


LEGISLATIVE TRANSFER PACKAGE

 <p>Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant</p>	<h2>Summary Sheet</h2> <p>SBO LETTERS: 2023-1 and 2023-2 October 5, 2022 February 13, 2023</p>		
Department	Analyst	Page	Total Transfer
Labor and Economic Opportunity	Viola Bay Wild	1-3	\$585,000,000
Total			\$585,000,000

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
FROM: THROUGH PUBLIC ACT 5 OF 2023, SEC. 702						
Contingency authorization	1,106,400,000	NA	NA	(210,000,000)	(210,000,000)	
Funding source:						
Total state restricted revenues	1,106,400,000	NA	NA	(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	
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	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.

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
FROM: THROUGH PUBLIC ACT 5 OF 2023, SEC. 702.						
Contingency authorization	1,106,400,000	NA	NA	(200,000,000)	(200,000,000)	
Funding source:						
Total state restricted revenues	1,106,400,000	NA	NA	(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	
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	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: **\$175,000,000**

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
FROM: THROUGH PUBLIC ACT 5 OF 2023, SEC. 702						
Contingency authorization	1,106,400,000	NA	NA	(175,000,000)	(175,000,000)	
Funding source:						
Total state restricted revenues	1,106,400,000	NA	NA	(175,000,000)	(175,000,000)	
TO: SEC. 109 (12) ONE-TIME APPROPRIATIONS						
Critical industry program	100	0	100	125,000,000	125,000,000	
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	125,000,000	125,000,000	
Michigan strategic site readiness program	100	0	100	50,000,000	50,000,000	
Funding source:						
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	100	0	100	50,000,000	50,000,000	

This transfer would provide \$175.0 million in state restricted contingency authorization to the Critical Industry Program (CIP) and the Michigan Strategic Site Readiness Program (SSRP) pursuant to Sec. 406 of 2022 PA 194. \$125.0 million would be transferred into the CIP and \$50.0 million would be transferred into the SSRP to provide support for an investment project involving Gotion Inc. and The Right Place, Inc. in Mecosta County.

The Michigan Strategic Fund Board approved performance-based incentives for the project on October 5, 2022. The \$125.0 million transfer to the CIP would support the creation of a new battery campus in Mecosta County, including four new production plants totaling an estimated 2 million square feet for the production of cathode and anode battery materials. The \$50.0 million transfer to the SSRP would fund a performance-based grant to The Right Place Inc. for infrastructure upgrades to support the project.

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.