensure government operations remain effective and resilient for years to come.

Total Budget and Fiscal Responsibility

The FY27 Executive Budget Recommendation reflects Michigan's strong financial position and the cumulative results of sustained, responsible budgeting. The state maintains healthy reserves that have doubled since the Governor took office in 2019 — providing protection against economic volatility and preserving flexibility for the future.

Since 2019, Michigan has paid down more than \$28 billion in long-term debt, strengthened its credit outlook, and created the financial capacity to invest consistently in education, infrastructure, public safety, and public health. The FY27 Executive Budget Recommendation totals \$88.1 billion across all state and federal funding sources, including a general fund budget of \$13.6 billion and a school aid budget of \$20.3 billion.

By combining fiscal discipline with strategic investments, this budget recommendation reflects a clear focus on outcomes, stability, and results that last — ensuring Michigan is well-positioned for long-term success.

Challenges in the Federal Landscape

Federal funding plays a critical role in the state budget. In FY27, Michigan anticipates receiving \$35.99 billion in federal funds, making up 41% of the total budget. These federal funds support health care, food assistance, emergency response, workforce training, child care, lead pipe replacement, and hundreds of other programs critical to health and safety.

Recent actions by the federal government create significant uncertainty, put strain on the state budget, and raise costs for Michigan families.

H.R. 1

Last July, Congress passed H.R. 1, the “One Big Beautiful Bill Act,” which raised health care and grocery prices for Michiganders while shifting significant costs to states across the country. The legislation cuts funding for Medicaid and SNAP, which serve 2.5 million and 1.4 million Michiganders, respectively.

When H.R. 1 was signed into law, it caused an immediate \$1 billion hole in the state budget and was expected to cost Michigan roughly \$10 billion in general fund resources through FY32. The enacted FY26 state budget took steps to insulate important services from cuts by decoupling the state tax code from various federal corporate tax changes and adjusting Michigan’s Insurance Provider Assessment to ensure compliance with new federal regulations. These actions protected \$2.7 billion in annual Medicaid funding and allowed businesses to benefit from federal tax incentives while holding state programs harmless.

H.R. 1’s impact on state budgets worsens over time, and the law is still expected to cost Michigan roughly \$4 billion in general fund through FY32.

FY27

This budget recommendation steps up for working families by proposing necessary investments to meet new federal requirements and protect coverage for as many Michiganders as possible.

Beginning Oct. 1, 2026, H.R. 1 increases the state share of SNAP administrative costs from 50% to 75%, requiring an additional \$94.3 million per year from the state’s general fund. Additionally, new Medicaid requirements begin Jan. 1, 2027, including work requirements and twice-yearly eligibility redeterminations. Along with recently expanded SNAP work requirements, these changes require significant resources for implementation and compliance.

The Governor’s budget proposes investing \$92.3 million general fund across the departments of Health and Human Services (DHHS), Labor and Economic Opportunity (LEO), and Technology, Management and Budget (DTMB) for necessary staffing, administration, information technology, and workforce programs, bringing the total cost of H.R. 1 to \$186.6 million general fund for FY27.

DHHS estimates that roughly 200,000 Michiganders will lose their health care and 40,000 will lose SNAP benefits once the impacts of Medicaid work requirements, more frequent redeterminations, and other eligibility changes are fully realized. State investment is critical to ensure eligibility reviews are accurate and Michigan families have the resources they need to avoid even greater coverage losses.

This budget recommendation represents the best estimate of costs based on current information, but the Centers for Medicare & Medicaid Services (CMS) — the federal agency that sets the requirements and expectations for how states run Medicaid programs — isn't required to finalize guidance on Medicaid work requirements until June 1, 2026. Implementation takes time, and this delay makes it difficult for Michigan and other states across the country to plan.

FY28 and Beyond

The cost of H.R. 1 for states will increase in FY28 and subsequent fiscal years. For the Medicaid program, changes to provider taxes and other financing mechanisms starting in FY28 will have serious consequences for the state budget and hospitals throughout the state.

Beginning on Oct. 1, 2027, states will also, for the first time, be required to pay for a portion of SNAP benefits costs based on their payment error rate (PER) from FY25 or FY26. The PER is not the same as a fraud rate — it largely reflects unintentional recipient errors and state agency errors. States with a PER below 6% are exempted from the cost-share.

Based on Michigan's current error rate, the state would be responsible for an estimated \$320 million per year. DHHS has already made significant progress through training improvements, reducing the PER from 13% in FY22 to 9.53% in FY24, below the national average. Additionally, the FY26 state budget invested \$30 million (\$15 million general fund) to reduce Michigan's error rate, and this budget recommendation's H.R. 1 implementation funding builds on these efforts.

At the same time, delayed H.R. 1 guidance and the federal shutdown at the start of FY26 created fiscal exposure that undermined SNAP program stability for states around the country. Bipartisan, national organizations representing state and local governments have *asked* for time-limited delays in the SNAP benefit cost-share due to these disruptions, but Congress has yet to act as of the time of this publication.

Federal Funding Cuts

Since the beginning of 2025, the federal administration has regularly rescinded appropriated federal funding, leading to uncertainty and threatening critical services.

The impact to the state has been severe. While nearly \$2.1 billion has been preserved or reinstated for Michigan entities through legal action, there are still hundreds of millions of dollars in federal grant awards that have been canceled or remain in ongoing litigation across multiple state departments.

At the same time, federal funding for Michigan and states across the country has been frozen for many programs, making it challenging to plan and continue operations. For example, in January 2026, the federal government cut roughly \$2 billion in substance abuse and mental health grants across the country before reinstating the funds less than 48 hours later. In contrast with this confusion at the federal level, the Governor's budget furthers reliable, effective, and efficient state government.

Tariffs

A chaotic national tariff strategy is raising the cost of housing, groceries, manufacturing and more, skyrocketing the cost of doing business and making it difficult for families to plan. Tariffs are impacting nearly all of Michigan's industries, including the food and agriculture sector, which contributes nearly \$126 billion to the state's economy each year and supports more than 800,000 Michigan jobs.

States cannot control national tariff rates, but Governor Whitmer issued an *executive directive* to assess the impacts of tariffs on Michigan's economy. While federal tariffs make life less affordable for Michiganders, this budget proposal focuses on the fundamentals of lowering costs and growing our economy.

SNAP Delays During Federal Shutdown

The 43-day federal shutdown that began on Oct. 1, 2025, the longest in the nation's history, presented the state with significant financial challenges. In particular, the federal government froze the issuance of SNAP benefits for the month of November, leaving families struggling to put food on the table.

Beyond the immediate impact, the shutdown could continue to cause harm for SNAP programs across the country due to anomalies in payment error rates, impacting the SNAP benefit cost-share beginning in FY28.

Michigan's Response

While the federal government raises costs for Michiganders, this budget uses limited state resources to protect universal school meals, increase support for scholarships, and provide property tax relief to seniors. As Michigan deals with the consequences of these federal actions, the Governor's budget proposes necessary investments to implement upcoming H.R. 1 requirements and protect as many people as possible from losing health care and access to food and nutrition support.



DEPARTMENT DETAIL

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Department of Agriculture and Rural Development

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Agriculture and Rural Development ensures the integrity of Michigan's food system by promoting food safety, supporting the health of people, animals, and crops, and advancing responsible environmental stewardship. The department also plays a vital role in protecting consumers and strengthening rural communities by creating jobs and supporting Michigan's diverse agricultural industry.

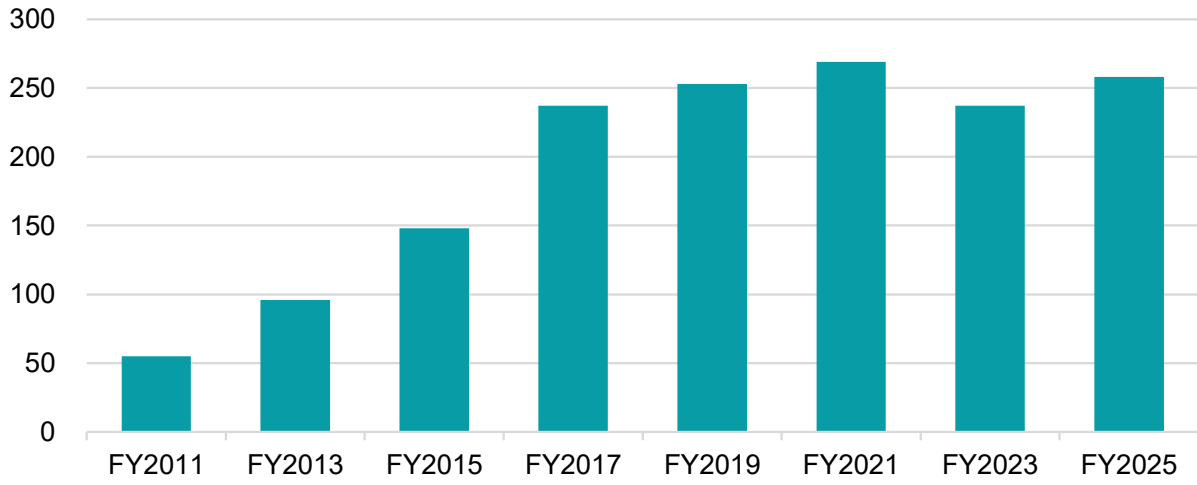
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$147 million, of which \$71.9 million comes from the state's general fund. The Governor also recommends \$1 million in one-time funding in fiscal year 2027, all of which comes from the general fund.

Highlights

The Governor's recommended budget provides increased and continuous support for the following agricultural programs:

- ♦ **\$2 million for the Farm Start Program** (restricted funds) to support beginning farmers and agricultural professionals. A Beginning Farmer Resource Hub will be established within the department to coordinate and centralize existing local, state, and national resources related to agricultural education, land access, and farm financing. The hub will also connect beginning and next-generation farmers to existing departmental programs, while promoting agricultural career pathways and supporting the long-term success of Michigan's future agricultural leaders.
 - ♦ **\$1 million for the Fair Food Network Double Up Food Bucks Program** (general fund) to support Supplemental Nutrition Assistance Program (SNAP) participants by matching their SNAP benefits spent on fruits and vegetables at participating food establishments. For every dollar in SNAP benefits used, shoppers receive an additional dollar to spend on fresh, healthy produce, increasing food affordability while supporting local farmers and food retailers across the state. This maintains total program funding of \$5 million.
 - ♦ **\$1 million to combat dangerous food additives** (restricted funds) by strengthening consumer protection aimed at mitigating public health risks by expanding regulatory oversight of food safety and dietary supplements.
-

Budget Maintains Double Up Food Bucks Access Sites



Department of Agriculture and Rural Development
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$77,496.4	\$145,885.0
Removal of FY 2026 One-Time Funding	(\$4,000.0)	(\$4,000.0)
FY 2027 Ongoing Investments		
Farm Start - Supports Michigan's agricultural sector, including beginning farmers and agricultural professionals	\$0.0	\$2,000.0
Equine Industry - Supports the equine and horse racing industry by funding activities that strengthen breeding, racing, and equine development programs	\$0.0	\$2,000.0
Food safety - Mitigates public health risks associated with dangerous additives and dietary supplements	\$0.0	\$1,000.0
Qualified Forest Program - Provide grants to private landowners for forest management	\$0.0	\$300.0
FY 2027 Reductions		
Food Safety Funding Shift - Replace general fund with Dairy and Food Safety Fund	(\$2,526.0)	\$0.0
FY 2027 Baseline Adjustments		
Information Technology Operational Support	\$0.0	\$422.8
Rural Development Fund - Transfer to the Department of Labor and Economic Opportunity as directed by Executive Order 2025-9	\$0.0	(\$2,014.9)
Employee Payroll Related Adjustments	\$930.0	\$1,454.8
Other Technical Adjustments	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$71,900.4	\$147,047.7
FY 2027 One-Time Investments		
Fair Food Network Double Up Food Bucks - Program to match SNAP benefits on fruits and vegetables	\$1,000.0	\$1,000.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$1,000.0	\$1,000.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$72,900.4	\$148,047.7
\$ Change from FY 2026 - Total Funding	(\$4,596.0)	\$2,162.7
% Change from FY 2026 - Total Funding	(5.9%)	(0.0%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$72,900.4	\$148,047.7
Removal of FY 2027 One-Time Funding	(\$1,000.0)	(\$1,000.0)
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$71,900.4	\$147,047.7
\$ Change from FY 2027 - Total Funding	(\$1,000.0)	(\$1,000.0)
% Change from FY 2027 - Total Funding	(1.4%)	(0.7%)



Attorney General

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

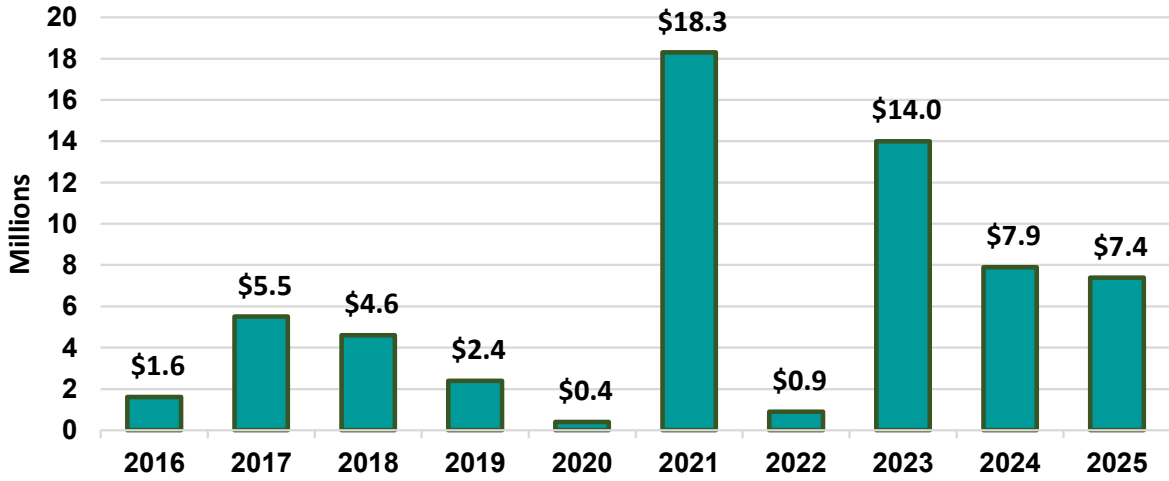
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$128 million, of which \$45.8 million comes from the state's general fund. The Governor also recommends \$2.7 million in one-time funding in fiscal year 2027, of which \$2.2 million comes from the general fund.

Highlights

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

- ♦ **\$10.8 million for Criminal Investigations and Prosecutions** (\$4.8 million general fund) to reduce crime and make communities safer through the investigation and prosecution of criminal cases and to provide assistance to county prosecutors.
 - ♦ **\$9.4 million for Corporate Oversight** (\$1.9 million general fund) to enforce civil matters including antitrust, consumer protection, and charitable trusts to help safeguard residents from becoming victims of financial misconduct.
 - ♦ **\$4.7 million for Conviction Integrity** (\$4.5 million general fund) to investigate claims of innocence, to review wrongful imprisonment claims to determine if they warrant consideration for compensation, and to assist in reviewing eligible criminal convictions for expungement.
 - ♦ **\$4.1 million for Child Support Enforcement** (\$1 million general fund) to ensure children receive the financial support they are legally entitled to from their parents. The Attorney General has enabled annual collections of approximately \$25.6 million from 2019 through 2025.
-

\$63 Million in Lawsuit Settlement Proceeds Has Been Collected Since 2016.



Attorney General
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$45,278.0	\$126,400.6
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	\$551.0	\$1,618.0
Other Technical Adjustments	\$18.7	\$18.7
FY 2027 Total Executive Recommendation - Ongoing Funding	\$45,847.7	\$128,037.3
FY 2027 One-Time Investments		
Prosecuting Attorneys Coordinating Council - Training for local prosecutors.	\$2,200.0	\$2,655.1
FY 2027 Total Executive Recommendation - One-Time Funding	\$2,200.0	\$2,655.1
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$48,047.7	\$130,692.4
\$ Change from FY 2026 - Total Funding	\$2,769.7	\$4,291.8
% Change from FY 2026 - Total Funding	6.1%	3.4%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$48,047.7	\$130,692.4
Removal of FY 2027 One-Time Funding	(\$2,200.0)	(\$2,655.1)
FY 2028 Total Executive Recommendation	\$45,847.7	\$128,037.3
\$ Change from FY 2027 - Total Funding	(\$2,200.0)	(\$2,655.1)
% Change from FY 2027 - Total Funding	(4.6%)	(2.0%)



Department of Civil Rights

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Civil Rights is mandated by the State Constitution to support equal protection for all by investigating and resolving complaints of discrimination and promoting voluntary compliance with civil rights laws. The department is overseen by an eight-member commission that is appointed by the Governor.

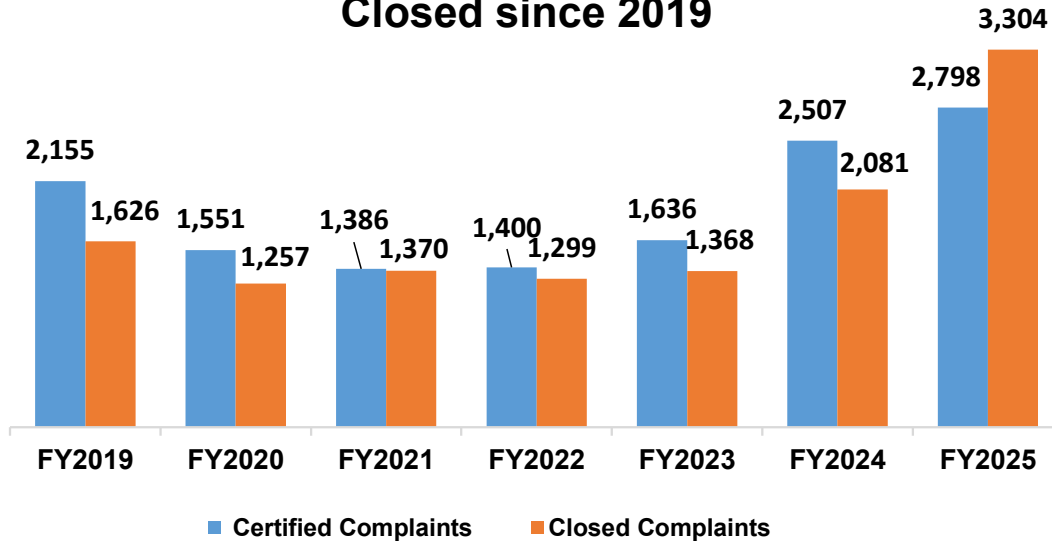
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$29.4 million, of which \$25.9 million comes from the state's general fund.

Highlights

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

- ◆ **\$18.8 million for Complaint Investigation and Enforcement** (\$15.3 million general fund) to continue efforts to reduce the backlog of investigations into discrimination complaints regarding employment, public accommodation, housing, education, and law enforcement. Additional funding since fiscal year 2023 has reduced the time to complete an investigation by 40 percent.
 - ◆ **\$1.7 million for Disability Rights and Compliance** (general fund) to review grievances based on compliance with the Americans with Disabilities Act, conduct public trainings on disability rights, and host public forums for disability advocacy groups.
 - ◆ **\$773,000 for Division on Deaf, Deafblind, and Hard of Hearing** (\$754,000 general fund) to provide American Sign Language educational videos, training for regional organizations, and cultural competency training.
-

More than 12,000 Civil Rights Complaints Closed since 2019



Civil Rights
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$25,463.2	\$28,439.7
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
Equal Employment Opportunity Commission Reimbursement	\$0.0	\$500.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	\$458.2	\$494.1
Other Technical Adjustments	\$10.5	\$10.5
FY 2027 Total Executive Recommendation - Ongoing Funding	\$25,931.9	\$29,444.3
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$25,931.9	\$29,444.3
\$ Change from FY 2026 - Total Funding	\$468.7	\$1,004.6
% Change from FY 2026 - Total Funding	1.8%	3.5%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$25,931.9	\$29,444.3
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$25,931.9	\$29,444.3
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Corrections

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Corrections works to create a safer Michigan through safe and secure prison operations, the community supervision of offenders, and the delivery of programs that promote offenders' success. Today, offender populations total approximately 32,400 prisoners and 40,700 parolees and probationers, figures that have remained steady for the last several years and are at levels not seen since the late 1980s. Operations at each of the 26 state prisons support housing, health care, vocational, and educational needs of an average of 1,200 prisoners. The department supports long-term public safety by providing numerous evidence-based programs for offenders that have helped the department achieve its lowest recidivism rates on record.

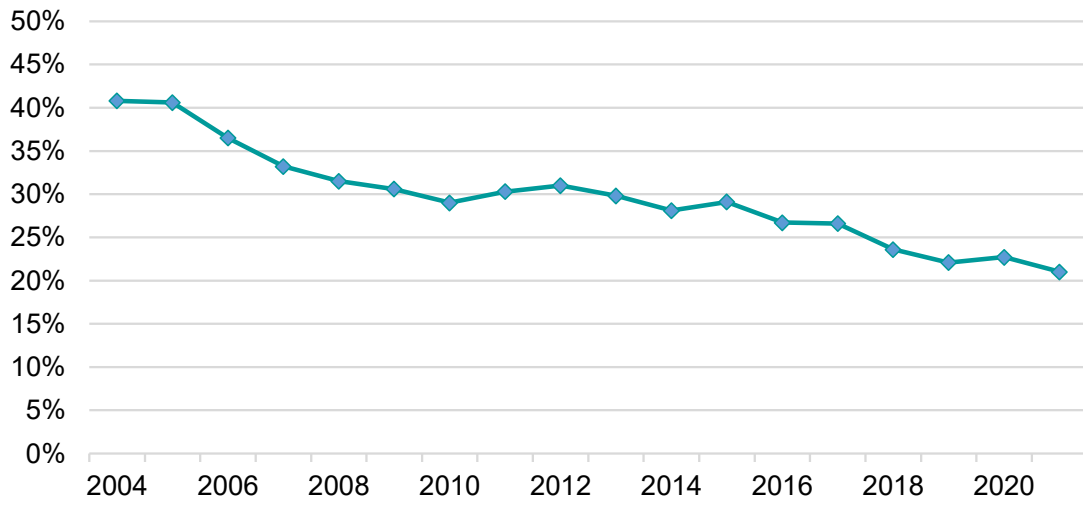
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$2.2 billion, nearly all of which comes from the state's general fund.

Highlights

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

- ♦ **\$383.3 million for prisoner health care** (\$382.6 million general fund) to support the full range of medical services to prisoners, meeting their general health, mental health, and pharmaceutical needs. This includes a \$4.2 million inflationary baseline increase for the department's integrated health care contract.
 - ♦ **\$85 million for offender success services, programing, and education** (\$73 million general fund) in continuing funding to support a broad array of programs that foster the personal success of offenders within and outside prison, contribute to a safer prison environment, help returning citizens join the workforce and maintain a successful reintegration into the community, and reduce recidivism.
 - ♦ **\$47.7 million for community-based corrections and reentry programs** (general fund) providing a range of cognitive behavioral programming, substance abuse testing and treatment, community residential services, reentry supports and other supervision services that foster rehabilitation and reduce recidivism. This includes a \$1 million baseline increase for county-based community corrections programs to meet increased utilization and demand for those services.
-

MI Recidivism Rate is its Lowest on Record



Department of Corrections
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$2,128,211.7	\$2,163,994.5
Removal of FY 2026 One-Time Funding	(\$6,750.0)	(\$6,750.0)
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Prisoner Health Care Services - Inflationary contractual rate increase	\$4,200.0	\$4,200.0
Community Corrections Plans and Services - Increased program participation	\$1,000.0	\$1,000.0
Employee Payroll Related Adjustments	\$35,419.0	\$35,693.6
Other Technical Adjustments	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$2,162,080.7	\$2,198,138.1
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$2,162,080.7	\$2,198,138.1
\$ Change from FY 2026 - Total Funding	\$33,869.0	\$34,143.6
% Change from FY 2026 - Total Funding	1.6%	1.6%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$2,162,080.7	\$2,198,138.1
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$2,162,080.7	\$2,198,138.1
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Education

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Education (MDE) supports learning in Michigan for nearly 1.4 million students and over 150,000 educators across the public K-12 education system. The department's major responsibilities include administration of the school aid budget, school improvement and accountability, and educator preparation and certification.

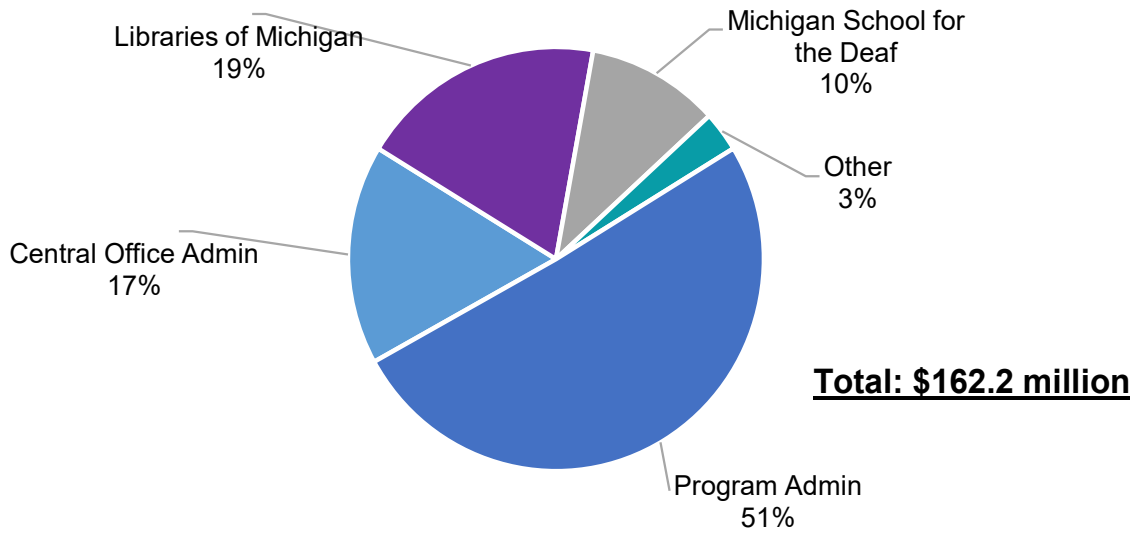
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$162.2 million, of which \$59.1 million comes from the state's general fund.

Highlights

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

- ◆ **\$380,000 for School Meals Administration** (general fund) to support department oversight of the universal school meals program and ensure federal compliance with funding.
 - ◆ **\$31.1 million for Library Services** (\$25.1 million general fund) including funding for the Library of Michigan, state support for local libraries, and Michigan's electronic library.
 - ◆ **\$17.0 million for School Support Services** (\$3.7 million general fund) to provide staff support for the health, safety, and nutrition of Michigan's school students. This is done through support for mental health initiatives, school safety initiatives, and Michigan's universal meals program.
 - ◆ **\$15.2 million for Accountability Services** (\$2 million general fund) to serve as a safeguard for students and Michiganders, ensuring schools are utilizing state funding efficiently and are complying with state and federal laws.
-

MDE Budget Programs



Department of Education
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$62,546.1	\$164,746.7
Removal of FY 2026 One-Time Funding	(\$1,500.0)	(\$1,500.0)
FY 2027 Ongoing Investments		
School Meals Program - Fund department staff with state funding for state programs	\$380.0	\$380.0
FY 2027 Reductions		
Michigan School for the Deaf - Fund shift for Michigan School for the Deaf	(\$2,841.4)	(\$2,841.4)
FY 2027 Baseline Adjustments		
Office of Health Services - Realignment of funding between offices at MDE to fund department expenses.	\$0.0	\$0.0
FTE Transfer - Net zero transfers of staff between department offices	\$0.0	\$0.0
Employee Payroll Related Adjustments	\$442.7	\$1,250.5
Other Technical Adjustments	\$43.3	\$157.4
FY 2027 Total Executive Recommendation - Ongoing Funding	\$59,070.7	\$162,193.2
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$59,070.7	\$162,193.2
\$ Change from FY 2026 - Total Funding	(\$3,475.4)	(\$2,553.5)
% Change from FY 2026 - Total Funding	(5.6%)	(1.5%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$59,070.7	\$162,193.2
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$59,070.7	\$162,193.2
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Environment, Great Lakes and Energy

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Environment, Great Lakes, and Energy (EGLE) is the steward of Michigan's environmental resources, charged with preserving and protecting them from harm, ensuring public health, and implementing sustainable practices that stimulate the state's economy. EGLE's oversight and caretaking of clean drinking water, contaminated site remediation, and environmental monitoring enables Michigan to prosper year over year.

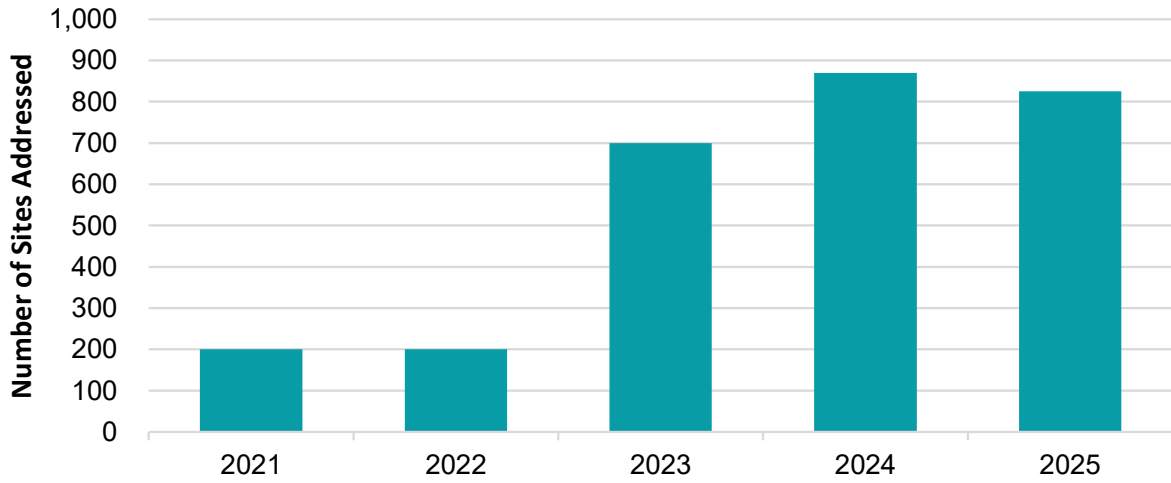
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$963.8 million, of which \$106.8 million comes from the state's general fund. The Governor also recommends \$2 million in one-time funding in fiscal year 2027, all of which comes from the general fund.

Highlights

The Governor's recommended budget continues to support the following EGLE programs:

- ◆ **\$11 million for contaminated site remediation** (restricted funds) through an increase in the solid waste surcharge paid per ton of waste deposited at a landfill, with these new revenues being deposited into the Renew Michigan Fund. In addition to this new revenue, it is proposed to back out the funding Renew Michigan receives from its state income tax allocation, resulting in an entirely fee supported program.
 - ◆ **\$7.3 million for the Water Resource Division** (restricted funds) by increasing land and water permit fees in line with inflation. These fees have not been adjusted in over 20 years, and the additional revenues will be utilized to expand oversight and monitoring of Michigan's waterways and water infrastructure.
 - ◆ **\$2 million for local infrastructure preparedness and protection** (general fund) to conduct climate vulnerability assessments in local communities. These assessments will permit localities to plan for a changing climate and mitigate their exposure to ever increasing natural disasters.
-

Budget Maintains Recent Gains in Annual Contaminated Site Remediation



Department of Environment, Great Lakes and Energy
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$170,064.1	\$967,719.6
Removal of FY 2026 One-Time Funding	(\$64,000.0)	(\$64,000.0)
FY 2027 Ongoing Investments		
Tipping Fee - Increases the solid waste surcharge and removes income tax revenues to Renew Michigan	\$0.0	\$11,000.0
Water Resource Division Fees - Adjusts fee for 20 years of inflationary pressures	\$0.0	\$7,312.3
Hazardous Waste Fees - Increases fees to align with operational needs	\$0.0	\$5,000.0
Underground Gas Storage Fees - Increases fees for parity with other gas fees	\$0.0	\$465.5
FY 2027 Reductions		
Water Resources Program - Replaces general fund with Land and Water Permit Fees	(\$1,905.0)	\$0.0
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	\$2,679.1	\$7,609.2
Other Technical Adjustments	\$0.0	\$28,688.4
FY 2027 Total Executive Recommendation - Ongoing Funding	\$106,838.2	\$963,795.0
FY 2027 One-Time Investments		
Local Infrastructure Preparedness and Protection - Supports local climate vulnerability studies	\$2,000.0	\$2,000.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$2,000.0	\$2,000.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$108,838.2	\$965,795.0
\$ Change from FY 2026 - Total Funding	(\$61,225.9)	(\$1,924.6)
% Change from FY 2026 - Total Funding	(36.0%)	(0.2%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$108,838.2	\$965,795.0
Removal of FY 2027 One-Time Funding	(\$2,000.0)	(\$2,000.0)
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$106,838.2	\$963,795.0
\$ Change from FY 2027 - Total Funding	(\$2,000.0)	(\$2,000.0)
% Change from FY 2027 - Total Funding	(1.8%)	(0.2%)



Executive Office

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Executive Office is the Office of the Governor, who is the chief executive of the State of Michigan. The budget supports the Governor and her staff in fulfilling her constitutional duties. Additionally, the Governor's Constituent Services office aids Michiganders with issues regarding any state government entity. The budget also supports the Office of the Lieutenant Governor.

The Governor's recommended budget for fiscal years 2027 and 2028 recommends total ongoing funding of \$9.9 million, all general fund.

Executive Office
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$9,609.2	\$9,609.2
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	\$281.0	\$281.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$9,890.2	\$9,890.2
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$9,890.2	\$9,890.2
\$ Change from FY 2026 - Total Funding	\$281.0	\$281.0
% Change from FY 2026 - Total Funding	2.9%	2.9%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$9,890.2	\$9,890.2
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$9,890.2	\$9,890.2
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%

Department of Health and Human Services

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget for fiscal year 2027 includes total ongoing funding of \$41.0 billion, of which \$7.0 billion comes from the state general fund. The Governor also recommends \$140.2 million in one-time funding, of which \$65.9 million comes from the state's general fund.

Highlights

The Executive Budget includes significant investments to implement new requirements from H.R. 1, operationalize a new psychiatric hospital and expand capacity in the behavioral health system, support health care workers, and encourage expansion of community violence intervention (CVI) and related services. It also maintains and continues support for CVI/victim services that are intended to help offset declining federal funds. It does so despite significant budgetary pressures created by steep increases in health care costs in recent years, in part with the introduction of new revenue from proposed tax changes related to tobacco products, gaming, and digital advertising. Proposed revenue increases are intended to ensure the sustainability of the state's Medicaid program for the one in four Michiganders who rely on it.

H.R. 1 Implementation

The Executive Budget includes funding to implement the requirements of H.R. 1. Signed on July 4, 2025, H.R. 1 introduces new eligibility requirements for recipients of Medicaid and the Supplemental Nutrition Assistance Program (SNAP). It also requires additional efforts by state agencies that administer those programs to achieve compliance. Accordingly, the Executive Budget provides new funding to increase capacity within local offices, bolster community engagement and outreach efforts, and enhance information technology capabilities. The intent of these efforts is to (1) help Michigan residents who are eligible to receive public assistance demonstrate compliance and maintain enrollment, and (2) enforce new eligibility requirements. As a result, budgetary adjustments are included to recognize anticipated cost savings due to enrollment reductions. Those budgetary savings are netted against new cost increases related to compliance efforts. Proposed investments include:

- ◆ **\$97 million (\$154.6 million general fund) to DHHS for H.R. 1 Implementation:**
 - ◆ **\$94.3 million (general fund), offset with a like reduction in federal revenue (net zero total) for SNAP administrative costs** due to the state's required cost share increasing from 50% to 75% beginning in fiscal year 2027.

Health and Human Services

- ◆ **\$80.3 million for additional full-time employees** (\$54.2 million general fund) to meet workload increases resulting from new requirements within H.R. 1. This investment includes an additional 589.0 FTEs for assistance payment workers, Office of Inspector General agents, departmental analysts, supervisors, and administrative assistants.
- ◆ **\$16.7 million to expand beneficiary support** (\$6.1 million general fund) by increasing access to beneficiary help-line services and providing educational support on H.R. 1 changes. This includes a \$5 million federal grant from the Centers for Medicare and Medicaid Services (CMS), included in the FY26 supplemental proposal, to support costs related to Medicaid community engagement requirements.

The Executive Budget includes additional investments related to H.R. 1 implementation in the departments of Labor and Economic Opportunity and Technology, Management & Budget.

Behavioral Health Facility and Capacity Expansions

The Executive Budget prioritizes needed investments in Michigan's behavioral health system. These investments include supplemental funding for the transition of staff, supplies, and materials to the Southeast Michigan State Psychiatric Hospital (SMSPH), a new facility that is currently under construction and expected to open in October 2026. It also supports additional staff and funding to operate the new facility, safety and system upgrades at currently operational state psychiatric hospitals, and funding for psychiatric residential treatment facility expansions.

The new SMSPH facility will replace and expand the capacity of Hawthorn Center, which opened in 1965, and Walter Reuther Psychiatric Hospital, which opened in 1979, and is slated to close after the new facility opens. Having one facility that serves both adults and children in separate living and treatment wings increases operating and cost-efficiencies, while recognizing the unique treatment and security needs of these different populations. SMSPH will allow the state to serve residents and provide the assistance they need, while also saving on maintenance costs. The new facility comes in the wake of transitioning operations and patient care at Caro Hospital from an old building, originally constructed in 1913, to a new, 130,000 square-foot facility, which was completed in the summer of 2023.

Workforce recruitment and retention have also been challenging at state-operated psychiatric facilities, negatively impacting the number of beds each hospital can operate. Construction of the new hospital aims to address these recruitment gaps by utilizing the larger recruitment pool available in Southeast Michigan.

The Executive Budget includes the following behavioral health facility and capacity expansion investments:

- ◆ **\$7.9 million in supplemental funding and 53.8 FTEs to transfer staff and materials** (general fund) from Walter Reuther Hospital to SMSPH. This will allow newly hired staff to shadow and receive necessary training from experienced caregivers transitioning from established facilities to the new hospital.
- ◆ **\$72.2 million and 323.0 FTEs to begin operating SMSPH** (\$65.8 million general fund), bringing 264 new beds online and increasing total statewide capacity by 54 beds (32 adult

beds and 22 pediatric beds). This investment includes operational support and hiring staff to provide services at the facility.

- ◆ **A net zero transfer of \$99.4 million and 584.2 FTEs** (\$71 million general fund) from Walter Reuther to the SMSPH. This will transfer the entire Walter Reuther appropriation to SMSPH, as Walter Reuther will be closed following the scheduled opening of the new facility in October 2026.
- ◆ **\$7.2 million** (general fund) to support the following one-time investments:
 - ◆ **\$6 million for upgrades** to the psychiatric hospitals' electronic medical and business records system to better manage patient data, ensure appropriate billing, and increase effective use of medication dispensing systems.
 - ◆ **\$1.2 million to purchase personal protection devices** (PPDs) at Caro Regional Mental Health Center, Center for Forensic Psychiatry, and Kalamazoo Psychiatric Hospital (PPDs have already been purchased for SMSPH). PPDs are wearable, digital panic devices used to reduce violence in health care workplace settings and are expected to significantly increase staff and patient safety across the state hospital system.
 - ◆ **\$8.3 million in federal authorization for new psychiatric residential treatment facilities** in Grand Rapids, Lansing, and Livonia that together are expected to bring 50 new transitional beds online. Psychiatric residential treatment facilities (PRTFs) provide short-term, intense, and focused mental health treatment to promote successful integration into the community. PRTFs function as a step-up from the community and as a step-down from state inpatient treatment.

