

MEMORANDUM



**DATE:** September 19, 2016  
**TO:** Members of the House Appropriations Committee  
**FROM:** Mary Ann Cleary, Director *MAC*  
**RE:** Legislative Transfer Package 2016-7

Attached are legislative transfers proposed by the State Budget Office in a letter dated September 9, 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 Wednesday, September 21, 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 \$57.11 million, which will shift 0.11% 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 \$41.25 million, which will increase the FY 2015-16 year-to-date state budget by 0.08%.*

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

 Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant	Summary Sheet  SBO LETTER: 2016-7 September 9, 2016		
Department	Analyst	Page	Total Transfer
Education	Samuel Christensen	1	\$5,000,000
Health and Human Services	Sue Frey Kevin Koorstra Viola Bay Wild	2-6	80,396,000
Licensing and Regulatory Affairs	Marcus Coffin	7-9	860,000
Military and Veterans Affairs	Kent Dell	10-14	2,080,300
Natural Resources	Austin Scott	15	2,561,100
School Aid	Bethany Wicksall Samuel Christensen	16	53,000
State	Perry Zielak	17-18	1,250,000
State Police	Kent Dell	19-21	3,170,000
Treasury	Ben Gielczyk	22	3,000,000
<b>Total</b>			<b>\$98,370,400</b>

FY 2015-16 Legislative Transfers: Request 2016-7

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Health and Human Services	24,855,528,500		28,480,000				21,700,000	50,180,000	0.20%
Military and Veterans Affairs	178,470,300						150,000	150,000	0.08%
Natural Resources	413,251,200		2,561,100					2,561,100	0.62%
School Aid	13,736,308,500					53,000		53,000	0.00%
State Police	649,987,300	770,000	400,000					1,170,000	0.18%
Treasury - Debt Service	156,449,000						3,000,000	3,000,000	1.92%
TOTAL*	\$54,370,064,400	\$770,000	\$31,441,100	\$0	\$0	\$53,000	\$24,850,000	\$57,114,100	0.11%

\*Includes budget areas not affected by transfers

Budget	Year-to-Date Total Approps	Contingency Fund Transfers (Increases Budget)						TOTAL	% Budget Increased
		IDG	Federal	Local	Private	Restricted	GF/GP		
Education	330,661,200		5,000,000					5,000,000	1.51%
Health and Human Services	24,855,528,500					30,216,000		30,216,000	0.12%
Licensing and Regulatory Affairs	415,702,300		150,000			710,000		860,000	0.21%
Military and Veterans Affairs	178,470,300		1,186,600			743,700		1,930,300	1.08%
State	234,341,700					1,250,000		1,250,000	0.53%
State Police	649,987,300					2,000,000		2,000,000	0.31%
TOTAL*	\$54,370,064,400	\$0	\$6,336,600	\$0	\$0	\$34,919,700	\$0	\$41,256,300	0.08%

\*Includes budget areas not affected by transfers

## LEGISLATIVE TRANSFER

BUDGET AREA: **EDUCATION**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$5,000,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Samuel Christensen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE VI, SEC. 219(1)</b>						
Contingency funds	5,000,000	NA	NA	(5,000,000)		
Funding source:						
Total federal revenues	5,000,000	NA	NA	(5,000,000)		
<b>TO: SEC. 108. MICHIGAN OFFICE OF GREAT START</b>						
Child development and care public assistance	120,700,000	112,709,704	7,990,296	5,000,000		
Funding source:						
Total federal revenues	94,919,300	88,887,020	6,032,280	5,000,000		

This transfer would provide \$5.0 million in federal contingency fund authorization in accordance with PA 84 of 2015 (Article VI, Part 2, Sec. 219), to the Office of Great Start. Currently, the child care average monthly caseload is higher than was estimated for the May 2016 Consensus Revenue Estimating Conference, and it is likely the cost per case will also surpass the estimate before the end of the fiscal year. The total appropriation for this line is \$120,700,000. Total expenditures are projected to exceed this appropriation by up to \$5.0 million. This request will allow for the continued reimbursement of child care subsidies to providers without interruption through the remainder of FY 2015-16. There are sufficient federal funds in the existing award to cover the transfer. This transfer is necessary by September 30, 2016.

