

MEMORANDUM



DATE: April 15, 2016
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Package 2016-3

Attached are legislative transfers proposed by the State Budget Office in a letter dated March 15, 2016 Pursuant to section 393 of the Management and Budget Act, a legislative transfer must be approved by a majority of both the House and Senate Appropriations Committees, with identical funding sources and dollar amounts, in order to become effective. This transfer package is scheduled to be considered by the House Appropriations Committee on Tuesday, April 19, 2016.

There are two basic types of legislative transfers, which have different effects on the overall level of appropriations in the state budget.

A **standard legislative transfer** shifts existing spending authorization between line items in a particular budget area, with no net change in total appropriations. Generally, such transfers are proposed when expenditures are higher than originally anticipated in one line item and lower than anticipated in another. These transfers can represent a shift of GF/GP funding between two line items, or merely a shift of spending authorization from same broad category of funding (federal, restricted, etc.) between the line items.

As shown in the attached table, standard transfers in this package total \$1.37 million, which will shift 0.0025% of total appropriations within the existing FY 2015-16 year-to-date state budget.

A **contingency fund transfer** increases total line item appropriations in a budget area by moving contingency spending authorization from the boilerplate section of a budget act to a specific line item in order to recognize additional federal, private, local, or state restricted revenue that has become available since the original enactment of the budget. Absent the contingency fund transfer mechanism, this type of budget adjustment would be made through a supplemental appropriation bill.

As shown in the attached table, contingency fund transfers in this package total \$34.43 million, which will increase the FY 2015-16 year-to-date state budget by 0.06%.

If you have questions about the transfers generally, please contact me. If you have questions about an individual transfer, please contact the HFA analyst assigned to that budget area. We can be reached at 373-8080.

Attachment

LEGISLATIVE TRANSFER PACKAGE

 <p>Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant</p>	<p>Summary Sheet</p> <p>SBO LETTER: 2016-3 March 15, 2016</p>	
--	--	--

Department	Analyst	Page	Total Transfer
Agriculture and Rural Development	William E. Hamilton	1	\$3,000,000
Health and Human Services	Sue Frey Kevin Koorstra Viola Bay Wild	2-13	30,132,400
Licensing and Regulatory Affairs	Paul Holland	14	138,000
State	Perry Zielak	15	285,000
Transportation	William E. Hamilton	16	2,250,000
Total			\$35,805,400

FY 2015-16 Legislative Transfers: Request 2016-3

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						% of Budget Shifted	
		IDG	Federal	Local	Private	Restricted	GF/GP		TOTAL
Health and Human Services	25,108,037,900						1,236,500	1,236,500	0.00%
Licensing and Regulatory Affairs	409,849,000						138,000	138,000	0.03%
TOTAL*	\$54,567,577,100						\$1,374,500	\$1,374,500	0.00%

*Includes budget areas not affected by transfers

Budget	Year-to-Date Total Approps	Contingency Fund Transfers (Increases Budget)						% Budget Increased	
		IDG	Federal	Local	Private	Restricted	GF/GP		TOTAL
Agriculture and Rural Development	86,594,000		3,000,000					3,000,000	3.46%
Health and Human Services	25,108,037,900		27,245,800		996,400	653,700		28,895,900	0.12%
State	230,256,700		285,000					285,000	0.12%
Transportation	3,896,201,400		2,000,000	250,000				2,250,000	0.06%
TOTAL*	\$54,567,577,100		\$32,530,800	\$250,000	\$996,400	\$653,700		\$34,430,900	0.06%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$3,000,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/6/16	BALANCE AVAILABLE AS OF 4/6/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE I, SEC. 206(1)						
Contingency funds	5,000,000	NA	NA	(3,000,000)	(3,000,000)	
Funding source:						
Total federal revenues	5,000,000	NA	NA	(3,000,000)	(3,000,000)	
TO: SEC. 109. AGRICULTURE DEVELOPMENT						
Agriculture development	3,576,700	2,367,117	1,209,583	3,000,000	3,000,000	
Funding source:						
USDA Multiple grants	2,298,200	1,840,517	457,683	3,000,000	3,000,000	