Collectively, these investments intend to expand capacity, address aging infrastructure, and strengthen the state's ability to deliver timely, clinically appropriate care.

Health Care Workforce

The Executive Budget pursues multiple strategies to strengthen Michigan's health care workforce by addressing shortages and enhancing capacity. Direct care worker supports and minimum wage increases seek to improve recruitment and retention efforts by increasing compensation and benefits for frontline caregivers. The introduction of ongoing general fund resources to sustain prior year wage increases ensures long-term stability in the direct care workforce, prevents wage erosion, and supports continuity of care for Michigan residents who rely on these essential services. Investment of new general fund dollars to mirror the 2027 minimum wage increase will preserve the full amount of the \$3.40 direct care worker wage add-on to help retain experienced workers by sustaining meaningful wage increases and reducing turnover. Additionally, the Executive Budget broadens the use of Civil Monetary Penalties to support initiatives aimed at improving staffing and care delivery in nursing facilities. Together, these efforts reflect the state's recognition that a stable workforce is essential to sustaining high-quality care and that addressing shortages requires a coordinated workforce strategy.

- ◆ **\$258.4 million to support 2025 and 2026 direct care worker minimum wage increases** (\$87.3 million general fund), which preserves \$3.40 per hour in increased wages received

Health and Human Services

by workers over the past two years. Currently, federal American Rescue Plan (ARP) funds that expire at the end of FY26 support these increases. This investment backfills the lost ARP funds with general fund to continue drawing down federal Medicaid match dollars.

- ◆ **\$69.5 million to support the 2027 direct care worker minimum wage** increase of \$1.27 per hour (\$23.5 million general fund).
- ◆ **\$24 million to provide sick leave for direct care workers** consistent with Public Acts 338 and 369 of 2018 (\$8.1 million general fund). Nearly all employers, such as those employing members of the direct care workforce, are required to provide paid sick leave to eligible employees. This investment transitions the cost to general fund and Medicaid matching dollars, as time limited ARP funds currently support this requirement.
- ◆ **\$10 million one-time investment to improve staffing levels in nursing homes** (Civil Monetary Penalties). This aims to address chronic workforce shortages that impact the quality of care for residents in long-term care facilities. A recent CMS campaign increased the scope of eligible staffing projects that can be funded with Civil Monetary Penalties.

Community Violence Prevention Services

The Executive Budget prioritizes needed investments in Community Violence Prevention Services. These efforts include funding to expand access to crime victim support services, implement recommendations of the Gun Violence Prevention Task Force, and address social determinates of health using Community Health Workers (CHWs).

- ◆ **\$6.6 million (\$4.1 million general fund) to expand access to interventions for victims** and individuals at risk of becoming victims of community violence, including:
 - ◆ **\$4.1 million to create a system in which care is well-coordinated, accessible, and delivered by members of the community** (CHWs and victim support professionals), with increased integration between health and social services.
 - ◆ **\$2.5 million to form a team to carry on the task force's next phase of work**, funding logistical and research support, an awareness campaign, as well as start-up costs for the implementation of the task force recommendations.

Additionally, the Executive Budget maintains previously appropriated dollars to replace declining federal Victim's of Crime Act funding and State of Michigan Crime Victim Rights Fund to support services to victims of violent crimes (\$30 million general fund).

Medicaid Sustainability

The Executive Budget recognizes the need to bend the curve in Medicaid cost growth, while ensuring access to the necessary and quality care that one in four Michiganders depend on. As health care costs continue to increase at rates exceeding overall inflation, access to affordable care remains a growing concern for families across the nation. Mirroring national trends, Michigan Medicaid has seen significant

cost growth in recent years, and it is more important than ever that the state strategically change the trajectory of health care expenditures, pursue new approaches and utilize existing tools to ensure the viability of its Medicaid program for years to come.

Michigan has incorporated a variety of strategies to curb Medicaid cost growth, while ensuring access to necessary and quality care, such as:

- ◆ Establishing **provider partnerships** whereby health care entities such as hospitals, health plans, skilled nursing facilities, and ambulance service providers pay into assessment programs to generate non-federal revenue.
- ◆ Implementation of **policies, procedures, and technology solutions** to increase program efficiencies.

The Governor's budget seeks to use the following funding streams and strategies to support the Michigan Medicaid program in the coming years:

- ◆ **Tobacco Tax:** forecast to generate **\$232 million** in FY27.
- ◆ **Vape Tax:** forecast to generate **\$95 million** in FY27 to be used for cancer prevention, smoking prevention, children's coordinated health care, and for the Medicaid Benefits Trust Fund.
- ◆ **New internet tax rate on largest casinos:** forecast to generate **\$135.5 million** in new tax revenue in FY27, with the majority going directly to the Medicaid Benefits Trust Fund.
- ◆ **Per-Wager Sports Betting Tax:** forecast to generate **\$38.8 million** for the Medicaid Benefits Trust Fund in FY27.
- ◆ **Elimination of Free Play Deduction:** eliminating this deduction is forecast to generate **\$21.1 million** for the Medicaid Benefits Trust Fund in FY27.
- ◆ **Digital Advertising:** the tax is forecast to generate **\$282 million** in FY27.

The Governor's budget builds upon previous investments, while setting a reasonable target for savings within Medicaid to ensure long-term sustainability of the program, including:

- ◆ **Program Integrity:** The budget includes realignments related to Medicaid overpayment and recovery-related efforts, and continues to employ best practices related to third-party liability collections.
- ◆ **Medicaid Sustainability:** The budget proposes reaching \$150 million in annual efficiency savings by developing a menu of options, in collaboration with key stakeholders, to ensure Medicaid services are sustainable into the future.

Department of Health and Human Services
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	GF/GP	GROSS
FY 2026 Original Enacted	\$7,132,247.5	\$30,025,568.2
Removal of FY 2026 One-Time Funding	(\$100,000.0)	(\$202,056.9)
FY 2027 Ongoing Investments		
H.R. 1 Implementation Requirements	\$60,369.2	\$91,972.6
State Psychiatric Hospital System: Ongoing	\$64,658.3	\$70,758.5
2025 & 2026 DCW Minimum Wage	\$87,333.1	\$258,427.2
2027 Minimum Wage	\$23,475.8	\$69,467.2
DCW Sick Leave	\$8,095.4	\$23,955.1
Community Health Worker Enhancements	\$1,063.3	\$3,100.0
Kidney Foundation of Michigan	\$1,000.0	\$1,000.0
Autism Navigator	\$1,000.0	\$1,000.0
Ground Emergency Medical Transportation Supplemental Payment	\$0.0	\$31,500.0
Electronic Cigarette Tax: Prevention/Cessation Activities	\$0.0	\$21,375.0
FY 2027 Reductions		
Medicaid Sustainability Adjustments	(\$150,000.0)	(\$150,000.0)
New Revenue: Medicaid Benefits Trust Fund	(\$780,425.0)	\$0.0
MI Coordinated Health Program - IPA Savings	(\$2,769.4)	\$20,887.1
FY 2027 Baseline Adjustments		
FY27 Fund Shift: SNAP Admin Match	\$94,250.6	\$0.0
FY26 Increase: CCBHC Base Savings Correction	\$7,868.2	\$0.0
FY27 Increase: Annualize Structured Family Caregiving	\$1,000.0	\$2,881.8
FY26 Increase: CVI Interagency Agreement	\$0.0	\$3,250.0
FY26 Increase: Home Health Private Duty Nursing	\$3,406.6	\$9,931.7
FY27 Decrease: TANF Authorization Adjustments	\$0.0	(\$26,398.1)
Restore QAAP/IPA to Part 1	\$0.0	\$9,331,426.2
State Psychiatric Hospital Adjustments	\$12,778.0	\$2,012.2
Print Center and Contractual Increases	\$5,119.9	\$12,117.5
State Restricted Revenue Adjustments	\$6,400.0	\$0.0
Behavioral Health HRA	\$1,959.7	(\$62,100.0)
Caseload Adjustments	\$412,201.9	\$1,252,478.8
Defined Calculation Adjustments	\$29,433.2	\$44,870.9
Technical Adjustments	\$0.0	\$3,794.2
Other Adjustments	\$741.3	\$12,205.5
FY 2027 Total Executive Recommendation - Ongoing Funding	\$6,921,207.6	\$40,853,424.7
FY 2027 One-Time Investments		
State Psychiatric Hospital System: One-Time	\$7,214.8	\$7,214.8
CMP Projects: Nursing Facility Staffing	\$0.0	\$10,000.0
Home Help Caregiver Council	\$1,000.0	\$2,000.0
Gun Violence Prevention Task Force	\$2,500.0	\$2,500.0
DSH Disallowance	\$54,722.9	\$54,722.9
Community Health Worker Enhancements	\$500.0	\$1,000.0
Opioid Healing and Recovery: One-Time	\$0.0	\$62,750.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$65,937.7	\$140,187.7
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$6,987,145.3	\$40,993,612.4
\$ Change from FY 2026 - Total Funding	(\$145,102.2)	\$10,966,044.2
% Change from FY 2026 - Total Funding	(2.0%)	36.5%

Department of Insurance and Financial Services Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

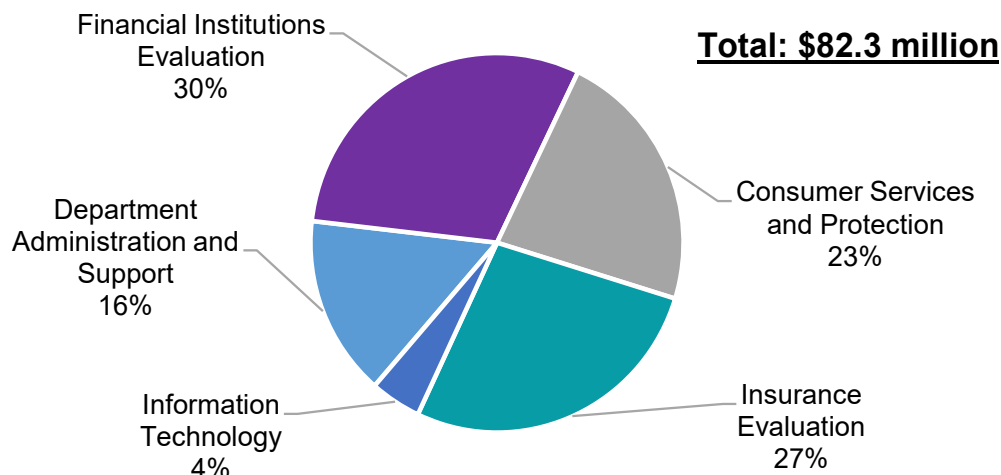
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$82.3 million, all of which is from restricted and federal fund sources. No one-time funding is recommended.

Highlights

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

- ◆ **\$466,000** (restricted funds) **and 3.0 FTEs** to support Consumer Services and Protection and Insurance Evaluation to handle increases in the volume and complexity of the department's regulatory, enforcement and consumer protection services related to Michigan's insurance sector.
- ◆ **\$1.4 million** (restricted funds) to support contractual costs associated with the deferred presentment database system.

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



Department of Insurance and Financial Services
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$0.0	\$79,406.4
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
Insurance and Financial Services Regulation - 3.0 New FTEs	\$0.0	\$466.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Deferred Presentment - Contractual Increase	\$0.0	\$1,400.0
Employee Payroll Related Adjustments	\$0.0	\$1,061.4
Other Technical Adjustments	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$0.0	\$82,333.8
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$0.0	\$82,333.8
\$ Change from FY 2026 - Total Funding	\$0.0	\$2,927.4
% Change from FY 2026 - Total Funding	0.0%	3.7%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$0.0	\$82,333.8
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$0.0	\$82,333.8
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%

Judiciary

Governor's Recommended Budget for Fiscal Years 2027 and 2028

Established in Article VI of the Michigan Constitution, the judicial power of the state exclusively rests in a court system encompassing the Supreme Court, the Court of Appeals, the Probate Court, and courts of general and limited jurisdiction. With the state Supreme Court having superintending control over all courts, the budget of the judicial branch includes funding for court operations and administration, judicial branch agencies, and direct support for local trial courts through caseload reimbursements, grants for problem solving courts and specialty programs, juror compensation, information technology services, and judges' salaries.

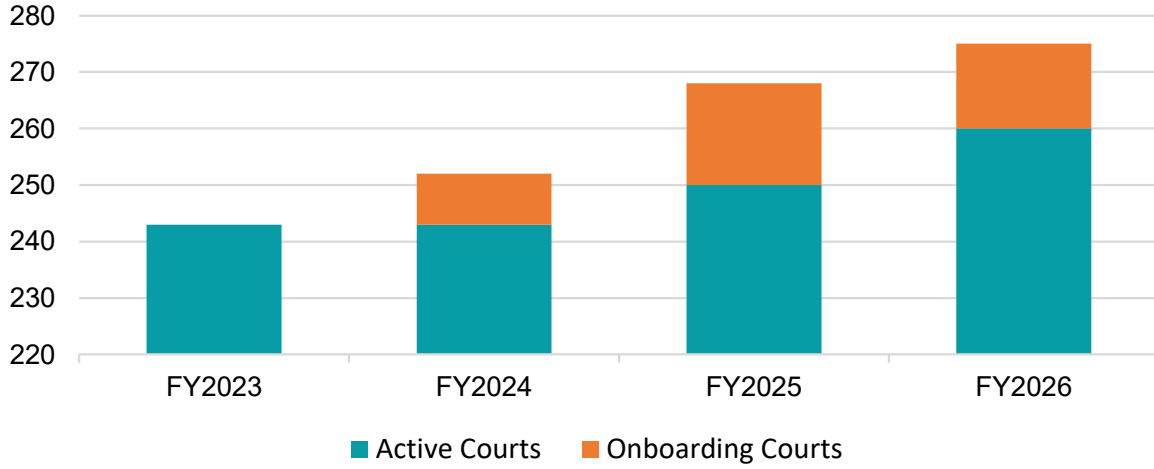
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$391.3 million, of which \$283.2 million comes from the state's general fund.

Highlights

The Governor's recommended budget provides continued and increased support for the following key judicial branch programs:

- ♦ **\$44.4 million for judicial information systems** (\$27.2 million general fund), supporting the many information technology platforms and services that support court operations throughout the state. This includes a \$2 million ongoing increase for the implementation and maintenance of the statewide case management system, a transformative investment made in fiscal year 2023 to provide a uniform platform for all trial courts in the state, bringing greater efficiency to court operations.
- ♦ **\$23.8 million for the State Appellate Defender's Office** (\$22.4 million general fund), supporting its work representing indigent criminal defendants. This includes a \$2.4 million ongoing increase supporting the resentencing of 19- and 20-year-old life offenders required under the 2025 Michigan Supreme Court decisions in *People v. Czarnecki* and *People v. Taylor*, and a \$720,000 increase to support ongoing caseload demands.
- ♦ **\$20.4 million for Problem Solving Courts** (\$14.4 million general fund), supporting trial court programs that aim to address the underlying substance use or mental health issues that contribute to criminal behavior by focusing on treatment and supervision as an alternative to incarceration. This includes a \$250,000 increase to annualize funding for new programs established in fiscal year 2026.
- ♦ **\$4.4 million for grants to counties for Michigan Appellate Assigned Counsel System roster attorneys** (general fund). This includes a \$1.2 million increase over current year funding for this grant program to reflect adjustments for caseloads, travel, and other expenses.

Implementation of a Unified Statewide Case Management System Continues



Judiciary
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$276,073.8	\$383,621.7
Removal of FY 2026 One-Time Funding	(\$5,000.0)	(\$5,000.0)
FY 2027 Ongoing Investments		
Statewide Case Management System - Additional ongoing system implementation and maintenance costs as trial courts continue to be added to the system	\$2,007.6	\$2,007.6
Appellate Defender's Office - Additional staff attorneys to support ongoing caseload capacity constraints	\$720.0	\$720.0
Office of Dispute Resolution - Supports the increased use of dispute resolution in civil matters as an alternative to adjudication in court	\$0.0	\$184.5
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Appellate Defender's Office - Continues funding for the resentencing of 19- and 20-year old life offenders under <i>People v. Czarnecki</i> and <i>People v. Taylor</i>	\$2,371.8	\$2,371.8
MI Appellate Assigned Counsel System - Adjustment for pay rates, caseloads, travel, and other expenses of assigned roster attorneys in indigent criminal appeals	\$1,200.0	\$1,200.0
Appellate Defender's Office - Negotiated salary increases for unionized staff and equitable pay increases for non-unionized staff	\$434.5	\$434.5
Problem Solving Courts - Annualizes funding for newly established problem solving court programs that received funding in FY2026	\$250.0	\$250.0
Branchwide Appropriations - Rate increases for contractual building security	\$100.0	\$100.0
Employee Payroll Related Adjustments	\$5,441.9	\$5,727.3
Other Technical Adjustments	(\$359.0)	(\$359.0)
FY 2027 Total Executive Recommendation - Ongoing Funding	\$283,240.6	\$391,258.4
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$283,240.6	\$391,258.4
\$ Change from FY 2026 - Total Funding	\$7,166.8	\$7,636.7
% Change from FY 2026 - Total Funding	2.6%	2.0%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$283,240.6	\$391,258.4
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$283,240.6	\$391,258.4
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



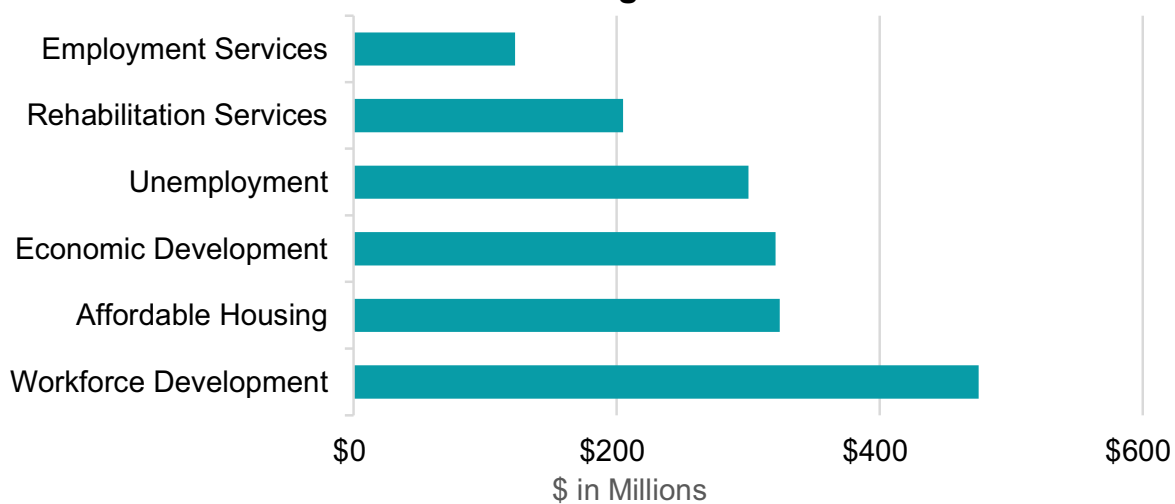
Department of Labor and Economic Opportunity

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$1.7 billion, of which \$158.7 million comes from the state's general fund. The Governor also recommends \$24.5 million in one-time funding in fiscal year 2027, \$22.5 million of which comes from the general fund.

Governor Whitmer's Budget Recommendation Provides Significant Continued Support for the State's Workforce Development, Affordable Housing, and Economic Development Programs.



Highlights

The Governor's recommended budget invests in the following programs in LEO:

- ♦ **\$150 million one-time for Strategic Site Readiness** (restricted funds) in a fiscal year 2026 supplemental to invest in new public infrastructure that will make Michigan more attractive for future development or redevelopment and create a statewide inventory of development-ready sites to attract and promote economic investment in Michigan. This investment into public infrastructure across the state will position Michigan for important projects that will create jobs for Michigan residents.

Labor and Economic Opportunity

- ◆ **\$30 million ongoing for Meeting Medicaid and SNAP Work Requirements** (general fund) to ensure recipients maintain access to their benefits and meet the new federal work requirements prescribed under H.R. 1.
 - ◆ Includes **\$25 million for Workforce Development and Training** through Michigan Works! Agencies to support activities that may include job search and job skills training, job placement assistance and vocational rehabilitation services, as necessary.
 - ◆ Includes **\$5 million for Registered Apprenticeships** to build on a highly effective workforce development program that allows individuals to earn while they learn, gaining industry-recognized credentials without burdensome tuition debt, and expanding opportunities to meet federal work requirements under H.R. 1.
- ◆ **\$10 million one-time for the Arts and Cultural Program** (general fund), representing a restoration and increase of the existing one-time funding that provides grants to arts and cultural institutions that support the economy and contribute to vibrant communities. This is in addition to the \$3.7 million ongoing funding (\$2.5 million general fund) provided for the program. The fiscal year 2026 supplemental also recommends \$450,000 (federal funds) for enhanced support for arts programming across the state.
- ◆ **\$6 million one-time for Special Events and National Convention Attraction** (general fund) to promote Michigan as a destination for special events, including national conventions, conferences, major sporting competitions or other significant events that feature Michigan to a national audience. Large-scale events draw out-of-state visitors, drive economic growth and showcase Michigan's vitality as a world-class destination.
- ◆ **\$4 million one-time for the Office of Future Mobility and Electrification** (general fund) to advance Michigan's aviation and advanced air mobility sector in alignment with Executive Directive 2025-4. Through collaboration with other departments, this investment will help build the state's capabilities on this new mobility and commercial frontier, with efforts targeting infrastructure deployment, workforce development and other investments to develop the emerging sector. An additional \$1 million general fund is recommended in the fiscal year 2026 supplemental recommendation to kickstart these efforts.
- ◆ **\$2 million one-time for Rural Development Grants** (restricted funds) to support projects that enhance land-based industries and rural community infrastructure, including job training, child care, housing, and utilities.
- ◆ **\$1.7 million ongoing for Workplace Safety Education and Training** (restricted funds) to expand the services provided to employers with the goal of reducing workplace risks and making Michigan's workplaces safer for everyone.
- ◆ **\$1.5 million one-time for Museum Support** (general fund) to provide critical funding for cultural institutions that contribute to our vibrant communities and serve as places for lifelong learning and connection.

- ♦ **\$1 million one-time for the Office of Defense and Aerospace Innovation** (general fund) to augment efforts aimed at protecting the state's existing defense assets, infrastructure, and industry, while helping to secure new missions and increased defense spending in the state. This investment is in addition to the \$4 million ongoing general fund provided to this program.
- ♦ **\$750,000 for the Rural Heritage Partnership Program** (federal funds) in the fiscal year 2026 supplemental to repair and improve qualified historic buildings in small, rural communities statewide. With this funding, the State Historic Preservation Office aims to address immediate needs while investing in heritage assets that are meaningful components of economic development and community identity.

In addition to these strategic new investments, the Governor continues support for the following signature LEO programs:

- ♦ **\$59.4 million ongoing for Business Attraction and Community Revitalization** (restricted funds) to stimulate job creation and private investment, revitalize and redevelop vital properties, and support small businesses that serve as the backbone of our communities. This sustained investment will create jobs and develop high-quality places that attract residents and stimulate economic growth.
 - ♦ **\$50 million ongoing for the Housing and Community Development Program** (restricted funds) to continue alleviating affordable housing needs across the state while also revitalizing communities in Michigan. The Executive Recommendation also proposes statutory changes to be more flexible and responsive to the housing needs facing Michigan communities. These changes will allow the \$50 million ongoing investment to be used for a broader range of projects including neighborhood revitalization and infill housing development and better meet the acute housing needs facing the state.
 - ♦ **\$16 million ongoing for Pure Michigan** (general fund) so that efforts to market Michigan as a great place to live, work and play keep attracting visitors and new residents alike.
-

Department of Labor and Economic Opportunity
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments		
	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$216,183.6	\$1,731,079.7
Removal of FY 2026 One-Time Funding	(\$88,541.2)	(\$88,541.2)
FY 2027 Ongoing Investments		
Meeting Medicaid and SNAP Work Requirements - Funding and 2.0 FTEs to support Michigan Works! Agencies as they assist Medicaid and SNAP recipients with meeting new federal work requirements under H.R.1	\$25,000.0	\$25,000.0
Registered Apprenticeships - Expansion of programming to provide additional opportunities for Medicaid and SNAP benefit recipients to meet federal work requirements under H.R.1	\$5,000.0	\$5,000.0
MIOSHA Safety Education and Training - Expansion of workplace safety training and education provided to employers	\$0.0	\$1,700.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Contingent Fund Penalty & Interest Adjustments - Authorization reductions in Workforce Development, Going Pro, Unemployment Insurance Agency and CCSTEP due to declining revenue collections	\$0.0	(\$24,565.4)
Rural Development Fund Transfer to LEO from MDARD - Reflects Executive Reorganization Order 2025-9	\$0.0	\$2,014.9
Food Assistance Employment and Training Program - Increased annual federal grant	\$0.0	\$560.0
Private Occupational Distance Learning - Increased authority to support ongoing operations of an information technology system	\$0.0	\$100.0
Employee Payroll Related Adjustments	\$1,020.0	\$7,872.0
Other Technical Adjustments	\$0.0	(\$2,610.3)
FY 2027 Total Executive Recommendation - Ongoing Funding	\$158,662.4	\$1,657,609.7
FY 2027 One-Time Investments		
Arts and Cultural Program - Additional grant funding to arts and cultural entities	\$10,000.0	\$10,000.0
Special Events and National Convention Attraction	\$6,000.0	\$6,000.0
Office of Future Mobility and Electrification Aviation and Advanced Air Mobility - Funding to support this emerging sector in alignment with Executive Directive 2025-4	\$4,000.0	\$4,000.0
Museums - Support for significant cultural institutions in Michigan	\$1,500.0	\$1,500.0
Office of Defense and Aerospace Innovation - Augment existing efforts to protect and grow the defense industry	\$1,000.0	\$1,000.0
Rural Development Fund - Additional grant funding to enhance rural community infrastructure	\$0.0	\$2,000.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$22,500.0	\$24,500.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$181,162.4	\$1,682,109.7
\$ Change from FY 2026 - Total Funding	(\$35,021.2)	(\$48,970.0)
% Change from FY 2026 - Total Funding	(16.2%)	(2.8%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$181,162.4	\$1,682,109.7
Removal of FY 2027 One-Time Funding	(\$22,500.0)	(\$24,500.0)
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$158,662.4	\$1,657,609.7
\$ Change from FY 2027 - Total Funding	(\$22,500.0)	(\$24,500.0)
% Change from FY 2027 - Total Funding	(12.4%)	(1.5%)



Legislature

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Michigan Legislature consists of a 38 member Senate and a 110 member House of Representatives. The Michigan Constitution gives the Legislature the authority to enact laws that regulate the actions of the government and protect the interests of the people.

The Governor's recommended budget for fiscal years 2026 and 2027 includes total ongoing funding of \$239 million, of which \$223.1 million comes from the state's general fund.

Highlights

The Governor's recommended budget continues support for the following legislative entities:

- ♦ **\$153.7 million for the Senate and the House of Representatives** (\$152.3 million general fund) to support legislative operations.
 - ♦ **\$32.4 million for the Office of Auditor General** (\$22.4 million general fund) to support the constitutional responsibility for financial and performance audits of all state branches, departments, offices, boards, authorities, and other institutions.
 - ♦ **\$24.6 million for the Legislative Council** (general fund) to support council operations, which include bill drafting and research services for the Legislature.
 - ♦ **\$17.5 million for Property Management** (general fund) to finance operations of the Binsfeld and Anderson office buildings.
 - ♦ **\$10.9 million for the State Capitol Historic Site** (\$6.4 million general fund) for the maintenance and restoration of the State Capitol building and grounds.
-

Legislature
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$216,585.7	\$232,522.1
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
Legislature 3% Operational Increase	\$5,844.8	\$5,844.8
Auditor General 3% Operational Increase	\$652.5	\$652.5
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$223,083.0	\$239,019.4
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$223,083.0	\$239,019.4
\$ Change from FY 2026 - Total Funding	\$6,497.3	\$6,497.3
% Change from FY 2026 - Total Funding	3.0%	2.8%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$223,083.0	\$239,019.4
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$223,083.0	\$239,019.4
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%

Department of Licensing and Regulatory Affairs

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$627.5 million, of which \$275.4 million comes from the state's general fund. No one-time funding is recommended.

Highlights

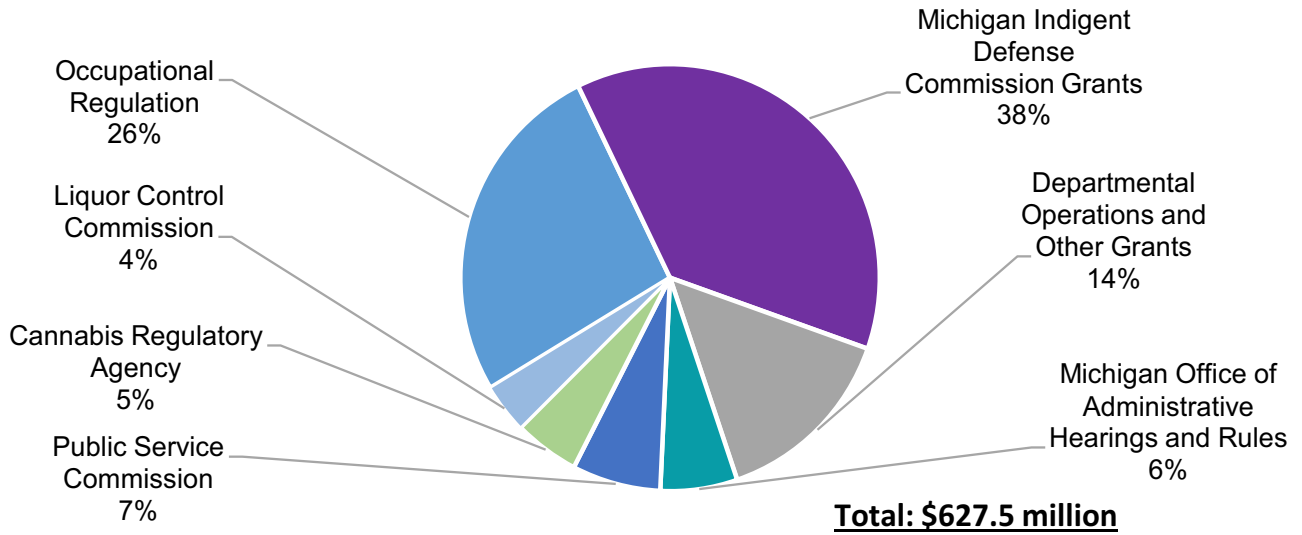
The Governor's recommended budget investments support for the following key LARA programs:

- ◆ **\$1 million to enhance the representation of residential utility customers** (restricted funds) before the Michigan Public Service Commission.
- ◆ **\$509,000 to expand the state's firefighter training and storage tank safety inspection programs** (general fund and restricted funds) with 3.0 additional positions.
- ◆ **\$491,100 to strengthen financial oversight and accountability over LARA program areas** (restricted funds) with 3.0 positions and a new internal Compliance and Risk Management section within the department.
- ◆ **\$359,300 to improve operations of the Michigan Tax Tribunal** (restricted funds) and address its small claims case backlog with 2.0 additional positions.
- ◆ **Fee adjustments and fee sunset removals** to ensure that LARA can continue to fulfill its statutory responsibility to protect consumers while supporting businesses and the services and products that they provide to residents.

The Governor's recommended budget protects funding for the following key LARA programs:

- ◆ **\$57.9 million to protect residents of nursing homes and other specialized care facilities** (restricted, federal, and general fund) overseen by LARA's Bureau of Community and Health Systems and Bureau of Survey and Certification.
- ◆ **\$236 million to continue support for state's 120 local indigent defense systems** (general fund). The Governor's recommendation also requires the Michigan Indigent Defense Commission to begin development of new standards for juvenile defendants as soon as enabling legislation is enacted.

Key LARA Funding Areas



Department of Licensing and Regulatory Affairs
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$279,485.7	\$626,006.9
Removal of FY 2026 One-Time Funding	(\$5,000.0)	(\$6,600.0)
FY 2027 Ongoing Investments		
Representing Energy Ratepayers - Funding increase to support the representation of residential utility customers before the Michigan Public Service Commission	\$0.0	\$1,000.0
Firefighting and Storage Tanks Program Support - Funding increase and 3.0 FTEs to strengthen the state's firefighter training program and enhance safety inspections of storage tank facilities	\$163.0	\$509.0
Compliance and Risk Management - Funding increase and 3.0 FTEs to better focus oversight and resources on LARA program areas	\$0.0	\$491.1
Michigan Tax Tribunal - Funding increase and 2.0 FTEs to address the Tribunal's small claims case backlog	\$0.0	\$359.3
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Licensing and Regulation - Funding increase to address a projected revenue shortfall in the Licensing and Regulation Fund	\$0.0	\$550.0
Underground Facilities Safety Education and Training - Funding increase to reflect additional revenue in the Civil Fines, Excavating, and Blasting Fund	\$0.0	\$500.0
Information Technology Cost Increases - Funding increases to support software contracts and federal digital accessibility compliance	\$17.4	\$292.2
Federal Grant Increase - Reflects a new grant award from the Federal Financial Institutions Examination Council to support costs associated with an appraiser technology project, expert review, and grant management	\$0.0	\$109.0
Employee Payroll Related Adjustments	\$685.7	\$4,468.5
Other Technical Adjustments	\$0.0	(\$208.4)
FY 2027 Total Executive Recommendation - Ongoing Funding	\$275,351.8	\$627,477.6
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$275,351.8	\$627,477.6
\$ Change from FY 2026 - Total Funding	(\$4,133.9)	\$1,470.7
% Change from FY 2026 - Total Funding	(1.5%)	0.2%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$275,351.8	\$627,477.6
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$275,351.8	\$627,477.6

Licensing and Regulatory Affairs

	<u>GF/GP</u>	<u>GROSS</u>
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%

Department of Lifelong Education, Advancement and Potential

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$652.7 million, of which \$231.5 million comes from the state's general fund.

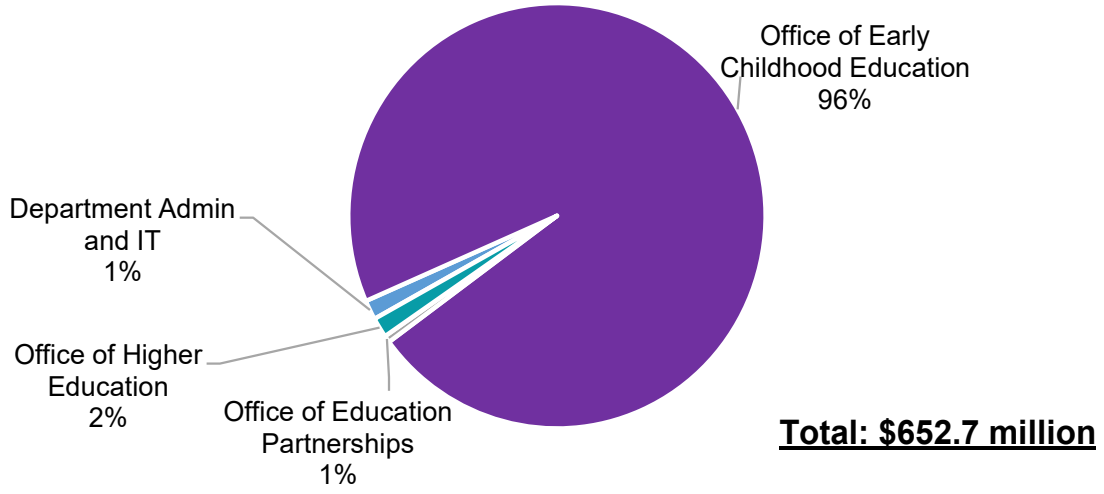
Highlights

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

- ◆ **\$543.3 million for Child Care Subsidies** (\$202.5 million general fund) that provide child care services, support Michigan families, and stimulate the economy. The Governor's Budget Recommendation supports the child care industry and allows parents to enter the labor force or pursue additional education while knowing their children are receiving quality care. The Executive Recommendation includes \$40 million additional general fund dollars to fully fund services to families and payments to child care providers.

 - ◆ **\$9.9 million for Higher Education Administration** (\$8.6 million general fund) for supports to institutions of higher education and administration of the state's scholarship programs such as the Michigan Achievement Scholarship and Tuition Incentive Program. These programs make higher education more affordable and attainable for Michiganders.
-

MiLEAP Budget Programs



Department of Lifelong Education, Advancement and Potential
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$201,593.3	\$662,243.2
Removal of FY 2026 One-Time Funding	(\$10,500.0)	(\$10,500.0)
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Indian Tuition Waiver FTE Move - Technical move to transfer the staff to the larger higher education administration office	\$0.0	\$0.0
Caseload Adjustments - Child care baseline general fund	\$40,000.0	\$0.0
Employee Payroll Related Adjustments	\$344.7	\$866.8
Other Technical Adjustments - MDHHS child care IDG	\$13.7	\$62.9
FY 2027 Total Executive Recommendation - Ongoing Funding	\$231,451.7	\$652,672.9
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$231,451.7	\$652,672.9
\$ Change from FY 2026 - Total Funding	\$29,858.4	(\$9,570.3)
% Change from FY 2026 - Total Funding	14.8%	(1.4%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$231,451.7	\$652,672.9
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$231,451.7	\$652,672.9
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Military and Veterans Affairs

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Military and Veterans Affairs serves the people of Michigan through the combined efforts of the Army and Air National Guard, the Michigan Veterans Affairs Agency, and the Michigan Veterans' Facility Authority. The department provides trained forces in support of national defense. Through the Veterans Affairs Agency, the department ensures that more than half a million veterans receive the federal and state benefits they have earned, supporting their employment, education, and health care. Additionally, the Michigan Veterans' Facility Authority delivers skilled nursing and long-term care for veterans and eligible family members at the state's multiple veterans' homes.

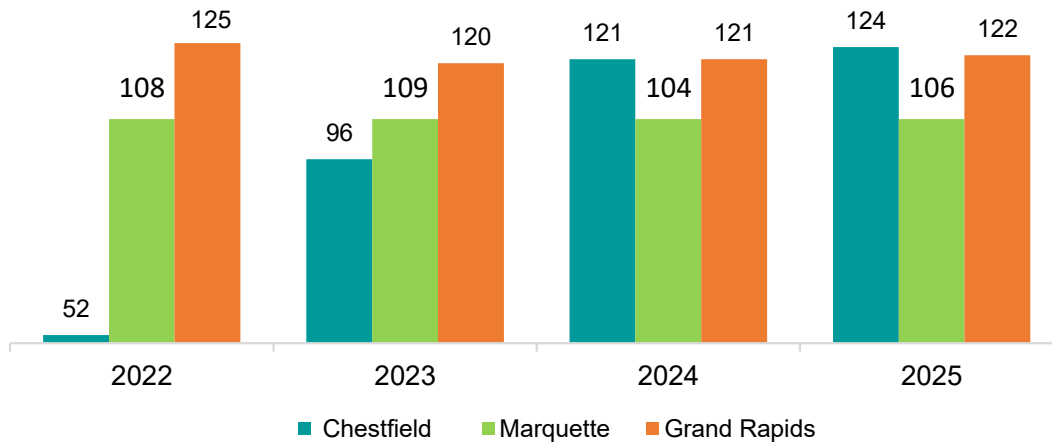
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$263.9 million, of which \$96.4 million comes from the state's general fund.

