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MICHIGAN HOUSE OF REPRESENTATIVES

JOE HAVEMAN
STATE REPRESENTATIVE

COMMITTEES:
APPROPRIATIONS, CHAIR
SUBCOMMITTEE:
CORRECTIONS

May 15, 2013

Mr. John Nixon
Office of the State Budget
Department of Management and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Nixon:

For your information, the attached transfer package has been approved by a majority of the members of both the House and Senate Appropriations Committees.

The transfers approved are from the Office of the State Budget letters dated March 15, 2013 and April 3, 2013, Legislative Transfer Requests 2013-3 and 2013-5. These transfers are for the Departments of Community Health (\$4,190,000) and Licensing and Regulatory Affairs (\$240,000).


If you need further information, please do not hesitate to contact us.

Sincerely,

Joseph Haveman., Chair
House Appropriations Committee

Roger Kahn, M.D. Chair
Senate Appropriations Committee

LEGISLATIVE TRANSFER PACKAGE

 <p>Mary Ann Cleary, Director Margaret Alston, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant</p>	<p>Summary Sheet</p> <p>SBO LETTERS: 2013-3 and 2013-5 March 15, 2013 April 3, 2013</p>	
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FY 2012-13				
Department	Analyst	Page	YTD Gross Authorization	Total Transfer
Community Health	Margaret Alston Sue Frey Steve Stauff	1	\$15,029,057,700	\$4,190,000
Licensing and Regulatory Affairs	Paul Holland	2-3	645,901,800	240,000
Total				\$4,430,000

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$4,190,000**

S.B.O. LETTER: **3/15/13**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/16/13	BALANCE AVAILABLE AS OF 4/16/13	GOV'S REC. 3/15/13	HOUSE ACTION 5/1/13	SENATE ACTION 5/15/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE IV, SEC. 206(2)						
Contingency funds	40,000,000			(4,190,000)	(4,190,000)	(4,190,000)
Funding source:						
Total other state restricted revenues	40,000,000	NA	NA	(4,190,000)	(4,190,000)	(4,190,000)
TO: SEC. 117. OFFICE OF SERVICES TO THE AGING						
Respite care program	5,868,700			4,190,000	4,190,000	4,190,000
Funding source:						
Total other state restricted revenues	1,400,000	1,212,438	187,562	4,190,000	4,190,000	4,190,000

This transfer increases the state restricted funds authorization for the Respite Care Program line item, enabling the Department to expend available state restricted revenues \$4,190,000 in excess of the current authorization. Short-term increased funding is available from the Senior Care Respite Fund. The funds will be used for continuation of the existing program of grants to regional Area Agencies on Aging for respite care services to assist family caregivers providing care to an elderly person in need of constant supervision. Respite may be provided in the home or in an adult day care setting. Revenue to the Senior Care Respite Fund is from escheats to the state from uncashed checks paid to subscribers or providers by the nonprofit health care corporation Blue Cross and Blue Shield of Michigan. Recent legislation (Act 197 PA 2010) shortening the unclaimed property period for uncashed checks created a one-time acceleration of deposits to the Fund. The FY 2013-14 Executive budget recommendation includes a net \$0 Gross funding change with \$400,000 of Senior Care Respite Fund monies replacing the same amount of Merit Award Trust Fund monies. The Executive indicates that this transfer is needed by April 30, 2013.

State restricted contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$240,000**

S.B.O. LETTER: **4/3/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/7/13	BALANCE AVAILABLE AS OF 4/7/13	GOV'S REC. 4/3/13	HOUSE ACTION 5/1/13	SENATE ACTION 5/15/13
FROM: SEC. 103. OFFICE OF FINANCIAL AND INSURANCE REGULATION						
Financial evaluation	36,871,300			(202,800)	(202,800)	(202,800)
Funding sources:						
Bank fees	7,374,600	2,296,002	5,078,598	(22,000)	(22,000)	(22,000)
Consumer finance fees	2,886,400	199,642	2,686,758	(500)	(500)	(500)
Insurance bureau fund	12,763,600	4,980,618	7,782,982	(125,000)	(125,000)	(125,000)
Insurance licensing and regulation fees	277,300	757	276,543	(51,400)	(51,400)	(51,400)
MBLSLA fund	2,839,100	748,796	2,090,304	(3,900)	(3,900)	(3,900)
SEC. 103. OFFICE OF FINANCIAL AND INSURANCE REGULATION						
Administration	7,956,900			(37,600)	(37,600)	(37,600)
Funding sources:						
Credit union fees	734,400	217,584	516,816	(26,000)	(26,000)	(26,000)
Deferred presentment service transaction fees	388,200	107,600	280,600	(11,600)	(11,600)	(11,600)
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION						
Unclassified salaries	4,595,900			240,400	240,400	240,400
Funding sources:						
Bank fees	24,000	15,043	8,957	22,000	22,000	22,000
Consumer finance fees	4,000	750	3,250	500	500	500
Credit union fees	19,600	10,802	8,798	26,000	26,000	26,000
Deferred presentment service transaction fees	11,600	3,886	7,714	11,600	11,600	11,600
Insurance bureau fund	36,800	31,323	5,477	125,000	125,000	125,000
Insurance licensing and regulation fees	54,300	17,796	36,504	51,400	51,400	51,400
MBLSLA fund	15,000	5,492	9,508	3,900	3,900	3,900

This transfer shifts authorization from the Financial Evaluation and Administration line items within the Office of Financial and Insurance Regulation (OFIR) appropriation unit to the Unclassified Salaries line item within the Departmental Administration appropriation unit to facilitate the filling and funding of the Director and Deputy Director

unclassified positions within the Department of Insurance and Financial Services (DIFS), created pursuant to Executive Order 2013-1 and effective as March 18, 2013, for FY 2012-13.

Formerly, the salary for the OFIR Commissioner was \$125,000 which is now \$145,000 for the Director of DIFS and the former salary for the OFIR Deputy Commissioner was \$114,433 which is now \$139,000 for the Deputy Director of DIFS. As points of reference, the salary for the Director of LARA is \$151,500, while the salary for the Director of the Department of Agriculture and Rural Development is \$145,000.

Appropriations for DIFS will remain within the LARA budget for the remainder of the current fiscal year; however, Executive Budget Revision 2014-2 has been transmitted in a separate letter transferring the appropriations for DIFS to a separate budget bill for FY 2013-14.