This transfer provides additional spending authority needed to recognize a United State Department of Agriculture (USDA) Biofuel Infrastructure Partnership (BIP) grant. Michigan was one of 21 states to receive grants through the BIP program. A USDA Fact Sheet indicates that the grants, which total \$100.0 million, are intended to expend the number of fueling station pumps capable of supplying higher blends of renewable fuel to consumers, such as E15 and E85. The added pumps would in turn provide additional markets for feedstock commodities.

Specifically, the \$3.0 million BIP grant awarded to the Michigan Department of Agriculture and Rural Development would provide 75% of the funding necessary for 89 additional flex-fuel pumps (the installation of 80 new pumps and the retrofit of 9 existing pumps) and 20 new storage tanks at 16 fueling stations. These additional pumps would increase the availability of higher blend pumps in Michigan by 13% - from 683 to 772. The 25% match requirement will be met with private funds; no state funds are needed to support this grant.

The department applied for the grant in cooperation with the Corn Marketing Program of Michigan (CMPM). The department will contract with the CMPM to administer the project; CMPM will work with fueling stations to coordinate the installation of devices and storage tanks. All installations supported by this grant are required to be operational by December 30, 2016. Funding is available from federal contingency funds provided in Article I, Section 206 of the FY 2015-16 appropriations act, (2015 PA 84).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$667,200**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: SEC. 124. MEDICAL SERVICES ADMINISTRATION						
Healthy Michigan plan administration	68,878,600	11,067,628	57,810,972	(667,200)	(667,200)	
Funding source:						
State general fund/general purpose	18,452,600	2,965,021*	15,487,579*	(667,200)	(667,200)	
TO: SEC. 102. DEPARTMENTWIDE ADMINISTRATION						
Rent and state office facilities	60,332,600	40,054,779	20,277,821	667,200	667,200	
Funding source:						
State general fund/general purpose	26,569,600	16,377,519*	10,192,081*	667,200	667,200	

This transfer increases the GF/GP funds authorization for the Rent and State Office Facilities line item. The funds will be used for assistance to Alger County with costs related to closure of a DHHS office effective October 1, 2015 and implemented as part of the FY 2015-16 DHHS budget. FY 2015-16 supplemental appropriations Act 143 of 2015 included a \$100 placeholder for funding regarding this concern. The Executive indicates that this transfer is needed by June 30, 2016.

Sufficient GF/GP funds are available from the Healthy Michigan Plan Administration line item for this transfer as the FY 2015-16 GF/GP appropriation for a public assistance call center exceeds planned expenditures. The Executive indicates that the call center is under development and implementation of a call center pilot project is planned for mid-year.

*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$23,213,400**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(1)						
Contingency funds	400,000,000	NA	NA	(23,213,400)	(23,213,400)	
Funding source:						
Total federal revenues	400,000,000	NA	NA	(23,213,400)	(23,213,400)	
TO: SEC. 102. DEPARTMENTWIDE ADMINISTRATION						
Michigan Medicaid information system	71,810,000	34,760,471	37,049,529	23,213,400	23,213,400	
Funding source:						
Total other federal revenues	44,229,900	26,734,229	17,495,671	23,213,400	23,213,400	

This transfer increases the federal funds authorization for the Michigan Medicaid Information System (MMIS) line item, enabling the Department to expend available federal revenues \$23,213,400 in excess of the current authorization. Increased funding is available from a federal grant for enhanced funding for the state's MMIS system, also known as CHAMPS, to support migration to a cloud-based information system. The current grant supports the procurement of additional hardware and software related to code migration to the cloud, and recognizes federal matching funds generated by the FY 2014-15 GF/GP provided for this project. The projected completion date of the project is January 2018. A similar transfer was made to the line item in FY 2014-15 in November 2015. The Executive indicates that this transfer is needed by April 30, 2016.

