



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

ANITA G. FOX
DIRECTOR

FY 2026 Executive Recommendation Budget Adjustments

Department Overview:

The Michigan Department of Insurance and Financial Services (DIFS) regulates Michigan's insurance and financial services industries, including insurance companies, HMOs, insurance agents, insurance agencies, state-chartered banks, state-chartered credit unions, mortgage companies, mortgage brokers, mortgage originators and servicers, consumer lenders, deferred presentment providers (payday loans), premium finance companies, third party administrators, money transmitters, and motor vehicle installment sellers.

DIFS' mission is to ensure 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. In addition, the Department focuses on consumer protection, outreach, and financial empowerment and education services to Michigan residents.

DIFS is **fee-funded** and does not require public tax dollars to operate.

No one-time funding requests are recommended for FY 2026.

DIFS' FY26 Investments:

- **Increased Capacity:** \$849,200 for Insurance Sector Regulation and Consumer Protection Services (state restricted funds) adds funding for five staff to handle increases in the volume and complexity of the department's regulatory, enforcement and consumer protection services related to Michigan's insurance sector.
- **Increased Consumer Protection:** \$330,000 to support increased civil and criminal case referrals.
- **Employee payroll adjustments and other administrative costs:** \$955,000 in state restricted funds is requested to fund payroll adjustments, including those established by Michigan Civil Service Commission, and other administrative costs.

FY25 Boilerplate Highlight:

- **Auto Insurance Study:** The FY 2025 budget requires DIFS to study and reporting on the effect of the 2019 auto insurance reform. An RFP was issued last year, and a contract was finalized. The contractor expects to be able to complete the report in time for it to meet the September 30, 2025, deadline, however, we will keep you apprised of the status.