



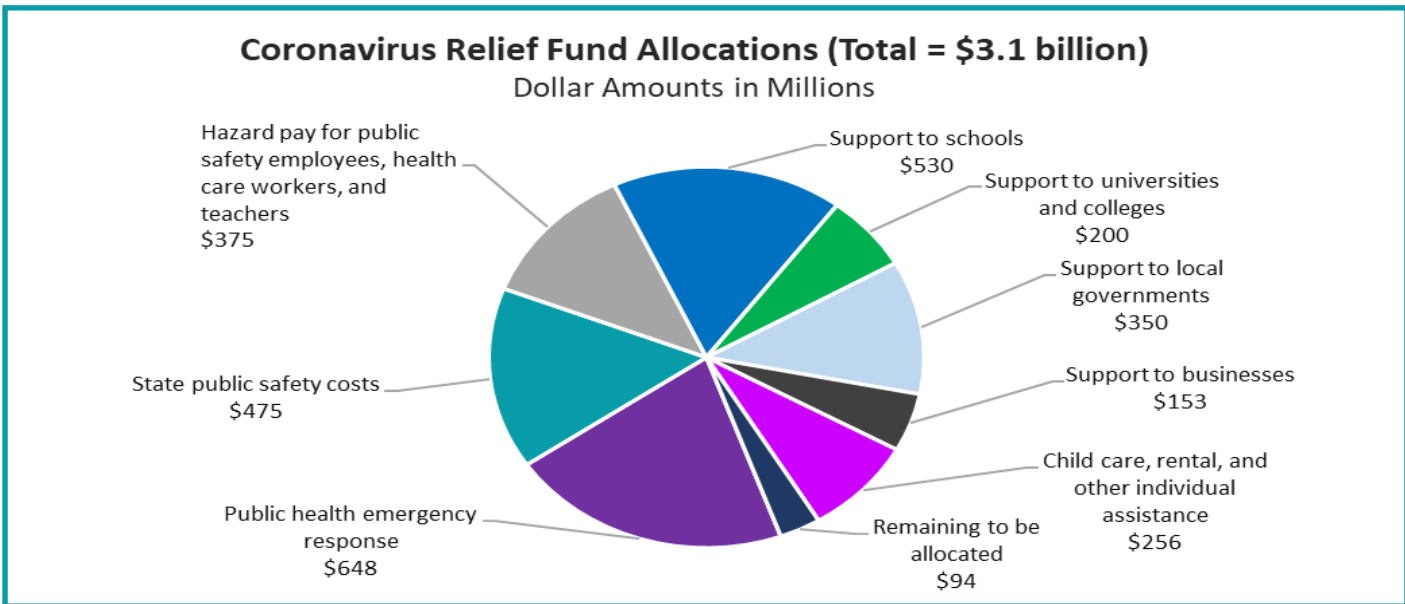
# FY 2020 Budget Agreement

State of Michigan • June 29, 2020

The following allocations from the federal Coronavirus Relief Funds will support teachers, school districts, higher education institutions, and local governments to address the significant COVID 19 costs they've already incurred or will face as they prepare for the Fall in amounts equal to or outweighing any reductions to state aid.

<b>\$512M</b> Schools
<b>\$53M</b> Hazard pay for each teacher across Michigan as the state battles COVID-19
<b>\$200M</b> Universities and Community Colleges
<b>\$150M</b> Local Governments in addition to the \$300M appropriated in SB 690 for public health and safety costs and first responder hazard pay

With this agreement, \$3 billion of the CRF has been allocated as follows to support Michigan businesses, workers, and residents with the costs incurred from facing COVID 19. But there is remaining need; the US Senate and the President should move the HEROES Act and send states, local governments, tribes, school districts, and higher education additional and flexible funding. The state alone would receive an estimated \$14 billion in funding from the HEROES Act.



An agreement to solve the \$2.2 billion combined General Fund and School Aid Fund shortfall, includes the following:

<b>\$350M</b> From the State Rainy Day Fund
<b>\$490M</b> Savings achieved through the state hiring and discretionary spending freezes, layoffs, and other identified savings in state government
<b>\$475M</b> Public safety costs now eligible for federal coronavirus relief funds (CRF)
<b>\$256M</b> State Aid reductions to schools
<b>\$200M</b> State Aid reductions to universities and community colleges
<b>\$97M</b> State Aid reductions to local governments
<b>\$340M</b> Continuation of the enhanced federal Medicaid matching funds, reducing GF appropriated for COVID response costs now eligible for federal CRF funds, and other savings