Federal contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Viola Bay Wild**

TRANSFER AMOUNT: **\$300,000**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(1)						
Contingency funds	400,000,000	NA	NA	(300,000)	(300,000)	
Funding source:						
Total federal revenues	400,000,000	NA	NA	(300,000)	(300,000)	
TO: SEC. 104. COMMUNITY SERVICES AND OUTREACH						
Bureau of community services and outreach	2,065,600	927,240	1,138,360	300,000	300,000	
Funding source:						
Capped federal revenues	2,065,600	927,240	1,138,360	300,000	300,000	

This transfer requests \$300,000 in federal contingency fund authorization to recognize additional federal revenues for the Bureau of Community Services and Outreach line item to support the Weatherization Assistance program. The funding will be used to hire 2 additional FTEs and 1 temporary employee. The Bureau of Community Services and Outreach has 16.0 FTE authorizations in the current fiscal year budget. According to the Department, additional staff is needed in order to fulfill the increased federal Training and Technical Assistance requirements contained within the federal Weatherization Grant. The additional funding would be used to hire contract employees for this purpose.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$569,300**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Viola Bay Wild and Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: SEC. 102. DEPARTMENTWIDE ADMINISTRATION						
Information technology projects and services	151,516,300	69,113,786	82,402,514	(376,600)	(376,600)	
Funding source:						
State general fund/general purpose	53,711,400	24,500,318*	29,211,082*	(376,600)	(376,600)	
Travel	8,693,700	3,422,017	5,271,683	(30,700)	(30,700)	
Funding source:						
State general fund/general purpose	2,709,600	1,066,553*	1,643,047*	(30,700)	(30,700)	
SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES						
Contractual services, supplies, and materials	17,224,900	10,228,057	6,996,843	(12,000)	(12,000)	
Funding source:						
State general fund/general purpose	6,800,900	4,038,339*	2,762,561*	(12,000)	(12,000)	
Public assistance field staff	463,295,300	238,127,039	225,168,261	(150,000)	(150,000)	
Funding source:						
State general fund/general purpose	183,733,500	4,389,196*	179,344,304*	(150,000)	(150,000)	
TO: SEC. 102. DEPARTMENTWIDE ADMINISTRATION						
Rent and state office facilities	60,332,600	40,054,779	20,277,821	45,500	45,500	
Funding source:						
State general fund/general purpose	26,569,600	16,377,519*	10,192,081*	45,500	45,500	

*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$ 569,300 (Continued)**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Viola Bay Wild and Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
TO: SEC. 105. CHILDREN'S SERVICES						
AGENCY - CHILD WELFARE						
Child welfare licensing	5,884,600	3,092,501	2,792,099	523,800	523,800	
Funding source:						
State general fund/general purpose	143,800	75,570	68,230	523,800	523,800	

This transfer requests GF/GP funds to make a technical correction related to EO 2015-4. During the last several months, the department has identified costs related to the transfer of the Office of Child and Adult Licensing. This transfer adjusts authorization to accurately reflect where the actual costs were incurred for the Office of Child and Adult Licensing within DHHS. This transfer is needed by June 30, 2016.

*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$800,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(4)						
Contingency funds	60,000,000	NA	NA	(800,000)	(800,000)	
Funding source:						
Total private revenues	60,000,000	NA	NA	(800,000)	(800,000)	
TO: SEC. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Behavioral health program administration	61,874,500	8,767,702	53,106,798	800,000	800,000	
Funding source:						
Total private revenues	1,000,000	0	1,000,000	800,000	800,000	

