

# FY 2024-25 LICENSING AND REGULATORY AFFAIRS BUDGET

S.B. 764 (S-1): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2023-24 YEAR-TO-DATE*	FY 2024-25 SENATE APPROPRIATIONS REC.	CHANGES FROM FY 2023-24 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	1,863.9	1,788.0	(75.9)	(4.1)
<b>GROSS .....</b>	<b>627,940,900</b>	<b>641,312,200</b>	<b>13,371,300</b>	<b>2.1</b>
Less:				
Interdepartmental Grants Received .....	46,897,200	27,682,800	(19,214,400)	(41.0)
<b>ADJUSTED GROSS .....</b>	<b>581,043,700</b>	<b>613,629,400</b>	<b>32,585,700</b>	<b>5.6</b>
Less:				
Federal Funds .....	50,004,200	30,471,300	(19,532,900)	(39.1)
Local and Private.....	0	0	0	0.0
<b>TOTAL STATE SPENDING.....</b>	<b>531,039,500</b>	<b>583,158,100</b>	<b>52,118,600</b>	<b>9.8</b>
Less:				
Other State Restricted Funds.....	259,708,400	286,707,400	26,999,000	10.4
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>271,331,100</b>	<b>296,450,700</b>	<b>25,119,600</b>	<b>9.3</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>242,917,400</b>	<b>280,345,300</b>	<b>37,427,900</b>	<b>15.4</b>

\*As of February 7, 2024.

- Major Boilerplate Changes from FY 2023-24 Year-to-Date:**
- Deleted Sections.** The Senate deleted multiple sections, including: 217 (In-Person Work Prioritization), 218 (Administrative Board Transfers), 231 (Employee Performance Monitoring), 507 (Elevator Inspector Pay Increases), 508 (Compensation Rates Analysis for Skilled Trades Inspectors), 1004 (One-time Plan Submission Process Reduction), and 1005 (One-time Renewable Energy Infrastructure).
  - MIDC Updates.** The Senate consolidated reporting language for the Michigan Indigent Defense Commission (Secs. 803 and 804) and added a section stating legislative intent that certain unspent MIDC work project funds lapse to the General Fund (Sec. 805) and depositing other unspent MIDC work project funds into the Michigan Indigent Defense Fund (MIDF) (Sec. 806). Additional language permits the department to request MIDC-related transfers and states that it is the intent of the Legislature that funds in the MIDF do not lapse to the General Fund. (Sec. 807)

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FY 2023-24 Year-to-Date Appropriation .....	\$627,940,900	\$271,331,100		
	CHANGE FROM FY 2023-24 Y-T-D		FY 2024-25 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>				
<b>1. Michigan Indigent Defense Council (MIDC) Grants.</b> The Senate increased MIDC grants to reflect approved costs of local compliance from the existing minimum standards	24,574,900	24,574,900	258,345,300	258,345,300
<b>2. Public Service Commission (MPSC) - Clean Energy Implementation.</b> The Senate increased funding \$5.8 million to produce renewable energy reviews, expanded reviews in Integrated Resource Plan and Energy Waste Reduction filings, and renewable energy facility siting.	5,822,700	0	42,071,000	0
<b>3. Cannabis Regulatory Agency - Attorney General.</b> The Senate included \$2.0 million to support cannabis-related attorney workloads.	2,049,600	0	33,649,200	0
<b>4. Utility Consumer Participation Board Increase.</b> The Senate increased 1,250,000 in restricted funding to meet the statutory requirement.	1,250,000	0	2,100,000	0
<b>5. Medication Aide Program Implementation.</b> The Senate increased \$1.1 million for the Nurse Aide Registration Fund to implement the medication aide training and registration program under PA 273 of 2023.	1,062,200	0	N/A	N/A
<b>6. MPSC - 5-year Energy Waste Reduction and Demand Response Studies.</b> The Senate provided \$1.0 million for studies on energy waste reduction and demand response as required under PA 341 of 2016.	1,000,000	0	42,071,000	0
<b>7. Consultation, Education, and Performance Office.</b> The Senate included \$400,000 of restricted funds to create and support the office to consolidate educational resources across LARA bureaus.	400,000	0	400,000	0
<b>8. LARA IDG Adjustments.</b> The Senate included adjustments to reflect revenue estimates.	385,000	0	N/A	N/A
<b>9. MPSC - Information Technology Line.</b> The Senate increased the IT line item to support cost increases in the gas safety database management system and geospatial data systems.	261,000	0	42,071,000	0
<b>10. Information Technology Software Licensing Support.</b> The Senate included \$100,000 Restricted to support costs for software licenses.	100,000	0	N/A	N/A