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$1,195,800**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 107. PUBLIC ASSISTANCE</b>						
Food assistance program benefits	2,334,297,500	2,052,909,808	281,387,692	(824,800)		
Funding source:						
Total other federal revenues	2,328,297,500	2,047,633,077*	280,664,423*	(824,800)		
Family independence program	103,289,800	90,537,989	12,751,811	(371,000)		
Funding source:						
State general fund/general purpose	9,857,700	8,640,702*	1,216,998*	(371,000)		
<b>TO: SEC. 107. PUBLIC ASSISTANCE</b>						
State disability assistance payments	11,908,700	11,158,560	750,140	1,195,800		
Funding source:						
Total other federal revenues	(824,800)	0	(824,800)	824,800		
State general fund/general purpose	7,252,600	6,795,752*	456,848*	371,000		

This request would transfer \$371,000 in GF/GP authorization from the Family Independence Program (FIP) appropriation to the State Disability Assistance Payments (SDA) line item appropriation. This transfer is needed due to projected SDA caseload costs exceeding those agreed upon at May 2016 caseload consensus. In the May 2016 caseload consensus agreement, the SDA Payments line item was reduced by \$2.1 million. The average monthly cost per case has been higher than the estimated cost of \$216.16 per case, resulting in a projected additional need of \$371,000 funding for SDA. Funds are available in the FAP and FIP line item appropriations due to lower than anticipated expenditures and caseload levels in those programs. This request would also transfer \$824,800 in federal authorization from the Food Assistance Program (FAP) Benefits appropriation to the SDA Payments appropriation. This transfer corrects a financing error made in the May 2016 caseload consensus supplemental appropriation. This transfer is requested by September 30, 2016.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$103,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 107. PUBLIC ASSISTANCE</b>						
Family independence program	103,289,800	90,537,989	12,751,811	(103,000)		
Funding source:						
State general fund/general purpose	9,857,700	8,640,702*	1,216,998*	(103,000)		
<b>TO: SEC. 107. PUBLIC ASSISTANCE</b>						
State supplementation	62,155,400	59,867,009	2,288,391	103,000		
Funding source:						
State general fund/general purpose	62,155,400	59,867,009	2,288,391	103,000		

This request would transfer \$103,000 in GF/GP authorization from the Family Independence Program (FIP) appropriation to the State Supplementation appropriation line item. This transfer is needed due to an increase in projected full year average of State Supplementation caseloads and costs per case. The State Supplementation program provides the federally-mandated state funding for aged, blind, and disabled individuals that receive federal Supplemental Security income (SSI) payments from the federal government. Funds are available to transfer from the FIP appropriation due to lower than anticipated FIP caseload levels. This transfer is requested by September 30, 2016.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$79,097,200**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 125. MEDICAL SERVICES</b>						
Hospital services and therapy	1,059,000,000	773,174,299	285,825,701	(42,381,200)		
Funding sources:						
Total other federal revenues	700,690,400	520,582,551*	180,107,849*	(26,155,200)		
State general fund/general purpose	44,903,900	14,697,225*	30,206,675*	(16,226,000)		
Pharmaceutical services	449,853,700	353,061,374	96,792,326	(6,500,000)		
Funding sources:						
Total other federal revenues	294,071,900	230,798,211*	63,273,689*	(1,500,000)		
State general fund/general purpose	155,781,800	122,263,163*	33,518,637*	(5,000,000)		
<b>PUBLIC ACT 84 OF 2015, ARTICLE X, SEC. 206(2)</b>						
Contingency funds	44,346,300	NA	NA	(30,216,000)		
Funding source:						
Total state restricted revenues	44,346,300	NA	NA	(30,216,000)		
<b>TO: SEC. 123. AGING AND ADULT SERVICES AGENCY</b>						
Program of all-inclusive care for the elderly	56,024,100	54,323,631	1,700,469	5,000,000		
Funding sources:						
Total other federal revenues	36,750,200	35,634,741*	1,115,459*	3,280,000		
State general fund/general purpose	19,273,900	18,688,890*	585,010*	1,720,000		