Highlights

The Governor's recommended budget provides continuing support in these key areas:

- ♦ **\$109.3 million for Michigan Veteran Homes** (\$46.2 million general fund) dedicated to providing comprehensive care for veterans and eligible family members. These homes, located in Marquette, Grand Rapids, and Chesterfield Township, provide skilled nursing services, as well as rehabilitative therapies, medication management, mental health support, and assistance with daily living activities. The facilities ensure residents receive compassionate, individualized care that promotes health, independence, and overall well-being.
 - ♦ **\$11.3 million for the Michigan National Guard Member Benefit Fund** (general fund), providing child care assistance during training and drill periods, offering tuition assistance to support educational advancement, and reimbursing eligible health and dental insurance premiums. Together, these programs are designed to enhance force readiness, strengthen retention, and improve the overall quality of life for Michigan National Guard members and their families.
 - ♦ **\$4.3 million for county veteran service grants** (general fund) to help local offices assist veterans, dependents, and survivors in accessing federal and state benefits, including health care, disability, and educational programs. Grants are awarded to eligible counties that meet staffing and operational requirements, enabling consistent outreach and service delivery. This program strengthens local veteran services and ensures equitable access to benefits across Michigan.
-

Michigan Veteran Home Average Census



Department of Military and Veterans Affairs
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$128,171.0	\$290,166.3
Removal of FY 2026 One-Time Funding	(\$30,000.0)	(\$30,000.0)
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
Fund shift from general fund to federal Veterans Health Administration funds	(\$2,931.9)	\$0.0
FY 2027 Baseline Adjustments		
Align Spending Authorization	\$0.0	\$1,400.0
Employee Payroll Related Adjustments	\$1,111.8	\$2,371.7
Other Technical Adjustments	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$96,350.9	\$263,938.0
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$96,350.9	\$263,938.0
\$ Change from FY 2026 - Total Funding	(\$31,820.1)	(\$26,228.3)
% Change from FY 2026 - Total Funding	(24.8%)	(9.0%)

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$96,350.9	\$263,938.0
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$96,350.9	\$263,938.0
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Natural Resources

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Department of Natural Resources (DNR) safeguards Michigan's recreational and environmental assets to provide for economic vitality, ecological preservation, and cultural conservation. DNR ensures the prosperity and accessibility of the state's assets through its management of Michigan's fisheries, state parks and harbors, and through the regulation of hunting, fishing and outdoor recreation to guarantee every resident an opportunity to enjoy Michigan's natural bounties.

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$605.3 million, of which \$61.7 million comes from the state's general fund. The Governor also recommends \$1.4 million in one-time funding in fiscal year 2027, all of which comes from the general fund.

Highlights

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

- ◆ **\$29.4 million for investing in natural resources** (restricted funds) through an increase in the Game and Fish license fees. These revenues will be utilized to update and maintain the department's fisheries system, invasive species controls, and expand outdoor access to ensure the ecological stability and recreational opportunities of Michigan.
- ◆ **\$24.6 million for investing in waterways and trails** (restricted funds) from a growth in revenues to the Recreation Improvement Fund resulting from the 2026 roads improvement plan and from an increase in boating registration fees. The additional funding will be directed toward trails improvements, and harbors and waterways upgrades and development.
- ◆ **\$271,300 to acquire the St. Jean Boat Launch** (restricted funds) at Gray Haven State Harbor. The addition of this maritime resource will enable the department to expand access to the Detroit River for Detroit residents and to preserve a historic public outdoor recreation access point.

Fiscal Year 2026 Supplemental

- ◆ **\$6.5 million to acquire forestlands in the Keweenaw Peninsula** (restricted funds) utilizing the Michigan Natural Resources Trust Fund to leverage available federal grants. This acquisition will result in 22,649 acres of forestlands in the Keweenaw Heartlands becoming a public resource for joint operations by the department and local government.
-



Department of Natural Resources
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$73,009.4	\$543,194.3
Removal of FY 2026 One-Time Funding	(\$12,211.8)	(\$12,211.8)
FY 2027 Ongoing Investments		
Game & Fish Fees - Increases fees to adjust for inflation of the last 12 years	\$0.0	\$29,423.3
Boating Licenses - Increases watercraft registration fees to account for inflation	\$0.0	\$6,862.7
Michigan History Center - Expands the history center stores for merchandise sales	\$0.0	\$436.2
Employee Recruitment & Retention - State Park supervisor capacity increase	\$0.0	\$393.7
Boating Access Expansion - Acquires the St. Jean Boat Launch on the Detroit River	\$0.0	\$271.3
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Recreation Improvement Fund Alignment - Aligns for increased revenues	\$0.0	\$17,700.0
Capital Outlay Alignment - Annual capital outlay authorization adjustments	\$0.0	\$8,084.1
Silver Lake State Park Fund Shift - Transfers fund authorization to align with statute	\$0.0	\$1,404.1
Kirtland's Warbler Management - Aligns authorization for increased revenues	\$0.0	\$150.0
Employee Payroll Related Adjustments	\$889.2	\$5,551.1
Other Technical Adjustments	\$0.0	\$4,021.7
FY 2027 Total Executive Recommendation - Ongoing Funding	\$61,686.8	\$605,280.7
FY 2027 One-Time Investments		
Nature Awaits - Provides support for existing staff	\$1,436.2	\$1,436.2
FY 2027 Total Executive Recommendation - One-Time Funding	\$1,436.2	\$1,436.2
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$63,123.0	\$606,716.9
\$ Change from FY 2026 - Total Funding	(\$9,886.4)	\$63,522.6
% Change from FY 2026 - Total Funding	(13.5%)	11.7%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$63,123.0	\$606,716.9
Removal of FY 2027 One-Time Funding	(\$1,436.2)	(\$1,436.2)
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$61,686.8	\$605,280.7
\$ Change from FY 2027 - Total Funding	(\$1,436.2)	(\$1,436.2)
% Change from FY 2027 - Total Funding	(2.3%)	(0.2%)



Department of State

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

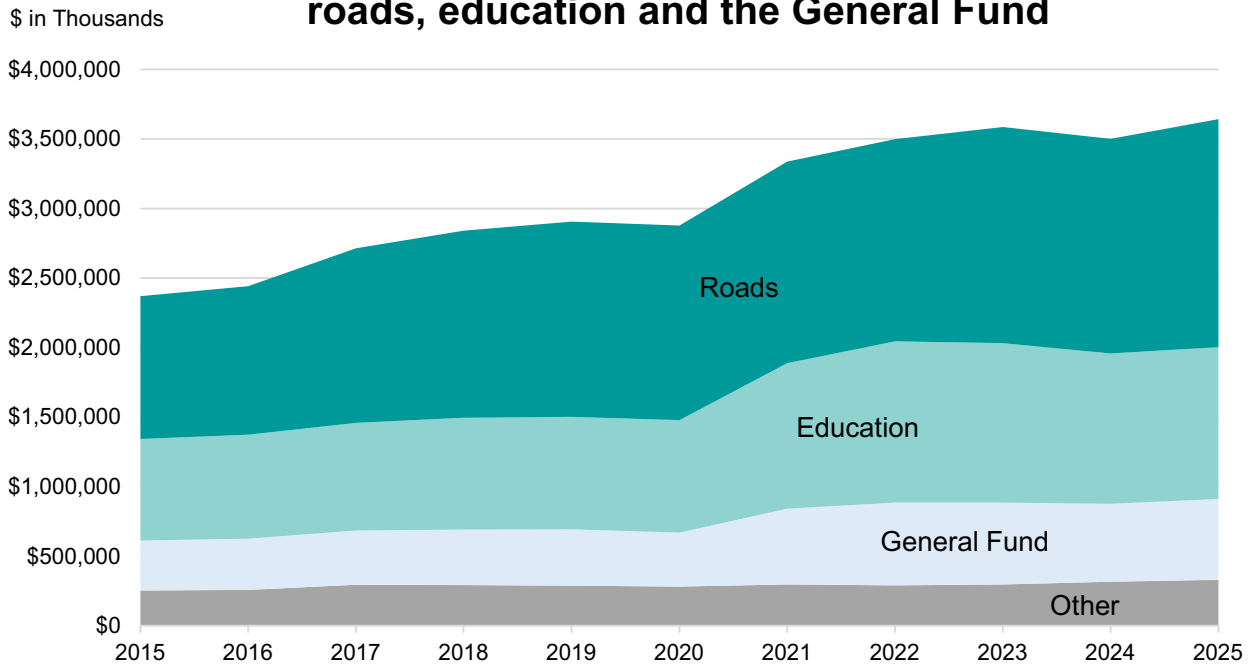
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$299.5 million, of which \$11.2 million is from the state's general fund.

Highlights

The Governor's budget includes continued support for key programs:

- ◆ **\$102 million for Branch Office Operations** (\$561,100 general fund) is included to maintain the state's existing 131 regional offices and seven mobile branch offices. While the department continues to expand online service offerings, approximately 45% of over 16.6 million transactions processed occurred on-site in the fiscal year ending 2025, and the Governor's budget recommends funding to continue support of accessible service locations for every resident.
 - ◆ **\$29 million for Election Regulation and Security** (\$8.5 million general fund) to ensure Michigan's 7.3 million active registered voters can continue casting their ballots in a convenient, safe and secure environment.
-

Since FY15, MDOS has averaged \$3.1 billion in annual revenue collections, 90% of which supports roads, education and the General Fund



Department of State
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$11,969.1	\$294,983.0
Removal of FY 2026 One-Time Funding	\$0.0	\$0.0
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
Enhanced Driver License and Enhanced Official State Personal Identification Card Fund - Fund shift from General Fund	(\$1,196.0)	\$0.0
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	\$406.1	\$4,504.3
Other Technical Adjustments	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$11,179.2	\$299,487.3
FY 2027 One-Time Investments		
None		
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$11,179.2	\$299,487.3
\$ Change from FY 2026 - Total Funding	(\$789.9)	\$4,504.3
% Change from FY 2026 - Total Funding	(6.6%)	1.5%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$11,179.2	\$299,487.3
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$11,179.2	\$299,487.3
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



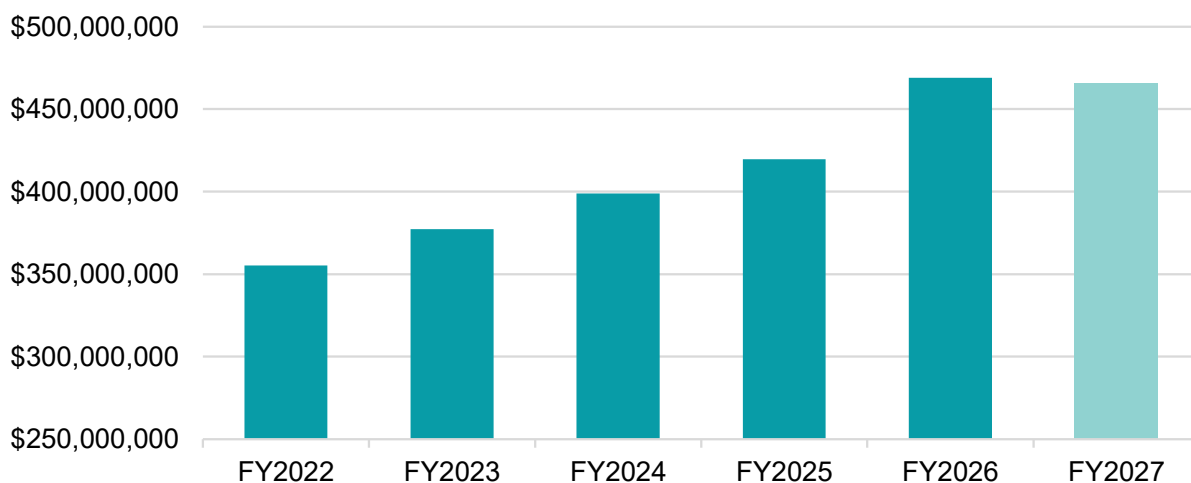
Department of State Police

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Michigan State Police is a statewide law enforcement agency that provides comprehensive law enforcement services in partnership with more than 500 local law enforcement agencies across the state.

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$969.7 million, of which \$633.8 million comes from the state's general fund.

Budget Invests in Public Safety by Protecting Funding for Troopers and State Police Posts



Highlights

The Governor's recommended budget continues several key investments in public safety:

- ◆ **\$13.3 million to support in-service training for law enforcement officers** (general fund). This funding will support continuing education for over 18,700 law enforcement officers statewide and require officers complete continuing education as a requirement of licensure. The Michigan Commission on Law Enforcement Standards develops and implements training requirements.
- ◆ **\$1.9 million to maintain the Victim Support Program** (general fund). The Victim Support Program supports victims' needs early in their interactions with the criminal justice system while also building partnerships with community organizations in support of victim advocacy. The Victim Support Program has served more than 4,600 individuals since the program began in 2020.

State Police

- ◆ **\$1.7 million to support the OK2Say student safety program** (general fund). OK2Say allows confidential reporting on potential harm or criminal activities directed at students, school employees, and schools. The program utilizes calls, texts, emails, and a mobile application to facilitate confidential tip sharing among students, parents, school personnel, community mental health service programs, the Michigan Department of Health and Human Services, and law enforcement about harmful behaviors that threaten to disrupt the learning environment. OK2Say has received over 70,000 tips since the program started in 2014.
-

Department of State Police
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$638,435.1	\$964,176.0
Removal of FY 2026 One-Time Funding	(\$2,500.0)	(\$2,500.0)
FY 2027 Ongoing Investments		
None	\$0.0	\$0.0
FY 2027 Reductions		
Closure of the Northville Forensic Laboratory - Cases and FTEs transferred to other Michigan State Police forensic laboratories	(\$864.4)	(\$864.4)
Closure of the Grayling Forensic Laboratory - Cases and FTEs transferred to other Michigan State Police forensic laboratories	(\$637.0)	(\$637.0)
FY 2027 Baseline Adjustments		
Employee Payroll Related Adjustments	(\$655.5)	\$492.4
Other Technical Adjustments	\$0.0	\$9,016.6
FY 2027 Total Executive Recommendation - Ongoing Funding	\$633,778.2	\$969,683.6
FY 2027 One-Time Investments		
None	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$0.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$633,778.2	\$969,683.6
\$ Change from FY 2026 - Total Funding	(\$4,656.9)	\$5,507.6
% Change from FY 2026 - Total Funding	(0.7%)	0.6%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$633,778.2	\$969,683.6
Removal of FY 2027 One-Time Funding	\$0.0	\$0.0
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$633,778.2	\$969,683.6
\$ Change from FY 2027 - Total Funding	\$0.0	\$0.0
% Change from FY 2027 - Total Funding	0.0%	0.0%



Department of Technology, Management and Budget

Governor's Recommended Budget for Fiscal Years 2027 and 2028

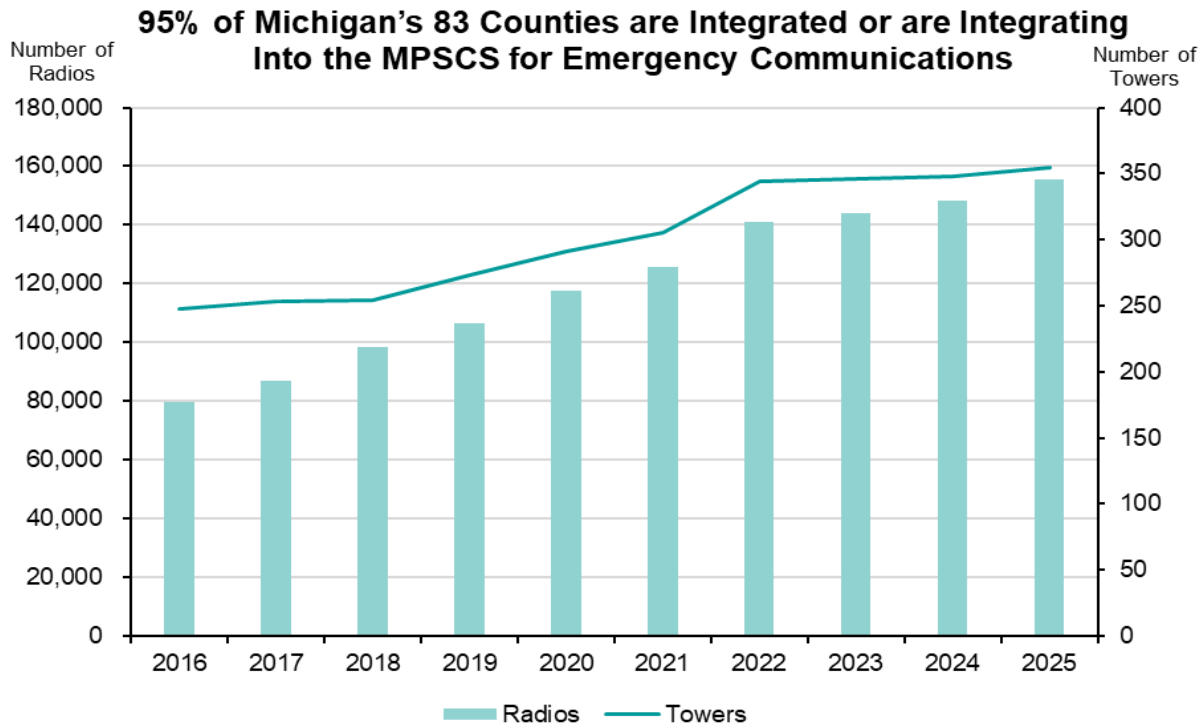
The Department of Technology, Management and Budget (DTMB) supports the business operations of state agencies through a variety of centralized services, such as information technology, contracting and procurement, construction and building management, space planning and leasing, motor vehicle fleet operations,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

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$1.9 billion, of which \$542.5 million is from the state's general fund. The Governor also recommends \$43.2 million in one-time funding in fiscal year 2027, all of which comes from the general fund.

Highlights

The Governor's recommended budget for the department calls for investments that safeguard elections, bolster critical emergency communication support for first responders and enhance enterprise-wide data sharing capabilities.

- ♦ **\$43.2 million for the Election Equipment Reserve Fund** (general fund) to support local election administration, including the purchasing and replacement of voting equipment in compliance with federal guidelines.
- ♦ **\$6.7 million for Michigan's Public Safety Communications System (MPSCS)** (general fund) to provide necessary staffing resources and lifecycle upgrades in support of system equipment, security and maintenance. The MPSCS provides 24/7/365 critical emergency communication to more than 2,600 public safety agencies and supports over 155,000 radios for first responders, via a statewide 800/700 MHz digital trunked radio communication network – the second largest digital trunked communication system in the world. Maintaining the operability of the system for federal, state, local and tribal partners is essential as was evidenced during the 2025 Northern Michigan Ice Storm Disaster.



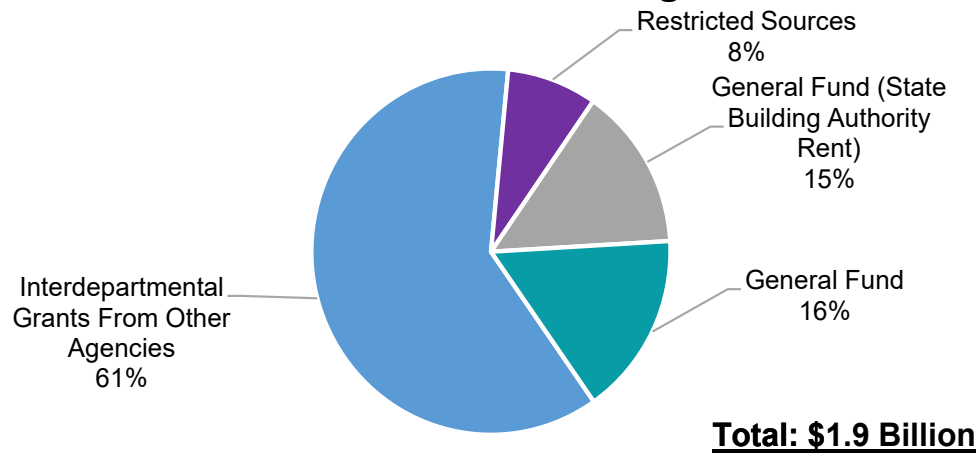
- ♦ **\$2 million to create a data sharing platform** (general fund) that will interface with state information technology infrastructure to serve as an essential tool in meeting new federal H.R. 1 requirements for Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Agency partners, such as the Departments of Health and Human Services and Labor and Economic Opportunity will be able to leverage these data resources to meet and adapt to federal guidelines, analyze trends and achieve new accountability outcome metrics.

The Governor’s budget includes **\$3 million for the upcoming gubernatorial transition** (general fund) as part of a 2026 fiscal year supplemental.

In addition, the Governor’s recommendation maintains support for the modernization of key information technology systems.

- ♦ **\$35 million to modernize and upgrade legacy information technology systems** (general fund) through the state’s Information Technology Investment Fund (ITIF). As a vehicle for successful information technology outcomes, the ITIF utilizes industry best practices and a rigorous project oversight, quality assurance and governance structure to ensure successful project completions. Project areas selected for investment in 2027 are focused on business and special tax collections; asset management of natural resources and recreation infrastructure; pesticide regulation and licensing; and federal H.R. 1 requirements related to Medicaid and SNAP benefits.

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



Technology, Management and Budget

Department of Technology, Management and Budget Governor's Recommended Budget for Fiscal Years 2027 and 2028 \$ in Thousands

FY 2027 Adjustments		
	GF/GP	GROSS
FY 2026 Original Enacted	\$538,318.9	\$1,843,476.4
Removal of FY 2026 One-Time Funding	(\$20,000.0)	(\$20,000.0)
FY 2027 Ongoing Investments		
Michigan's Public Safety Communications System - Provides 15.0 FTEs and funding to bolster staffing and lifecycle replacement initiatives for critical interoperability and first responder network support	\$6,686.9	\$6,686.9
Michigan Center for Data and Analytics - Enterprise-wide data platform to modernize the state's data sharing capabilities and meet federal H.R.1 requirements for Medicaid and Supplemental Nutrition Assistance Program (SNAP)	\$1,950.0	\$1,950.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
State Building Authority Rent - Estimated payments for existing and anticipated capital construction projects	\$14,100.0	\$14,100.0
Vehicle and Travel Services - Alignment of agency service support	\$0.0	\$6,300.0
Building Operations Division - Provides 9.0 FTEs and funding to optimize enterprise maintenance and to support the new state consolidated laboratory operations	\$0.0	\$5,410.1
Information Technology - Provides 13.0 FTEs and funding to align agency service support	\$0.0	\$2,766.2
Michigan's Public Safety Communications System - Contractual cost increases for critical operations, maintenance and equipment	\$1,300.0	\$2,000.0
Statewide Integrated Governmental Management Applications - Contractual cost increases for managed services, software licensing and maintenance	\$0.0	\$360.7
State Archives of Michigan - Recognize grant awards that support the preservation of archival records	\$0.0	\$225.0
Office of the Child Advocate - Case management system maintenance	\$140.0	\$140.0
Statewide Cost Allocation Plan - Annual adjustment of costs for centralized services	\$521.7	\$0.0
Employee Payroll Related Adjustments	(\$477.0)	\$5,983.0
Other Technical Adjustments	\$0.0	(\$106.3)
FY 2027 Total Executive Recommendation - Ongoing Funding	\$542,540.5	\$1,869,292.0
FY 2027 One-Time Investments		
Statewide Voting System Replacement - To assist local clerks in the implementation of the next uniform voting system through the purchasing and replacement of voting systems in compliance with federal guidelines	\$43,164.0	\$43,164.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$43,164.0	\$43,164.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$585,704.5	\$1,912,456.0
\$ Change from FY 2026 - Total Funding	\$47,385.6	\$68,979.6
% Change from FY 2026 - Total Funding	8.8%	3.7%
FY 2028 Adjustments		
	GF/GP	GROSS
FY 2027 Total Executive Recommendation	\$585,704.5	\$1,912,456.0
Removal of FY 2027 One-Time Funding	(\$43,164.0)	(\$43,164.0)
None	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$542,540.5	\$1,869,292.0
\$ Change from FY 2027 - Total Funding	(\$43,164.0)	(\$43,164.0)
% Change from FY 2027 - Total Funding	(7.4%)	(2.3%)

Department of Transportation

Governor’s Recommended Budget for Fiscal Years 2027 and 2028

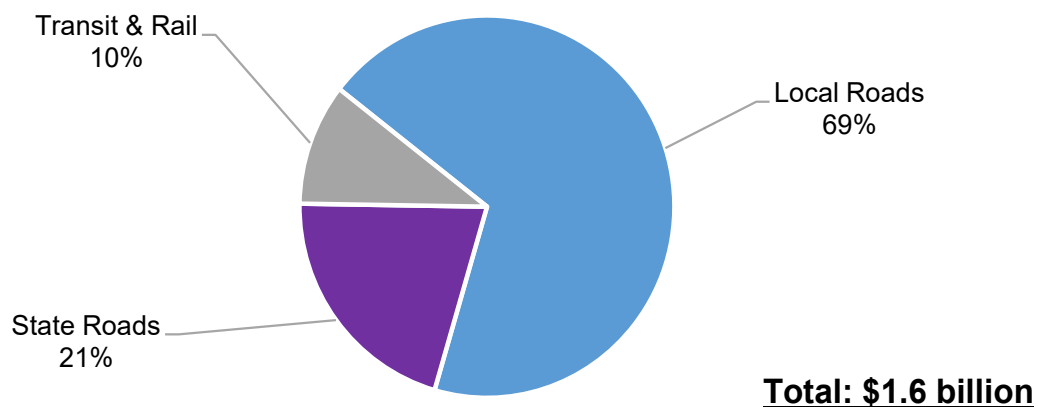
The Department of Transportation provides for the efficient and effective movement of people and goods through support for the state’s network of roads and bridges, public transportation systems, and rail and aviation programs.

The Governor’s recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$8.5 billion, none of which comes from the state’s general fund. The Governor also recommends \$14.9 million in one-time funding in fiscal year 2027, \$0 of which comes from the general fund.

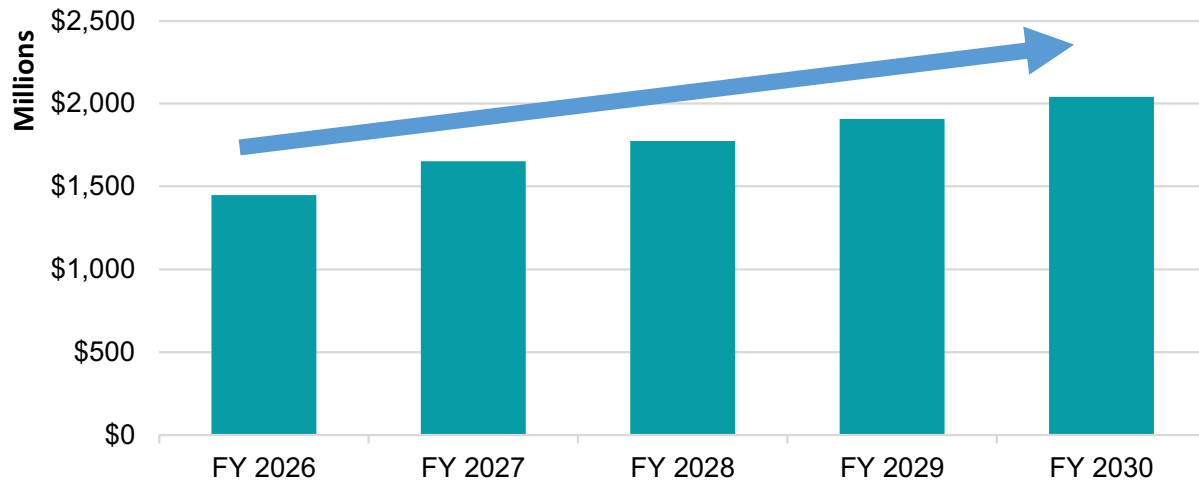
Highlights

The Governor’s recommended fiscal year 2027 budget for transportation reflects the first full year of new revenue – \$1.6 billion – from the transportation revenue package enacted in 2025. Of this amount, 69% will support local road projects, and 10% will support transit and rail programs. When fully implemented in fiscal year 2030, the revenue package is estimated to generate over \$2 billion in new revenues for Michigan road projects and transit services on an annual basis.

Local Roads Receive 69 Percent of New State Transportation Revenues in Fiscal Year 2027



New Revenues Ramp Up to \$2 Billion in Fiscal Year 2030



For fiscal year 2027, the new revenue package and baseline revenues will support critical funding across all major modes of transportation:

- ◆ **\$481.8 million increase for Michigan’s roads and bridges** (federal and restricted funds). This includes an additional:
 - ◆ \$221.2 million for county road commissions
 - ◆ \$137.5 million for state-owned roads
 - ◆ \$122.5 million for cities and villages

- ◆ **\$130.8 million in new support for transit and rail programs** (restricted, federal, and local funds). This includes a \$43.4 million increase in Local Bus Operating assistance to local transit agencies and a \$51 million increase in capital support for transit and rail projects. In addition, \$70 million of federal authorization is included for continued improvements to the Detroit Intermodal Freight Terminal project. The Governor’s recommendation also continues \$65 million of support for major transit and multimodal infrastructure projects through the new Infrastructure Projects Authority Fund, as well as \$40 million in dedicated Rail Grade Separation funds to improve safety and traffic flow for both transportation modes.

- ◆ **\$10.8 million to address critical infrastructure needs at MDOT facilities** (restricted funds). These include roofing, electrical, and HVAC needs, as well as a new maintenance garage and salt storage at MDOT’s road maintenance facility in Coloma.

- ◆ **\$5.3 million for a new Maritime and Port Facility Office** (restricted funds). This new office (including 4.0 FTEs) will coordinate activity related to ports and administer grant funding from the Maritime and Port Facility Assistance Fund created in PA 159 of 2022.
 - ◆ **\$4.1 million for continued oversight of the Great Lakes Tunnel project** (restricted funds). This will support planning and construction oversight of the Great Lakes Tunnel Project by the Mackinac Straits Corridor Authority, as required under PA 359 of 2018.
 - ◆ **(\$14.3 million) net realignment of authorization for capital improvements at Michigan airports** (restricted funds). This corrects a (\$16.5 million) overstatement of available revenue in the fiscal year 2026 enacted budget, along with an additional \$2.5 million for the State Aeronautics Fund from a recommended increase to the state's aircraft registration fee (last increased in 1988).
-

Department of Transportation
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	GF/GP	GROSS
FY 2026 Original Enacted	\$0.0	\$7,889,495.8
Removal of FY 2026 One-Time Funding	\$0.0	(\$28,828.8)
FY 2027 Ongoing Investments		
Maritime and Port Facility Assistance Office - Funding and 4.0 FTEs to support a new Maritime and Port Facility Assistance Office	\$0.0	\$5,294.7
Information Technology Services and Projects - Funding to increase oversight of system security, maintenance and project management	\$0.0	\$2,045.0
University Region Lane Mile Maintenance - Funding and 3.0 FTEs to support maintenance for 54.49 lane miles recently added to MDOT's road network	\$0.0	\$654.0
Passenger Transportation Services - Funding and 4.0 FTEs to support additional workload related to heightened federal requirements and implementation of the 2025 state transportation revenue package	\$0.0	\$589.1
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Road and Bridge Program Revenues - Adjustments for federal and statutory revenue distributions under PA 51 of 1951 for road construction and transportation economic development programs	\$0.0	\$481,828.7
Highway Maintenance - Inflationary adjustments for the cost of contracted services and materials such as, concrete, aggregate, vegetation control and generator maintenance	\$0.0	\$23,668.3
Debt Service - Adjustments to statutorily required debt service payments	\$0.0	(\$1.8)
Transit and Rail Program Revenues - Allocations of projected federal and Comprehensive Transportation Fund revenues	\$0.0	\$130,818.9
Aeronautics Program Revenues - Adjustments for the allocation of additional federal, State Aeronautics Fund, local matching and Qualified Airport Fund revenues	\$0.0	(\$14,320.2)
Information Technology Services and Projects - Reflects cost increases related to business area information technology needs	\$0.0	\$3,300.0
Finance Standards Compliance and Other Operational Support - Provides for administration of new accounting regulations, increased software contracts and other financial management cost pressures	\$0.0	\$1,112.6
Intelligent Transportation and Traffic Signal Maintenance - Increased maintenance and operations costs for Intelligent Transportation Systems and traffic control signals	\$0.0	\$6,653.2
Road Operations Facilities Maintenance - Funding to address deferred maintenance needs at MDOT outstate facilities	\$0.0	\$650.0
Employee Payroll Related Adjustments	\$0.0	\$6,470.8
Other Technical Adjustments	\$0.0	\$323.0
FY 2027 Total Executive Recommendation - Ongoing Funding	\$0.0	\$8,509,753.3
FY 2027 One-Time Investments		
Road Operations Facility Repairs - Provides for critical safety and operational needs at MDOT facilities, such as roofing, electrical, HVAC, and mechanical systems.	\$0.0	\$5,600.0
Coloma Maintenance Garage & Salt Storage Construction - Funding to support replacement of the Coloma maintenance garage and salt storage facilities	\$0.0	\$5,168.1

	GF/GP	GROSS
Great Lakes Tunnel Project - Phase II Oversight - Funding to support continued planning and construction oversight of the Great Lakes Tunnel Project by the Mackinac Straits Corridor Authority	\$0.0	\$4,100.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$14,868.1
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$0.0	\$8,524,621.4
\$ Change from FY 2026 - Total Funding	\$0.0	\$635,125.6
% Change from FY 2026 - Total Funding	0.0%	8.1%
FY 2028 Adjustments		
	GF/GP	GROSS
FY 2027 Total Executive Recommendation	\$0.0	\$8,524,621.4
Removal of FY 2027 One-Time Funding	\$0.0	(\$14,868.1)
Baseline Adjustments - Revenue Adjustments (Road and Bridge, Aeronautics and Transportation Economic Development Programs)	\$0.0	\$193,538.4
FY 2028 Total Executive Recommendation	\$0.0	\$8,703,291.7
\$ Change from FY 2027 - Total Funding	\$0.0	\$178,670.3
% Change from FY 2027 - Total Funding	0.0%	2.1%



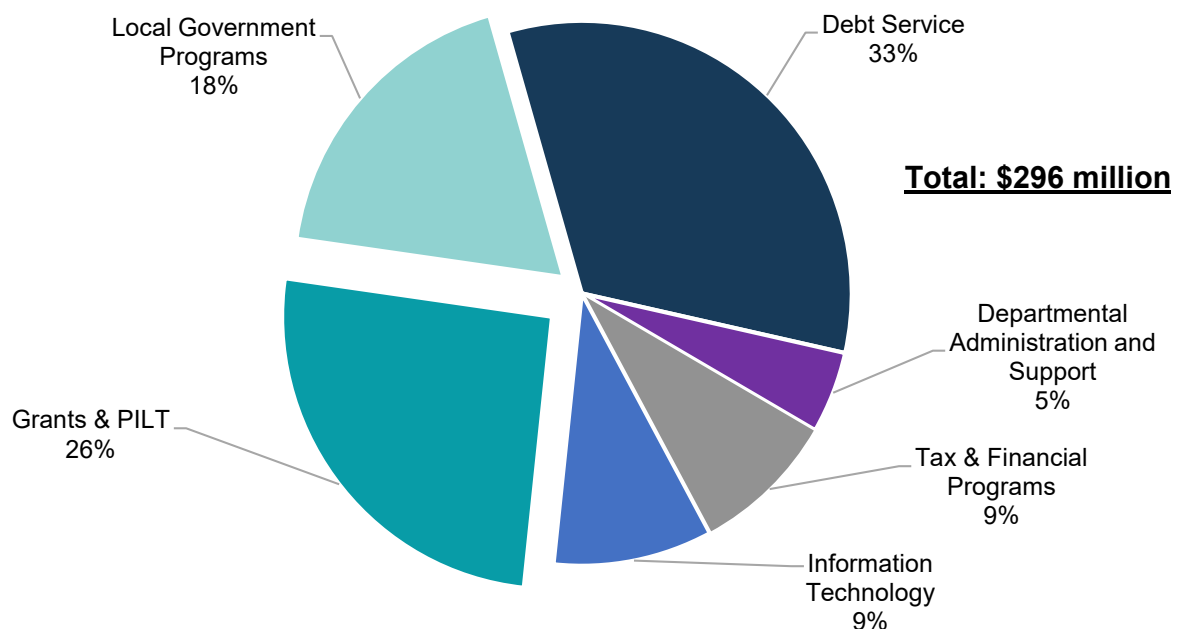
Department of Treasury

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$949.3 million, of which \$295.7 million comes from the state's general fund. The Governor also recommends \$2.5 million in one-time funding in fiscal year 2027, none of which comes from the general fund.

44% of All Treasury General Fund Supports Local Governments and Citizens



Highlights

The Governor's recommended budget supports investments providing for the efficient collection of new and existing state tax revenues, as well as an expansion of city income tax collections to an additional local government.

- ◆ **\$21.2 million allocated from the Information Technology Investment Fund (ITIF)** for Treasury to begin a multi-phase project to **modernize the collection of state business and other special taxes**. The ITIF is included in the Department of Technology, Management and Budget where resources will be allocated for this project with this first

Treasury

phase initially focused on the modernization of sales, use and withholding collection systems.

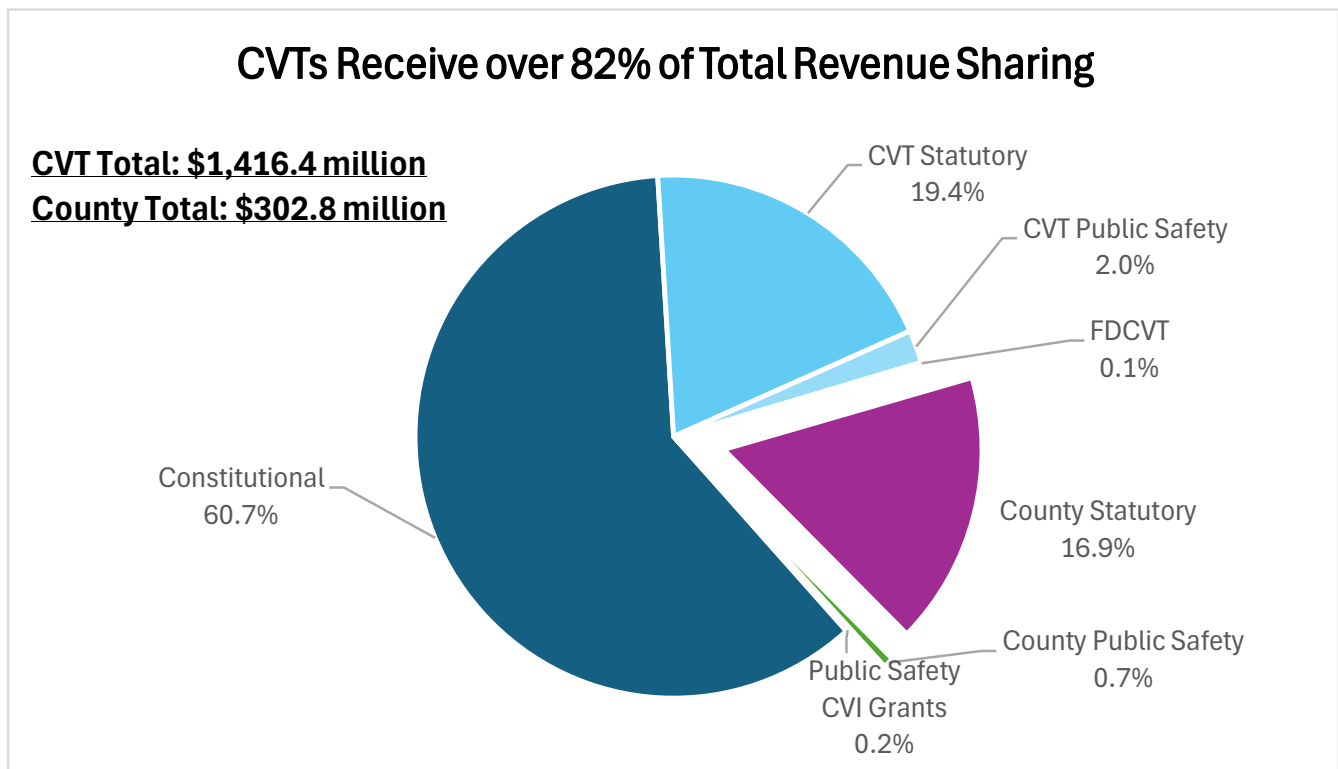
- ◆ **\$5.7 million total funding for implementation costs related to revenue proposals recommended by the Governor** that will support Michigan residents receiving critical health services through the state's Medicaid program, as well as programs for smoking prevention, cancer therapies, and children's health and wellness.
 - ◆ **\$3.1 million** (\$2.5 million one-time, \$620,000 ongoing) to support **information technology modernization efforts and new automation solutions** for the Michigan Gaming Control Board (restricted). An additional **\$300,000 ongoing is included for responsible gaming programs specifically for youth** (restricted funds).
 - ◆ **\$1 million ongoing to support an expansion of collection operations of the City Income Tax Program to the City of Flint** (restricted funds). The program currently supports collections for the City of Detroit, and since its inception has contributed to a 68% increase in revenues for the city.
-

Department of Treasury – Revenue Sharing

Governor’s Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor’s recommended budget for fiscal years 2027 and 2028 includes \$1.7 billion for revenue sharing, of which \$1.05 billion is for constitutional revenue sharing, \$333.5 million for statutory revenue sharing to cities, villages, and townships, and \$291.1 million for statutory revenue sharing to counties. An additional \$2.5 million is recommended for the Financially Distressed Cities, Villages, or Townships grant program. The Public Safety Revenue Sharing program is also included as part of revenue sharing, recommended at \$50 million.