This transfer requests \$800,000 in private contingency fund authorization to recognize funding received from the Michigan Health Endowment Fund to expand funding of the Medical Services Health Home Project through Federally Qualified Health Centers (FQHC's). Health Homes are an optional Medicaid benefit created under the Affordable Care Act to provide comprehensive care management, care coordination, health promotion, comprehensive transitional care, and referrals for persons with 2 or more chronic conditions (or have 1 serious and persistent mental health condition). The federal Medicaid match rate for Health Home services is 90% for the first 2 years. This project is a Mental Health and Wellness Initiative.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$982,400**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(1)						
Contingency funds	400,000,000	NA	NA	(982,400)	(982,400)	
Funding source:						
Total federal revenues	400,000,000	NA	NA	(982,400)	(982,400)	
TO: SEC. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Behavioral health program administration	61,874,500	8,767,702	53,106,798	982,400	982,400	
Funding source:						
Total other federal revenues	32,520,200	1,826,858	30,693,342	982,400	982,400	

This transfer requests \$982,400 in federal contingency fund authorization to recognize funding received from the Substance Abuse and Mental Health Services Administration (SAMHSA) for a Certified Community Behavioral Health Planning Grant. The project is a collaboration among the Behavioral Health and Developmental Disabilities Administration, the Michigan Association of Community Mental Health Boards, and the Medical Services Administration to develop the criteria for a certification process and prospective payment program that will more effectively serve individuals of all ages with behavioral health conditions in Michigan.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$103,700**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(2)						
Contingency funds	45,000,000	NA	NA	(103,700)	(103,700)	
Funding source:						
Total state restricted revenues	45,000,000	NA	NA	(103,700)	(103,700)	
TO: SEC. 114. HEALTH POLICY						
Emergency medical services program	6,415,200	1,549,704	4,865,496	103,700	103,700	
Funding source:						
Total other state restricted revenues	3,896,300	948,914	2,947,386	103,700	103,700	

This transfer increases the state restricted funds authorization for the Emergency Medical Services Program line item, enabling the Department to expend available state restricted revenues \$103,700 in excess of the current authorization. Carryforward funding is available from increased revenue received from emergency medical services licensure fees. The funds will be used to support the existing licensure, continuing education and inspection program for emergency medical services personnel, operations and vehicles. The FY 2016-17 proposed budget includes a similar increase to this line item for increased fee revenue to the program. The Executive indicates that this transfer is needed by April 30, 2016.

State restricted contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$2,750,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(1)						
Contingency funds	400,000,000	NA	NA	(2,750,000)	(2,750,000)	
Funding source:						
Total federal revenues	400,000,000	NA	NA	(2,750,000)	(2,750,000)	
 TO: SEC. 117. LOCAL HEALTH ADMINISTRATION AND GRANTS						
Local health services	536,100	377,336	158,764	1,250,000	1,250,000	
Funding source:						
Total other federal revenues	536,100	377,336	158,764	1,250,000	1,250,000	
 SEC. 118. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION						
Chronic disease control and health promotion administration	6,356,200	2,421,093	3,935,107	1,500,000	1,500,000	
Funding source:						
Total other federal revenues	5,310,400	2,061,005	3,249,395	1,500,000	1,500,000	

This transfer increases the federal funds authorization for the Local Health Services line item by \$1,250,000 and for the Chronic Disease Control and Health Promotion Administration line item by \$1,500,000, enabling the Department to expend available federal revenues \$2,750,000 in excess of the current authorization. Increased funding is available from the ongoing federal Health and Health Services Preventive Block Grant. The funding will be used to support chronic disease program projects such as health promotion and disease intervention, especially focusing on environmental strategies, health system interventions and community-clinical linkage strategies in a minimum of four high chronic disease burden communities to support obesity, heart disease, stroke, and diabetes prevention efforts. Two similar transfers were made to these line items in FY 2014-15. The enacted FY 2015-16 budget included an increase to this line item from other federal grants. The Executive indicates that this transfer is needed by April 30, 2016.