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$79,097,200 (Continued)**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>TO: SEC. 125. MEDICAL SERVICES</b>						
Medicaid home- and community-based services waiver	314,229,700	289,777,104	24,452,596	12,000,000		
Funding sources:						
Total other federal revenues	207,445,900	191,302,961*	16,142,939*	8,480,000		
State general fund/general purpose	106,783,800	98,474,143*	8,309,657*	3,520,000		
Transportation	20,057,200	17,297,780	2,759,420	1,500,000		
Funding source:						
Total other federal revenues	11,543,400	10,597,464*	945,936*	1,500,000		
Federal Medicare pharmaceutical program	212,560,500	159,070,225	53,490,275	5,000,000		
Funding source:						
State general fund/general purpose	212,560,500	159,070,225	53,490,275	5,000,000		
Health plan services	5,124,500,300	4,643,475,319	481,024,981	36,897,200		
Funding sources:						
Total other federal revenues	3,438,806,700	3,116,013,875*	322,792,825*	6,681,200		
Total other state restricted revenues	1,231,912,600	1,115,831,440*	116,081,160*	30,216,000		
<b>SEC. 111. BEHAVIORAL HEALTH SERVICES</b>						
Autism services	51,000,000	9,290,570	41,709,430	6,700,000		
Funding sources:						
Total other federal revenues	33,456,000	6,227,165*	27,228,835*	4,395,200		
State general fund/general purpose	17,544,000	3,063,405*	14,480,595*	2,304,800		

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$79,097,200 (Continued)**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>TO: SEC. 111. BEHAVIORAL HEALTH SERVICES</b>						
Medicaid mental health services	2,384,237,000	2,183,424,875	200,812,125	12,000,000		
Funding sources:						
Total other federal revenues	1,569,935,700	1,438,991,460*	130,944,240*	10,000,000		
State general fund/general purpose	768,343,900	707,489,919*	60,853,981*	2,000,000		

This transfer shifts authorization between a number of Medicaid caseload lines to reflect current FY 2015-16 Medicaid spending and revenue collection estimates. Authorization is available in the Pharmaceutical Services line due to slower than budgeted growth in specialty pharmacy utilization and in the Hospital Services and Therapy line due to a continued decline in fee-for-service hospital inpatient utilization. Additional authorization is necessary in the Program of All-Inclusive Care for the Elderly (PACE), Medicaid Home- and Community-Based Services Waiver (MI Choice), Transportation, Federal Medicare Pharmaceutical Program, Autism Services, and Medicaid Mental Health Services lines due to greater than projected Medicaid expenditures paid out through these lines. Additional federal and state restricted authorization is needed in the Health Plan Services line due to increased access to Medicaid provider assessment and federal revenues.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$150,000**

S.B.O. LETTER: **9/6/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIII, SEC. 223(1)</b>						
Contingency funds	19,000,000	NA	NA	(150,000)		
Funding source:						
Total federal revenues	19,000,000	NA	NA	(150,000)		
<b>TO: SEC. 103. ENERGY AND UTILITY PROGRAMS</b>						
Public service commission	21,730,900	17,955,541	3,775,359	150,000		
Funding source:						
DOT-gas pipeline safety	1,219,900	1,212,714	7,186	150,000		

This transfer request for the Public Service Commission allows for the receipt of federal gas pipeline safety revenues from the Department of Transportation to cover expenses associated with information technology desktop services and staffing costs. Expenditures have been higher than predicted for the Public Service Commission because an engineer has been charged to the gas pipeline safety grant and IT desktops have also been charged to the grant. Federal contingency fund authorization is available as provided in accordance with Public Act 84 of 2015, Article XIII, Section 223(1). This transfer is needed by book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$600,000**

S.B.O. LETTER: **9/6/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIII, SEC. 223(2)</b>						
Contingency funds	25,000,000	NA	NA	(600,000)		
Funding source:						
Total state restricted revenues	25,000,000	NA	NA	(600,000)		
<b>TO: SEC. 105. OCCUPATIONAL REGULATION</b>						
Bureau of health care services	59,284,100	41,967,416	17,316,684	600,000		
Funding source:						
Health system fees	3,309,300	2,679,517	629,783	600,000		

