

FINAL LEGISLATIVE TRANSFER PACKAGE



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Summary Sheet

SBO LETTERS: 2023-1 and 2023-2
October 5, 2022
February 13, 2023

Department	Analyst	Page	Total Transfer
Labor and Economic Opportunity	Viola Bay Wild	1-3	\$410,000,000
Total			\$410,000,000

2023-1 and 2023-2 Legislative Transfers - Final

Budget	Year-to-Date Total Approps	Contingency Authorization Transfers (Increases Budget)						TOTAL	% Budget Increased
		IDG	Federal	Local	Private	Restricted	GF/GP		
Labor and Economic Opportunity	5,258,115,300					410,000,000		410,000,000	7.80%
TOTAL*	\$80,301,936,200	\$0	\$0	\$0	\$0	\$410,000,000	\$0	\$410,000,000	0.51%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **LABOR AND ECONOMIC OPPORTUNITY**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$200,000,000**

S.B.O. LETTER: **10/5/22**
 S.B.O. REQUEST: **2023-1**
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/8/23	BALANCE AVAILABLE AS OF 3/8/23	GOV'S REC. 10/5/22	HOUSE ACTION 3/15/23	SENATE ACTION 4/12/23
FROM: THROUGH PUBLIC ACT 5 OF 2023, SEC. 702.						
Contingency authorization	1,106,400,000	NA	NA	(200,000,000)	(200,000,000)	(200,000,000)
Funding source:						
Total state restricted revenues	1,106,400,000	NA	NA	(200,000,000)	(200,000,000)	(200,000,000)
TO: SEC. 109 (12) ONE-TIME APPROPRIATIONS						
Critical industry program	100	0	100	200,000,000	200,000,000	200,000,000
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	200,000,000	200,000,000	200,000,000

This transfer would provide \$200.0 million in state restricted contingency authorization to the Critical Industry Program (CIP) pursuant to Sec. 406 of 2022 PA 194. Funds would be transferred into the CIP in support of an investment project involving Our Next Energy (ONE) for its new battery technology manufacturing location in Van Buren, Wayne County.

The Michigan Strategic Fund Board approved performance-based incentives for the ONE project on October 5, 2022. This \$200.0 million transfer to the CIP will specifically support the establishment of ONE's state-of-the-art factory totaling over 659,589 square feet and additional capital upgrades at its Novi campus. ONE's campus will include raw material refinement, cathode material production, and cell and battery manufacturing.

Revenue to support this transfer is available in the Strategic Outreach and Attraction Reserve Fund (SOAR), created in 2021 PA 137, and appropriated \$846.1 million in 2022 PA 194, \$150.0 million in 2023 PA 1, and \$170.0 million in 2023 PA 5.

LEGISLATIVE TRANSFER

BUDGET AREA: **LABOR AND ECONOMIC OPPORTUNITY**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$210,000,000**

S.B.O. LETTER: **2/13/23**
 S.B.O. REQUEST: **2023-2**
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/8/23	BALANCE AVAILABLE AS OF 3/8/23	GOV'S REC. 2/13/22	HOUSE ACTION 3/15/23	SENATE ACTION 4/12/23
FROM: THROUGH PUBLIC ACT 5 OF 2023, SEC. 702						
Contingency authorization	1,106,400,000	NA	NA	(210,000,000)	(210,000,000)	(210,000,000)
Funding source:						
Total state restricted revenues	1,106,400,000	NA	NA	(210,000,000)	(210,000,000)	(210,000,000)
TO: SEC. 109 (12) ONE-TIME APPROPRIATIONS						
Critical industry program	100	0	100	210,000,000	210,000,000	210,000,000
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	210,000,000	210,000,000	210,000,000

This transfer provides \$210.0 million in state restricted contingency authorization to the Critical Industry Program (CIP) pursuant to Sec. 406 of 2022 PA 194 and Sec. 311 of 2023 PA 1. Funds are transferred into the Critical Industry Program in support of an investment project involving Ford Motor Company for a new electric vehicle (EV) battery manufacturing facility in Calhoun County. The Michigan Strategic Fund (MSF) Board approved performance-based incentives for this project on February 13, 2023. The \$210.0 million transfer to CIP would support the creation of a new 2.5 million square foot EV battery manufacturing facility in Marshall to manufacture batteries that would go into several of the company's electric vehicles.

Revenue to support this transfer is available in the Strategic Outreach and Attraction Reserve Fund (SOAR), created in 2021 PA 137, and appropriated \$846.1 million in 2022 PA 194, \$150.0 million in 2023 PA 1, and \$170.0 million in 2023 PA 5.