Highlights

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

- ♦ **\$1.05 billion in estimated Constitutional Revenue Sharing** (sales tax revenue) payments made only to the over 1,700 cities, villages, and townships (CVTs) across the state; these payments constitute a significant portion of many municipalities’ budgets. This

Treasury

represents a **\$35.2 million increase** over the fiscal year 2026 enacted appropriation as determined by the January 2026 Consensus Revenue Estimating Conference.

- ◆ **\$677.2 million in ongoing Statutory Revenue Sharing** (sales tax revenue) distributions to all cities, villages, townships, and counties to support municipal and public safety needs in all local units, with funding levels and distributions consistent with the ongoing amounts within the fiscal year 2026 enacted budget:
 - ◆ **\$333.5 million for City, Village, and Township Revenue Sharing**, including \$34.4 million distributed to all local units through a local tax equalization formula.
 - ◆ **\$291.1 million for County Revenue Sharing** to all 83 counties, including \$30 million through a local tax equalization formula.
 - ◆ **\$50 million for Public Safety Revenue Sharing Grants** that are distributed to CVTs and counties in proportion to violent crime data collected by the Michigan State Police. A total of \$3.25 million will fund a community violence intervention grant program.
 - ◆ **\$2.5 million for Financially Distressed Cities, Villages, or Townships** to support local units in need with projects that move the local unit toward financial stability.

Overall Revenue Sharing Increased by 31% Since FY19

	FY19 Enacted	FY27 Exec Rec	% Change
Constitutional Revenue Sharing	\$835,333,800	\$1,045,337,700	25.1%
Cities, Villages and Townships Revenue Sharing	\$255,156,000	\$333,547,300	31%
County Revenue Sharing	\$221,415,500	\$291,111,400	32%
Public Safety Revenue Sharing Grants	\$0	\$50,000,000	N/A
Financially Distressed Cities, Villages or Townships	\$2,500,000	\$2,500,000	0%
Total:	\$1,314,405,300	\$1,722,496,400	31.0%

Department of Treasury
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	GF/GP	GROSS
FY 2026 Original Enacted	\$327,800.4	\$2,656,345.1
Removal of FY 2026 One-Time Funding	(\$47,200.0)	(\$53,155.1)
FY 2027 Ongoing Investments		
Administer New Vaping/Non-Tobacco Nicotine Products Tax - Supports 17.0 FTEs in Treasury for enforcement and collections for a new vaping and non-tobacco nicotine products tax	\$2,350.0	\$2,350.0
Administer New Digital Advertising Tax - Supports 5.0 FTEs in Treasury for collections for a new digital advertising tax	\$2,000.0	\$2,000.0
Modernization of Legacy Information Technology Systems - Enables upgrades and improvements to existing Michigan Gaming Control Board information technology systems used by vendors and customers	\$0.0	\$620.0
Administer New and Expanded Internet and Sports Betting Tax - Supports 4.0 FTEs in Treasury for enforcement and collections for changes in internet gaming and sports betting taxes	\$0.0	\$600.0
Responsible Gaming Youth Programs - Expands existing Michigan Gaming Control Board responsible gaming activities to provide greater focus on Michigan's youth	\$0.0	\$300.0
FY 2027 Reductions		
None	\$0.0	\$0.0
FY 2027 Baseline Adjustments		
Debt Service - Adjusts for changes to debt service payments	\$7,598.0	\$7,598.0
Payments in Lieu of Taxes - Aligns payments to local governments with current property tax estimates	\$2,662.4	\$3,470.9
Senior Citizen Cooperative Housing - Aligns payments with current property tax estimates	\$400.0	\$400.0
Bureau of Local Government Contracts - Increase associated with audit and assessment costs	\$198.3	\$198.3
Constitutional Revenue Sharing - Aligns payments to local governments with Consensus Revenue Estimating Conference (CREC) estimates	\$0.0	\$35,254.8
City Income Tax - Allows for expansion of operations to the City of Flint	\$0.0	\$1,000.0
Collections - Support for increasing activity and operational costs	\$0.0	\$500.0
Recreational Marihuana Grants - Aligns payments to local governments with CREC estimates	\$0.0	(\$11,300.0)
Employee Payroll Related Adjustments	(\$269.1)	\$3,066.2
Other Technical Adjustments	\$166.8	\$22,615.8
FY 2027 Total Executive Recommendation - Ongoing Funding	\$295,706.8	\$2,671,864.0
FY 2027 One-Time Investments		
Information Technology Automation – Supports the development of IT solutions for the oversight and enforcement of Internet gaming and responsible gaming efforts	\$0.0	\$2,500.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$2,500.0
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$295,706.8	\$2,674,364.0
\$ Change from FY 2026 - Total Funding	(\$32,093.6)	\$18,018.9
% Change from FY 2026 - Total Funding	(9.8%)	0.7%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$295,706.8	\$2,674,364.0
Removal of FY 2027 One-Time Funding	\$0.0	(\$2,500.0)
FY28 Constitutional Revenue Sharing	\$0.0	\$22,968.2
FY 2028 Total Executive Recommendation	\$295,706.8	\$2,694,832.2
\$ Change from FY 2027 - Total Funding	\$0.0	\$20,468.2
% Change from FY 2027 - Total Funding	0.0%	0.8%

Community College

Governor’s Recommended Budget for Fiscal Years 2027 and 2028

Michigan’s 28 public community colleges are a critical component of the state’s postsecondary education system, serving more than 295,800 students annually. These institutions prioritize affordability and access, particularly for adult learners, while aligning programs with local workforce needs. Their work is central to advancing Michigan’s Sixty by 30 goal of 60% of working-age adults completing a skill certificate or degree by 2030.

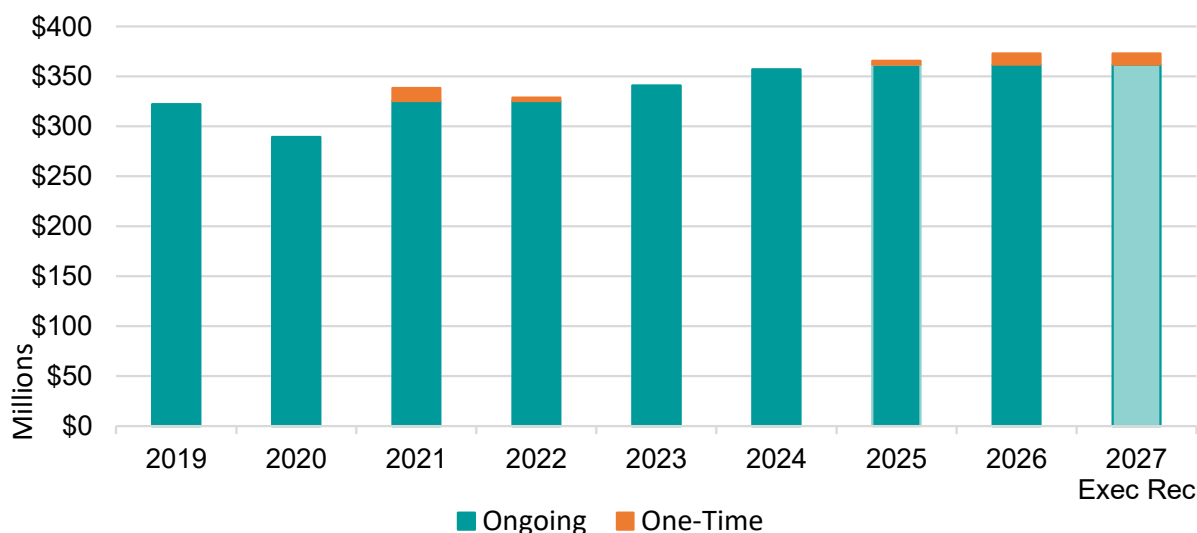
The Governor’s recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$476.1 million, all of which comes from the state school aid fund. The Governor also recommends \$49.2 million in one-time funding in fiscal year 2027, all of which comes from the state school aid fund.

Highlights

The Governor’s recommended budget includes the following support for community colleges:

- ◆ **\$11 million of one-time payments to community colleges** to maintain historic operations funding levels. The Governor’s recommendation preserves base operations funding and provides additional one-time support equal to the fiscal year 2026 budget. In a constrained ongoing revenue environment, this approach prioritizes fiscal sustainability for community colleges while leveraging one-time resources for targeted investments aligned with state priorities.

Community College Operations Funding Since 2019



- ◆ **\$33.3 million for one-time Infrastructure, Technology, Equipment, Maintenance, and Safety** funding to address deferred maintenance and safety needs on campuses statewide. The Governor’s recommendation ensures a minimum \$1 million allocation to

Community Colleges

each community college to support critical infrastructure, safety, and technology upgrades, with remaining funds distributed based on enrollment levels.

- ♦ **\$110.3 million for community college retirement obligations.** The Governor's recommended budget sustains state support for retirement contributions to the Michigan Public School Employees' Retirement System (MPERS), ensuring fiscal stability for MPERS members. This includes the continuation of the MPERS stabilization payments, which cover the state's share of the unfunded liability exceeding the statutory community college payroll rate cap of 15.21%, and the MPERS normal cost offset payments to cover costs associated with previous state policy changes that enhance the long-term financial health of the retirement system.
 - ♦ **\$1.4 million for the North American Indian Tuition Waiver** to continue fully funding program costs. This reinforces the Governor's commitment to accessible education by waiving tuition costs for more than 600 eligible Native Americans at Michigan community colleges.
 - ♦ **\$5 million one-time for the Michigan Maritime Manufacturing (M3) Initiative.** The Governor's recommended budget includes funding for Macomb Community College to continue the M3 Initiative, which is a state and federal partnership focused on building a skilled workforce for the future of defense manufacturing by training students in critical maritime construction skills, including welding and machining.
-

FY 2027 Community Colleges Funding (\$ in thousands)					
Community College	FY 2026 Base Operations Funding	FY 2027 Indian Tuition Waiver Funding	FY 2027 One-time Support	FY2027 One-time ITEMS	FY 2027 Total Funding
Alpena	\$6,403.3	\$28.1	\$271.1	\$1,047.0	\$7,749.5
Bay de Noc	\$6,298.0	\$112.3	\$178.2	\$1,038.5	\$7,627.0
Delta	\$16,882.4	\$46.0	\$493.3	\$1,271.4	\$18,693.1
Glen Oaks	\$2,984.1	\$0.4	\$91.2	\$1,040.1	\$4,115.8
Gogebic	\$5,399.0	\$18.9	\$139.5	\$1,028.0	\$6,585.4
Grand Rapids	\$21,184.2	\$203.0	\$685.5	\$1,387.7	\$23,460.4
Henry Ford	\$25,300.7	\$7.4	\$750.9	\$1,409.7	\$27,468.7
Jackson	\$14,032.6	\$22.2	\$364.8	\$1,177.7	\$15,597.3
Kalamazoo Valley	\$14,704.4	\$40.2	\$433.7	\$1,196.7	\$16,375.0
Kellogg	\$11,426.7	\$43.3	\$324.4	\$1,132.7	\$12,927.1
Kirtland	\$3,835.1	\$46.3	\$146.5	\$1,044.4	\$5,072.3
Lake Michigan	\$6,408.2	\$9.1	\$192.2	\$1,093.4	\$7,702.9
Lansing	\$36,134.4	\$71.8	\$924.7	\$1,315.9	\$38,446.8
Macomb	\$38,160.6	\$27.0	\$1,090.6	\$1,561.8	\$40,840.0
Mid Michigan	\$5,837.0	\$84.4	\$193.9	\$1,090.3	\$7,205.6
Monroe County	\$5,368.5	\$2.7	\$206.6	\$1,071.2	\$6,649.0
Montcalm	\$4,033.3	\$9.5	\$122.3	\$1,045.1	\$5,210.2
Mott	\$18,017.8	\$14.3	\$491.7	\$1,236.9	\$19,760.7
Muskegon	\$10,359.9	\$52.2	\$298.6	\$1,118.9	\$11,829.6
North Central MI	\$3,947.7	\$162.9	\$144.3	\$1,047.6	\$5,302.5
Northwestern MI	\$10,619.8	\$266.0	\$289.4	\$1,108.1	\$12,283.3
Oakland	\$25,130.0	\$36.9	\$816.5	\$1,567.9	\$27,551.3
Schoolcraft	\$14,972.0	\$17.1	\$503.2	\$1,308.2	\$16,800.5
Southwestern MI	\$7,786.6	\$16.5	\$210.4	\$1,068.8	\$9,082.3
St. Clair	\$8,342.0	\$9.3	\$258.2	\$1,106.9	\$9,716.4
Washtenaw	\$16,257.3	\$32.4	\$664.9	\$1,386.0	\$18,340.6
Wayne County	\$19,460.3	\$3.7	\$600.9	\$1,330.0	\$21,394.9
West Shore	\$2,896.7	\$28.0	\$85.0	\$1,034.7	\$4,044.4
Operations Subtotal	\$362,182.6	\$1,411.9	\$10,972.5	\$33,265.6	\$407,832.6
MPSERS Retirement Subtotal					\$110,339
Renaissance Zone Reimbursement					\$2,200
Michigan Maritime Manufacturing (One-time)					\$5,000
Total					\$525,371.6

Community Colleges
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$0.0	\$493,032.1	\$493,032.1
Removal of FY 2026 One-Time Funding	\$0.0	(\$10,972.5)	(\$10,972.5)
FY 2027 Ongoing Investments			
None	\$0.0	\$0.0	\$0.0
FY 2027 Reductions			
None	\$0.0	\$0.0	\$0.0
FY 2027 Baseline Adjustments			
Community College MPSERS UAAL Payment - Annual adjustment for the state's share of MPSERS UAAL costs that exceed the statutory community college payroll rate cap of 15.21%. Total payment of \$84.8 million.	\$0.0	(\$1,250.0)	(\$1,250.0)
Community College MPSERS Normal Cost Offset - Funding needed to offset normal cost contributions associated with other enacted state policy decisions. Total payments of \$18.4 million.	\$0.0	(\$4,700.0)	(\$4,700.0)
Community College Indian Tuition Waiver - Annual Adjustment needed to fully fund the costs of tuition waivers for eligible Native American students. Total payments of \$1.4 million.	\$0.0	\$23.9	\$23.9
FY 2027 Total Executive Recommendation - Ongoing Funding	\$0.0	\$476,133.5	\$476,133.5
FY 2027 One-Time Investments			
Community College One-time Payments - Includes \$11 million of one-time funding distributed to each community college at the same levels received in FY26. Colleges may use these funds for the same purposes as operations funding.	\$0.0	\$10,972.5	\$10,972.5
Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS) Funding - Includes \$33.3 million of one-time funds distributed to community colleges to address deferred maintenance and housing costs across college campuses.	\$0.0	\$33,265.6	\$33,265.6
Michigan Maritime Manufacturing (M3) Initiative - Includes \$5 million of one-time funding distributed to Macomb Community College for the continuation of the M3 Initiative.	\$0.0	\$5,000.0	\$5,000.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$49,238.1	\$49,238.1
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$0.0	\$525,371.6	\$525,371.6
\$ Change from FY 2026 - Total Funding	\$0.0	\$32,339.5	\$32,339.5
% Change from FY 2026 - Total Funding	0.0%	6.6%	6.6%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$0.0	\$525,371.6	\$525,371.6
Removal of FY 2027 One-Time Funding	\$0.0	(\$49,238.1)	(\$49,238.1)
FY28 Baseline Adjustment - Annual adjustment for the state's share of MPSERS UAAL costs above the cap. Total payments of \$83.7 million.	\$0.0	(\$1,100.0)	(\$1,100.0)
FY28 Baseline Adjustment - Adjustment to normal cost contributions for MPSERS. Total payments of \$17.1 million.	\$0.0	(\$2,600.0)	(\$2,600.0)
FY 2028 Total Executive Recommendation	\$0.0	\$472,433.5	\$472,433.5
\$ Change from FY 2027 - Total Funding	\$0.0	(\$52,938.1)	(\$52,938.1)
% Change from FY 2027 - Total Funding	0.0%	(10.1%)	(10.1%)

Universities and Financial Aid

Governor's Recommended Budget for Fiscal Years 2027 and 2028

The Universities and Financial Aid budget invests in Michigan's 15 public universities and statewide student financial aid programs that expand opportunities and lower costs for Michigan students. Public universities are key drivers of talent development and regional workforce pipelines. They are also essential to advancing Michigan's Sixty by 30 goal of 60% of working-age adults completing a skill certificate or degree by 2030. Serving more than 258,800 students statewide, Michigan's public universities deliver a strong return on investment for the state's economy and workforce.

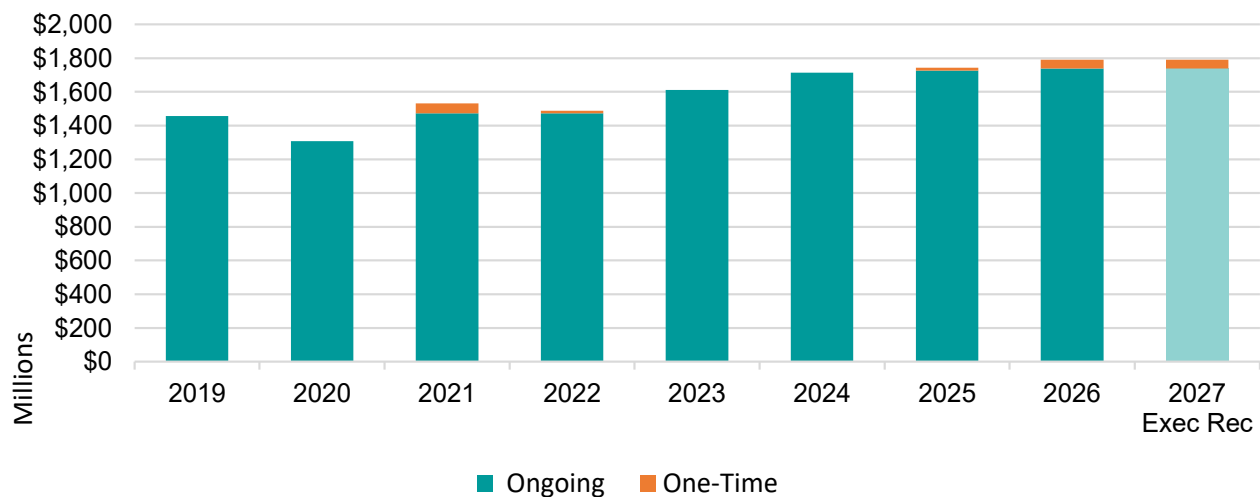
The Governor's recommended budget for fiscal years 2027 and 2028 includes total ongoing funding of \$2.5 billion, of which \$1.2 billion comes from the state's general fund and \$1.2 billion comes from the state school aid fund. The Governor also recommends \$79 million in one-time funding in fiscal year 2027, all from the state school aid fund.

Highlights

The Governor's recommended budget includes the following supports for public universities:

- ◆ **\$52.3 million in one-time payments to public universities** (school aid fund) to maintain historic operations funding levels. The Governor's recommendation preserves base operations funding and provides additional one-time support equal to the fiscal year 2026 budget. In a constrained ongoing revenue environment, this approach prioritizes fiscal sustainability for public universities while leveraging one-time resources.

Ongoing and One-Time Operations Funding Since 2019



- ◆ **\$26.7 million for Infrastructure, Technology, Equipment, Maintenance, and Safety** (school aid fund) funding to address deferred maintenance and safety needs on campuses

Universities and Financial Aid

statewide. The Governor's recommendation ensures a minimum \$1 million allocation to each university to support critical infrastructure, safety, and technology upgrades, with remaining funds distributed based on enrollment levels.

- ♦ **\$1.8 million for university retirement obligations** (school aid fund) to sustain state support for retirement contributions to the Michigan Public School Employees' Retirement System (MPERS) for the seven eligible public universities. These MPERS normal cost offset payments cover costs associated with other state policy changes that enhance the long-term financial health of the retirement system.
- ♦ **\$15.4 million for the North American Indian Tuition Waiver** (school aid fund) to continue fully funding program costs. This recommendation reinforces the Governor's commitment to accessible education by waiving tuition costs for more than 1,000 eligible Native Americans at Michigan public universities.

Sustainable Investment in College Scholarships

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

- ♦ **\$232 million increase to the Michigan Achievement Scholarship** to fund the state's flagship scholarship program and align funding with estimated costs in fiscal year 2027. The recommendation includes \$100 million in ongoing general fund and \$300 million in ongoing school aid fund, representing a **\$100 million ongoing increase from fiscal year 2026**, along with an additional \$132 million from the Postsecondary Scholarship Fund directly to the Michigan Achievement Scholarship. Together, this investment brings the total appropriation for the Michigan Achievement Scholarship to \$532 million and is estimated to reach 112,400 students in academic year 2027.
- ♦ Through the Community College Guarantee, the Michigan Achievement Scholarship provides full-time community college students with in-district tuition coverage and an additional \$1,000 for Pell Grant recipients to cover living expenses. For eligible students attending public or private four-year institutions, the scholarship offers up to \$5,500 annually toward the cost of attendance. An estimated two out of three university students are eligible statewide.
- ♦ **\$26.5 million net increase to the Tuition Incentive Program (TIP)** bringing the total appropriation to \$148.8 million ongoing. TIP supports lower-income students pursuing associate degrees or credentials at Michigan community colleges, public universities, and private institutions. The Governor's recommended budget provides increased funding to support heightened student participation rates as more students gain access to postsecondary education and workforce credentials. Since 2019, TIP participation costs have grown by more than 140%. To ensure long-term sustainability, the Governor's recommendation includes two policy changes that generate \$17 million in ongoing savings:

- ♦ TIP Phase I Cap: Beginning in academic year 2028, Phase I awards at public universities will be capped at 2.5 times the average per-credit tuition rate at a Michigan community college.
- ♦ TIP Phase II Sunset: TIP Phase II awards will sunset for new students after academic year 2026. Students who are already receiving Phase II will continue to receive the award.
- ♦ **\$25 million increase to Michigan Reconnect** (school aid fund) to expand tuition-free pathways for adult learners. The Governor's recommendation raises total Reconnect funding to \$67 million and calls for lowering the eligibility age to 21, significantly broadening access to associate degrees and workforce credentials for adult learners.

FY 2027 Public University Operations (\$ in Thousands)					
University	FY 2026 Base Operations Funding	FY 2027 Indian Tuition Waiver	FY 2027 One-time Support	FY2027 One- time ITEMS	FY 2027 Total Funding
Central Michigan University	\$97,785.7	\$1,974.1	\$2,885.0	\$1,629.3	\$104,274.1
Eastern Michigan University	\$86,236.3	\$423.9	\$2,544.2	\$1,523.4	\$90,727.8
Ferris State University	\$61,423.6	\$771.5	\$1,812.2	\$1,409.0	\$65,416.3
Grand Valley State University	\$97,552.9	\$1,235.5	\$2,955.4	\$1,988.3	\$103,732.1
Lake Superior State University	\$14,854.3	\$1,564.9	\$438.3	\$1,060.1	\$17,917.6
Michigan State University	\$321,516.9	\$2,413.5	\$9,740.5	\$3,441.3	\$337,112.2
Michigan Technological University	\$55,927.1	\$800.7	\$1,650.0	\$1,338.7	\$59,716.5
Northern Michigan University	\$54,270.4	\$1,654.6	\$1,601.1	\$1,322.3	\$58,848.4
Oakland University	\$73,036.4	\$378.3	\$2,212.7	\$1,696.0	\$77,323.4
Saginaw Valley State University	\$34,196.0	\$240.8	\$1,036.0	\$1,296.0	\$36,768.8
University of Michigan - Ann Arbor	\$360,607.3	\$1,746.1	\$10,924.8	\$3,627.4	\$376,905.6
University of Michigan - Dearborn	\$31,513.7	\$248.8	\$954.7	\$1,332.1	\$34,049.3
University of Michigan - Flint	\$26,403.7	\$537.6	\$799.9	\$1,302.0	\$29,043.2
Wayne State University	\$227,310.2	\$598.7	\$6,886.5	\$2,060.1	\$236,855.5
Western Michigan University	\$124,489.3	\$776.5	\$3,672.8	\$1,708.3	\$130,646.9
MSU AgBioResearch & Extension	\$72,819.6		\$2,206.1		\$75,025.7
Operations Total	\$1,739,943.4	\$15,365.5	\$52,320.2	\$26,734.3	\$1,834,363.4
MPSERS Total					\$1,750.0
Regional Programs Total					\$322.1
KCP Total					\$2,691.5
Michigan Achievement Scholarship					\$532,000.0
Project GEAR-UP					\$3,200.0
Michigan Reconnect					\$67,000.0
Tuition Incentive Program					\$148,800.0
Veterans/Survivors Tuition Grant					\$2,000.0
Grants & Financial Aid Total					\$753,000.0
Grand Total					\$2,592,127.0

Universities
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

FY 2027 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2026 Original Enacted	\$1,482,943.7	\$850,768.3	\$2,336,912.0
Removal of FY 2026 One-Time Funding	(\$102,320.2)	\$0.0	(\$102,320.2)
FY 2027 Ongoing Investments			
Michigan Reconnect - \$25 million ongoing increase to Michigan Reconnect scholarship to allow for the reduction of age eligibility for students ages 21+.	\$0.0	\$25,000.0	\$25,000.0
FY 2027 Reductions			
Tuition Incentive Program Phase I Cap - Savings associated with capping awards to Phase I students at public universities at 2.5 times the average community college per-credit tuition rate.	(\$9,700.0)	\$0.0	(\$9,700.0)
Tuition Incentive Program Phase II Sunset - Savings associated with eliminating Phase II awards for new student in academic year 2027. Phase II award will still be given to returning eligible students.	(\$7,300.0)	\$0.0	(\$7,300.0)
School Aid Fund Swap in Scholarships - Increases ongoing school aid funds by \$183.1 million in three state scholarship programs (Tuition Incentive Program, Michigan Reconnect and Children of Veterans Tuition Grant) while reducing ongoing general fund by \$183.1 million. A portion of general fund remains in two scholarships to pay for awards at independent universities.	(\$183,080.0)	\$183,080.0	\$0.0
School Aid Fund Swap in University Indian Tuition Waiver - Includes \$15.4 million ongoing school aid fund to fully fund Indian Tuition Waiver costs at public universities, while reducing ongoing general fund by \$15.4 million.	(\$15,365.5)	\$15,365.5	\$0.0
FY 2027 Baseline Adjustments			
University Indian Tuition Waiver - Annual Adjustment needed to fully fund the costs of tuition waivers for eligible Native American students. Total payments of \$15.4 million.	\$830.7	\$0.0	\$830.7
Tuition Incentive Program - Increases ongoing funding by \$43.5 million to cover elevated costs and increased student utilization.	\$43,500.0	\$0.0	\$43,500.0
Michigan Achievement Scholarship - Technical change to show the actual estimated cost of the Michigan Achievement Scholarship in the gross total of the budget bill. The Michigan Achievement Scholarship is expected to cost \$532 million in FY27. It is funded by \$100 million ongoing general fund, \$300 million ongoing school aid fund and \$132 million from the post-secondary scholarship fund . This includes a \$100 million ongoing increase to school aid funds from FY26.	\$0.0	\$100,000.0	\$232,000.0
University MPSERS Normal Cost Offset - Funding to offset normal cost contributions associated with other enacted state policy decisions, for a total of \$1.8 million.	\$0.0	(\$5,850.0)	(\$5,850.0)
FY 2027 Total Executive Recommendation - Ongoing Funding	\$1,209,508.7	\$1,168,363.8	\$2,513,072.5
FY 2027 One-Time Investments			
Public University One-time Payments - Includes \$52.3 million of one-time funding distributed to each public university at the same levels received in FY26. Universities may use these funds for the same purposes as operations funding.	\$0.0	\$52,320.2	\$52,320.2
Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS) Funding - Includes \$26.7 million of one-time funds distributed to public universities to address deferred maintenance and debt costs across college campuses.	\$0.0	\$26,734.3	\$26,734.3
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$79,054.5	\$79,054.5
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$1,209,508.7	\$1,247,418.3	\$2,592,127.0
\$ Change from FY 2026 - Total Funding	(\$273,435.0)	\$396,650.0	\$255,215.0
% Change from FY 2026 - Total Funding	(18.4%)	46.6%	10.9%

FY 2028 Adjustments

	<u>GF/GP</u>	<u>SAF</u>	<u>GROSS</u>
FY 2027 Total Executive Recommendation	\$1,209,508.7	\$1,247,418.3	\$2,592,127.0
Removal of FY 2027 One-Time Funding	\$0.0	(\$79,054.5)	(\$79,054.5)
None	\$0.0	\$0.0	\$0.0
FY 2028 Total Executive Recommendation	\$1,209,508.7	\$1,168,363.8	\$2,513,072.5
\$ Change from FY 2027 - Total Funding	\$0.0	(\$79,054.5)	(\$79,054.5)
% Change from FY 2027 - Total Funding	0.0%	(6.3%)	(3.0%)

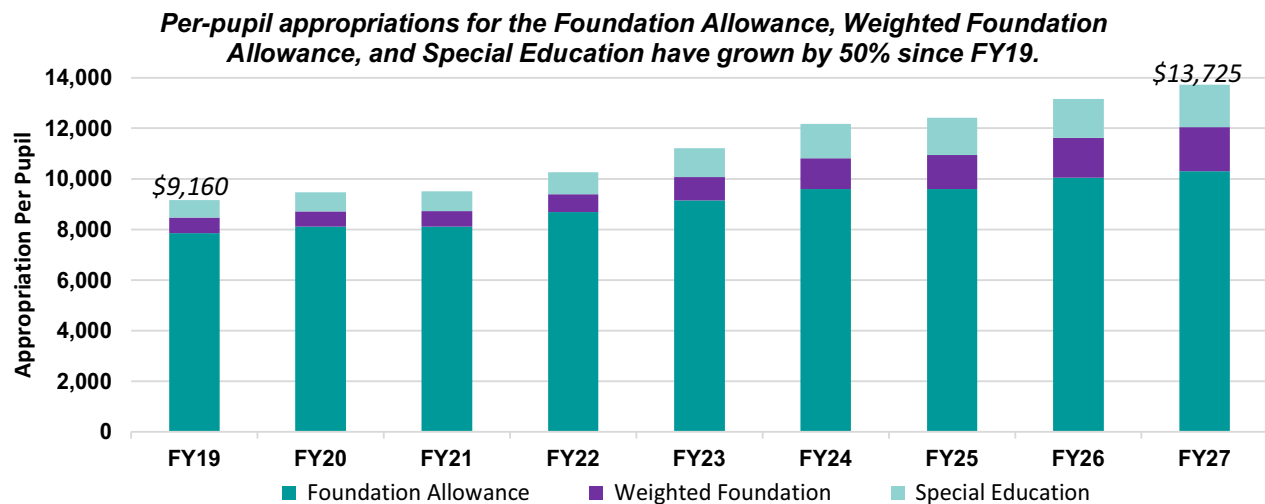


School Aid

Governor's Recommended Budget for Fiscal Years 2027 and 2028

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

The Governor's recommended budget includes total funding of \$21.4 billion in fiscal year 2027 (\$20.4 billion ongoing and \$1 billion one-time), with \$18.5 billion from the School Aid Fund, \$45.3 million from the state's general fund, \$405 million from other restricted fund sourcing, and \$2.4 billion in federal funding authorization.



Highlights

Supports for School Operations

- ◆ **\$325 million to support school operations through a 2.5% increase to the per-pupil foundation allowance.** This increase guarantees districts receive at least \$10,300 per pupil between state and local funding. This level of per-pupil funding is a 31% increase since the Governor took office. Per-pupil funding for 100% online cyber schools is recommended to be 20% less, at \$8,240 per pupil, in recognition of lower fixed costs. Over \$10.4 billion is appropriated to support K-12 operations through the foundation allowance.

School Aid

- ♦ **\$2.9 billion in combined state and federal funding to support students with special education needs.** This is a \$154 million increase over recommended revised current law funding levels.
- ♦ **\$1.9 billion for state contributions to the Michigan Public Employees' Retirement System** to continue toward the long-term goal of eliminating unfunded educator pension and health care retirement liabilities and to support other educator retirement costs.
- ♦ **\$128 million to provide a 6% increase to other elements of the weighted funding model,** which provide additional dollars for students with higher educational costs. This includes funding for economically disadvantaged students, English language learners, students in rural school districts, pre-K students, and vocational education students. Total weighted funding for students in these categories is nearly \$2.3 billion.
- ♦ **\$125 million to continue reimbursements to districts for transportation costs.** This investment will continue to help ease the disproportionate financial impact faced by some districts to transport students, enabling those districts to devote more resources to the classroom.
- ♦ **\$125 million to continue addressing the challenges faced by districts with declining enrollment.** These dollars help reduce financial uncertainty for school districts, helping districts maintain stable learning environments for students.
- ♦ **\$20 million to reimburse eligible districts for dual enrollment costs.** This investment will incentivize districts with high concentrations of poverty to encourage more students to pursue college credit while still in high school.

Student Literacy and Achievement

- ♦ **\$100 million for high impact tutoring** to assist students who need extra learning support by providing individualized, structured, evidence-based interventions.
- ♦ **\$100 million for grants to school districts** over a two-year period to purchase and implement high-quality literacy curricula.
- ♦ **\$50 million to continue the implementation of LETRS training** across the state over a five-year period. This educator professional learning will improve literacy achievement by deploying the “science of reading” as an instructional method in classrooms across the state.
- ♦ **\$10.5 million increase for additional literacy coaches** at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 5. With this increase, total funding for literacy coaches is \$52.5 million which supports 420 coaches across the state, an increase of 327 coaches since the Governor took office.

- ♦ **\$6 million to continue literacy essentials programs** to improve effective literacy instruction and facilitate a statewide network of literacy coaches.

Supporting Student Needs

- ♦ **\$300 million for student mental health and school safety.** The budget supports district efforts to manage individualized mental health needs and enhance the safety of school buildings.
- ♦ **\$200 million to continue helping students thrive by providing universally free breakfast and lunch.** The budget addresses student nutritional needs by ensuring that every student who wants a healthy breakfast and lunch can receive them at no cost, which supports the ability of students to learn.
- ♦ **\$135 million to continue out-of-school time learning opportunities** to ensure students continue to learn beyond normal school operating hours. These high-quality programs will be offered before school, after school, and during the summer.

