



MICHIGAN STRATEGIC FUND

MEMORANDUM

Date: October 31, 2025

To: Sen. Sarah Anthony, Chair, Senate Appropriations Committee
Sen. Jon Bumstead, Minority Vice Chair, Senate Appropriations Committee
Sen. Mary Cavanagh, Chair, Senate Appropriations Subcommittee on LEO/MEDC
Sen. Mark Huizenga, Minority Vice Chair, Senate Appropriations Subcommittee on LEO/MEDC
Rep. Ann Bollin, Chair, House Appropriations Committee
Rep. Nancy Jenkins-Arno, Chair, House Appropriations Subcommittee on Labor and Economic Opportunity
Rep. Jasper Martus, Minority Vice Chair, House Appropriations Subcommittee on Labor and Economic Opportunity

From: Quentin L. Messer, Jr., President, Michigan Strategic Fund

Subject: **FY 2025 Business Attraction and Community Revitalization Fourth Quarter Funds Status Report – Public Act 121 of 2024, Section 519**

Section 519 of Public Act 121 of 2024 requires the Michigan Strategic Fund to report quarterly on the amount of funds for business attraction and community revitalization considered appropriated, pre-encumbered, encumbered, and expended. Pursuant to this requirement, attached is the fiscal year (FY) 2025 fourth quarter report.

For questions, please contact our Office of Legislative Affairs at medcgovrelations@michigan.org. You may also contact me directly at messerq@michigan.org.

Attachment

cc: Members, House and Senate Appropriations Committees
Members, House and Senate Appropriations Subcommittee on Labor and Economic Opportunity
House and Senate Policy Offices

Directors, House and Senate Fiscal Agencies
Director, State Budget Office

**Michigan Strategic Fund
Business Attraction and Community Revitalization Funds Status Report
FY 2025 Fourth Quarter
Public Act 121 of 2024, Section 519**

Section 519 of Public Act 121 of 2024 requires the Michigan Strategic Fund (MSF) to report quarterly on the amount of funds for business attraction and community revitalization considered, pre-encumbered, encumbered, and expended, including all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, or expended.

Funds are pre-encumbered when the MSF enters negotiations with a company regarding an incentive. This category also includes those instances where offer letters have been issued, or the MSF has approved an incentive but has not yet executed an agreement. Funds are encumbered after a formal written agreement between the MSF and a company has been fully executed. Funds are expended when the MSF determines that a company has met all requirements of a project, as set forth in the formal written agreement, and funds have been disbursed.

For FY 2025, the MSF was appropriated \$100,000,000 for business attraction and community revitalization. The amounts that have been pre-encumbered, encumbered, and expended as of September 30, 2025, including previous appropriations, are detailed in the following table.

Section 519 also requires a list of appropriations for business attraction and community revitalization appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the MSF for any purpose. In FY 2020, \$20,000,000 of appropriation year 2016 work project funds lapsed as part of the agreement between the legislature and the governor to balance the budget. Starting in FY 2022, a small amount of work project funds has lapsed due to the process done in SIGMA to record work project authorization. As of FY 2024, a total of \$3.99 has lapsed for appropriation years 2018 through 2021.

Michigan Strategic Fund
Business Attraction and Community Revitalization Funds Status Report
FY 2025 Fourth Quarter
Public Act 121 of 2024, Section 519

Status	Authorization	Expenditures	Encumbered	Pre-Encumbered	Lapsed	Remaining Balance
Closed Appropriation *	\$1,097,559,700	\$1,077,559,696	\$0	\$0	\$20,000,004	\$0
Open Appropriation **	\$400,000,000	\$140,272,503	\$150,708,311	\$85,084,635	\$0	\$23,934,551
Total:	\$1,497,559,700	\$1,217,832,199	\$150,708,311	\$85,084,635	\$20,000,004	\$23,934,551

*Appropriation years 2012 through 2021

**Appropriation years 2022 through 2025