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	Gross	GF/GP	Gross	GF/GP
<b>11. FY 2023-24 One-Time Appropriations Removal.</b> The Senate removed FY 2023-24 One-Time Appropriations, which included the Michigan Saves program, CRA Reference Lab Buildout, and costs associated with the Corporation Online Filing System Modernization.	(37,850,000)	(11,350,000)	N/A	N/A
<b>12. Economic Adjustments.</b> Included \$5,902,200 Gross and \$907,400 GF/GP for total economic adjustments.	5,902,200	907,400		
<b><u>New Programs/Program Increases</u></b>				
<b>13. MIDC - Minimum Standards 6 &amp; 7 Compliance Related to Caseloads and Qualifications.</b> The Senate included a GF/GP increase in MIDC grants to support the anticipated costs of newly approved standards 6 & 7 on caseload limits and qualification standards for attorneys.	12,853,000	12,853,000	258,345,300	258,345,300
<b>14. Bureau of Construction Codes - Elevator Inspections.</b> The Senate included \$4.4 million Restricted for the hiring of additional elevator inspectors, supported by an elevator inspection fee increase in 2023.	4,400,000	0	32,711,100	0
<b>15. Michigan Saves.</b> The Senate included \$4.0 million ongoing GF/GP for to leverage private loan investments in clean energy improvements.	4,000,000	4,000,000	4,000,000	4,000,000
<b>16. Cannabis Regulatory Agency.</b> The Senate included \$3.4 million for increased enforcement, licensing support and safety inspections.	3,448,500	0	33,649,200	0
<b>17. Bureau of Survey and Certification - Nursing Home Surveys and Investigation.</b> The Senate included \$1.7 million in Restricted funds to add staff to ensure more comprehensive oversight of nursing homes.	1,700,000	0	N/A	N/A
<b>18. Bureau of Professional Licensing.</b> The Senate increased Restricted spending authorization to more accurately reflect licensing activity.	1,500,000	0	42,445,800	0
<b>19. Bureau of Construction Codes.</b> The Senate increased authorization to address a backlog of over 1,000 builder-related complaints.	1,486,300	0	32,711,100	0
<b>20. Bureau of Community and Health Systems; Qualified Interpreter Program.</b> The Senate included \$800,000 Restricted from Health Systems Fees to update testing methodology and qualified interpreter database.	800,000	0	26,253,600	0
<b>21. MPSC Authorization Increase.</b> The Senate included a \$562,600 increase for additional call center and customer outreach staffing.	562,600	0	34,941,000	0
<b>22. Corporations Division; Authorization Increase.</b> The Senate increased funding \$550,000 to hire and backfill several positions to help address a 7.0% increase in the number of active business entities.	550,000	0	N/A	N/A

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	Gross	GF/GP	Gross	GF/GP
<b><u>One-Time Appropriations</u></b>				
<b>23. Bureau of Fire Services - Smoke Detectors.</b> The Senate included \$1.0 million from Corporation Fees to allow the Bureau to purchase and distribute smoke detectors to the public.	1,000,000	0	1,000,000	0
<b>24. Cannabis Social Equity Program.</b> The Senate included \$1.0 million from the Marijuana Regulation Fund for the CRA Social Equity Program.	1,000,000		1,000,000	0
<b>25. Health Sector Implicit Bias Study.</b> The Senate included \$250,000 for a study on the effectiveness of implicit bias training requirements for health professionals added under EO 2020-07.	250,000	0	250,000	0
<b><u>Other</u></b>				
<b>26. Property Management Transfer.</b> The Senate transferred \$449,800 to reflect savings due to expected downsizing of office and building space within each of LARA's bureaus.	449,800	23,100	N/A	N/A
<b>27. Child Care Licensing and Regulation Bureau to MiLEAP.</b> The Senate transferred the bureau and \$24,286,200 to MiLEAP	(24,286,200)	(3,131,400)	N/A	N/A
<b>28. Bureau of Construction Codes Fund Swap.</b> The Senate replaced \$1.3 million GF/GP with Construction Code Fund funds.	0	(1,299,300)	N/A	N/A
<b>29. Bureau of Community and Health Systems Camps Unit (E.O. 2023-6)</b> The Senate transferred the bureau and \$700,300 to MiLEAP	(700,300)	(657,400)	N/A	N/A
<b>30. Child Care Licensing Bureau IT Transfer (E.O. 2023-6).</b> The Senate transferred the bureau and \$600,000 to MiLEAP.	(600,000)	(600,000)	N/A	N/A
<b>31. Bureau of Community and Health Systems Fund Swap.</b> The Senate replaced \$200,700 GF/GP with Health Systems Fees funds in the Bureau of Community and Health Systems line item.	0	(200,700)	N/A	N/A
<b>Total Changes</b> .....	<b>\$13,371,300</b>	<b>\$25,119,600</b>		
<b>FY 2024-25 SENATE APPROPRIATIONS REC.</b> .....	<b>\$641,312,200</b>	<b>\$296,450,700</b>		

Date Completed: 5-1-24

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