Federal contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$42,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(4)						
Contingency funds	60,000,000	NA	NA	(42,000)	(42,000)	
Funding source:						
Total private revenues	60,000,000	NA	NA	(42,000)	(42,000)	
TO: SEC. 118. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION						
Cancer prevention and control program	15,005,800	3,608,979	11,396,821	42,000	42,000	
Funding source:						
Total private revenues	500,000	7,458	492,542	42,000	42,000	

This transfer increases the private funds authorization for the Cancer Prevention and Control Program line item, enabling the Department to expend available private revenues \$42,000 in excess of the current authorization. Increased private funds are available from persons making a contribution for prostate cancer research through the State of Michigan income tax check off box for tax years 2008 and 2009 pursuant to Public Act 135 of 2007, and from other contributions. Donated funds are deposited to the Prostate Cancer Research Fund and are used for prostate cancer projects and grants to medical schools or hospitals pursuant to Public Act 135. Since 2007, \$223,100 has been expended from the contributions to the Fund. Current year expenditures of \$42,000 are planned supporting prostate cancer research activities through Wayne State University. The Executive indicates that this transfer is needed by April 30, 2016.

Private contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$154,400**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(4)						
Contingency funds	60,000,000	NA	NA	(154,400)	(154,400)	
Funding source:						
Total private revenues	60,000,000	NA	NA	(154,400)	(154,400)	
TO: SEC. 119. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES						
Dental programs	1,818,200	610,525	1,207,675	154,400	154,400	
Funding source:						
Total private revenues	250,000	81,035	168,965	154,400	154,400	

This transfer increases the private funds authorization for the Dental Programs line item, enabling the Department to expend available private revenues \$154,400 in excess of the current authorization. The transfer recognizes private grant funds from Delta Dental Foundation including \$104,400 of carryforward funds from 2015 for the community water fluoridation equipment program and the SEAL! Michigan dental sealant program, as well as \$50,000 of new grant revenue for additional funds for the community water fluoridation equipment program. A similar transfer was made to the line item in FY 2014-15. The Executive indicates that this transfer is needed by April 30, 2016.

Private contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$550,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/2/16	BALANCE AVAILABLE AS OF 4/2/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(2)						
Contingency funds	45,000,000	NA	NA	(550,000)	(550,000)	
Funding source:						
Total state restricted revenues	45,000,000	NA	NA	(550,000)	(550,000)	
TO: SEC. 123. AGING AND ADULT SERVICES AGENCY						
Respite care program	5,868,700	1,914,410	3,954,290	550,000	550,000	
Funding source:						
Total other state restricted revenues	1,400,000	560,618	839,382	550,000	550,000	

This transfer increases the state restricted authorization for the Respite Care Program line item, enabling the Department to expend available state restricted revenues \$550,000 in excess of the current authorization. Carryforward funding is available from the Senior Care Respite Fund. The funds will be used for the existing program through area agencies on aging of 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 mutual insurance corporation Blue Cross Blue Shield of Michigan. Statutory changes in 2010 (Act 197 PA 2010) shortened the unclaimed property period for uncashed checks creating a one-time acceleration of deposits to the Fund which are being expended by the program over a multi-year period. A similar transfer was made in FY 2014-15. The Executive indicates that this transfer is needed by April 30, 2016.

State restricted contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$138,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Paul B.A. Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/22/16	BALANCE AVAILABLE AS OF 3/22/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: SEC. 102. DEPARTMENTAL ADMINISTRATION						
Office for new Americans	593,000	219,115	373,885	(138,000)	(138,000)	
Funding source:						
State general fund/general purpose	593,000	219,115	373,885	(138,000)	(138,000)	
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION						
Unclassified salaries	4,605,200	1,821,076	2,784,124	138,000	138,000	
Funding source:						
State general fund/general purpose	101,700	99,237	2,463	138,000	138,000	

This transfer would shift funding from the Office of New Americans (ONA) to the Unclassified Salaries line item to accurately recognize that the ONA director was and is an unclassified position. The ONA, currently employing two state employees in addition to the director, was transferred to LARA from the Executive Officer during FY 2014-15 pursuant to EO 2014-12. The ONA was created by EO 2014-2 and is responsible for coordinating, analyzing, advising on, and advocating for the state's policies, programs, and proposals related to immigration or impacting the education, entrepreneurship, or employment of immigrants, in addition to partnering with non-state entities to provide information and assistance concerning immigration issues and services, including the Global Talent Retention Initiative.

LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF STATE**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$285,000**

S.B.O. LETTER: **3/15/2016**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **Perry Zielak**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/4/16	BALANCE AVAILABLE AS OF 4/4/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE VII, SEC. 701(1)						
Contingency funds	2,000,000	NA	NA	(285,000)	(285,000)	
Funding source:						
Total federal revenues	2,000,000	NA	NA	(285,000)	(285,000)	
TO: SEC. 106.(5) CUSTOMER DELIVERY SERVICES						
Central operations	47,916,300	22,828,828	25,087,472	285,000	285,000	
Funding source:						
Total federal revenues	1,160,000	114,848	1,045,152	285,000	285,000	

This request transfers \$285,000 in authorization from federal contingency funds to Customer Delivery Services Central Operations to receive additional federal Department of Transportation grant resources. This is the Performance and Registration Information Systems Management (PRISM) Grant from the Federal Motor Carrier Safety Administration. Funding will be used to implement PRISM registration program requirements for each vehicle registered under the International Registration Plan. This transfer is authorized pursuant to Article VIII, Sec. 701 (1) of PA 84 of 2015.

LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF TRANSPORTATION**
 FISCAL YEAR: **2015-16**
 TRANSFER AMOUNT: **\$2,250,000**

S.B.O. LETTER: **3/15/16**
 S.B.O. REQUEST: **2016-3**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 4/6/16	BALANCE AVAILABLE AS OF 4/16/16	GOV'S REC. 3/15/16	SENATE ACTION 4/13/16	HOUSE ACTION
FROM: PUBLIC ACT 84 OF 2015, ARTICLE XVII SEC. 206(1)						
Contingency funds	200,000,000	NA	NA	(2,000,000)	(2,000,000)	
Funding source:						
Total federal revenues	200,000,000	NA	NA	(2,000,000)	(2,000,000)	
PUBLIC ACT 84 OF 2015, ARTICLE XVII, SEC. 206(3)						
Contingency funds	1,000,000	NA	NA	(250,000)	(250,000)	
Funding source:						
Total local revenues	1,000,000	NA	NA	(250,000)	(250,000)	
TO: SEC. 118. PUBLIC TRANSPORTATION DEVELOPMENT						
Service initiatives	2,349,800	997,913	1,351,887	2,250,000	2,250,000	
Funding sources:						
Federal Aid – transportation programs	1,150,000	849,823	300,177	2,000,000	2,000,000	
Total local revenues	200,000	38,540	161,460	250,000	250,000	

This transfer provides additional spending authority needed to allow for the expenditure of a Federal Transit Administration (FTA) grant awarded to the Capital Area Transportation Authority (CATA) for the development of a Bus Rapid Transit (BRT) project. The grant is awarded under the Small Starts category of the FTA Capital Investment Grant Program. In this instance, grant funding is passed through the Michigan Department of Transportation. Federal funds represent 80% of estimated project cost of the planning phase of the project. The transfer also provides for additional spending authority for the local share (10%) of the required 20% non-federal match. The State of Michigan would provide the remaining 10% non-federal match from state restricted funds already appropriated in the Service Initiatives line item.

The specific project involves a proposed 8.5 mile BRT line along the Michigan/Grand River Avenue corridor from the Meridian Mall in Meridian Township to the State Capitol in downtown Lansing. Funding is available from federal and local contingency funds established in Article XVII, Section 206, of the FY 2015-16 budget act, 2015 PA 84.