Continued Investment in Early Childhood Education

- ♦ **\$765 million to continue funding for free preschool programming for all 4-year-olds in the state,** and an additional \$25 million to provide startup funding for new or expanded classrooms.
 - ♦ **\$30 million for statewide early learning partnerships.** These collaboratives provide central access points to early childhood services, early identification of developmental delays, and tools to assist in early literacy.
-

School Aid
Governor's Recommended Budget for Fiscal Years 2027 and 2028
 \$ in Thousands

	GF/GP	SAF	GROSS
FY 2026 Original Enacted	\$73,151.1	\$18,366,334.7	\$21,288,831.7
Removal of FY 2026 One-Time Funding	(\$27,000.0)	(\$775,650.0)	(\$1,244,287.4)
FY 2027 Ongoing Investments			
Foundation Allowance Increase - 2.5% Increase	\$0.0	\$325,000.0	\$325,000.0
Weighted Foundation Allowance Additional Supports - 6.0% Increase	\$0.0	\$127,983.0	\$127,983.0
Sec. 32d - GSRP Caseload Increase	\$0.0	\$100,000.0	\$100,000.0
Sec. 31aa - Mental Health and School Safety	\$0.0	\$50,000.0	\$50,000.0
Sec. 32n - Out-of-School Time Learning	\$0.0	\$50,000.0	\$50,000.0
Sec. 32p - Early Learning Partnerships	\$0.0	\$30,000.0	\$30,000.0
Sec. 56 - Special Education Millage Equalization Formula	\$0.0	\$15,000.0	\$15,000.0
Sec. 51e - Special Education Foundation 2.5% Increase	\$0.0	\$13,000.0	\$13,000.0
Sec. 35a - Literacy Coaches	\$0.0	\$10,500.0	\$10,500.0
Sec. 99s - MiSTEM Network Regions	\$0.0	\$8,000.0	\$8,000.0
Sec. 107 - Adult Education	\$0.0	\$7,586.4	\$7,586.4
Sec. 35o - Literacy Essentials Training	\$0.0	\$6,000.0	\$6,000.0
Sec. 54 - Michigan School for the Deaf - SAF/GF Fund Shift	\$0.0	\$2,841.4	\$2,841.4
Sec. 54b - MiMTSS Center	\$0.0	\$1,600.0	\$1,600.0
Sec. 94e - Michigan Education Research Institute	\$0.0	\$1,000.0	\$1,000.0
FY 2027 Reductions			
Cyber School Reduction - Set at 80% of Foundation	\$0.0	(\$53,000.0)	(\$53,000.0)
Sec. 152b - Nonpublic School Health and Safety Requirements Compliance	(\$1,000.0)	\$0.0	(\$1,000.0)
FY 2027 Baseline Adjustments			
Foundation Allowance Adjustments - Pupils and Taxable Value Cost Adjustments	\$0.0	(\$320,500.0)	(\$320,500.0)
MPERS Cost Adjustments	\$0.0	(\$93,100.0)	(\$93,100.0)
Federal Funds Adjustment	\$0.0	\$0.0	(\$2,000.0)
FY27 Defined Calculations Adjustments	\$183.8	\$53.2	\$237.0
Special Education Cost Adjustments	\$0.0	\$29,700.0	\$29,700.0
Other Cost Adjustments	\$0.0	\$19,390.6	\$19,390.6
FY 2027 Total Executive Recommendation - Ongoing Funding	\$45,334.9	\$17,921,739.3	\$20,372,782.7
FY 2027 One-Time Investments			
Sec. 31aa - Mental Health and School Safety	\$0.0	\$250,000.0	\$250,000.0
Sec. 29 - Enrollment Stability Payments	\$0.0	\$0.0	\$125,000.0
Sec. 22l - Student Transportation Funding	\$0.0	\$0.0	\$125,000.0
Sec. 35p - High Impact Tutoring Grants	\$0.0	\$100,000.0	\$100,000.0
Sec. 35m - Literacy Curriculum Grants	\$0.0	\$100,000.0	\$100,000.0
Sec. 32n - Out-of-School Time Learning	\$0.0	\$0.0	\$85,000.0
Sec. 27b - Grow Your Own Educator Grants	\$0.0	\$60,000.0	\$60,000.0
Sec. 35a - LETRS Training	\$0.0	\$50,000.0	\$50,000.0
Sec. 27a/27c - MI Future Educator / Student Teacher Stipend	\$0.0	\$0.0	\$30,000.0
Sec. 32d - GSRP Startup Grants	\$0.0	\$25,000.0	\$25,000.0
Sec. 21b - Dual Enrollment Payments	\$0.0	\$20,000.0	\$20,000.0
Sec. 32d - GSRP Transportation	\$0.0	\$0.0	\$18,000.0
Sec. 23h - Mathematics Pathways	\$0.0	\$12,000.0	\$12,000.0
Sec. 67f - FAFSA Completion	\$0.0	\$0.0	\$10,000.0
Sec. 21h - Partnership Districts	\$0.0	\$0.0	\$6,137.4
Sec. 99h - Robotics Grants	\$0.0	\$0.0	\$5,600.0
Sec. 152c - Tribal Consultation	\$0.0	\$5,000.0	\$5,000.0
Sec. 98d - MI Learning Channel	\$0.0	\$3,000.0	\$3,000.0
Sec. 65 - DAPCEP	\$0.0	\$0.0	\$900.0
FY 2027 Total Executive Recommendation - One-Time Funding	\$0.0	\$625,000.0	\$1,030,637.4

DEPARTMENT DETAIL

	GF/GP	SAF	GROSS
FY 2027 Total Executive Recommendation - Ongoing and One-Time	\$45,334.9	\$18,546,739.3	\$21,403,420.1
\$ Change from FY 2026 - Total Funding	(\$27,816.2)	\$180,404.6	\$114,588.4
% Change from FY 2026 - Total Funding	(38.0%)	1.0%	0.5%

FY 2028 Adjustments

	GF/GP	SAF	GROSS
FY 2027 Total Executive Recommendation	\$45,334.9	\$18,546,739.3	\$21,403,420.1
Removal of FY 2027 One-Time Funding	\$0.0	(\$625,000.0)	(\$1,030,637.4)
Foundation Allowance Adjustments - Pupils and Taxable Value Cost Adjustments	\$0.0	(\$199,000.0)	(\$199,000.0)
MPERS Cost Adjustments	\$0.0	(\$42,900.0)	(\$42,900.0)
Special Education Cost Adjustments	\$0.0	\$114,000.0	\$114,000.0
FY 2028 Total Executive Recommendation	\$45,334.9	\$17,793,839.3	\$20,244,882.7
\$ Change from FY 2027 - Total Funding	\$0.0	(\$752,900.0)	(\$1,158,537.4)
% Change from FY 2027 - Total Funding	0.0%	(4.1%)	(5.4%)



BACKGROUND INFORMATION

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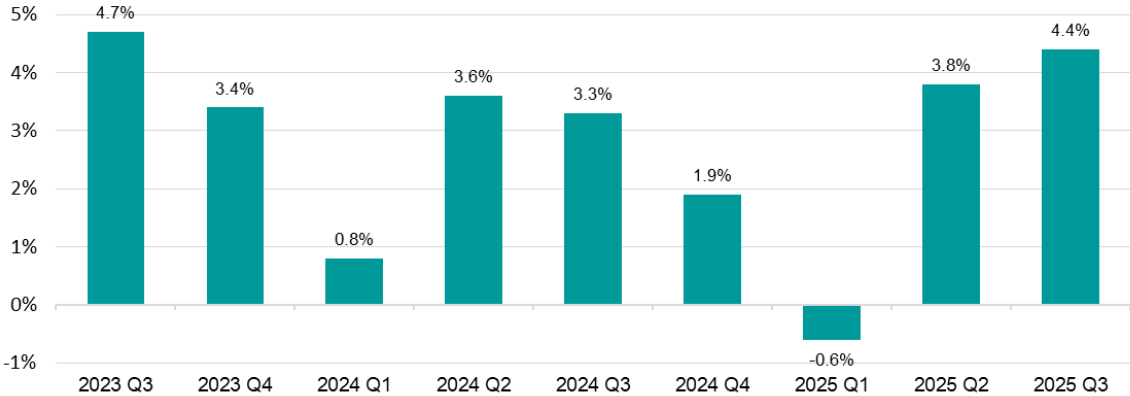
Consensus Economic Outlook

The January 2026 Consensus Revenue Estimating Conference (CREC) updated the economic and revenue outlook for 2026, 2027, and 2028. The principals of the conference, the State Treasurer and the Directors of the House Fiscal Agency and Senate Fiscal Agency, agreed to a revised economic forecast for the calendar year (CY) 2026 and 2027 and an initial forecast for 2028. Table 1 provides the figures agreed upon at the conference. The summary text incorporates some economic data released since the conference.

2025 U.S. Economic Review

Numerous federal policy changes drove economic changes through the past year. The U.S. economy experienced uncertainty at the beginning of 2025 as new tariff and trade policies were implemented. Consequently, U.S. real GDP recorded a 0.6 percent decline during 2025Q1, which was its first negative reading since 2022Q1 (-1.0 percent). Consumer spending helped real GDP register annual growth rates of 3.8 percent in the second quarter of 2025 and 4.4% in the third quarter of the year.

Real Gross Domestic Product Increases the Latest 2 Quarters in 2025



Source: Bureau of Economic Analysis

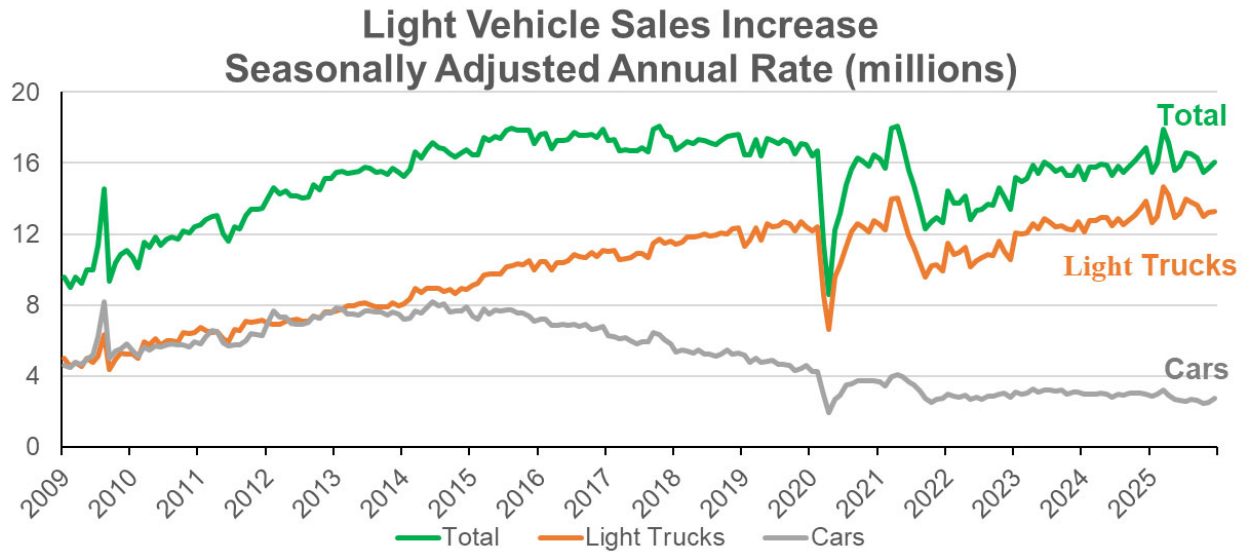
U.S. wage and salary employment growth slowed in 2025 compared to the past year, but remained on solid ground. After averaging 168,000 jobs per month in 2024, average monthly employment gains slowed to 49,000 per month in 2025. December 2025 nonfarm employment growth of 50,000 jobs led to an employment level 0.4 percent above a year ago.

The unemployment rate remained within a range of 4.0% to 4.5%, representing a mild upward drift compared to late 2024. In January 2025, the rate was 4.0 percent, and by December 2025 increased to 4.4%. A slowdown in hiring and an increase in the labor force led to the upswing in the unemployment rate.

Consumer sentiment was subdued in 2025 and down from levels recorded in 2024. Over the course of the year, the Index fell from 71.7 in January 2025 to a reading of 52.9 in December

2025. During 2025, worries about inflation, tariff concerns, and the labor market kept the Index at lower readings from the previous year.

Light vehicle sales continued to increase in 2025, reaching an annual average of 16.2 million units, 2.2 percent higher than sales recorded a year ago. Light truck sales have increased steadily since 2014 and totaled 13.4 million units in 2025, making up 83 percent of total light vehicle sales.



Source: Bureau of Economic Analysis

Inflationary price changes, as measured by the U.S. Consumer Price Index (CPI-U), continued to remain lower than its rates recorded after the onset of the COVID-19 pandemic. From June 2022 to December 2025, year-over-year (y-o-y) increases to the CPI-U slowed from 9.1 percent to 2.7 percent. Similarly, the U.S. Core Consumer Price Index, which excludes food and energy and better tracks underlying inflation, also increased at slower rates during 2024 and 2025 compared to its changes in 2022 and 2023. After rising 6.6 percent y-o-y in September 2022, y-o-y core CPI increases decelerated to 2.6 percent in November 2025 and December 2025. Between December 2023 and December 2025, core CPI y-o-y rates ranged from 2.6 and 3.9 percent. Core CPI y-o-y rates remained higher than the overall headline inflation rate for 30 consecutive months, from March 2023 to August 2025, due mainly to declining energy prices. The year-over-year increase in the Personal Consumption Expenditure (PCE) deflator decelerated from 7.2 percent in June 2022 to 2.3 percent in September 2024, the lowest yearly increase since February 2021. The deflator increased over the next year, registering a year-over-year increase of 2.7 percent in October 2025, and 2.8 percent in November 2025.

The Federal Reserve maintained a contractionary policy regime through July 2023. After raising the federal funds rate 4.25 percentage points in CY 2022, the Fed increased the rate an additional 1.00 percentage point in CY 2023, to a 22-year high range of 5.25-5.50 percent. During 2024, with inflation stabilizing and worries about economic growth, the Federal Reserve decreased the federal funds rate a total of 1.00 percentage points by December with a target range of 4.25-4.50 percent. The target range stayed unchanged through July 2025. The Fed then implemented three consecutive rate cuts, resulting in a new federal funds target range of 3.5-3.75 percent by

December 2025. Due to gradual upticks in the national unemployment rate and slowing job growth through 2024 and 2025, officials had to balance inflationary pressures with future rate cuts. The Fed has continued to decrease its asset holdings in calendar year 2025. As of December 31, 2025, the Federal Reserve reduced its asset holdings by 3.1 percent compared to its holdings at this time last year.

2025 Michigan Economic Review

Over the past two years, Michigan job growth has decelerated from 2023 when jobs increased an average of 8,700 net jobs per month. In 2024, net jobs in Michigan increased an average of 2,700 per month and increased slightly to 2,800 net jobs per month in 2025. The Michigan statewide average annual job level in 2025 rose 41,000 jobs from 2024 and was the fifth consecutive yearly increase. In December 2025, Michigan wage and salary employment stood at 4.5 million, with a year-over-year net gain of 34,000 jobs. On a percentage basis, the construction sector recorded the most prominent gain from a year ago at 3.2 percent.

The moderate increase of the Michigan unemployment rate that started in 2024 continued through 2025. On a seasonally adjusted basis, monthly unemployment rates started the year of 2024 at 4.0 percent in January, climbed to 5.0 percent in August, and gradually increased to 5.2 percent in December. In 2025, monthly unemployment rates continued to rise, reaching 5.5 percent in March – the highest unemployment rate since September 2021 (5.4 percent) – before stabilizing and beginning a gradual descend through the remaining months of the year. Aided by the continued decrease in the state labor force participation rate in the period, the unemployment rate finished 2025 at 5.0 percent in December. Compared to the 2024 Michigan average annual unemployment rate of 4.7 percent, the 2025 average annual rate estimate of 5.3 percent represents the second consecutive year of rate increase, after three consecutive years of steady rate declines (the Michigan annual average unemployment rate reached 10.0 percent in 2020 before declining to 5.7 percent in 2021, 4.2 percent in 2022, and 3.9 percent in 2023).

In 2025, the Michigan labor force participation rate exhibited consistent monthly declines from April through December. After reaching the level of 62.0 percent in January and remaining flat through April, the monthly rate steadily declined, ending the year at 61.0 percent. The resulting average annual rate of 61.6 percent in 2025 marks the first decline in the Michigan annual average labor force participation after three consecutive years of increases. The 61.6 percent annual average for 2025 is the same as the annual average observed in 2018.

Michigan personal income increased in all quarters from 2024Q1 through 2025Q3, reflecting the strength in earnings from work, and in dividends, interest and rent income during the period. Michigan's personal income growth rate in 2025Q3 was 4.2 percent at an annual average rate which was best among the Great Lakes state. Overall, Michigan personal income increased at a year-over-year rate of 5.0 percent in 2025Q3, which is the latest data available.

In 2025, Michigan motor vehicle production decreased to 1.9 million units down slightly from the 2.0 million units manufactured in 2024. Total Michigan motor vehicle production in 2025 is 4.6

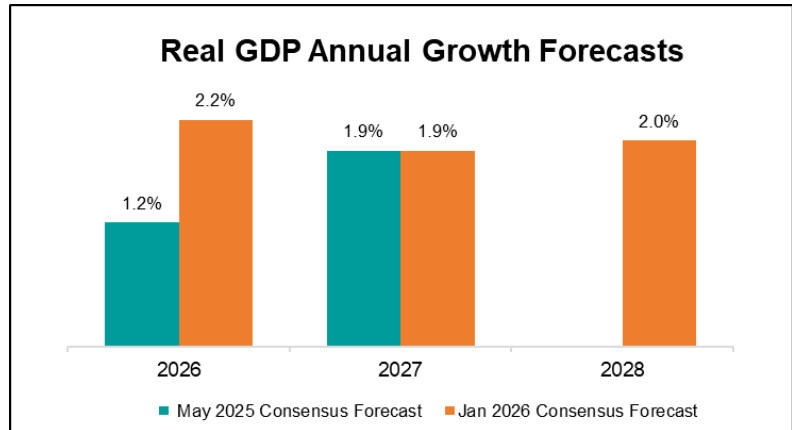
Economic Outlook

percent lower than in 2024, largely reflecting the decline of light truck production (to 1.8 million units, or a 5.2 percent decline from 2024), despite a car production increase in the year (96,300 units, or an 8.6 percent increase from 2024).

U.S. Consensus Economic Outlook: 2026 - 2028

Global economic and geopolitical issues continue to be at the forefront, but the U.S. economy continued to expand in the latter half of 2025, benefiting from resilient consumer spending. The U.S. economy is expected to keep growing at a moderate rate in the coming years.

Real GDP is projected to grow 2.2 percent in 2026, 1.9 percent in 2027 and 2.0 percent in 2028 (see Table 1).



U.S. wage and salary employment is projected to rise 0.3 percent in 2026, increasing to 0.5 percent in 2027, and 0.6 percent in 2028. The U.S. unemployment rate is forecast to rise from 4.3 percent in 2025 to 4.8 percent throughout the forecast from 2026 to 2028. Inflation in consumer prices, as measured by the U.S. Consumer Price Index, are expected to rise 3.0 percent in 2026 and 2027 and increase by 2.9 percent in 2028.

Michigan Consensus Economic Outlook: 2026 - 2028

Michigan's economic performance in 2025 benefited from the national economic expansion in the latter half of the year.

Michigan wage and salary employment is expected remain unchanged in 2026 and increase 0.3 percent in both 2027 and 2028. Michigan's unemployment rate is expected to rise from an estimated 5.3 percent in 2025 to 5.5 percent in 2026 and 2027. The unemployment rate is expected to increase to 5.6 percent in 2028. Michigan personal income is projected to rise 3.3 percent in 2026 and then increase 3.6 percent in 2027 and 3.7 percent in 2028.

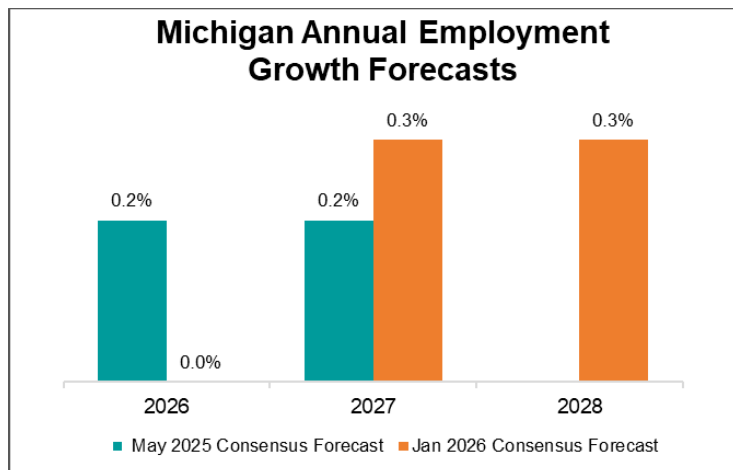


Table 1
Consensus Economic Forecast

	January 2026							
	Calendar 2025 Forecast	Percent Change from Prior Year	Calendar 2026 Forecast	Percent Change from Prior Year	Calendar 2027 Forecast	Percent Change from Prior Year	Calendar 2028 Forecast	Percent Change from Prior Year
United States								
Real Gross Domestic Product (Billions of Chained 2017 Dollars)	\$23,794	2.1%	\$24,318	2.2%	\$24,780	1.9%	\$25,276	2.0%
Implicit Price Deflator GDP (2017 = 100)	128.6	2.7%	132.3	2.9%	135.8	2.6%	139.2	2.5%
Consumer Price Index (1982-84 = 100)	322.141	2.7%	331.794	3.0%	341.673	3.0%	351.522	2.9%
Consumer Price Index - Fiscal Year (1982-84 = 100)	319.998	2.7%	329.224	2.9%	339.284	3.1%	349.090	2.9%
Personal Consumption Deflator (2012 = 100)	126.7	2.6%	130.3	2.8%	133.5	2.5%	136.9	2.5%
3-month Treasury Bills Interest Rate (percent)	4.0		3.2		2.9		2.8	
Unemployment Rate - Civilian (percent)	4.3		4.8		4.8		4.8	
Wage and Salary Employment (millions)	159.391	0.9%	159.869	0.3%	160.669	0.5%	161.633	0.6%
Housing Starts (millions of starts)	1.352	-0.9%	1.315	-2.7%	1.334	1.4%	1.371	2.8%
Light Vehicle Sales (millions of units)	16.2	2.2%	15.6	-3.7%	15.8	1.3%	16.0	1.1%
Passenger Car Sales (millions of units)	2.8	-7.7%	2.6	-7.3%	2.6	0.4%	2.6	1.7%
Light Truck Sales (millions of units)	13.4	4.5%	13.0	-3.0%	13.2	1.5%	13.4	0.9%
Big 3 Share of Light Vehicles (percent)	35.1		35.4		34.8		34.1	
Michigan								
Wage and Salary Employment (thousands)	4,523	0.8%	4,523	0.0%	4,537	0.3%	4,550	0.3%
Unemployment Rate (percent)	5.3		5.5		5.5		5.6	
Personal Income (millions of dollars)	\$672,972	4.2%	\$695,180	3.3%	\$720,207	3.6%	\$746,855	3.7%
Real Personal Income (millions of 1982-84 dollars)	\$225,952	2.3%	\$225,836	-0.1%	\$227,177	0.6%	\$228,703	0.7%
Wages and Salaries (millions of dollars)	\$321,951	3.8%	\$331,931	3.1%	\$342,885	3.3%	\$354,886	3.5%
Detroit CPI (1982-84 = 100)	297.838	1.9%	307.825	3.4%	317.024	3.0%	326.561	3.0%
Detroit CPI - Fiscal Year (1982-84 = 100)	295.933	2.1%	305.255	3.2%	314.779	3.1%	324.290	3.0%



Fiscal Year 2027
Sources and Uses of General Fund/General Purpose
(\$ in Millions)

REVENUES:	Fiscal Year 2027
General Fund - General Purpose (GF/GP)	
Estimated Unassigned Beginning Fund Balance	\$318.7
Research & Development Tax Credit	(\$100.0)
Consensus Estimate	\$14,074.5
Payments to Local Government	(\$677.2)
Fund Renew Michigan with Tipping Fees	\$69.0
Senior Property Tax Relief	(\$90.0)
Sales Tax Holiday for School Supplies	(\$13.6)
Other Adjustments	\$47.3
Total Adjustments	(\$664.5)
Total Sources of General Fund/General Purpose Revenues	\$13,628.7
EXPENDITURES:	
Executive Recommendation	\$13,608.8
Total Uses of General Fund/General Purpose Revenues	\$13,608.8
Estimated Ending Fund Balance, September 30	<u><u>\$19.9</u></u>

Revenues and Expenditures Summary

Fiscal Year 2027
Sources and Uses of All Funds
(\$ in Millions)

	Fiscal Year 2027
REVENUES:	
General Fund - General Purpose (GF/GP)	
Consensus Estimate	\$14,074.5
Total Adjustments	(\$764.5)
Total GF/GP Revenue	\$13,310.0
School Aid Fund (SAF)	
Consensus Estimate	\$19,568.3
Total Adjustments	\$0.0
Transfers and Federal Aid	\$2,856.7
Total SAF Revenue	\$22,425.0
Transportation Funds	\$10,904.4
Special Revenue and Permanent Funds	\$13,264.9
Federal Aid Not Elsewhere Itemized	\$31,047.2
Available Fund Balances Not Elsewhere Itemized	\$2,943.4
Total All Resources	\$93,909.9
LESS: Interfund Transfers	(\$2,830.6)
Total Sources of All Funds Less Interfund Transfers	\$91,079.3
 EXPENDITURES:	
Executive Recommendation	\$88,084.8
LESS: Interdepartmental Grants and Transfers	(\$1,338.6)
Total Uses of All Funds	\$86,746.2
 Estimated Ending Fund Balance, September 30	 \$4,333.1

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
GENERAL FUND - GENERAL PURPOSE (GF/GP) ANNUAL REVENUE				
TAX REVENUE				
Personal Income Tax	12,495,500,000	13,248,100,000	13,503,000,000	13,736,600,000
Individual Income Tax ⁽¹⁾	(4,052,900,000)	(4,038,900,000)	(4,175,000,000)	(4,185,100,000)
LESS: Refunds	8,442,600,000	9,209,200,000	9,328,000,000	9,551,500,000
Subtotal Personal Income Tax				
Consumption Taxes	1,644,900,000	1,113,800,000	998,300,000	1,009,200,000
Sales Tax ⁽²⁾	1,149,500,000	1,210,200,000	1,262,500,000	1,319,600,000
Use Tax ⁽¹⁾	122,700,000	121,200,000	117,800,000	116,100,000
Tobacco Taxes ⁽¹⁾	42,900,000	43,000,000	44,000,000	45,000,000
Beer and Wine Excise Tax	68,000,000	68,400,000	69,200,000	70,000,000
Liquor Specific Tax ⁽¹⁾	3,028,000,000	2,556,600,000	2,492,800,000	2,559,900,000
Subtotal Consumption Taxes				
Other Taxes	(20,000)	0	0	0
Single Business Tax	526,700,000	540,000,000	560,000,000	579,600,000
Insurance Company Premium Retaliatory Tax	(429,100,000)	(503,100,000)	(524,400,000)	(344,900,000)
Michigan Business Tax	1,501,400,000	1,340,000,000	1,280,000,000	1,253,100,000
Corporate Income Tax	48,000,000	46,000,000	45,000,000	45,000,000
Telephone and Telegraph Tax	0	0	0	0
Estate/Inheritance	156,300,000	163,000,000	168,000,000	173,000,000
Essential Services Assessment	19,400,000	20,000,000	21,000,000	22,000,000
Oil and Gas Severance Tax	192,200,000	165,000,000	167,000,000	168,000,000
Penalties and Interest	0	0	0	0
Quality Assurance Assessment	0	0	0	0
Marihuana Tax	0	0	0	0
Convention Facilities Fund	0	0	0	0
Other	10,900,000	8,000,000	8,000,000	8,000,000
Enhanced Enforcement ⁽³⁾	(152,300,000)	(152,000,000)	(153,000,000)	(154,000,000)
Subtotal Other Taxes	1,873,480,000	1,626,900,000	1,571,600,000	1,749,800,000
TOTAL GF/GP TAX REVENUE	13,344,080,000	13,392,700,000	13,392,400,000	13,861,200,000

⁽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.

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
GF/GP ANNUAL REVENUE				
NON-TAX REVENUE				
Federal Aid	10,700,000	10,000,000	10,000,000	10,000,000
Local Agencies	0	100,000	100,000	100,000
Services	3,700,000	7,000,000	7,000,000	7,000,000
Licenses and Permits	14,300,000	14,000,000	14,000,000	14,000,000
Miscellaneous	60,900,000	35,000,000	35,000,000	35,000,000
Driver Responsibility Fee	0	0	0	0
Short-Term Note Costs	0	0	0	0
Interest/Borrowing Costs	434,600,000	190,000,000	125,000,000	60,000,000
Unclaimed Property Transfer	0	195,000,000	195,000,000	195,000,000
Subtotal Non-Tax Revenue	524,200,000	451,100,000	386,100,000	321,100,000
Transfers to GF/GP				
Liquor Purchase Revolving Fund Transfer	275,200,000	283,300,000	289,000,000	295,000,000
Charitable Games and Other Funds	7,000,000	7,000,000	7,000,000	7,000,000
Escheats	325,700,000	0	0	0
Subtotal Transfers to GF/GP	607,900,000	290,300,000	296,000,000	302,000,000
TOTAL GF/GP NON-TAX REVENUE	1,132,100,000	741,400,000	682,100,000	623,100,000
CONSENSUS TOTAL GF/GP REVENUE	14,476,180,000	14,134,100,000	14,074,500,000	14,484,300,000
BUDGET ADJUSTMENTS				
Payments to Local Government	(627,200,000)	(677,200,000)	(677,200,000)	(677,200,000)
Research & Development Tax Credit	n/a	(100,000,000)	(100,000,000)	(100,000,000)
Other Adjustments	77,300,000	163,300,000	47,300,000	47,300,000
TOTAL BUDGET ADJUSTMENTS	(549,900,000)	(613,900,000)	(729,900,000)	(729,900,000)
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET				
Budget Stabilization Fund Deposit	n/a	400,000,000	n/a	n/a
Tipping Fees to Fund Renew Michigan	n/a	n/a	69,000,000	69,000,000
Senior Homestead Tax Credit Increase	n/a	n/a	(90,000,000)	(95,000,000)
Sales Tax Holiday for School Supplies	n/a	(13,600,000)	(13,600,000)	(13,600,000)
TOTAL RECOMMENDED ADJUSTMENTS	0	386,400,000	(34,600,000)	(39,600,000)
TOTAL GF/GP WITH ADJUSTMENTS LESS INTERFUND TRANSFERS	13,926,280,000	13,906,600,000	13,310,000,000	13,714,800,000

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
GENERAL FUND-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS, INCLUDING BEGINNING FUND BALANCES				
Agriculture and Rural Development	102,746,621	105,603,500	105,296,100	95,730,500
Attorney General	4,509,668	4,509,700	4,509,700	4,509,700
Casino Gaming	71,635,242	85,667,500	94,016,900	100,288,700
Civil Rights	0	18,700	18,700	18,700
Corrections	30,556,643	21,362,100	18,791,400	19,073,000
Education	1,107,674,714	1,227,406,700	870,262,200	643,226,000
Environment, Great Lakes, and Energy	974,153,247	642,004,200	599,967,300	605,924,400
Health and Human Services	4,483,811,000	4,575,652,100	5,275,662,000	5,268,874,000
Insurance and Financial Services	89,501,598	101,236,400	102,621,100	103,552,800
Judiciary	118,725,288	122,861,300	122,796,400	120,822,100
Labor and Economic Opportunity	1,096,711,289	814,078,200	660,441,500	669,750,800
Legislative Auditor General	284,800	289,200	297,900	297,900
Legislative Services Bureau	0	0	0	0
Licensing and Regulatory Affairs	631,198,784	686,652,100	702,986,400	715,140,000
Lifelong Education, Advancement and Potential	1,355,981,725	1,398,538,700	839,128,700	699,898,700
Lottery	40,729,600	38,852,800	38,852,800	38,852,800
Military and Veterans Affairs	95,982,430	101,141,600	105,062,700	109,643,900
Natural Resources	794,818,371	748,319,700	597,325,100	600,657,000
State	306,492,261	317,294,500	307,245,000	291,913,900
State Capitol Historic Site	723,767	3,961,100	4,020,500	4,080,800
State Police	330,720,045	318,084,500	299,501,900	275,911,600
Technology, Management and Budget	363,128,984	384,585,000	227,787,300	153,225,000
Treasury	2,160,183,013	2,345,899,700	2,303,289,000	2,270,207,400
TOTAL GF-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS	14,160,289,089	14,054,019,300	13,279,880,600	12,791,599,700

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
FEDERAL AID NOT ELSEWHERE ITEMIZED				
Agriculture and Rural Development	10,272,298	20,079,600	20,245,000	20,245,000
Attorney General	10,308,371	10,567,200	11,207,200	11,457,200
Civil Rights	1,994,013	2,899,300	2,899,300	2,899,300
Corrections	8,356,509	5,203,700	5,222,600	5,222,600
Education	63,548,913	83,575,100	84,339,400	84,339,400
Environment, Great Lakes, and Energy	611,975,931	464,816,100	189,064,800	189,064,800
Health and Human Services	26,147,994,656	21,120,203,800	28,584,746,700	28,584,746,700
Higher Education	19,513,981	0	0	0
Insurance and Financial Services	0	250,000	250,000	250,000
Judiciary	5,273,336	7,270,900	7,323,000	7,323,000
Labor and Economic Opportunity	721,089,277	1,189,434,200	1,190,870,600	1,190,870,600
Licensing and Regulatory Affairs	30,000,848	30,409,400	30,661,000	30,661,000
Lifelong Education, Advancement, and Potential	567,590,829	457,769,900	418,323,900	418,323,900
Military and Veterans Affairs	238,275,616	148,840,000	152,912,200	154,312,200
Natural Resources	208,322,546	100,214,800	101,514,800	101,514,800
State	310,653	1,460,000	1,460,000	1,460,000
State Police	431,503,037	190,670,900	190,670,900	190,670,900
Technology, Management and Budget	331,179,050	4,493,200	4,493,200	4,493,200
Treasury	7,962,528	50,508,000	50,997,800	50,997,800
TOTAL FEDERAL AID (excluding General Fund, Transportation and School Aid)	29,415,472,392	23,888,666,100	31,047,202,400	31,048,852,400

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
SCHOOL AID FUND (SAF) ANNUAL REVENUE				
TAXES AND LOTTERY				
Sales Tax	7,930,800,000	8,059,500,000	8,224,400,000	8,387,600,000
Use Tax	921,400,000	943,400,000	970,300,000	999,400,000
Income Tax	4,232,300,000	4,360,600,000	4,480,900,000	4,557,400,000
Liquor Excise Tax	73,700,000	77,000,000	78,000,000	80,000,000
Tobacco Taxes	215,300,000	209,900,000	202,400,000	197,900,000
State Education Tax	2,942,000,000	3,005,000,000	3,100,000,000	3,196,100,000
Real Estate Transfer Tax	440,300,000	460,000,000	475,000,000	488,300,000
Industrial and Commercial Facilities Tax	52,000,000	52,000,000	52,000,000	52,000,000
Marijuana Excise Tax	109,000,000	109,000,000	110,000,000	110,000,000
Casino Wagering Tax	103,200,000	106,000,000	107,300,000	109,000,000
IGaming, Sports Betting, Fantasy	500,200,000	590,000,000	630,000,000	655,000,000
Commercial Forest Tax	4,000,000	4,000,000	4,000,000	4,000,000
Other Specific Taxes	24,000,000	24,000,000	24,000,000	24,000,000
Subtotal SAF Taxes	17,548,200,000	18,000,400,000	18,458,300,000	18,860,700,000
Transfer from Lottery	1,164,000,000	1,135,000,000	1,110,000,000	1,105,000,000
CONSENSUS TOTAL SAF	18,712,200,000	19,135,400,000	19,568,300,000	19,965,700,000
NON-TAX REVENUE				
Federal Aid	2,272,793,500	2,407,708,500	2,405,708,500	2,405,708,500
Transfer from General Fund	78,890,600	73,151,100	45,334,900	45,334,900
Transfer from Consolidation and Infrastructure Fund	0	83,400,000	0	0
School Transportation Fund	125,000,000	125,000,000	125,000,000	0
Enrollment Stabilization Fund	71,000,000	71,000,000	125,000,000	0
Great Start Readiness Program Reserve Fund	18,000,000	18,000,000	18,000,000	0
School Consolidation and Infrastructure Fund	0	100,000,000	0	0
Educator Fellowship Public Provider Fund	30,000,000	30,000,000	30,000,000	0
State School Aid Pupil Support Reserve Fund	0	97,037,400	107,037,400	0
State School Aid Pupil Support Reserve Fund	0	600,000	600,000	0
Subtotal SAF Non-Tax Revenues	2,595,624,100	3,005,897,000	2,856,680,800	2,451,043,400
TOTAL SAF	21,307,824,100	22,141,297,000	22,424,980,800	22,416,743,400
LESS Interfund Transfers	(322,830,600)	(598,188,500)	(450,972,300)	(45,334,900)
TOTAL SAF LESS INTERFUND TRANSFERS	20,984,993,500	21,543,108,500	21,974,008,500	22,371,408,500
BUDGET ADJUSTMENTS				
Transfer to Countercyclical Budget and Foundation Stabilization Fund	(25,000,000)	0	0	0
Transfer to School Transportation Fund	0	(130,000,000)	0	0
Transfer to State School Aid Pupil Support Reserve fund	0	(326,100,000)	0	0
TOTAL BUDGET ADJUSTMENTS	(25,000,000)	(456,100,000)	0	0
TOTAL SCHOOL AID FUND WITH ADJUSTMENTS LESS INTERFUND TRANSFERS	20,959,993,500	21,087,008,500	21,974,008,500	22,371,408,500

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
TRANSPORTATION FUNDS ANNUAL REVENUES				
STATE AERONAUTICS FUND				
Aviation Fuel Tax	4,265,980	5,900,000	6,000,000	6,100,000
Sales Tax	3,166,811	3,360,000	3,465,000	3,570,000
Federal Aid	130,292,208	270,000,000	270,000,000	270,000,000
Local Agencies	0	17,500,000	17,500,000	17,500,000
Private Revenues	0	2,000,000	2,000,000	2,000,000
Airport Parking Tax	6,000,000	6,000,000	6,000,000	6,000,000
Licenses and Permits	598,794	496,000	3,009,000	3,020,000
Services	181,347	430,000	485,000	540,000
Interest from Common Cash	789,144	521,000	458,000	437,000
Miscellaneous	233,302	212,000	220,000	222,000
TOTAL STATE AERONAUTICS FUND	145,507,585	306,419,000	309,137,000	308,389,000
QUALIFIED AIRPORT FUND				
Sales Tax	5,881,218	6,240,000	6,435,000	6,630,000
TOTAL QUALIFIED AIRPORT FUND	5,881,218	6,240,000	6,435,000	6,630,000
STATE TRUNKLINE FUND				
Federal Aid	1,331,229,292	1,794,316,500	1,794,316,500	1,794,316,500
Private Revenues	324,106	10,000,000	10,000,000	10,000,000
Local Agencies	38,970,841	30,003,500	30,003,500	30,003,500
Licenses and Permits	17,994,519	18,220,000	18,220,000	18,220,000
Transfer from Other Funds	1,518,412,024	1,770,782,200	1,930,596,600	1,983,376,600
Interest from Common Cash Investment	68,721,459	38,506,000	33,853,000	32,302,000
Miscellaneous	48,581,447	37,930,000	37,932,000	37,935,000
TOTAL STATE TRUNKLINE FUND	3,024,233,687	3,699,758,200	3,854,921,600	3,906,153,600
BLUE WATER BRIDGE FUND				
Tolls and Rentals	29,709,434	36,357,000	37,440,000	38,147,000
Interest from Common Cash Investment	1,514,087	1,303,000	1,144,000	1,091,000
Miscellaneous	10,690	0	0	0
TOTAL BLUE WATER BRIDGE	31,234,212	37,660,000	38,584,000	39,238,000
MICHIGAN TRANSPORTATION FUND				
Diesel and Motor Carrier Fuel Tax	288,002,004	427,000,000	488,000,000	498,000,000
Gasoline and Liquefied Petroleum Gas Tax	1,342,950,017	2,025,500,000	2,287,250,000	2,334,350,000
Motor Vehicle Registration Tax	1,581,088,790	1,619,000,000	1,649,000,000	1,688,000,000
Individual Income Tax	600,000,000	0	0	0
Other Licenses and Permits	45,951,409	42,790,000	42,900,000	43,010,000
Excise Tax on Recreational Marijuana	109,402,629	109,000,000	110,000,000	110,000,000
Interest from Common Cash Investment	13,023,089	12,780,000	11,225,000	10,707,000
TOTAL MICHIGAN TRANSPORTATION FUND	3,980,417,937	4,236,070,000	4,588,375,000	4,684,067,000
NEIGHBORHOOD ROADS FUND				
Corporate Income Tax Transfer	0	688,000,000	776,000,000	864,000,000
Wholesale Tax on Recreational Marijuana	0	315,000,000	418,000,000	429,000,000
TOTAL NEIGHBORHOOD ROADS FUND	0	1,003,000,000	1,194,000,000	1,293,000,000
COMPREHENSIVE TRANSPORTATION FUND				
Sales Tax	122,815,170	94,700,000	84,100,000	87,700,000
Federal Aid	94,930,242	265,289,000	310,037,700	310,037,700
Local Agencies	0	39,945,000	39,445,000	39,445,000
Transfers from Other Funds	295,359,032	412,703,200	449,019,300	458,648,100
Interest from Common Cash Investment	23,831,983	17,734,000	15,577,000	14,858,000
Private Revenue	750,000	8,500,000	8,500,000	8,500,000
Miscellaneous	7,671,150	6,250,400	6,255,400	6,260,400
TOTAL COMPREHENSIVE TRANSPORTATION FUND	545,357,577	845,121,600	912,934,400	925,449,200
TOTAL TRANSPORTATION REVENUE	7,732,632,216	10,134,268,800	10,904,387,000	11,163,926,800
LESS: Interfund Transfers	(1,813,771,055)	(2,183,485,400)	(2,379,615,900)	(2,442,024,700)
TOTAL TRANSPORTATION REVENUE LESS TRANSFERS	5,918,861,161	7,950,783,400	8,524,771,100	8,721,902,100

SUMMARY STATEMENT OF AVAILABLE OPERATING FUNDS

	ACTUAL FY 2025	CURRENT YEAR ESTIMATES FY 2026	BUDGET YEAR 1 ESTIMATES FY 2027	BUDGET YEAR 2 ESTIMATES FY 2028
OTHER AVAILABLE FUND BALANCES NOT ELSEWHERE ITEMIZED				
General Fund - General Purpose Unassigned Beginning Balance	2,149,300,000	314,900,000	318,700,000	19,900,000
Budget Stabilization Fund Revenue	160,900,000	(340,200,000)	54,200,000	53,000,000
Budget Stabilization Fund Beginning Balance	1,996,500,000	2,157,400,000	1,817,200,000	1,871,400,000
School Aid Stabilization Fund Beginning Balance	1,257,700,000	1,523,800,000	753,300,000	2,000,000
TOTAL AVAILABLE FUND BALANCES NOT ELSEWHERE ITEMIZED	5,564,400,000	3,655,900,000	2,943,400,000	1,946,000,000
ALL RESOURCES SUMMARY				
General Fund - General Purpose with Budget Adjustments	13,926,280,000	13,906,600,000	13,310,000,000	13,714,800,000
General Fund - Special Purpose/Special Revenue and Permanent Funds	14,160,269,089	14,054,019,300	13,279,880,600	12,791,599,700
Federal Aid Not Elsewhere Itemized	29,415,472,392	23,888,666,100	31,047,202,400	31,048,852,400
School Aid Fund with Budget Adjustments	21,282,824,100	21,685,197,000	22,424,980,800	22,416,743,400
Transportation Revenues	7,732,632,216	10,134,268,800	10,904,387,000	11,163,926,800
Available Beginning Fund Balances Not Elsewhere Itemized	5,564,400,000	3,655,900,000	2,943,400,000	1,946,000,000
TOTAL ALL RESOURCES	92,081,877,798	87,324,651,200	93,909,850,800	93,083,922,300
LESS: Interfund Transfers	(2,136,601,655)	(2,781,673,900)	(2,830,588,200)	(2,487,359,600)
TOTAL ALL RESOURCES LESS TRANSFERS	89,945,276,142	84,542,977,300	91,079,262,600	90,596,562,700



CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

ALN	ALN Title	FY 2027 Recommendation	FY 2028 Recommendation
10.561	Match Grant for Supplemental Nutrition Assistance Program		
	Subrecipient State Department: Labor and Economic Opportunity	4,535,400	4,535,400
	Subrecipient State Department: Attorney General	30,000	30,000
15.608	Fish and Wildlife Management Assistance		
	Grantee: Natural Resources	605,700	605,700
	Subrecipient State Department: Environment, Great Lakes, and Energy	275,400	275,400
15.662	Great Lakes Restoration		
	Grantee: Environment, Great Lakes, and Energy	413,100	413,100
	Subrecipient State Department: Natural Resources	1,742,000	1,742,000
16.588	Violence Against Women Formula Grants		
	Grantee: Health and Human Services	6,003,300	6,003,300
	Subrecipient State Department: State Police	278,700	278,700
17.207	Employment Service/Wagner-Peyser Funded Activities		
	Grantee: Labor and Economic Opportunity	62,496,200	62,496,200
	Subrecipient State Department: Technology, Management and Budget	1,942,500	1,942,500
20.616	National Priority Safety Programs		
	Grantee: State Police	8,207,000	8,207,000
	Subrecipient State Department: Judiciary	2,358,700	2,358,700
	Subrecipient State Department: State	600,000	600,000
20.703	Interagency Hazardous Mat Public Sector Training		
	Grantee: State Police	440,000	440,000
	Subrecipient State Department: Licensing and Regulatory Affairs	20,000	20,000
66.469	Great Lakes Program		
	Grantee: Agriculture and Rural Development	204,900	204,900
	Grantee: Environment, Great Lakes, and Energy	18,810,800	18,810,800
	Subrecipient State Department: Health and Human Services	214,500	214,500
66.605	Performance Partnership Grants		
	Grantee: Agriculture and Rural Development	1,068,800	1,068,800
	Grantee: Environment, Great Lakes, and Energy	675,800	675,800
66.802	Superfund State, Political Subdivision, and Indian Tribe		
	Grantee: Environment, Great Lakes, and Energy	4,669,800	4,669,800
	Subrecipient State Department: Health and Human Services	78,300	78,300

Capped Federal Funds Shared Between Departments

CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

ALN	ALN Title	FY 2027 Recommendation	FY 2028 Recommendation
84.002	Adult Education - State Program		
	Grantee: Labor and Economic Opportunity	20,000,000	20,000,000
	Subrecipient State Department: Corrections	385,100	385,100
84.027	Special Education - Grants to States		
	Grantee: Education	19,951,700	19,951,700
	Subrecipient State Department: Health and Human Services	148,800	148,800
	Subrecipient State Department: Corrections	124,200	124,200
84.048	Vocational Education - Basic Grants to States		
	Grantee: Education	3,477,400	3,477,400
	Subrecipient State Department: Labor and Economic Opportunity	19,000,000	19,000,000
	Subrecipient State Department: Corrections	163,200	163,200
93.243	Sub Abuse and Mental Health Svcs - Proj Reg and National Sign		
	Grantee: Education	708,800	708,800
	Subrecipient State Department: Health and Human Services	6,926,800	6,926,800
93.558	Temporary Assistance for Needy Families		
	Grantee: Health and Human Services	555,151,900	555,151,900
	Subrecipient State Department: Labor and Economic Opportunity	63,698,800	63,698,800
93.563	Child Support Enforcement		
	Grantee: Health and Human Services	142,016,600	142,016,600
	Subrecipient State Department: Attorney General	3,900,000	4,150,000
	Subrecipient State Department: Judiciary	912,800	912,800
93.568	Low-Income Home Energy Assistance		
	Grantee: Health and Human Services	223,861,300	223,861,300
	Subrecipient State Department: Treasury	6,323,600	6,323,600
93.658	ARRA - Foster Care - Title IV-E		
	Grantee: Health and Human Services	57,938,800	57,938,800
	Subrecipient State Department: Judiciary	333,600	333,600
93.788	Opioid State Targeted Response		
	Grantee: Health and Human Services	26,980,400	26,980,400
	Subrecipient State Department: Judiciary	352,200	352,200

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2027 Recommendation	FY 2028 Recommendation
Bottle Deposits Fund		
Treasury (owner)	250,000	250,000
Environment, Great Lakes, and Energy	80,000,000	80,000,000
Children's Trust Fund		
Health and Human Services (owner)	2,895,300	2,895,300
Treasury	33,500	33,500
Comprehensive Transportation Fund		
Transportation (owner)	577,923,600	577,923,600
Technology, Management and Budget	520,700	520,700
Civil Service Commission	225,300	225,300
Attorney General	112,600	112,600
Legislative Auditor General	47,800	47,800
Treasury	54,900	54,900
Forest Development Fund		
Natural Resources (owner)	37,998,000	35,106,000
Technology, Management and Budget	325,500	325,500
Treasury	7,700	7,700
Game and Fish Protection Account		
Natural Resources (owner)	84,386,100	84,131,700
Treasury	0	0
Attorney General	693,300	693,300
Technology, Management and Budget	654,800	654,800
Legislative Auditor General	38,600	38,600
Michigan Game and Fish Protection Trust Fund		
Natural Resources (owner)	6,000,000	6,000,000
Treasury	4,812,400	4,812,400

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2027 Recommendation	FY 2028 Recommendation
Michigan Merit Award Trust Fund		
Health and Human Services (owner)	99,768,700	99,768,700
Lifelong Education, Advancement, and Potential	1,286,800	1,286,800
State Police	886,300	886,300
Attorney General	550,800	550,800
Michigan Natural Resources Trust Fund		
Natural Resources (owner)	47,505,100	49,118,600
Treasury	3,618,700	3,618,700
Michigan Nongame Fish and Wildlife Trust Fund		
Natural Resources (owner)	825,500	808,500
Treasury	4,600	4,600
Michigan State Parks Endowment Fund		
Natural Resources (owner)	24,333,900	23,240,500
Treasury	352,800	352,800
Michigan State Waterways Account		
Natural Resources (owner)	50,814,100	50,821,700
State	1,596,300	1,596,300
Treasury	524,800	524,800
Attorney General	156,300	156,300
Technology, Management and Budget	183,900	183,900
Legislative Auditor General	13,900	13,900

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2027 Recommendation	FY 2028 Recommendation
Michigan Transportation Fund		
Transportation (owner)	2,447,964,300	2,500,117,100
State	20,000,000	20,000,000
Treasury	3,817,000	3,817,000
Environment, Great Lakes, and Energy	2,277,200	2,277,200
Legislative Auditor General	388,200	388,200
Technology, Management and Budget	320,700	320,700
Off-Road Vehicle Account		
Natural Resources (owner)	11,367,700	11,205,000
State	170,700	170,700
Treasury	4,300	4,300
Second Injury Fund		
Labor and Economic Opportunity (owner)	2,973,100	2,973,100
Attorney General	680,500	680,500
Treasury	1,100	1,100
Silicosis, Dust Disease, and Logging Industry Compensation Fund		
Labor and Economic Opportunity (owner)	726,300	726,300
Attorney General	119,800	119,800
Treasury	200	200
Snowmobile Account		
Natural Resources (owner)	16,078,500	16,238,900
State	390,000	390,000
Treasury	1,900	1,900

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund / Departments	FY 2027 Recommendation	FY 2028 Recommendation
State Aeronautics Fund		
Transportation (owner)	19,213,600	19,213,600
Technology, Management and Budget	236,900	236,900
Attorney General	196,900	196,900
Civil Service Commission	140,000	140,000
Treasury	72,200	72,200
Legislative Auditor General	37,600	37,600
State Park Improvement Account		
Natural Resources (owner)	114,102,000	113,735,400
State	1,000,000	1,000,000
Treasury	9,300	9,300
Technology, Management and Budget	128,500	128,500
State Trunkline Fund		
Transportation (owner)	1,772,792,200	1,824,383,700
Technology, Management and Budget	56,890,900	56,890,900
State Police	13,807,700	13,807,700
Civil Service Commission	7,160,100	7,160,100
Attorney General	2,269,800	2,269,800
Legislative Auditor General	901,600	901,600
Treasury	167,000	167,000
Utility Consumer Representation Fund		
Licensing and Regulatory Affairs (owner)	3,155,200	3,155,200
Attorney General	1,974,300	1,974,300
Treasury	600	600

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
21st century jobs trust fund 383	4,206,486	56,074,233	(57,007,803)	3,272,916	75,000,000	(75,000,000)	3,272,916
Abandoned vehicle fees	0	454,359	(454,359)	0	690,700	(690,700)	0
Aboveground storage tank fees	80,988	375,223	(375,980)	80,231	380,900	(377,000)	84,131
Accountancy enforcement fund	6,530,364	1,779,300	(719,600)	7,590,064	390,500	(934,000)	7,046,564
Administrative order processing fee	0	8,415	(8,415)	0	11,800	(11,800)	0
Adult foster care facilities licenses fund	1,574,294	530,473	(373,600)	1,731,167	513,900	(373,600)	1,871,467
AFIS fees	0	76,437	(76,437)	0	75,000	(75,000)	0
Agricultural preservation fund	9,142,620	3,890,004	(2,230,461)	10,802,163	3,644,600	(2,544,600)	11,902,163
Agriculture equine industry development fund	9,306,326	4,029,270	(4,828,026)	8,507,570	4,600,000	(4,514,200)	8,593,370
Agriculture licensing and inspection fees	9,375,317	4,017,970	(4,395,999)	8,997,288	4,036,000	(5,406,400)	7,626,888
Air emissions fees	13,979,616	10,101,503	(7,544,875)	16,453,185	9,693,500	(8,797,700)	17,348,985
Amanda's fund for breast cancer prevention and treatment	695,777	120,521	(533,300)	282,998	120,000	(402,900)	98
Animal welfare fund	327,606	136,966	(107,979)	356,593	140,000	(150,000)	346,593
Antitrust enforcement collections	1,000,000	0	0	1,000,000	0	0	1,000,000
Aquatic nuisance control fund	819,231	1,174,883	(931,736)	1,059,450	1,112,400	(955,100)	1,216,750
Aquifer protection revolving fund	605,645	28,088	(2,671)	631,061	25,000	(5,000)	651,061
ARP - home- and community-based services projects fund	185,287,411	0	0	185,287,411	0	0	185,287,411
Asbestos abatement fund	3,930,437	1,465,000	(685,000)	4,710,437	1,565,000	(700,000)	5,575,437
Asbestos inspection fund	0	334,659	(334,659)	0	837,600	(837,600)	0
Assessor training fees	120,177	521,709	(638,905)	2,981	521,700	(520,100)	4,581
Attorney general support fund	0	0	0	0	8,000,000	(8,000,000)	0
Attorney general's operations fund	3,460,966	0	0	3,460,966	0	0	3,460,966
Audit charges	830,892	412,980	(390,126)	853,745	413,000	(404,800)	861,945

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Auto repair facilities fees	0	4,354,593	(4,354,593)	0	4,642,100	(4,642,100)	0
Auto theft prevention fund	6,394,029	8,191,821	(9,807,560)	4,778,290	8,200,000	(9,046,200)	3,932,090
Billeting fund	1,731,341	1,054,444	(1,013,516)	1,772,269	1,054,400	(1,023,000)	1,803,669
Blind services, local	0	88,500	(88,500)	0	90,900	(90,900)	0
Blind services, private	0	12,300	(12,300)	0	13,300	(13,300)	0
Blue water bridge fund	36,981,776	31,234,212	(59,977,789)	8,238,200	37,660,000	(44,055,200)	1,843,000
Boiler inspection fund	1,600	3,811,862	(3,539,495)	273,967	3,810,500	(3,645,700)	438,767
Bottle bill enforcement fund	2,397,857	1,000,119	(287,320)	3,110,656	1,000,000	(300,000)	3,810,656
Bottle deposit fund 110	0	245,745	(245,745)	0	245,800	(245,800)	0
Brownfield development fund	5,984,426	1,943,031	(293,068)	3,620,358	2,000,000	(2,000,000)	3,620,358
Builder enforcement fund	2,570,641	239,450	(575,779)	2,234,312	699,500	(598,300)	2,335,512
Campground fund	133,490	364,354	(358,663)	138,427	512,800	(383,800)	267,427
Capitol historic site fund	723,767	0	(723,767)	0	3,961,100	(3,961,100)	0
Captive insurance regulatory and supervision fund	1,190,743	714,657	(799,923)	1,105,477	918,600	(751,000)	1,273,077
Casino gambling agreements	1,613,100	789,700	(728,600)	1,674,200	789,700	(743,200)	1,720,700
Certificate of need fees	3,900,923	2,270,663	(2,702,610)	3,468,976	2,669,800	(3,316,700)	2,822,076
Certification fees	8,233,961	6,280,543	(5,706,576)	8,807,928	6,406,200	(5,958,600)	9,255,528
Cervidae licensing and inspection fees	0	81,546	(81,546)	0	47,600	(47,600)	0
Child advocacy centers fund	199,313	568,856	(201,323)	566,845	525,000	(400,000)	691,845
Child care home and center licenses fund	1,955,685	472,813	(198,761)	2,229,737	480,000	(210,000)	2,499,737
Child support clearance fees	0	41,293	(41,293)	0	100,000	(100,000)	0
Child support collections	0	4,998,193	(4,998,193)	0	5,000,000	(5,000,000)	0
Children with special needs donations	17,879	855,193	(873,021)	51	860,000	(860,000)	51

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Children's protection registry fund	1,142,320	137,387	(145,439)	1,134,268	137,400	(272,300)	999,368
Children's trust fund	15,162,527	1,045,294	(2,193,169)	14,014,651	1,200,000	(2,895,300)	12,319,351
City income tax fund	0	9,131,409	(9,131,409)	0	10,260,000	(10,260,000)	0
Cleanup and redevelopment fund	166,372,294	79,305,286	(47,026,207)	79,180,678	80,000,000	(80,000,000)	29,180,678
Coal ash care fund	232,271	154,047	(128,937)	257,381	208,000	(141,600)	323,781
Collections	1,099,244	404,056	(1,503,300)	0	1,226,900	(1,226,900)	0
Commercial forest fund	140,278	28,533	(28,100)	140,712	24,600	(28,100)	137,212
Commodity distribution fees	48,295	18,659	(40,676)	26,278	19,000	(19,000)	26,278
Commodity inspection fees	292,640	633,900	(357,133)	569,407	600,000	(450,000)	719,407
Community dispute resolution fund	2,893,326	2,184,357	(1,844,332)	3,233,350	2,000,000	(2,269,300)	2,964,050
Community pollution prevention fund	46,905,173	0	(6,800)	46,898,373	0	(6,800)	46,891,573
Community tether program reimbursement	0	151,200	(151,200)	0	275,000	(275,000)	0
Comprehensive road funding fund	0	0	0	0	3,000,000	(3,000,000)	0
Comprehensive transportation fund	472,702,951	449,672,247	(875,317,198)	47,058,000	525,341,100	(507,427,600)	64,971,500
Compulsive gaming prevention fund	2,320,722	8,204,374	(5,022,495)	5,502,601	8,185,000	(6,668,100)	7,019,501
Construction code fund	43,002,782	22,382,223	(14,437,362)	50,947,643	16,026,200	(14,870,500)	52,103,343
Consumer finance fees	2,294,690	5,059,963	(2,749,552)	4,605,100	3,744,200	(3,268,400)	5,080,900
Consumer food safety education fund	428,314	203,543	(197,819)	434,038	228,500	(199,500)	463,038
Contingent fund, penalty and interest account	25,180,320	23,500,000	(39,191,725)	9,488,595	20,000,000	(27,831,300)	1,657,295
Continuing education fund	51,154	611,827	(629,442)	33,540	646,800	(619,300)	61,040
Convention facility development fund	4,423,791	113,437,819	(113,437,819)	4,423,791	114,344,100	(114,344,100)	4,423,791
Corporation fees	43,606,100	39,999,599	(31,384,799)	52,220,900	40,446,000	(40,746,500)	51,920,400
Correctional industries revolving fund	0	5,546,879	(5,546,879)	0	5,909,100	(5,909,100)	0

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Correctional industries revolving fund 110	0	1,260,200	(1,260,200)	0	1,373,700	(1,373,700)	0
Cost sharing, schools for deaf and blind	0	3,571,278	(3,571,278)	0	3,642,700	(3,642,700)	0
Counties, equally 911 fund	0	10,329,200	(10,329,200)	0	9,701,700	(9,701,700)	0
Counties, per capita 911 fund	0	15,494,016	(15,494,016)	0	14,552,800	(14,552,800)	0
County chargeback	0	46,826,165	(46,826,165)	0	46,275,000	(46,275,000)	0
Court equity fund	0	36,595,031	(36,595,031)	0	37,326,900	(37,326,900)	0
Court fee fund	6,315,456	8,155,372	(4,650,406)	9,820,422	7,220,200	(5,488,400)	11,552,222
Court of appeals filing/motion fees	0	1,326,358	(1,326,358)	0	1,352,900	(1,352,900)	0
Credit union regulatory fund	1,348,351	8,965,217	(9,134,598)	1,178,971	10,073,100	(10,448,800)	803,271
Crime victims rights fund	3,648,274	11,906,235	(13,294,914)	2,259,595	11,906,200	(13,294,900)	870,895
Criminal justice information center service fees	12,561,612	40,772,456	(39,586,258)	13,747,810	38,000,000	(39,000,000)	12,747,810
Dairy and food safety fund	16,801,321	6,476,405	(7,971,688)	15,306,038	6,510,200	(7,436,500)	14,379,738
Deer habitat reserve	3,144,946	2,165,506	(1,799,926)	3,510,527	1,872,100	(2,268,600)	3,114,027
Defaulted loan collection fees	0	17,300	(17,300)	0	80,500	(80,500)	0
Deferred compensation	0	2,445,050	(2,445,050)	0	5,249,200	(5,249,200)	0
Deferred presentment service transaction fees	527,912	2,057,278	(2,464,218)	120,972	4,386,600	(4,126,600)	380,972
Defined contribution administrative fee revenue	0	300,000	(300,000)	0	300,000	(300,000)	0
Delinquent tax collection revenue	1,529,261	126,783,323	(128,312,584)	(0)	138,770,200	(138,770,200)	(0)
Direct shipper enforcement revolving fund	512,237	194,034	(313,900)	392,371	191,000	(317,900)	265,471
Distance education fund	1,020,407	469,700	(397,200)	1,092,907	470,000	(501,100)	1,061,807
Division on deafness fund	52,716	57,792	(73,400)	37,108	56,500	(73,400)	20,208
Donated funds, local	0	4,376,127	(4,376,127)	0	4,376,000	(4,376,000)	0
Donated funds, private	0	6,818,682	(6,818,682)	0	6,818,700	(6,818,700)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Driver education provider and instructor fund	338,334	109,783	(150,000)	298,117	150,000	(150,000)	298,117
Driver fees	0	25,245,455	(25,245,455)	0	27,926,600	(27,926,600)	0
Driver improvement course fund	0	780,368	(780,368)	0	800,000	(800,000)	0
Drug case information management fund	0	6,608	(6,608)	0	0	0	0
Drug treatment court fund	3,234,278	995,167	(1,132,450)	3,096,995	950,000	(1,205,000)	2,841,995
Drunk driving caseflow assistance fund	0	1,067,090	(1,067,090)	0	1,013,700	(1,013,700)	0
Drunk driving prevention and training fund	864,049	377,969	(606,301)	635,717	370,000	(550,000)	455,717
Economic development fund	122,928,357	57,393,928	(32,776,286)	147,546,000	54,671,000	(54,671,000)	147,546,000
Educator fellowship public provider fund	259,495,786	11,863,389	(8,416,010)	263,213,166	10,000,000	(8,200,000)	265,013,166
Election administration support fund	2,098,379	22,156,671	(12,812,652)	11,442,398	20,255,500	(20,255,500)	11,442,398
Electronic waste recycling fund	217,845	242,487	(309,795)	150,537	249,800	(319,100)	81,237
Elevator fees	227,336	7,052,673	(6,696,666)	583,343	7,152,000	(6,897,600)	837,743
Emergency medical services fees	1,190,317	639,104	(154,709)	1,674,712	823,600	(823,600)	1,674,712
Energy efficiency and renewable energy revolving loan fund	20,992,768	383,507	(2,935,334)	1,935,923	342,100	(2,100,800)	177,223
Enhanced driver license and enhanced official ID card fund	6,612,634	23,210,547	(19,471,700)	10,351,481	19,400,000	(20,035,800)	9,715,681
Enrollment stabilization fund	259,829,909	10,427,342	(71,030,100)	199,227,151	7,000,000	(71,000,000)	135,227,151
Environmental education fund	248,445	256,565	(177,145)	327,865	212,700	(177,600)	362,965
Environmental pollution prevention fund	3,075,688	2,584,918	(4,460,960)	1,176,953	2,715,000	(3,891,800)	153
Environmental response fund	52,739,389	6,941,086	(4,308,570)	17,438,617	4,000,000	(2,032,000)	19,406,617
Escheats revenue	8,148	5,157,089	(5,145,249)	19,989	5,738,100	(5,738,100)	19,989
Expedient service fees	0	3,735,540	(3,735,540)	0	3,800,000	(3,800,000)	0
Fantasy contest fund	0	497,600	(497,600)	0	1,082,600	(1,082,600)	0
Feed control fund	1,649,427	1,206,937	(1,272,638)	1,583,726	1,393,700	(1,397,400)	1,580,026

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Fees and collections	12,518,985	9,968,215	(9,244,875)	13,242,325	11,730,900	(11,730,900)	13,242,325
Fertilizer control fund	1,717,464	1,147,870	(1,434,966)	1,430,368	1,126,500	(1,423,500)	1,133,368
Financial instruments	498,767	4,621,603	(4,661,567)	137,810	5,239,300	(5,239,300)	137,810
Fire alarm fees	15,735	118,909	(104,593)	30,051	83,800	(107,700)	6,151
Fire equipment fund	785,426	220,894	(371,822)	634,499	210,000	(187,300)	657,199
Fire safety standard and enforcement fund	310,739	96,559	(55,938)	351,360	20,000	(38,100)	333,260
Fire service fees	10,563,792	4,411,181	(3,791,142)	11,183,831	3,859,200	(3,904,900)	11,138,131
Fireworks safety fund	11,931,027	4,507,270	(3,907,302)	12,530,995	3,817,000	(3,693,600)	12,654,395
First responder presumed coverage fund	10,083,481	4,390,600	(4,172,300)	10,301,781	4,475,600	(4,475,600)	10,301,781
Fisheries settlement	969,742	607,630	(903,704)	673,668	597,900	(741,400)	530,168
Forensic science reimbursement fees	0	764,480	(764,480)	0	750,000	(750,000)	0
Forest development fund	22,082,173	38,326,326	(50,765,989)	9,642,510	40,098,700	(49,741,200)	0
Forest land user charges	593,297	174,574	(278,100)	489,770	187,900	(279,700)	397,970
Forest recreation account	7,808,475	4,501,812	(5,441,279)	6,869,008	4,399,300	(6,268,500)	4,999,808
Foster children SSA	981,228	3,794,452	(3,615,800)	1,159,880	3,500,000	(3,500,000)	1,159,880
Freshwater protection fund	4,197,121	7,057,334	(5,324,777)	5,929,678	7,078,900	(6,278,900)	6,729,678
Game and fish protection fund	9,464,074	92,314,338	(91,921,246)	9,857,167	79,884,100	(89,741,200)	0
Game and fish protection fund 110	0	707,734	(707,734)	0	726,200	(726,200)	0
Garnishment fees	0	2,845,100	(2,845,100)	0	2,876,200	(2,876,200)	0
Gasoline inspection and testing fund	6,398,488	1,468,462	(669,808)	7,197,142	1,400,000	(1,488,500)	7,108,642
General pupil support reserve fund	0	0	0	0	1,800,000	(600,000)	1,200,000
Gifts, bequests, and donations 110	14,864,382	1,385,477	(724,531)	15,525,328	1,418,400	(757,200)	16,186,528
Grain dealers fee fund	181,806	627,593	(559,862)	249,537	708,400	(608,400)	349,537

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Great Lakes protection fund	1,890,685	417,472	(569,757)	784,270	502,100	(560,700)	725,670
Great start readiness reserve fund	200,983,354	9,268,670	(14,754,949)	195,497,076	9,000,000	(115,000,000)	89,497,076
Groundwater discharge permit fees	328,531	2,004,779	(2,012,178)	307,665	2,005,000	(2,052,400)	260,265
Hazardous materials training center fees	51,825	769,679	(730,038)	91,466	760,000	(730,000)	121,466
Health and safety fund	998,772	(37,095)	0	961,677	100,000	(100,000)	961,677
Health management funds	0	353,961	(353,961)	0	438,200	(438,200)	0
Health professions regulatory fund	57,274,687	41,879,300	(29,509,300)	69,644,687	37,735,100	(30,137,100)	77,242,687
Health systems fees	5,235,571	3,937,024	(3,816,188)	5,356,407	3,552,000	(3,892,500)	5,015,907
Healthy Michigan fund	131,100	269,334,700	(268,870,000)	595,800	18,900,000	(18,863,400)	632,400
Highway safety fund	10,243,037	7,085,541	(6,382,589)	10,945,989	6,000,000	(6,300,000)	10,645,989
Horticulture fund	50,048	56,451	(50,392)	56,107	50,000	(50,000)	56,107
Human trafficking commission fund	48,702	0	0	48,702	0	0	48,702
Income and assessments 390	0	5,921,762	(5,458,427)	463,335	5,921,800	(6,385,100)	0
Industrial hemp fund	1,541,216	101,661	(394,412)	1,248,465	84,800	(364,800)	968,465
Industrial hemp licensing and registration fund	596,689	423,491	(20,377)	999,803	365,000	(300,200)	1,064,603
Industry food-safety education fund	153,936	96,855	(110,980)	139,811	96,600	(113,200)	123,211
Industry support funds	124,834	371,771	(185,644)	310,961	377,000	(185,500)	502,461
Infrastructure construction fund	232,353	146,507	(54,139)	324,722	147,000	(55,500)	416,222
Insurance bureau fund	1,251,699	34,184,220	(31,472,069)	3,963,850	34,475,900	(34,266,300)	4,173,450
Insurance licensing and regulation fees	382,296	8,815,152	(8,340,358)	857,090	10,690,200	(10,669,600)	877,690
Insurance provider fund	650,419	632,441,915	(633,092,334)	0	628,224,200	(628,224,200)	0
Intercity bus equipment fund	53,800	13,200	0	67,000	45,400	(45,400)	67,000
Interest on lawyers trust accounts	0	134,830	(134,830)	0	426,500	(426,500)	0

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Internet gaming fund	0	14,181,400	(14,181,400)	0	16,007,900	(16,007,900)	0
Internet sports betting fund	0	2,330,700	(2,330,700)	0	3,011,600	(3,011,600)	0
Invasive species fund	1,422,729	66,046	0	1,488,776	56,100	0	1,544,876
Jail reimbursement program fund	0	3,569,827	(3,569,827)	0	3,691,400	(3,691,400)	0
Judicial electronic filing fund	4,944,010	9,057,471	(7,046,299)	6,955,182	8,400,000	(8,789,900)	6,565,282
Judicial technology improvement fund	5,868,275	4,611,983	(4,473,733)	6,006,526	4,200,000	(4,480,800)	5,725,726
Juror compensation reimbursement fund	19,147,626	2,715,249	(2,937,980)	18,924,895	2,080,000	(3,499,300)	17,505,595
Justice system fund	746,679	615,623	(618,349)	743,953	562,300	(709,700)	596,553
Laboratory services fees	2,860,221	7,710,407	(8,404,580)	2,037,787	7,800,000	(8,500,000)	1,337,787
Land and water permit fees	10,167,450	3,350,303	(2,010,907)	11,488,670	3,351,000	(2,061,200)	12,778,470
Land bank fast track fund	19,668,084	5,203,103	(2,049,750)	22,821,436	3,711,700	(2,500,000)	24,033,136
Land exchange facilitation and management fund	13,647,888	5,776,352	(3,434,436)	15,989,803	5,214,900	(4,616,900)	16,587,803
Land reutilization fund	9,257,501	1,993,590	(2,072,100)	9,178,991	1,861,100	(1,661,300)	9,378,791
Law enforcement officers training fund	31,080,548	19,087,171	(18,780,827)	31,386,892	18,000,000	(19,000,000)	30,386,892
Law exam fees	0	745,095	(745,095)	0	730,000	(730,000)	0
LEIN fees	0	730,783	(730,783)	0	700,000	(700,000)	0
Library Fees	323,392	1,499	(7,666)	317,225	1,500	(8,000)	310,725
Licensing and regulation fund	2,413,174	13,194,100	(12,261,000)	3,346,274	14,127,100	(12,628,800)	4,844,574
Liquor enf and license wholesale RF	1,268,260	586,609	(175,000)	1,679,869	547,200	(175,000)	2,052,069
Liquor license fee enhancement fund	1,587,241	18,072	(76,400)	1,528,913	76,900	(76,400)	1,529,413
Liquor license revenue	11,298,729	16,841,359	(16,681,010)	11,459,078	16,801,500	(18,942,100)	9,318,478
Liquor purchase revolving fund	0	22,327,182	(22,327,182)	0	22,690,300	(22,690,300)	0
Local agency wetland mitigation bank fund	8,109,826	2,388,947	(2,904,672)	7,594,100	2,250,000	(2,250,000)	7,594,100

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Local bridge fund	14,432,372	28,499,902	(42,932,274)	0	27,984,400	(27,984,400)	0
Local funds	50,106,620	113,776,931	(113,776,931)	50,106,620	117,315,200	(117,315,200)	50,106,620
Local funds, aero	0	0	0	0	17,500,000	(17,500,000)	0
Local funds, CTF	0	0	0	0	39,945,000	(39,945,000)	0
Local funds, STF	0	38,970,841	(38,970,841)	0	30,003,500	(30,003,500)	0
Local indigent defense reimbursement	390,944	246,071	(300,000)	337,015	300,000	(300,000)	337,015
Local public recreation facilities fund	7,824,345	3,261,358	(5,122,295)	5,963,409	3,091,200	(2,234,700)	6,819,909
Low incidence outreach fund	163,725	318,787	(347,916)	134,596	325,200	(361,800)	97,996
Low-income energy assistance fund	7,832,779	49,938,227	(49,783,428)	7,987,578	79,100,000	(79,100,000)	7,987,578
Mackinac Island State Park fund	0	879,570	(879,570)	0	1,715,700	(1,715,700)	0
Mackinac Island State Park operation fund	0	134,211	(134,211)	0	137,800	(137,800)	0
MacMullan conference center account	0	1,366,051	(1,251,365)	114,685	1,443,300	(1,267,800)	290,185
Make it in Michigan competitiveness fund	236,668,600	0	(6,969,628)	229,698,972	0	(159,296,200)	70,402,772
Marihuana registry fund	1,392,721	1,056,478	(2,092,641)	356,558	1,563,900	(1,563,900)	356,558
Marihuana regulation fund	0	31,309,434	(31,309,434)	0	39,476,500	(39,476,500)	0
Marihuana regulatory fund	4,838,515	15,437,907	(9,731,243)	10,545,179	13,366,000	(9,960,000)	13,951,179
Marine safety fund	2,353,263	3,673,109	(3,248,338)	2,778,034	3,502,800	(3,937,200)	2,343,634
Marine safety fund, 110	0	1,579,000	(1,579,000)	0	1,579,000	(1,579,000)	0
MBLSLA fund	4,378,588	8,334,459	(6,647,233)	6,065,813	8,524,600	(7,727,000)	6,863,413
MDTMB, civil service commission	0	215,400	(215,400)	0	218,700	(218,700)	0
Medicaid benefits trust fund	15,300	239,342,291	(239,342,291)	15,300	237,600,000	(237,588,800)	26,500
Medical waste emergency response fund	339,164	360,867	(357,885)	342,146	376,200	(398,200)	320,146
Metallic mining surveillance fee revenue	248,134	46,392	(13,727)	280,798	40,800	(18,500)	303,098

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
MFA, bond and loan program revenue	0	2,538,530	(2,538,530)	0	3,526,700	(3,526,700)	0
Mich state housing development authority fees and charges	7,408,780	56,431,900	(56,431,900)	7,408,780	62,116,200	(62,116,200)	7,408,780
Michigan business enterprise program fund	0	350,000	(350,000)	0	350,000	(350,000)	0
Michigan council for the arts fund	390,196	68,868	(147,664)	311,400	60,000	(200,000)	171,400
Michigan craft beverage council fund	1,213,827	825,819	(1,099,987)	939,659	800,000	(825,000)	914,659
Michigan health initiative fund	8,857,853	11,041,174	(10,047,214)	9,851,813	11,771,500	(11,771,500)	9,851,813
Michigan historical center operations fund	1,105,273	1,067,111	(1,170,078)	1,002,305	1,625,400	(1,219,900)	1,407,805
Michigan housing and community development fund	0	50,000,000	(50,000,000)	0	50,000,000	(50,000,000)	0
Michigan infrastructure fund	4,916,138	0	0	4,916,138	0	0	4,916,138
Michigan justice fund	10,000	106,000	(15,000)	101,000	100,000	(201,000)	0
Michigan justice training fund	13,169,450	11,338,005	(7,778,567)	16,728,888	9,000,000	(9,500,000)	16,228,888
Michigan lighthouse preservation fund 376	1,118,846	132,010	(86,900)	1,163,956	120,000	(120,000)	1,163,956
Michigan merit award trust fund	15,349,146	56,239,000	(60,909,600)	10,678,546	108,270,100	(102,468,200)	16,480,446
Michigan national guard armory construction fund	378,032	49,171	(82,909)	344,294	50,000	(83,000)	311,294
Michigan natural resources trust fund	119,692,856	37,921,695	(59,592,931)	98,021,620	49,590,900	(111,518,200)	36,094,320
Michigan opioid healing and recovery	0	26,575,816	(26,572,191)	3,625	131,949,500	(131,949,500)	3,625
Michigan state housing development authority fees	0	137,600	(137,600)	0	139,700	(139,700)	0
Michigan state parks endowment fund	33,690,458	28,069,026	(22,389,555)	39,369,929	24,807,600	(31,174,100)	33,003,429
Michigan state police auto theft fund	0	105,739	(105,739)	0	123,000	(123,000)	0
Michigan state waterways fund	40,782,855	34,188,874	(44,348,460)	30,623,268	44,354,100	(67,587,100)	7,390,268
Michigan state waterways fund 110	0	267,264	(267,264)	0	274,600	(274,600)	0
Michigan transportation fund	0	2,209,899,235	(2,209,899,235)	0	2,318,466,500	(2,318,466,500)	0
Michigan unarmed combat fund	43,091	213,000	(134,100)	121,991	130,500	(135,300)	117,191

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Michigan veterans' trust fund	75,155,360	7,723,227	(3,458,429)	79,420,158	7,722,700	(3,446,400)	83,696,458
Migratory labor housing fund	350,790	158,387	(35,009)	474,168	189,900	(129,900)	534,168
Military family relief fund	3,077,189	210,768	(103,698)	3,184,259	210,000	(103,700)	3,290,559
Mineral well regulatory fee revenue	84,514	135,606	(127,219)	92,604	132,800	(131,100)	94,304
Miscellaneous revenue	0	228,626	(228,626)	0	235,500	(235,500)	0
Mobile home code fund	8,961,288	2,293,646	(2,078,021)	9,176,913	1,734,000	(2,140,400)	8,770,513
Mobile home commission fees	0	422,149	(422,149)	0	511,200	(511,200)	0
Morale, welfare, and recreation fund	24,763	20,536	(2,184)	43,116	20,500	(63,600)	0
Motor carrier fees	1,352,917	7,452,823	(8,282,598)	523,142	7,000,000	(7,500,000)	23,142
Motor transport revolving fund	0	8,900	(8,900)	0	9,000	(9,000)	0
Motorcycle safety and education awareness fund	607,693	398,947	(299,991)	706,649	350,000	(350,000)	706,649
Motorcycle safety fund	2,784,420	1,941,538	(1,915,401)	2,810,558	1,941,500	(2,104,700)	2,647,358
Movable bridge fund	19,823,582	6,167,100	(3,431,882)	22,558,800	6,309,000	(6,309,000)	22,558,800
MPSCS subscriber and maintenance fees	0	3,057,084	(2,298,900)	758,184	3,000,000	(2,325,000)	1,433,184
Multiple employer welfare arrangement	51,072	64,637	(34,081)	81,828	64,900	(35,400)	111,328
Municipal finance fees	919,316	352,387	(440,113)	831,591	352,400	(497,500)	686,491
Narcotics-related forfeiture revenue	9,004,330	764,152	(914,957)	8,853,525	750,000	(950,000)	8,653,525
National guard facilities rental fund	77,993	202,458	(1,775)	278,676	202,000	(1,800)	478,876
National guard test projects fund	41,984	37,519	0	79,502	37,000	(116,500)	0
Neighborhood roads fund	0	0	0	0	1,003,000,000	(1,003,000,000)	0
Newborn screening fees	10,436,083	18,133,936	(17,175,541)	11,394,478	20,399,200	(20,399,200)	11,394,478
Nonferrous metallic mineral surveillance	298,853	318,557	(389,151)	225,733	316,000	(313,800)	227,933
Nongame wildlife fund	1,997,916	682,599	(422,698)	2,257,816	832,500	(549,400)	2,540,916

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Nonnarcotic forfeiture revenue	0	0	0	0	500	(500)	0
Notary education and training fund	59,738	58,343	(60,000)	58,081	100,000	(100,000)	58,081
Notary fee fund	0	166,614	(166,614)	0	200,000	(200,000)	0
NPDES fees	841,758	2,762,103	(2,474,308)	1,058,075	2,763,000	(2,536,200)	1,284,875
Nuclear plant emergency planning reimbursement	0	2,475,899	(2,475,899)	0	2,400,000	(2,400,000)	0
Nurse aide and medication aide registration fund	252,776	1,080,010	(1,015,257)	317,529	1,138,300	(1,090,000)	365,829
Nurse professional fund	2,994,298	1,762,300	(1,499,300)	3,257,298	1,616,500	(1,544,300)	3,329,498
OBRA Penalties	31,876,404	5,587,719	(1,046,276)	36,417,848	5,600,000	(10,766,700)	31,251,148
Office services revolving fund	0	12,300	(12,300)	0	12,500	(12,500)	0
Off-road vehicle safety education fund	1,113,763	361,650	(216,675)	1,258,738	351,700	(257,000)	1,353,438
Off-road vehicle title fees	0	170,700	(170,700)	0	170,700	(170,700)	0
Off-road vehicle trail improvement fund	19,369,328	12,024,939	(11,579,878)	19,814,388	11,390,500	(18,546,500)	12,658,388
Oil and gas regulatory fund	6,867,520	3,787,361	(3,847,463)	6,753,445	4,060,000	(4,203,500)	6,609,945
Orphan well fund	2,142,959	1,168,592	(1,175,906)	1,915,736	1,085,000	(1,111,100)	1,889,636
Other agency charges	0	1,271,952	(1,271,952)	0	1,307,600	(1,307,600)	0
Other state restricted revenues	15,562,246	411,221,224	(422,148,847)	4,634,624	298,021,400	(298,021,400)	4,634,624
Park improvement fund	24,398,159	89,821,636	(89,941,400)	24,278,395	93,942,300	(111,954,100)	6,266,595
Park improvement fund, Belle Isle subaccount	0	474,936	(474,936)	0	572,600	(572,600)	0
Parking ticket court fines	0	368,973	(368,973)	0	532,000	(532,000)	0
Pension trust funds	0	28,608,753	(28,608,753)	0	40,220,900	(40,220,900)	0
Permanent snowmobile trail easement fund	3,930,873	684,806	(35,670)	4,580,009	635,300	(700,800)	4,514,509
Personal identification card fees	0	2,620,671	(2,620,671)	0	2,675,400	(2,675,400)	0
Pheasant hunting license fees	352,827	198,752	(262,368)	289,211	193,200	(175,000)	307,411

