An economic forecast is based on the best information available at the time the forecast is prepared. Because information and foresight are not perfect, risks and uncertainties are inherent in any forecast, and variations in the underlying factors can exert either optimistic or pessimistic influences on the forecast. Words used by state officials to describe the amount of state and federal dollar influx were “unprecedented”, “historic”, and “uncharted” — which left many legislators cautioning that while revenue projections continue to exceed previous expectations, it does not eliminate the need to be smart about how the state invests taxpayer money.

In addition, 2022 revenues are now expected to exceed May projections by an additional $1.7 billion, and revenues for 2023 — the budget year now being worked on — are expected to exceed May projections by $1.4 billion. In February, Governor Whitmer will submit her proposed budget to the legislature. MLA will provide an overview of her budget once it has been submitted.

View the Consensus Revenue Agreement Executive Summary (pdf).