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
PMECSEMA fund	7,344,794	2,055,500	(2,069,900)	7,330,394	1,988,000	(2,132,000)	7,186,394
Postsecondary scholarship fund	448,420,592	423,521,436	(305,744,686)	604,618,704	313,500,000	(460,000,000)	458,118,704
Precision driving track fees	0	292,084	(292,084)	0	290,000	(290,000)	0
Prisoner health care copayments	0	196,908	(196,908)	0	200,000	(200,000)	0
Private donations	1,888,605	63,772	(1,752,361)	200,016	32,400	(106,600)	125,815
Private forestland enhancement fund	2,018,161	1,576,365	(383,428)	3,211,098	1,500,000	(1,098,200)	3,612,898
Private foundations	0	158,652	(158,652)	0	136,300	(136,300)	0
Private funds	44,559,371	58,154,161	(85,114,730)	17,598,803	93,534,300	(94,343,600)	16,789,503
Private funds 114	0	0	0	0	2,000,000	(2,000,000)	0
Private funds 120	0	750,000	(750,000)	0	8,500,000	(8,500,000)	0
Private occupational school license fees	130,594	504,000	(595,100)	39,494	460,500	(460,500)	39,494
Private restricted contributions	44,909	53,539,051	(53,583,961)	0	10,000,000	(10,000,000)	0
Private security licensing fees	0	4,250	(4,250)	0	1,000	(1,000)	0
Program and special equipment fund	3,372,974	0	(388,700)	2,984,274	0	(2,984,300)	0
Property development fees	197,768	29,336	(3,059)	224,045	30,000	(5,000)	249,045
Public assistance recoupment revenue	0	4,130,526	(4,130,526)	0	4,040,300	(4,040,300)	0
Public safety answer point (PSAP) training 911 fund	1,968,928	2,237,969	(2,067,171)	2,139,727	2,092,500	(2,092,500)	2,139,727
Public swimming pool fund	473,772	694,261	(668,045)	499,034	1,203,100	(714,800)	987,334
Public use and replacement deed fees	0	15,257	(15,257)	0	20,000	(20,000)	0
Public utility assessments	5,466,813	42,334,684	(39,724,871)	8,076,626	39,527,500	(47,002,000)	602,126
Public water supply fees	2,371,128	5,132,622	(5,777,684)	1,692,315	7,711,800	(6,182,100)	3,222,015
Pure Michigan trails fund	22,077	1,024	(100)	23,001	1,000	(100)	23,901
Qualified airport fund	0	5,881,218	(5,881,218)	0	6,240,000	(6,240,000)	0

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Qualified heavy equipment rental PPT exemption reimbursement	0	11,182,052	(11,182,052)	0	18,139,700	(18,139,700)	0
Quality assurance assessment tax	0	2,138,782,770	(2,138,782,770)	0	2,516,650,900	(2,516,650,900)	0
Radiological health fees	3,386,682	3,641,100	(3,076,100)	3,951,682	3,953,700	(3,364,400)	4,540,982
Rail freight fund	18,755,732	1,978,139	(2,372)	20,731,500	6,000,000	(6,000,000)	20,731,500
Real estate appraiser education fund	661,521	26,400	(1,000)	686,921	30,000	(1,000)	715,921
Real estate education fund	2,718,026	695,800	(380,200)	3,033,626	142,300	(791,600)	2,384,326
Real estate enforcement fund	2,794,017	716,200	(530,300)	2,979,917	156,800	(546,300)	2,590,417
Recreation improvement account	1,739,584	1,726,946	(2,082,031)	1,384,499	2,500,700	(2,342,000)	1,543,199
Recreation passport fees	41,320,740	15,147,876	(35,117,330)	21,351,286	14,768,600	(32,980,600)	3,139,286
Recreation passport fees 110	0	1,000,000	(1,000,000)	0	1,000,000	(1,000,000)	0
Reentry center offender reimbursements	0	0	0	0	1,000	(1,000)	0
Refined petroleum fund	42,229,398	37,890,611	(38,321,347)	931,504	38,000,000	(35,000,000)	3,931,504
Rehabilitation service fees	0	45,300	(45,300)	0	64,000	(64,000)	0
Reimburse local exchange providers 911 fund	19,283,841	11,118,007	(15,255,217)	15,146,631	11,551,200	(16,775,200)	9,922,631
Reimbursed services	0	1,759,669	(1,759,669)	0	1,900,000	(1,900,000)	0
Reimbursed services, local	0	121,422	(121,422)	0	100,000	(100,000)	0
Reinstatement fees, operator licenses	0	1,404,344	(1,404,344)	0	1,626,700	(1,626,700)	0
Renew Michigan fund	152,176,710	77,298,472	(70,114,115)	4,037,262	77,000,000	(78,000,000)	3,037,262
Rental of department aircraft	0	52,222	(52,222)	0	50,000	(50,000)	0
Resident stores	0	2,959,608	(2,959,608)	0	2,926,600	(2,926,600)	0
Retired engineers technical assistance program fund	556,657	24,174	(461,285)	119,546	25,400	(60,000)	84,946
Retired law enforcement officer safety fund	99	9,588	(9,688)	0	10,000	(10,000)	0
Retirement funds	0	17,747,765	(17,747,765)	0	18,764,200	(18,764,200)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Revitalization and placemaking fund	1,561,605	54,527,035	(50,000,000)	6,088,640	0	(6,088,400)	0
Revolving loan revenue bonds	0	7,020,400	(7,020,400)	0	15,000,000	(15,000,000)	0
Rural development fund	11,033,671	1,268,299	(1,612,789)	10,689,181	1,200,000	(1,200,000)	10,689,181
Safety education and training fund	9,214,286	12,074,000	(12,053,900)	9,234,386	12,934,500	(12,934,500)	9,234,386
Sales tax	3,623,226	1,710,054,154	(1,710,124,183)	3,553,197	1,761,454,400	(1,761,454,400)	3,553,197
Sand extraction fee revenue	150,310	28,446	(35,265)	143,491	34,400	(40,300)	137,591
School bond fees	4,325,113	798,454	(674,201)	4,449,366	808,900	(683,000)	4,575,266
School bus revenue	0	1,833,997	(1,833,997)	0	1,700,000	(1,700,000)	0
School consolidation and infrastructure fund	355,456,750	23,756,152	(103,000)	379,109,902	22,000,000	(100,000,000)	301,109,902
School meals reserve fund	165,254,149	6,381,458	(50,402,912)	121,232,695	5,500,000	(2,500,000)	124,232,695
School transportation fund	242,312,568	8,334,860	(125,033,500)	125,613,928	2,500,000	(125,000,000)	3,113,928
Scrap tire fund	0	78,600	(78,600)	0	78,600	(78,600)	0
Scrap tire regulatory fund	7,578,497	5,102,715	(3,034,227)	9,638,093	4,769,500	(6,574,300)	7,833,293
Second injury fund	0	2,340,200	(2,340,200)	0	2,190,600	(2,190,600)	0
Second injury fund 110	0	543,300	(543,300)	0	519,100	(519,100)	0
Secondary road patrol and training fund	19,130,398	16,359,793	(18,098,406)	17,391,784	16,000,000	(18,000,000)	15,391,784
Securities fees	0	27,613,979	(27,613,979)	0	27,189,000	(27,189,000)	0
Securities investor education and training fund	1,000,000	82,700	(373,700)	709,000	10,000	(85,100)	633,900
Security business fund	95,566	115,600	(114,200)	96,966	99,500	(117,700)	78,766
Self-insurers security fund	0	935,700	(935,700)	0	1,018,700	(1,018,700)	0
Self-insurers security fund 110	0	289,800	(289,800)	0	278,700	(278,700)	0
Senior care respite fund	2,763,342	1,805,051	(1,959,714)	2,608,679	1,800,000	(2,000,000)	2,408,679
Septage waste program fund	1,622,730	626,656	(651,594)	1,596,643	2,316,900	(697,200)	3,216,343

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Settlement funds	12,862,339	4,838,246	(716,742)	16,983,842	5,550,400	(1,560,000)	20,974,242
Sewage sludge land application fee	506,521	620,951	(652,422)	469,316	620,000	(668,700)	420,616
Sex offenders registration fund	1,283,246	448,838	(624,230)	1,107,854	500,000	(625,300)	982,554
Sexual assault victims' prevention and treatment fund	437,572	824,788	(489,698)	772,662	800,000	(550,000)	1,022,662
SIGMA user fees	0	4,724,885	(4,724,885)	0	5,596,000	(5,596,000)	0
Silicosis and dust disease fund	0	297,500	(297,500)	0	315,800	(315,800)	0
Silicosis and dust disease fund 110	0	91,300	(91,300)	0	86,500	(86,500)	0
Small business pollution prevention revolving loan fund	2,128,817	98,326	0	2,227,143	78,400	(500)	2,305,043
SMRS fees	464,368	478,083	(919,200)	23,251	400,000	(400,000)	23,251
Snowmobile registration fee revenue	223,299	991,483	(955,169)	259,614	943,800	(1,034,700)	168,714
Snowmobile registration fee revenue 110	0	189,117	(189,117)	0	185,000	(185,000)	0
Snowmobile trail improvement fund	7,442,284	11,394,837	(10,815,722)	8,021,400	12,763,500	(14,792,400)	5,992,500
Soil erosion and sedimentation control training fund	239,005	143,593	(153,881)	228,520	229,000	(157,700)	299,820
Solid waste management fund, staff account	5,204,204	6,274,791	(6,188,524)	5,245,789	6,175,800	(6,374,600)	5,046,989
Special project advances 376	605,437	42,974	(74,058)	574,353	75,000	(75,000)	574,353
Special revenue, internal service, and pension trust funds	0	20,899,288	(20,899,288)	0	26,679,700	(26,679,700)	0
Special supplemental food program, WIC	0	39,481,746	(39,481,746)	0	45,000,000	(45,000,000)	0
Sportsmen against hunger fund	257,656	312,550	(234,702)	335,504	300,000	(251,100)	384,404
State aeronautics fund	29,406,351	13,012,936	(36,851,187)	5,568,100	22,213,700	(27,521,600)	260,200
State bank regulatory fund	2,508,145	6,709,338	(7,170,976)	2,046,507	7,652,400	(7,880,200)	1,818,707
State brownfield redevelopment fund	5,220,935	1,775,115	(195,382)	6,800,668	8,000,000	(7,000,000)	7,800,668
State building authority revenue 110	0	129,071	(129,071)	0	133,200	(133,200)	0
State court fund	0	7,020,678	(7,020,678)	0	7,381,000	(7,381,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
State disbursement unit, office of child support	0	69,400	(69,400)	0	70,500	(70,500)	0
State forensic laboratory fund	1,687,876	684,176	(532,700)	1,839,353	650,000	(971,100)	1,518,253
State historic preservation office fees and charges	449,276	1,201,332	(852,255)	798,353	230,000	(300,000)	728,353
State lottery fund	0	40,017,000	(40,017,000)	0	38,129,300	(38,129,300)	0
State lottery fund 110	0	712,600	(712,600)	0	723,500	(723,500)	0
State police administrator and coordinator 911 fund	761,190	979,954	(883,539)	857,604	980,000	(980,000)	857,604
State police dispatch operator 911 fund	421,119	606,244	(503,914)	523,449	606,200	(606,200)	523,449
State police service fees	0	4,835,130	(4,835,130)	0	4,500,000	(4,500,000)	0
State restricted fees, revenues and reimbursements	0	0	0	0	100	(100)	0
State restricted funds 1%	1,085,022	34,265,300	(35,350,322)	0	34,669,100	(34,669,100)	0
State restricted indirect funds	0	15,689,446	(15,689,446)	0	20,374,900	(20,374,900)	0
State school aid pupil support reserve fund	0	0	0	0	326,112,200	(97,037,400)	229,074,800
State services fee fund 140	8,953,442	43,269,300	(39,484,800)	12,737,942	50,363,600	(43,651,300)	19,450,242
State share education funds	0	1,332,544	(1,332,544)	0	807,600	(807,600)	0
State sponsored group insurance	0	8,940,032	(8,940,032)	0	11,390,400	(11,390,400)	0
State trunkline fund	1,003,550,937	1,516,321,533	(2,519,872,470)	0	1,695,943,000	(1,695,943,000)	0
Stormwater permit fees	696,101	1,599,723	(1,588,609)	691,685	1,600,000	(1,628,300)	663,385
Strategic outreach and attraction reserve fund	704,100,000	0	(247,700,000)	456,400,000	0	(150,000,000)	306,400,000
Student insurance revenue	0	100,860	(100,860)	0	102,900	(102,900)	0
Student safety fund	346,218	16,046	0	362,264	10,000	(50,000)	322,264
Supervision fees	0	3,121,200	(3,121,200)	0	3,121,200	(3,121,200)	0
Supervision fees set-aside	97,298	654,239	(654,239)	97,298	654,200	(654,200)	97,298
Supplemental security income recoveries	0	1,882,632	(1,839,408)	43,225	1,882,000	(1,882,000)	43,225

Revenue and Expenditure Projections - FY 2025 and FY 2026

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Survey and remonumentation fund	6,427,573	5,328,436	(8,830,967)	2,925,042	5,042,000	(5,051,600)	2,915,442
Tax tribunal fund	0	1,100,930	(1,100,930)	0	1,061,500	(1,061,500)	0
Teacher testing fees	322,000	204,165	(208,890)	317,275	208,200	(217,200)	308,275
Tech enhanced naturally occurring radioactive material	928,233	450,900	(484,689)	894,445	460,200	(500,700)	853,945
Testing fees	376,612	103,947	(127,598)	352,961	105,000	(150,000)	307,961
Thomas Daley gift of life fund	731,987	96,909	(43,854)	785,042	50,000	(50,000)	785,042
Tobacco tax revenue	14,099	8,308,980	(8,323,079)	0	8,752,500	(8,752,500)	0
Traffic crash revenue	0	748,659	(748,659)	0	750,000	(750,000)	0
Traffic law enforcement and safety fund	51,227,329	29,079,455	(26,712,721)	53,594,064	25,000,000	(36,000,000)	42,594,064
Training and orientation workshop fees	0	128,971	(128,971)	0	131,600	(131,600)	0
Transportation administration collection fund	65,911,336	160,847,391	(154,189,793)	72,568,934	160,847,400	(170,033,600)	63,382,734
Treasury fees	0	4,772,500	(4,772,500)	0	5,318,300	(5,318,300)	0
Trooper school recruitment fund	5,000,000	1,739,462	(1,739,462)	5,000,000	1,000,000	(1,000,000)	5,000,000
Truck driver safety fund	2,512,275	3,314,945	(3,720,291)	2,106,929	3,300,000	(3,700,000)	1,706,929
Turkey permit fees	632,197	951,274	(1,050,785)	532,686	921,900	(1,080,200)	374,386
Underground storage tank cleanup fund	93,574,141	24,540,046	(24,298,411)	85,342,684	22,000,000	(23,234,400)	84,108,284
Utility consumer representation fund	4,602,498	4,328,771	(4,005,146)	4,926,123	4,316,600	(4,019,000)	5,223,723
Vehicle sales proceeds	0	803,376	(803,376)	0	650,000	(650,000)	0
Vehicle theft prevention fees	0	1,545,141	(1,545,141)	0	1,716,300	(1,716,300)	0
Veterans license plate fund	146,976	54,558	0	201,534	54,500	(54,500)	201,534
Vital records fees	6,888,219	5,482,398	(5,006,878)	7,363,740	5,448,700	(5,448,700)	7,363,740
Vocational rehabilitation match	0	4,904,000	(4,904,000)	0	4,868,900	(4,868,900)	0
Wastewater operator training fees	241,871	595,981	(519,512)	314,774	786,300	(512,300)	588,774

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2025 (Actual)			Fiscal Year 2026 (Current Year Estimated)			
	Beginning Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Water pollution control revolving fund	0	0	0	0	300,000	(300,000)	0
Water quality protection fund	427,728	84,766	(69,383)	442,817	85,000	(108,500)	419,317
Water use reporting fees	557,649	269,027	(305,159)	520,866	268,000	(313,200)	475,666
Waterfowl fees	85,398	110,428	(105,798)	90,028	109,800	(121,600)	78,228
Waterfowl hunt stamp	4,298,569	516,249	(1,535,521)	3,279,297	509,000	(2,970,800)	817,497
Weights and measures regulation fees	2,425,786	485,451	(674,621)	2,236,616	600,000	(763,100)	2,073,516
Wildlife management public education fund	402,245	1,539,577	(1,656,232)	285,590	1,485,900	(1,400,000)	371,490
Wildlife resource protection fund	196,296	1,287,301	(1,268,667)	214,930	1,186,500	(1,280,500)	120,930
Worker's compensation administrative revolving fund	2,610,398	764,100	(724,500)	2,649,998	753,200	(656,400)	2,746,798
Youth hunting and fishing education and outreach fund	7,642	49,917	(46,215)	11,344	47,700	(48,000)	11,044
Total:	6,973,256,846	13,329,525,325	(15,106,569,555)	4,850,308,857	15,262,529,300	(16,032,920,200)	4,029,917,613

Boilerplate language in the Fiscal Year 2026 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, 2025 and September 30, 2026.

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



STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Children's protection registry fund	999,368	137,400	(274,400)	862,368	137,400	(274,400)
Children's trust fund	12,319,351	1,200,000	(2,895,300)	10,624,051	1,200,000	(2,895,300)
City income tax fund	0	11,917,300	(11,917,300)	0	11,917,300	(11,917,300)
Cleanup and redevelopment fund	29,180,678	80,000,000	(79,948,900)	29,231,778	80,000,000	(65,258,900)
Coal ash care fund	323,781	208,000	(144,900)	386,881	208,000	(144,900)
Collections	0	1,226,900	(1,226,900)	0	1,226,900	(1,226,900)
Commercial forest fund	137,212	24,200	(28,100)	133,312	23,500	(28,100)
Commodity distribution fees	26,278	19,400	(19,400)	26,278	19,800	(19,800)
Commodity inspection fees	719,407	600,000	(450,000)	869,407	600,000	(450,000)
Community dispute resolution fund	2,964,050	2,240,000	(2,516,400)	2,687,650	2,285,000	(2,565,700)
Community pollution prevention fund	46,891,573	0	(1,000,000)	45,891,573	0	(1,000,000)
Community tether program reimbursement	0	275,000	(275,000)	0	275,000	(275,000)
Comprehensive road funding fund	0	500,000	(500,000)	0	500,000	(500,000)
Comprehensive transportation fund	64,971,500	548,913,400	(578,884,900)	35,000,000	561,428,100	(578,884,900)
Compulsive gaming prevention fund	7,019,501	8,185,000	(6,695,000)	8,509,501	8,185,000	(6,695,000)
Construction code fund	52,103,343	16,246,200	(15,316,600)	53,032,943	19,758,700	(15,776,100)
Consumer finance fees	5,080,900	3,744,200	(3,310,700)	5,514,400	3,744,200	(3,310,700)
Consumer food safety education fund	463,038	225,000	(202,000)	486,038	225,000	(202,000)
Contingent fund, penalty and interest account	1,657,295	20,000,000	(19,964,800)	1,692,495	20,000,000	(16,947,300)
Continuing education fund	61,040	646,800	(620,100)	87,740	646,800	(620,100)
Convention facility development fund	4,423,791	117,374,200	(117,374,200)	4,423,791	120,564,300	(120,564,300)
Corporation fees	51,920,400	41,392,200	(42,870,800)	50,441,800	41,749,300	(43,674,500)
Correctional industries revolving fund	0	6,155,700	(6,155,700)	0	6,264,900	(6,264,900)

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Driver education provider and instructor fund	298,117	150,000	(150,000)	298,117	150,000	(150,000)	298,117
Driver fees	0	27,922,900	(27,922,900)	0	27,922,900	(27,922,900)	0
Driver improvement course fund	0	800,000	(800,000)	0	800,000	(800,000)	0
Drug treatment court fund	2,841,995	970,000	(1,325,500)	2,486,495	995,000	(1,450,000)	2,031,495
Drunk driving caseflow assistance fund	0	963,000	(963,000)	0	914,900	(914,900)	0
Drunk driving prevention and training fund	455,717	370,000	(500,000)	325,717	370,000	(500,000)	195,717
Economic development fund	147,546,000	54,173,000	(54,173,000)	147,546,000	54,007,000	(54,007,000)	147,546,000
Educator fellowship public provider fund	265,013,166	10,000,000	(8,500,000)	266,513,166	10,000,000	(9,000,000)	267,513,166
Election administration support fund	11,442,398	20,255,500	(20,255,500)	11,442,398	20,255,500	(20,255,500)	11,442,398
Electronic waste recycling fund	81,237	256,900	(326,500)	11,637	251,000	(259,700)	2,937
Elevator fees	837,743	7,152,000	(7,104,500)	885,243	7,152,000	(7,317,600)	719,643
Emergency medical services fees	1,674,712	823,600	(823,600)	1,674,712	823,600	(823,600)	1,674,712
Energy efficiency and renewable energy revolving loan fund	177,223	298,600	(475,000)	823	278,600	(278,500)	923
Enhanced driver license and enhanced official state ID card fund	9,715,681	19,400,000	(21,871,300)	7,244,381	19,400,000	(21,871,300)	4,773,081
Enrollment stabilization fund	135,227,151	4,000,000	(139,227,100)	51	0	0	51
Environmental education fund	362,965	216,000	(175,500)	403,465	228,400	(176,700)	455,165
Environmental pollution prevention fund	153	2,589,300	(2,589,300)	153	2,590,400	(2,590,400)	153
Environmental response fund	19,406,617	4,000,000	(2,113,300)	21,293,317	4,000,000	(2,197,900)	23,095,417
Escheats revenue	19,989	5,824,000	(5,824,000)	19,989	6,413,000	(6,413,000)	19,989
Expedient service fees	0	3,817,400	(3,817,400)	0	3,817,400	(3,817,400)	0
Fantasy contest fund	0	1,100,800	(1,100,800)	0	1,119,300	(1,119,300)	0
Feed control fund	1,580,026	1,407,900	(1,369,900)	1,618,026	1,452,500	(1,399,500)	1,671,026
Fees and collections	13,242,325	11,760,800	(11,760,800)	13,242,325	11,790,900	(11,790,900)	13,242,325

Revenue and Expenditure Projections - FY 2027 and FY 2028

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
Fertilizer control fund	1,133,368	1,124,700	(1,440,200)	817,868	1,124,700	(1,483,400)	459,168
Financial instruments	137,810	4,700,000	(4,700,000)	137,810	4,932,000	(4,905,400)	164,410
Fire alarm fees	6,151	77,800	(80,000)	3,951	116,300	(108,000)	12,251
Fire equipment fund	657,199	210,000	(187,300)	679,899	210,000	(187,300)	702,599
Fire safety standard and enforcement fund	333,260	20,000	(38,100)	315,160	90,000	(38,100)	367,060
Fire service fees	11,138,131	3,859,200	(4,022,000)	10,975,331	3,859,200	(4,142,700)	10,691,831
Fireworks safety fund	12,654,395	3,817,000	(3,760,500)	12,710,895	3,817,000	(3,804,300)	12,723,595
First responder presumed coverage fund	10,301,781	6,500,000	(6,500,000)	10,301,781	6,500,000	(6,500,000)	10,301,781
Fisheries settlement	530,168	616,300	(745,600)	400,868	626,200	(748,600)	278,468
Forensic science reimbursement fees	0	750,000	(750,000)	0	750,000	(750,000)	0
Forest development fund	0	38,331,200	(38,331,200)	0	35,439,200	(35,439,200)	0
Forest land user charges	397,970	183,700	(285,100)	296,570	179,000	(288,900)	186,670
Forest recreation account	4,999,808	4,502,500	(6,396,400)	3,105,908	4,385,800	(6,447,400)	1,044,308
Foster children SSA	1,159,880	3,500,000	(3,500,000)	1,159,880	3,500,000	(3,500,000)	1,159,880
Freshwater protection fund	6,729,678	7,082,800	(8,644,900)	5,167,578	7,086,900	(9,049,000)	3,205,478
Game and fish protection fund	0	79,339,400	(79,339,400)	0	79,075,100	(79,075,100)	0
Game and fish protection fund 110	0	748,000	(748,000)	0	763,000	(763,000)	0
Garnishment fees	0	2,915,500	(2,915,500)	0	2,953,300	(2,953,300)	0
Gasoline inspection and testing fund	7,108,642	1,400,000	(2,044,800)	6,463,842	1,400,000	(2,122,900)	5,740,942
General pupil support reserve fund	1,200,000	40,000	(600,000)	640,000	20,000	(660,000)	0
Gifts, bequests, and donations 110	16,186,528	1,445,100	(784,200)	16,847,428	1,472,400	(812,300)	17,507,528
Grain dealers fee fund	349,537	708,800	(608,800)	449,537	709,200	(609,200)	549,537
Great Lakes protection fund	725,670	488,700	(591,400)	622,970	477,700	(623,800)	476,870

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Great start readiness reserve fund	89,497,076	4,000,000	(16,000,000)	77,497,076	3,000,000	(17,000,000)
Groundwater discharge permit fees	260,265	2,005,000	(2,093,500)	171,765	2,005,000	(2,135,300)
Hazardous materials training center fees	121,466	760,000	(730,000)	151,466	760,000	(780,000)
Health and safety fund	961,677	100,000	(100,000)	961,677	100,000	(100,000)
Health management funds	0	443,200	(443,200)	0	443,200	(443,200)
Health professions regulatory fund	77,242,687	34,389,000	(31,041,200)	80,590,487	38,365,500	(31,972,500)
Health systems fees	5,015,907	3,552,000	(3,970,400)	4,597,507	3,552,000	(4,049,800)
Healthy Michigan fund	632,400	40,275,000	(40,238,400)	669,000	40,275,000	(40,238,400)
Highway safety fund	10,645,989	6,000,000	(6,400,000)	10,245,989	6,000,000	(6,500,000)
Horticulture fund	56,107	40,000	(40,000)	56,107	30,000	(30,000)
Human trafficking commission fund	48,702	0	0	48,702	0	0
Income and assessments 390	0	5,921,800	(5,921,800)	0	5,921,800	(5,921,800)
Industrial hemp fund	968,465	78,000	(333,000)	713,465	81,400	(311,400)
Industrial hemp licensing and registration fund	1,064,603	315,000	(306,200)	1,073,403	265,000	(312,300)
Industry food-safety education fund	123,211	96,600	(113,500)	106,311	96,600	(113,900)
Industry support funds	502,461	377,000	(185,500)	693,961	377,000	(185,500)
Infrastructure construction fund	416,222	147,000	(56,900)	506,322	147,000	(58,300)
Insurance bureau fund	4,173,450	34,475,900	(34,492,400)	4,156,950	34,475,900	(34,492,400)
Insurance licensing and regulation fees	877,690	10,690,200	(10,705,200)	862,690	10,690,200	(10,705,200)
Insurance provider fund	0	579,300,000	(579,300,000)	0	579,300,000	(579,300,000)
Intercity bus equipment fund	67,000	45,400	(45,400)	67,000	45,400	(45,400)
Interest on lawyers trust accounts	0	442,800	(442,800)	0	459,700	(459,700)
Internet gaming fund	0	17,529,200	(17,529,200)	0	17,529,200	(17,529,200)

Revenue and Expenditure Projections - FY 2027 and FY 2028

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Internet sports betting fund	0	3,062,700	(3,062,700)	0	3,114,800	(3,114,800)
Invasive species fund	1,544,876	47,100	0	1,591,976	39,100	0
Jail reimbursement program fund	0	3,817,200	(3,817,200)	0	3,947,200	(3,947,200)
Judicial electronic filing fund	6,565,282	8,400,000	(9,774,100)	5,191,182	8,400,000	(8,436,500)
Judicial technology improvement fund	5,725,726	4,325,000	(4,550,000)	5,500,726	4,450,000	(4,900,000)
Juror compensation reimbursement fund	17,505,595	1,660,000	(3,601,700)	15,563,895	1,180,000	(3,708,900)
Justice system fund	596,553	574,400	(756,700)	414,253	587,500	(769,100)
Laboratory services fees	1,337,787	9,500,000	(10,000,000)	837,787	10,000,000	(10,000,000)
Land and water permit fees	12,778,470	3,351,000	(2,112,700)	14,016,770	3,351,000	(2,165,500)
Land bank fast track fund	24,033,136	3,711,700	(2,500,000)	25,244,836	3,711,700	(2,500,000)
Land exchange facilitation and management fund	16,587,803	4,703,100	(6,618,400)	14,672,503	4,579,100	(8,219,400)
Land reutilization fund	9,378,791	1,737,400	(1,331,900)	9,784,291	1,621,900	(1,067,800)
Law enforcement officers training fund	30,386,892	18,000,000	(19,000,000)	29,386,892	18,000,000	(19,000,000)
Law exam fees	0	745,000	(745,000)	0	750,000	(750,000)
LEIN fees	0	700,000	(700,000)	0	700,000	(700,000)
Library Fees	310,725	1,500	(8,300)	303,925	1,500	(8,600)
Licensing and regulation fund	4,844,574	10,734,000	(13,007,700)	2,570,874	11,941,300	(13,397,900)
Liquor enf and license wholesale RF	2,052,069	547,200	(175,000)	2,424,269	547,200	(175,000)
Liquor license fee enhancement fund	1,529,413	18,100	(76,400)	1,471,113	76,900	(76,400)
Liquor license revenue	9,318,478	16,804,500	(19,320,900)	6,802,078	16,804,500	(19,320,900)
Liquor purchase revolving fund	0	23,144,100	(23,144,100)	0	23,607,000	(23,607,000)
Local agency wetland mitigation bank fund	7,594,100	2,250,000	(2,250,000)	7,594,100	2,250,000	(2,250,000)
Local bridge fund	0	26,628,200	(26,628,200)	0	26,425,200	(26,425,200)

Revenue and Expenditure Projections - FY 2027 and FY 2028

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)			
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
Mich state housing development authority fees and charges	7,408,780	61,175,000	(60,556,100)	8,027,680	60,680,000	(58,061,100)	10,646,580
Michigan business enterprise program fund	0	350,000	(350,000)	0	350,000	(350,000)	0
Michigan council for the arts fund	171,400	70,000	(150,000)	91,400	70,000	(150,000)	11,400
Michigan craft beverage council fund	914,659	800,000	(825,000)	889,659	800,000	(825,000)	864,659
Michigan health initiative fund	9,851,813	12,156,100	(12,156,100)	9,851,813	12,011,500	(12,011,500)	9,851,813
Michigan historical center operations fund	1,407,805	1,626,200	(1,663,900)	1,370,105	1,611,200	(1,671,600)	1,309,705
Michigan housing and community development fund	0	50,000,000	(50,000,000)	0	50,000,000	(50,000,000)	0
Michigan infrastructure fund	4,916,138	0	(4,100,000)	816,138	0	0	816,138
Michigan justice fund	0	100,000	(100,000)	0	100,000	(100,000)	0
Michigan justice training fund	16,228,888	9,000,000	(10,000,000)	15,228,888	9,000,000	(10,500,000)	13,728,888
Michigan lighthouse preservation fund 376	1,163,956	120,000	(120,000)	1,163,956	120,000	(120,000)	1,163,956
Michigan merit award trust fund	16,480,446	102,024,300	(102,468,200)	16,036,546	102,024,300	(102,468,200)	15,592,646
Michigan national guard armory construction fund	311,294	50,000	(83,000)	278,294	50,000	(83,000)	245,294
Michigan natural resources trust fund	36,094,320	51,123,800	(25,912,400)	61,305,720	52,737,300	(26,192,200)	87,850,820
Michigan opioid healing and recovery	3,625	117,952,000	(117,952,000)	3,625	55,204,600	(55,204,600)	3,625
Michigan state housing development authority fees	0	142,000	(142,000)	0	144,000	(144,000)	0
Michigan state parks endowment fund	33,003,429	24,686,700	(30,698,100)	26,992,029	23,593,300	(30,788,300)	19,797,029
Michigan state police auto theft fund	0	123,000	(123,000)	0	123,000	(123,000)	0
Michigan state waterways fund	7,390,268	49,230,900	(48,967,300)	7,653,868	49,564,800	(49,230,900)	7,987,768
Michigan state waterways fund 110	0	279,600	(279,600)	0	283,100	(283,100)	0
Michigan transportation fund	0	2,511,858,500	(2,511,858,500)	0	2,564,749,700	(2,564,749,700)	0
Michigan unarmed combat fund	117,191	130,500	(139,400)	108,291	130,500	(143,500)	95,291
Michigan veterans' trust fund	83,696,458	7,722,700	(3,446,400)	87,972,758	7,722,700	(3,446,400)	92,249,058

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Migratory labor housing fund	534,168	191,400	(131,400)	594,168	193,000	(133,000)
Military family relief fund	3,290,559	210,000	(103,700)	3,386,859	210,000	(103,700)
Mineral well regulatory fee revenue	94,304	132,000	(134,500)	91,804	132,000	(138,000)
Miscellaneous revenue	0	242,600	(242,600)	0	249,900	(249,900)
Mobile home code fund	8,770,513	2,411,000	(2,204,600)	8,976,913	1,976,000	(2,270,700)
Mobile home commission fees	0	512,800	(512,800)	0	512,800	(512,800)
Morale, welfare, and recreation fund	0	20,500	(20,500)	0	20,500	(20,500)
Motor carrier fees	23,142	7,000,000	(7,000,000)	23,142	7,000,000	(6,500,000)
Motor transport revolving fund	0	9,000	(9,000)	0	9,000	(9,000)
Motorcycle safety and education awareness fund	706,649	350,000	(350,000)	706,649	350,000	(350,000)
Motorcycle safety fund	2,647,358	1,941,500	(2,107,600)	2,481,258	1,941,500	(2,107,600)
Movable bridge fund	22,558,800	6,504,600	(6,504,600)	22,558,800	6,706,200	(6,706,200)
MPSCS subscriber and maintenance fees	1,433,184	3,000,000	(3,059,500)	1,373,684	3,000,000	(3,059,500)
Multiple employer welfare arrangement	111,328	64,900	(35,400)	140,828	64,900	(35,400)
Municipal finance fees	686,491	363,500	(514,900)	535,091	375,000	(533,000)
Narcotics-related forfeiture revenue	8,653,525	750,000	(1,000,000)	8,403,525	750,000	(1,000,000)
National guard facilities rental fund	478,876	202,000	(1,800)	679,076	202,000	(1,800)
National guard test projects fund	0	37,000	(37,000)	0	37,000	(37,000)
Neighborhood roads fund	0	1,194,000,000	(1,194,000,000)	0	1,293,000,000	(1,293,000,000)
Newborn screening fees	11,394,478	20,749,700	(20,749,700)	11,394,478	21,117,700	(21,117,700)
Nonferrous metallic mineral surveillance	227,933	304,200	(320,500)	211,633	304,200	(327,500)
Nongame wildlife fund	2,540,916	830,100	(549,900)	2,821,116	813,100	(550,300)
Nonnarcotic forfeiture revenue	0	500	(500)	0	500	(500)

Revenue and Expenditure Projections - FY 2027 and FY 2028

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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

Fund Name	Fiscal Year 2027 (BY1 Estimated)			Fiscal Year 2028 (BY2 Estimated)		
	Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures
Tax tribunal fund	0	478,900	(478,900)	0	478,900	(478,900)
Teacher testing fees	308,275	212,400	(225,900)	294,775	216,600	(234,900)
Tech enhanced naturally occurring radioactive material	853,945	460,900	(525,000)	789,845	457,800	(562,400)
Testing fees	307,961	105,000	(157,500)	255,461	105,000	(165,400)
Thomas Daley gift of life fund	785,042	50,000	(50,000)	785,042	50,000	(50,000)
Tobacco tax revenue	0	9,204,000	(9,204,000)	0	9,678,800	(9,678,800)
Traffic crash revenue	0	750,000	(750,000)	0	750,000	(750,000)
Traffic law enforcement and safety fund	42,594,064	25,000,000	(38,000,000)	29,594,064	25,000,000	(38,000,000)
Training and orientation workshop fees	0	134,200	(134,200)	0	136,900	(136,900)
Transportation administration collection fund	63,382,734	160,847,400	(173,404,100)	50,826,034	160,847,400	(173,404,100)
Treasury fees	0	5,318,300	(5,318,300)	0	5,318,300	(5,318,300)
Trooper school recruitment fund	5,000,000	1,000,000	(1,000,000)	5,000,000	1,000,000	(1,000,000)
Truck driver safety fund	1,706,929	3,300,000	(3,700,000)	1,306,929	3,300,000	(3,700,000)
Turkey permit fees	374,386	921,900	(1,101,800)	194,486	921,900	(1,112,800)
Underground storage tank cleanup fund	84,108,284	22,000,000	(23,372,700)	82,735,584	22,000,000	(22,709,500)
Utility consumer representation fund	5,223,723	4,404,800	(4,038,200)	5,590,323	4,492,900	(4,063,200)
Vehicle sales proceeds	0	650,000	(650,000)	0	650,000	(650,000)
Vehicle theft prevention fees	0	1,725,300	(1,725,300)	0	1,725,300	(1,725,300)
Veterans license plate fund	201,534	54,500	(54,500)	201,534	54,500	(54,500)
Vital records fees	7,363,740	5,468,400	(5,468,400)	7,363,740	5,489,000	(5,489,000)
Vocational rehabilitation match	0	4,868,900	(4,868,900)	0	4,868,900	(4,868,900)
Wastewater operator training fees	588,774	800,800	(525,200)	864,374	815,700	(538,600)
Water pollution control revolving fund	0	300,000	(300,000)	0	300,000	(300,000)



FISCAL YEAR 2027 EXECUTIVE RECOMMENDATION

DEPARTMENT	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture and Rural Development	148,047,700	338,600	147,709,100	20,245,000	0	0	54,563,700	72,900,400	127,464,100	10,400,000
Attorney General	130,692,400	39,899,600	90,792,800	10,710,500	0	96,140	31,073,200	48,047,700	79,120,900	0
Civil Rights	29,444,300	0	29,444,300	3,435,200	0	18,700	58,500	25,931,900	25,990,400	0
Corrections	2,198,138,100	0	2,198,138,100	5,222,600	275,000	0	30,559,800	2,162,080,700	2,192,640,500	122,497,200
Education	162,193,200	0	162,193,200	84,339,300	5,937,300	2,552,900	10,293,000	59,070,700	69,363,700	18,547,700
Environment, Great Lakes, and Energy	965,795,000	4,237,600	961,557,400	464,743,400	0	1,892,500	386,083,300	108,838,200	494,921,500	20,433,300
Executive Office	9,890,200	0	9,890,200	0	0	0	0	9,890,200	9,890,200	0
Health and Human Services	40,993,612,400	15,504,500	40,978,107,900	28,586,210,100	187,655,900	189,283,800	5,027,812,800	6,987,145,300	12,013,958,100	2,408,987,000
Insurance and Financial Services	82,333,800	791,600	81,542,200	250,000	0	0	81,292,200	0	81,292,200	0
Judiciary	391,258,400	1,902,300	389,356,100	7,323,000	0	1,912,900	96,879,600	283,240,600	380,120,200	169,486,400
Labor and Economic Opportunity	1,682,109,700	0	1,682,109,700	1,190,870,600	6,200,000	8,097,200	295,779,500	181,162,400	476,941,900	39,799,500
Legislature	239,019,400	7,445,000	231,574,400	0	0	474,700	8,016,700	223,083,000	231,099,700	0
Licensing and Regulatory Affairs	627,477,600	30,303,000	597,174,600	30,661,000	0	0	291,161,800	275,351,800	566,513,600	258,016,800
Lifelong Education, Advancement, and Potential	652,672,900	0	652,672,900	418,323,900	0	1,000,000	1,897,300	231,451,700	233,349,000	0
Military and Veterans Affairs	263,938,000	101,800	263,836,200	154,412,200	0	100,000	12,973,100	96,350,900	109,324,000	4,088,000
Natural Resources	606,716,900	208,300	606,508,600	102,198,400	0	8,330,900	432,856,300	63,123,000	495,979,300	17,962,100
State	299,487,300	20,000,000	279,487,300	1,460,000	0	50,100	266,798,000	11,179,200	277,977,200	11,416,400
State Police	969,683,600	29,521,800	940,161,800	100,351,800	5,088,800	35,000	200,908,000	633,778,200	834,686,200	40,441,500
Technology, Management and Budget	1,912,456,000	1,171,532,000	740,924,000	4,493,300	3,094,600	354,400	147,277,200	585,704,500	732,981,700	44,164,000
Transportation	8,524,621,400	4,555,300	8,520,066,100	2,374,354,200	86,948,500	20,500,000	6,038,263,400	0	6,038,263,400	3,907,129,900
Treasury	2,674,364,000	12,285,700	2,662,078,300	25,322,400	16,204,300	44,300	2,324,800,500	295,706,800	2,620,507,300	2,123,175,100
Total - General Omnibus	\$63,563,952,300	\$1,338,627,100	\$62,225,325,200	\$33,584,926,900	\$311,404,400	\$235,608,800	\$15,739,347,900	\$12,354,037,200	\$28,092,385,100	\$9,196,544,900
Community Colleges	525,371,600	0	525,371,600	0	0	0	525,371,600	0	525,371,600	525,371,600
Universities and Financial Aid	2,592,127,000	0	2,592,127,000	3,200,000	0	0	1,379,418,300	1,209,508,700	2,588,927,000	0
School Aid	21,403,420,100	0	21,403,420,100	2,405,708,500	0	0	18,952,376,700	45,334,900	18,997,711,600	17,501,029,700
Total - Education Omnibus	\$24,520,918,700	\$0	\$24,520,918,700	\$2,408,908,500	\$0	\$0	\$20,857,166,600	\$1,254,843,600	\$22,112,010,200	\$18,026,401,300
GRAND TOTAL	\$88,084,871,000	\$1,338,627,100	\$86,746,243,900	\$35,993,835,400	\$311,404,400	\$235,608,800	\$36,596,514,500	\$13,608,880,800	\$50,204,395,300	\$27,222,946,200

Percentage of State Spending from State Sources as Payments to Local Units of Government 54.22%

Summary of Executive Recommendation

FISCAL YEAR 2028 EXECUTIVE RECOMMENDATION

DEPARTMENT	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture and Rural Development	147,047,700	338,600	146,709,100	20,245,000	0	0	54,563,700	71,900,400	126,464,100	10,400,000
Attorney General	128,037,300	39,899,600	88,137,700	10,710,500	0	96,1400	30,618,100	45,847,700	76,465,800	0
Civil Rights	29,444,300	0	29,444,300	3,435,200	0	18,700	58,500	25,931,900	25,990,400	0
Corrections	2,198,138,100	0	2,198,138,100	5,222,600	275,000	0	30,559,800	2,162,080,700	2,192,840,500	122,497,200
Education	162,193,200	0	162,193,200	84,339,300	5,937,300	2,552,900	10,293,000	59,070,700	69,363,700	18,547,700
Environment, Great Lakes, and Energy	963,795,000	4,237,600	959,557,400	464,743,400	0	1,892,500	386,083,300	106,838,200	492,921,500	20,433,300
Executive Office	9,890,200	0	9,890,200	0	0	0	0	9,890,200	9,890,200	0
Health and Human Services	40,853,424,700	15,504,500	40,837,920,200	28,584,710,100	187,655,900	179,283,800	4,965,082,800	6,921,207,600	11,885,270,400	2,422,836,300
Insurance and Financial Services	82,333,800	791,600	81,542,200	250,000	0	0	81,292,200	0	81,292,200	0
Judiciary	391,258,400	1,902,300	389,356,100	7,323,000	0	1,912,900	96,879,600	283,240,600	380,120,200	169,486,400
Labor and Economic Opportunity	1,657,609,700	0	1,657,609,700	1,190,870,600	6,200,000	8,097,200	293,779,500	158,662,400	452,441,900	39,799,500
Legislature	239,019,400	7,445,000	231,574,400	0	0	474,700	8,016,700	223,083,000	231,099,700	0
Licensing and Regulatory Affairs	627,477,600	30,303,000	597,174,600	30,661,000	0	0	291,161,800	275,351,800	566,513,600	258,016,800
Lifelong Education, Advancement, and Potential	652,672,900	0	652,672,900	418,323,900	0	1,000,000	1,897,300	231,451,700	233,349,000	0
Military and Veterans Affairs	263,938,000	101,800	263,836,200	154,412,200	0	100,000	12,973,100	96,350,900	109,324,000	4,088,000
Natural Resources	605,280,700	208,300	605,072,400	102,198,400	0	8,330,900	432,856,300	61,686,800	494,543,100	17,962,100
State	299,487,300	20,000,000	279,487,300	1,460,000	0	50,100	266,798,000	11,179,200	277,977,200	11,416,400
State Police	969,683,600	29,521,800	940,161,800	100,351,800	5,088,800	35,000	200,908,000	633,778,200	834,686,200	40,441,500
Technology, Management and Budget	1,869,292,000	1,171,532,000	697,760,000	4,493,300	3,094,600	354,400	147,277,200	542,540,500	689,817,700	1,000,000
Transportation	8,703,291,700	4,555,300	8,698,736,400	2,374,354,200	86,948,500	20,500,000	6,216,933,700	0	6,216,933,700	4,038,239,400
Treasury	2,694,832,200	12,285,700	2,682,546,500	25,322,400	16,204,300	44,300	2,345,268,700	295,706,800	2,640,975,500	2,146,143,300
Total - General Omnibus	\$63,548,147,800	\$1,338,627,100	\$62,209,520,700	\$33,583,426,900	\$311,404,400	\$225,608,800	\$15,873,281,300	\$12,215,799,300	\$28,088,080,600	\$9,321,307,900
Community Colleges	472,433,500	0	472,433,500	0	0	0	472,433,500	0	472,433,500	472,433,500
Universities and Financial Aid	2,513,072,500	0	2,513,072,500	3,200,000	0	0	1,300,363,800	1,209,508,700	2,509,872,500	0
School Aid	20,244,882,700	0	20,244,882,700	2,405,708,500	0	0	17,793,839,300	45,334,900	17,839,174,200	16,397,419,200
Total - Education Omnibus	\$23,230,388,700	\$0	\$23,230,388,700	\$2,408,908,500	\$0	\$0	\$19,566,636,600	\$1,254,843,600	\$20,821,480,200	\$16,869,852,700
GRAND TOTAL	\$86,778,536,500	\$1,338,627,100	\$85,439,909,400	\$35,992,335,400	\$311,404,400	\$225,608,800	\$35,439,917,900	\$13,470,642,900	\$48,909,560,800	\$26,191,160,600

Percentage of State Spending from State Sources as Payments to Local Units of Government 63.55%

GENERAL FUND/GENERAL PURPOSE
(\$ in Thousands)

Department	FY 2026 Ongoing Enacted	FY 2026 One-Time Current Law	FY 2026 Total Current Law	FY 2027 Ongoing Recommend	FY 2027 One-Time Recommend	FY 2027 Total Recommend	\$ Change FY 2027 Total	% Change FY 2027 Total
Agriculture and Rural Development	73,496.4	4,000.0	77,496.4	71,900.4	1,000.0	72,900.4	(4,596.0)	(5.9%)
Attorney General	45,278.0	0.0	45,278.0	45,847.7	2,200.0	48,047.7	2,769.7	6.1%
Civil Rights	25,463.2	0.0	25,463.2	25,931.9	0.0	25,931.9	468.7	1.8%
Corrections	2,121,461.7	6,750.0	2,128,211.7	2,162,080.7	0.0	2,162,080.7	33,869.0	1.6%
Education	61,046.1	1,500.0	62,546.1	59,070.7	0.0	59,070.7	(3,475.4)	(5.6%)
Environment, Great Lakes, and Energy	106,064.1	64,000.0	170,064.1	106,838.2	2,000.0	108,838.2	(61,225.9)	(36.0%)
Executive Office	9,609.2	0.0	9,609.2	9,890.2	0.0	9,890.2	281.0	2.9%
Health and Human Services	7,032,247.5	100,000.0	7,132,247.5	6,921,207.6	65,937.7	6,987,145.3	(145,102.2)	(2.0%)
Insurance and Financial Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	----
Judiciary	271,073.8	5,000.0	276,073.8	283,240.6	0.0	283,240.6	7,166.8	2.6%
Labor and Economic Opportunity	127,642.4	88,541.2	216,183.6	158,662.4	22,500.0	181,162.4	(35,021.2)	(16.2%)
Legislature	216,585.7	0.0	216,585.7	223,083.0	0.0	223,083.0	6,497.3	3.0%
Licensing and Regulatory Affairs	274,485.7	5,000.0	279,485.7	275,351.8	0.0	275,351.8	(4,133.9)	(1.5%)
Lifelong Education, Advancement, and Potential	191,093.3	10,500.0	201,593.3	231,451.7	0.0	231,451.7	29,858.4	14.8%
Military and Veterans Affairs	98,171.0	30,000.0	128,171.0	96,350.9	0.0	96,350.9	(31,820.1)	(24.8%)
Natural Resources	60,797.6	12,211.8	73,009.4	61,686.8	1,436.2	63,123.0	(9,886.4)	(13.5%)
State	11,969.1	0.0	11,969.1	11,179.2	0.0	11,179.2	(789.9)	(6.6%)
State Police	635,935.1	2,500.0	638,435.1	633,778.2	0.0	633,778.2	(4,656.9)	(0.7%)
Technology, Management and Budget	518,318.9	20,000.0	538,318.9	542,540.5	43,164.0	585,704.5	47,385.6	8.8%
Transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	----
Treasury	280,600.4	47,200.0	327,800.4	295,706.8	0.0	295,706.8	(32,093.6)	(9.8%)
Total - General Omnibus	\$12,161,339.2	\$397,203.0	\$12,558,542.2	\$12,215,799.3	\$138,237.9	\$12,354,037.2	(\$204,505.0)	(1.6%)
Community Colleges	0.0	0.0	0.0	0.0	0.0	0.0	0.0	----
Universities and Financial Aid	1,380,623.5	102,320.2	1,482,943.7	1,209,508.7	0.0	1,209,508.7	(273,435.0)	(18.4%)
School Aid	46,151.1	27,000.0	73,151.1	45,334.9	0.0	45,334.9	(27,816.2)	(38.0%)
Total - Education Omnibus	\$1,426,774.6	\$129,320.2	\$1,556,094.8	\$1,254,843.6	\$0.0	\$1,254,843.6	(\$301,251.2)	(19.4%)
GRAND TOTAL	\$13,588,113.8	\$526,523.2	\$14,114,637.0	\$13,470,642.9	\$138,237.9	\$13,608,880.8	(\$505,756.2)	(3.6%)

Budget Schedule by Department

ALL FUNDS
(\$ in Thousands)

Department	FY 2026 Ongoing Enacted	FY 2026 One-Time Current Law	FY 2026 Total Current Law	FY 2027 Ongoing Recommend	FY 2027 One-Time Recommend	FY 2027 Total Recommend	\$ Change FY 2027 Total	% Change FY 2027 Total
Agriculture and Rural Development	141,885.0	4,000.0	145,885.0	147,047.7	1,000.0	148,047.7	2,162.7	1.5%
Attorney General	126,400.6	0.0	126,400.6	128,037.3	2,655.1	130,692.4	4,291.8	3.4%
Civil Rights	28,439.7	0.0	28,439.7	29,444.3	0.0	29,444.3	1,004.6	3.5%
Corrections	2,157,244.5	6,750.0	2,163,994.5	2,198,138.1	0.0	2,198,138.1	34,143.6	1.6%
Education	163,246.7	1,500.0	164,746.7	162,193.2	0.0	162,193.2	(2,553.5)	(1.5%)
Environment, Great Lakes, and Energy	903,719.6	64,000.0	967,719.6	963,795.0	2,000.0	965,795.0	(1,924.6)	(0.2%)
Executive Office	9,609.2	0.0	9,609.2	9,890.2	0.0	9,890.2	281.0	2.9%
Health and Human Services	29,823,511.3	202,056.9	30,025,568.2	40,853,424.7	140,187.7	40,993,612.4	10,968,044.2	36.5%
Insurance and Financial Services	79,406.4	0.0	79,406.4	82,333.8	0.0	82,333.8	2,927.4	3.7%
Judiciary	378,621.7	5,000.0	383,621.7	391,258.4	0.0	391,258.4	7,636.7	2.0%
Labor and Economic Opportunity	1,642,538.5	88,541.2	1,731,079.7	1,657,609.7	24,500.0	1,682,109.7	(48,970.0)	(2.8%)
Legislature	232,522.1	0.0	232,522.1	239,019.4	0.0	239,019.4	6,497.3	2.8%
Licensing and Regulatory Affairs	619,406.9	6,600.0	626,006.9	627,477.6	0.0	627,477.6	1,470.7	0.2%
Lifelong Education, Advancement, and Potential	651,743.2	10,500.0	662,243.2	652,672.9	0.0	652,672.9	(9,570.3)	(1.4%)
Military and Veterans Affairs	260,166.3	30,000.0	290,166.3	263,938.0	0.0	263,938.0	(26,228.3)	(9.0%)
Natural Resources	530,982.5	12,211.8	543,194.3	605,280.7	1,436.2	606,716.9	63,522.6	11.7%
State	294,983.0	0.0	294,983.0	299,487.3	0.0	299,487.3	4,504.3	1.5%
State Police	961,676.0	2,500.0	964,176.0	969,683.6	0.0	969,683.6	5,507.6	0.6%
Technology, Management and Budget	1,823,476.4	20,000.0	1,843,476.4	1,869,292.0	43,164.0	1,912,456.0	68,979.6	3.7%
Transportation	7,860,667.0	28,828.8	7,889,495.8	8,509,753.3	14,868.1	8,524,621.4	635,125.6	8.1%
Treasury	2,603,190.0	53,155.1	2,656,345.1	2,671,864.0	2,500.0	2,674,364.0	18,018.9	0.7%
Total - General Omnibus	\$51,293,436.6	\$535,643.8	\$51,829,080.4	\$63,331,641.2	\$232,311.1	\$63,563,952.3	\$11,734,871.9	22.6%
Community Colleges	482,059.6	10,972.5	493,032.1	476,133.5	49,238.1	525,371.6	32,339.5	6.6%
Universities and Financial Aid	2,234,591.8	102,320.2	2,336,912.0	2,513,072.5	79,054.5	2,592,127.0	255,215.0	10.9%
School Aid	20,044,544.3	1,244,287.4	21,288,831.7	20,372,782.7	1,030,637.4	21,403,420.1	114,588.4	0.5%
Total - Education Omnibus	\$22,761,195.7	\$1,357,580.1	\$24,118,775.8	\$23,361,988.7	\$1,158,930.0	\$24,520,918.7	\$402,142.9	1.7%
GRAND TOTAL	\$74,054,632.3	\$1,893,223.9	\$75,947,856.2	\$86,693,629.9	\$1,391,241.1	\$88,084,871.0	\$12,137,014.8	16.0%

HISTORICAL APPROPRIATIONS
GENERAL FUND/GENERAL PURPOSE

Department	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Original Enacted	FY 2027 Executive Recommendation	FY 2028 Executive Recommendation
Agriculture and Rural Development	64,112,200	51,597,200	63,616,800	97,366,900	132,989,800	93,561,900	89,056,400	77,496,400	72,900,400	71,900,400
Attorney General	41,841,800	37,547,600	41,298,400	47,126,000	51,429,800	76,289,000	57,409,100	45,278,000	48,047,700	45,847,700
Capital Outlay	15,000,900	0	1,000	0	109,000,000	1,800	0	0	0	0
Civil Rights	13,022,100	12,137,200	14,792,200	15,107,300	19,383,500	28,951,200	26,195,400	25,463,200	25,931,900	25,931,900
Corrections	1,963,841,300	1,610,468,800	1,809,258,400	1,065,369,400	1,732,308,300	2,005,572,900	2,097,010,100	2,128,211,700	2,162,080,700	2,162,080,700
Education	91,757,800	82,065,700	90,067,100	102,508,100	104,209,600	130,961,700	63,896,100	62,546,100	59,070,700	59,070,700
Environment, Great Lakes, and Energy	58,546,500	170,516,000	59,443,900	292,945,300	207,364,800	293,955,000	260,867,100	170,064,100	108,838,200	108,838,200
Executive Office	6,980,100	6,759,600	7,114,300	7,318,600	8,533,600	9,073,300	9,337,100	9,609,200	9,890,200	9,890,200
Health and Human Services	4,528,453,500	4,357,269,800	4,661,285,300	4,754,274,400	6,060,556,700	6,679,761,900	7,268,132,100	7,132,247,500	6,987,145,300	6,921,207,600
Insurance and Financial Services	550,000	0	25,000,000	0	0	0	0	0	0	0
Judiciary	196,079,500	198,893,600	201,934,300	209,335,900	372,474,900	252,289,500	266,159,000	276,073,800	283,240,600	283,240,600
Labor and Economic Opportunity	198,824,000	97,296,500	251,426,000	1,630,615,600	3,631,977,200	1,489,214,900	932,039,700	216,183,800	181,162,400	158,662,400
Legislature	140,670,300	188,366,300	189,026,600	202,334,300	209,174,800	210,472,000	222,180,100	216,585,700	223,083,000	223,083,000
Licensing and Regulatory Affairs		122,475,200	149,605,600	209,695,900	213,822,400	271,842,300	308,605,700	279,485,700	275,351,800	275,351,800
Lifelong Education, Advancement, and Potential						6,506,600	136,489,300	201,593,300	231,451,700	231,451,700
Military and Veterans Affairs	75,912,400	70,894,200	84,280,200	82,410,200	160,390,000	101,936,000	117,694,100	128,171,000	96,350,900	96,350,900
Natural Resources	77,241,800	45,138,800	51,697,300	49,457,900	184,604,000	90,916,400	91,370,200	73,009,400	63,123,000	61,686,800
State	20,966,300	12,153,000	12,597,500	13,035,600	12,679,300	14,267,000	11,969,100	11,969,100	11,179,200	11,179,200
State Police	495,265,000	363,938,200	454,476,600	632,689,300	582,709,200	623,308,000	685,314,600	638,435,100	633,778,200	633,778,200
Talent and Economic Development	286,546,300	478,261,100	540,971,800	533,545,100	717,297,100	844,465,100	539,984,000	538,318,900	585,704,500	542,540,500
Technology, Management and Budget	557,009,500									
Transportation	356,790,900	11,999,900	0	100,100,000	421,250,000	300,373,600	198,750,000	0	0	0
Treasury	129,131,300	128,219,600	286,932,200	462,747,200	1,101,139,500	364,477,300	213,588,700	237,919,400	198,227,800	198,227,800
Debt Service	107,080,000	104,335,000	113,735,000	99,064,000	100,084,100	100,084,100	95,087,000	89,881,000	97,479,000	97,479,000
Revenue Sharing	0	0	0	46,000,000	0	0	0	0	0	0
General Omnibus Subtotal	9,425,623,500	8,150,422,300	9,108,560,500	10,663,047,000	16,133,378,600	13,988,283,500	13,691,094,900	12,558,542,200	12,354,037,200	12,215,799,300
Community Colleges	0	0	0	0	0	100	500,000	0	0	0
Universities and Financial Aid	1,046,017,900	1,207,949,300	1,275,139,700	1,317,821,500	1,540,221,000	1,677,754,100	1,859,424,300	1,482,943,700	1,209,508,700	1,209,508,700
School Aid	87,920,000	104,660,000	54,464,600	98,119,400	124,350,000	87,900,000	78,830,600	73,151,100	45,334,900	45,334,900
Education Omnibus Subtotal	1,133,937,900	1,312,609,300	1,329,604,300	1,415,940,900	1,664,571,000	1,765,654,200	1,938,754,900	1,556,094,800	1,254,843,600	1,254,843,600
Total-General and Education	10,559,561,400	9,463,031,600	10,438,164,800	12,088,987,900	17,797,949,600	15,753,937,700	15,629,849,800	14,114,637,000	13,608,880,800	13,470,642,900
Budget Stabilization Fund Reserve	100,000,000		535,000,000	180,000,000	100,000,000	100,000,000	50,000,000	0	0	0
Michigan Infrastructure Reserve Fund										
GRAND TOTAL	10,659,561,400	9,463,031,600	10,973,164,800	12,248,987,900	17,897,949,600	15,853,937,700	15,679,849,800	14,114,637,000	13,608,880,800	13,470,642,900

Amounts include ongoing and one-time appropriations.

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

² FY 2023 does not include \$50M GF/GP Treasury boilerplate appropriation included in PA 166 of 2022.

³ FY 2026 does not include \$30M GF/GP Corrections boilerplate appropriation included in PA 22 of 2025.

Historical Appropriations

HISTORICAL APPROPRIATIONS ALL FUNDS

Department	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Original Enacted	FY 2027 Executive Recommendation	FY 2028 Executive Recommendation
Agriculture and Rural Development	113,475,100	108,034,800	124,585,000	155,685,300	197,975,100	174,392,800	157,938,900	145,885,000	148,047,700	147,047,700
Attorney General	106,035,200	102,257,100	106,978,600	112,468,800	129,558,000	143,361,400	129,808,700	126,400,600	130,692,400	128,037,300
Capital Outlay	41,044,900	28,699,800	39,190,600	315,592,200	510,706,200	1,800	41,766,000	0		
Civil Rights	16,201,100	15,929,800	18,037,400	18,334,100	22,351,600	31,919,300	29,163,500	28,439,700	29,444,300	29,444,300
Corrections	2,019,096,200	1,674,992,200	2,060,788,400	2,066,173,000	2,126,818,000	2,098,327,000	2,147,379,000	2,163,994,500	2,198,138,100	2,198,138,100
Education	396,134,900	546,615,700	560,867,300	1,939,877,900	482,716,600	685,502,100	164,975,100	164,746,700	162,193,200	162,193,200
Environment, Great Lakes, and Energy	501,302,600	617,704,400	684,359,200	2,653,418,600	1,388,851,400	1,348,745,000	1,214,802,600	967,719,600	965,795,000	963,795,000
Executive Office	6,980,100	6,759,600	7,114,300	7,318,600	8,533,600	9,073,300	9,337,100	9,609,200	9,890,200	9,890,200
Health and Human Services	26,153,017,200	28,073,920,300	32,952,976,200	35,063,850,900	36,168,633,500	37,317,282,400	38,789,646,800	30,025,568,200	40,993,612,400	40,853,424,700
Insurance and Financial Services	67,971,900	71,912,800	98,315,700	72,987,600	74,335,500	74,147,900	78,621,400	79,406,400	82,333,800	82,333,800
Judiciary	305,329,100	307,993,500	313,946,200	327,463,100	495,205,700	357,999,600	373,769,700	383,621,700	391,258,400	391,258,400
Labor and Economic Opportunity	211,450,500	4,092,988,300	2,667,735,500	4,482,390,100	7,227,824,900	3,436,204,300	2,709,605,200	1,731,079,700	1,682,109,700	1,657,609,700
Licensing and Regulatory Affairs	532,212,200	201,425,900	202,453,800	215,962,800	223,552,900	225,425,200	237,881,000	232,522,100	239,019,400	239,019,400
Lifelong Education, Advancement, and Potential		567,258,700	484,389,600	543,361,400	540,835,400	628,452,100	654,192,600	626,006,900	627,477,600	627,477,600
Military and Veterans Affairs	199,639,300	202,794,400	254,888,800	224,654,000	381,041,000	252,137,100	275,904,100	290,166,300	263,938,000	263,938,000
Natural Resources	505,530,900	444,839,200	474,094,100	929,306,300	672,665,300	606,049,100	574,610,500	543,194,300	606,716,900	605,280,700
State	249,562,800	263,203,800	254,297,500	252,764,300	286,771,700	312,018,300	301,423,400	294,983,000	299,487,300	299,487,300
State Police	752,676,700	618,148,600	986,102,400	1,027,441,900	868,595,600	917,085,100	1,808,655,300	964,186,600	969,683,600	969,683,600
Talent and Economic Development	1,260,746,100					6,508,600	682,261,300	662,243,200	652,672,900	652,672,900
Technology, Management and Budget	1,438,408,600	1,558,170,200	1,699,600,700	1,757,663,800	1,919,204,900	2,068,423,500	1,796,825,200	1,843,476,400	1,912,456,000	1,869,292,000
Transportation	5,013,880,800	4,895,407,900	5,498,353,700	6,086,951,700	6,819,215,300	6,638,823,500	6,813,650,300	7,889,495,800	8,524,621,400	8,703,291,700
Treasury	602,794,500	879,644,800	1,110,129,500	1,695,114,900	1,647,457,500	1,064,696,500	834,623,100	879,222,500	854,388,600	851,888,600
Debt Service	107,080,000	104,335,000	113,735,000	99,064,000	100,084,100	100,084,100	95,087,000	89,881,000	97,479,000	97,479,000
Revenue Sharing	1,301,289,300	1,408,952,700	1,341,924,300	1,458,302,300	1,567,121,100	1,663,359,200	1,775,490,100	1,687,241,600	1,722,496,400	1,745,464,600
General Omnibus Subtotal	41,901,820,000	46,890,888,500	52,054,863,800	61,516,137,600	63,860,055,300	60,160,019,100	61,697,417,900	51,829,091,000	63,563,952,300	63,548,147,800
Community Colleges	408,215,500	414,719,000	438,363,600	431,417,000	529,758,000	550,817,600	462,220,800	493,032,100	525,371,600	472,433,500
Universities and Financial Aid	1,669,732,600	1,691,395,000	1,757,229,400	2,107,751,200	2,469,135,700	2,599,048,800	2,324,292,600	2,336,912,000	21,403,420,100	2,513,072,500
School Aid	14,811,203,800	15,313,227,200	21,720,040,700	17,126,368,700	20,192,162,400	21,587,001,300	21,084,570,400	21,288,831,700	2,592,127,000	20,244,882,700
Education Omnibus Subtotal	16,889,151,900	17,419,341,200	23,915,633,700	19,665,536,900	23,191,056,100	24,736,867,700	23,871,083,800	24,118,775,800	24,520,915,700	23,230,388,700
Total-General and Education	58,790,971,900	64,310,329,700	75,970,497,500	81,181,674,500	87,051,111,400	84,896,886,800	85,568,501,700	75,947,866,800	88,084,871,000	86,779,536,500
Budget Stabilization Fund Reserve	100,000,000		555,000,000	180,000,000	100,000,000	100,000,000	50,000,000	0	0	0
Michigan Infrastructure Reserve Fund										
GRAND TOTAL	58,890,971,900	64,310,329,700	76,505,497,500	81,361,674,500	87,151,111,400	84,996,886,800	85,618,501,700	75,947,866,800	88,084,871,000	86,779,536,500

Amounts include ongoing and one-time appropriations.

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

² FY 2023 does not include \$50M GF/GP Treasury boilerplate appropriation included in PA 166 of 2022.

³ FY 2025 only includes the \$330 GF appropriated to the postsecondary scholarship fund for the Michigan achievement scholarship, not the pull from the post-secondary scholarship fund.



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

February 11, 2026

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

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

The attached cost summary, prepared by the Office of the State Employer, details additional costs for compensation. Represented and non-exclusively represented employees are scheduled to receive a 3 percent base wage increase in fiscal year 2027 on Oct. 1, 2026. The Office of State Employer has estimated that the total additional cost from all funding sources of these pay recommendations is \$183 million for fiscal year 2027. I have incorporated the costs into my Executive Budget Recommendation.

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

Sincerely,

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

Gretchen Whitmer
Governor

Attachment



Summary
Michigan State Classified Service
Fiscal Year 2027
(10/1/2026 - 9/30/2027)

	A-02 MSEA Saf. & Reg. ¹	A-31 MSEA Labor & Trades ¹	C-12 MCO Security ¹	E-42 SEIU 517M Human Sv. Support ¹	H-21 SEIU 517M Scientific & Engineering ¹	L-32 SEIU 517M Technical ¹	T-01 MSPTA State Police Enlisted ¹	U-11 AFSCME Institutional ¹	W-22 UAW Human Sv. ¹	W-41 UAW Admin. Supt. ¹	MSC's & NERE's ¹	TOTAL ALL UNITS
² Number of FTEs	1,328	1,895	5,014	523	2,735	861	1,614	1,512	10,285	5,359	17,471	48,597
² Avg. Hourly Salary - 01/03/26	\$ 36.32	\$ 31.74	\$ 32.88	\$ 32.91	\$ 46.02	\$ 36.52	\$ 42.42	\$ 28.23	\$ 37.94	\$ 29.00	\$ 48.88	\$ 40.30
Base Pay Adjustments for FY 2027												
Base Pay Increase ³	\$ 3,022,422	\$ 3,759,922	\$ 10,364,540	\$ 1,081,104	\$ 7,880,738	\$ 1,977,545	\$ 4,279,941	\$ 2,683,498	\$ 24,481,591	\$ 9,734,945	\$ 53,624,789	\$ 122,890,035
Additional Roll-Up Cost Resulting from Base Pay Increase												
⁴ FICA/Ret./OERC Blended Rates	35.59%	35.70%	35.64%	35.32%	35.64%	35.47%	95.02%	35.86%	35.49%	35.66%	35.53%	
³ FICA/Ret./OERC on Base Wage Increase	\$ 1,075,680	\$ 1,341,935	\$ 3,693,922	\$ 381,846	\$ 2,808,695	\$ 701,435	\$ 4,066,800	\$ 962,302	\$ 8,688,517	\$ 3,471,481	\$ 19,052,888	
⁴ Life Insurance Increase	\$ 50,293	\$ 62,548	\$ 172,466	\$ 17,990	\$ 131,135	\$ 32,906	\$ 71,218	\$ 44,653	\$ 407,374	\$ 161,989	\$ 892,316	
⁵ Long Term Disability Increase	\$ 21,157	\$ 26,312	\$ 72,552	\$ 7,568	\$ 55,165	\$ 13,843	\$ 29,960	\$ 18,784	\$ 235,023	\$ 93,455	\$ 375,374	
⁶ Overtime Increase	\$ 176,764	\$ 247,194	\$ 3,217,327	\$ 62,663	\$ 130,807	\$ 200,869	\$ 874,924	\$ 478,807	\$ 790,264	\$ 146,031	\$ 880,006	
⁷ Shift Differential Increase	\$ 15,529	\$ 8,405	\$ 193,013	\$ -	\$ 207	\$ 1,956	\$ 55,522	\$ 37,657	\$ 18,691	\$ 7,896	\$ 64,833	
FICA/Ret./OERC on OT and Shift Diff. Inc.	\$ 68,437	\$ 91,249	\$ 1,215,445	\$ 22,133	\$ 46,693	\$ 71,942	\$ 884,110	\$ 185,204	\$ 287,088	\$ 54,890	\$ 335,701	
FY2027 ATB Cost Increase	\$ 4,430,282	\$ 5,536,565	\$ 18,929,265	\$ 1,573,304	\$ 11,053,440	\$ 3,000,496	\$ 10,262,475	\$ 4,410,905	\$ 34,908,558	\$ 13,670,687	\$ 75,225,907	\$ 183,001,884
FY2027 Compensation Increases	\$ 4,430,282	\$ 5,536,565	\$ 18,929,265	\$ 1,573,304	\$ 11,053,440	\$ 3,000,496	\$ 10,262,475	\$ 4,410,905	\$ 34,908,558	\$ 13,670,687	\$ 75,225,907	\$ 183,001,884

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

¹ Includes base wage increases scheduled to occur in FY27, a 3% on 10/1/26

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 01/03/2026.

³ FICA/RET/OERC rates for FY26 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 01/03/26

⁴ Life insurance increase on incremental cost increase. Annual \$8.32 per \$1000 of extra coverage (CY26 rate).

⁵ CY26 rate - (Increase/100) * 96 for UAW and .70 all others.

⁶ Based on FY25 overtime amount with FY26 (+1%) - SIGMA Comptroller Object Codes 1011, 1012, 1013, 1021, 1022, 1023, 1031, 1032, 1033.

⁷ Business Objects HR Human Resource System FY25 shift differential hours of classified employees under status code of AA, AB, AC, AD, AE & AP.



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

Department	Purpose	Michigan Compiled Law (MCL)
Environment, Great Lakes, and Energy	Materials Management Fees Sunset Extension	MCLs 324.17303; 324.17317; 324.11525a; 257.806(3)
	Air Quality Emission Fee Sunset Extension	MCL 324.5522
	Water Quality Fee Sunset Extension & Eliminate Spending Cap	MCLs 324.3122; 324.3122a; 324.3124; 324.4112
	Gas Storage Well Regulatory Fee	MCL 324.61525a
	Hazardous Waste Management Fees	MCLs 324.11108; 324.11109; 324.11123; 324.11138; 324.11153
	Remove fee sunset, increase solid waste surcharge fees, and add Consumer Price Index inflation language	MCL 324.11525a
	Increase Water Quality Fees	MCLs 324.4104; 325.1009; 324.3110; 324.30104; 324.30104b; 324.30109; 324.30306; 324.30306b; 324.30313b; 324.31509; 324.32312; 324.32507; 324.32513; 324.33908; 324.33911; 324.33929; 560.117; 324.3104; 324.3120; 324.3118
Labor and Economic Opportunity	Eliminate sunset on Tobacco Settlement Revenue Deposit in the 21st Century Jobs Trust Fund.	MCL 12.257(5)
	Workers' Disability Compensation Agency Redemption Fees and Filing Fees	MCLs 418.835(4) and 418.625
	Provide Carryforward Authorization for Radiological Health Fees	MCL 333.13522(4)
	Higher Education Authorization and Distance Education Reciprocal Exchange Act - Add Application and Renewal Fee Inflation and Extend Act Authorization	MCL 390.1694 and MCL 390.1697
	Redirect Interest and Earnings from the Revitalization and Placemaking Fund to the General Fund	MCL 206.696
	Housing and Community Development Fund Revisions	House Bills 4539 and 4540 of 2025

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

Department	Purpose	Michigan Compiled Law (MCL)
Licensing and Regulatory Affairs	Sunset Removal for Cosmetology Occupation	MCL 338.2225
	State License Fee Act - Inflationary Adjustments and Rulemaking Process	MCL 338.2205
	Adult Foster Care Facilities Licenses Fund Establishment	MCL 400.713a
	Mental Health Code Psychiatric Hospitals and Units Language Clarification	MCL 330.1139
	Public Health Code Substance Use Disorder Services Application Fee and Sunset Elimination	MCL 333.6237
	Public Health Code Health Facilities Fee Increase and Sunset Elimination	MCL 333.20161
	Eliminate Sunset for Securities Program	MCL 451.2410
	Eliminate Sunset for Corporations Program	MCLs 450.2060, 450.3060, 450.5101
	Eliminate Sunset for Professional Engineer Occupation	MCL 338.2213
	Eliminate Sunset for Land Surveyor Occupation	MCL 338.2213
	Eliminate Sunset for Barber Occupation	MCL 338.2217
	Eliminate Sunset for Collection Agency Occupation	MCL 338.2221
	Eliminate Sunset for Employment and Consulting Agency Occupation	MCL 338.2227
	Eliminate Sunset for Hearing Aid Dealer Occupation	MCL 338.2231
	Eliminate Sunset for Real Estate Broker Occupation	MCL 338.2237
	Eliminate Sunset for Real Estate Appraiser Occupation	MCL 338.2238
	Eliminate Sunset for Transportation Companies Occupation	MCL 257.2104
	Refined Petroleum Fund Statute Authorization Increase	MCL 324.21506a
	Fire Prevention Code Operation and Maintenance Fees Addition of Facility Types	MCL 29.2c
	Ski Area Safety Act Fee Increase	MCL 408.336

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

Department	Purpose	Michigan Compiled Law (MCL)
Lifelong Education, Advancement, and Potential	Nonpublic School Dual Enrollment Reimbursements	MCLs 388.1903; 388.1903a; 388.1904; 388.1907; 388.1909; 388.1910; 388.513; 388.513a; 388.514; 388.517; 388.519; and 388.520
Natural Resources	Amend Hunting and Fishing License Fees	Senate Bills 276 and 277 of 2025
	Amend Watercraft Registration Fees	MCL 324.80124
	Commercial Forest Program Exemption	MCL 324.51108
School Aid	Universal Free School Meals Codification	New
State	Eliminate Sunsets for the Transportation Administration Collection Fund	MCLs 28.297; 257.208b; 257.217a; 257.232; 257.801; 257.802; 257.803b; 257.803r; 257.804; 257.806; 257.809; 324.80130; 324.80315; 324.81114; 324.82156
Transportation	Increase Aircraft Registration Fees	MCL 259.77(5)
Treasury	Increase First Responder Presumed Coverage Fund Allocation from Internet Gaming and Sports Betting Revenue to Support Claims	MCLs 432.316 and 432.416
	Senior Homestead Property Tax Credit	MCL 206.522
	Eliminate Income Tax Earmark for the Renew Michigan Fund	MCL 206.51
	Add Vape and Increase Other Tobacco Products Wholesale Tax and Tobacco Tax on Cigarettes	MCLs 205.422, 205.423, 205.426, 205.426a, 205.426c, 205.426d, 205.427, 205.428, 205.429, 205.431, 205.432, 205.434 & 205.14
	School Shopping Sales and Use Tax Holiday	MCLs 205.75, 205.111, and New
	Increase the Internet Gaming Tax	MCLs 432.307, 432.314, 432.315, 432.315a
	New Digital Advertising Tax	New
	New Internet Sports Betting Tax and Eliminate Free Play Deduction	MCLs 432.403, 432.415, 432.415a, and New

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

Department	Purpose	Michigan Compiled Law (MCL)
Universities and Financial Aid	Michigan Achievement Scholarship Act	New
	Michigan Achievement Skills Scholarship Act	New
	Michigan Reconnect Grant Act	MCL 390.1701
	Michigan Reconnect Recipient Grant Act Age Expansion	MCLs 390.1711, 390.1715, and 390.1721

**LEGISLATION NEEDED TO IMPLEMENT
FISCAL YEAR 2026 SUPPLEMENTAL**

Department	Purpose	Michigan Compiled Law (MCL)
School Aid	Community District Education Trust Fund - General Fund Reimbursement to the School Aid Fund	MCL 12.262



ACKNOWLEDGMENTS

The fiscal year 2027 Executive Budget was prepared by the State Budget Office.
Staff that contributed to the fiscal year 2027 Executive Budget include:

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