This transfer request for Bureau of Health Care services will support an information technology upgrade to the Health Facility Licensing and Permitting System. The system upgrades will allow for management of information on facilities, project applications, project tracking, and inspections; allow State users to access the system to process project applications and inspections; include a public interface for the submission of project applications and obtaining of status updates. Sufficient revenues exist in Health Systems Fees to support the transfer. A corresponding work project will provide for the carry forward of funds for this purpose. Contingency authorization is available as provided in accordance with Public Act 84 of 2015 Article XIII, Section 223(2). This transfer is needed by book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$110,000**

S.B.O. LETTER: **9/6/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIII, SEC. 223(2)</b>						
Contingency funds	25,000,000	NA	NA	(110,000)		
Funding source:						
Total state restricted revenues	25,000,000	NA	NA	(110,000)		
<b>TO: SEC. 105. OCCUPATIONAL REGULATION</b>						
Bureau of fire services	11,414,500	8,308,580	3,105,920	110,000		
Funding source:						
Corporation fees	0	0	0	110,000		

This transfer request provides additional authorization to support the costs of regulatory activities performed by the Bureau of Fire Services, specifically regulation and enforcement of the fireworks program. Revenues from the regulation/enforcement activities of the fireworks program are insufficient to cover the programs' expenditures, thus necessitating this transfer. Corporation fees were not initially used to fund the Bureau of Fire Services, but sufficient funds exist for this transfer. Contingency authorization is available as provided in accordance with Public Act 84 of 2015 Article XIII, Section 223(2). Sufficient authorization and revenues are available to support this transfer. This transfer is needed by book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$25,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV, SEC. 206(2)</b>						
Contingency funds	2,000,000	NA	NA	(25,000)		
Funding source:						
Total state restricted revenues	2,000,000	NA	NA	(25,000)		
<b>TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
Michigan veterans affairs agency	17,298,000	11,054,600	6,243,400	25,000		
Funding source:						
State restricted revenues	0	0	0	25,000		

This transfer requests \$25,000 in state restricted contingency fund authorization to allow for expenditures from the Michigan Veterans Engagement Fund collected from specialty veterans license plate sales, in accordance with 2014 PA 490. This funding will support outreach activities, tuition support, and administrative expenses. Contingency authorization is available as provided in accordance with 2015 PA 84, Article XIV, section 206(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$786,600**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV, SEC. 206(1)</b>						
Contingency funds	9,350,000	NA	NA	(786,600)		
Funding source:						
Total federal revenues	9,350,000	NA	NA	(786,600)		
<b>TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
Veterans' homes	68,250,600	61,467,200	6,783,400	786,600		
Funding source:						
Federal revenues	29,764,200	28,651,800	1,112,400	786,600		

This transfer requests \$786,600 in federal contingency fund authorization to support an increase in U.S. Department of Veterans Affairs – Veterans Health Administration revenue, resulting from higher per diems associated with the number of veterans living in the D.J. Jacobetti Home for Veterans with a service connected disability. Authorization is available from federal contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$718,700**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV, SEC. 206(2)</b>						
Contingency funds	2,000,000	NA	NA	(718,700)		
Funding source:						
Total state restricted revenues	2,000,000	NA	NA	(718,700)		
<b>TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
Veterans' homes	68,250,600	61,467,200	6,783,400	718,700		
Funding source:						
State restricted revenues	11,698,400	9,730,100	1,968,300	718,700		

This transfer requests \$718,700 in state restricted contingency fund authorization to align the D.J. Jacobetti Home for Veterans income and assessments fund authorization with available revenues to support care for veterans in the home. Authorization is available from state restricted contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$400,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV, SEC. 206(1)</b>						
Contingency funds	9,350,000	NA	NA	(400,000)		
Funding source:						
Total federal revenues	9,350,000	NA	NA	(400,000)		
<b>TO: SEC. 102. MILITARY</b>						
Departmental and National Guard operations	70,031,000	56,826,200	13,204,800	400,000		
Funding source:						
Federal revenues	46,094,400	42,583,200	3,511,200	400,000		

This transfer requests \$400,000 in federal contingency fund authorization for the Michigan Youth ChalleNge Academy to align authorization with additional federal revenues made available to the department. This request will provide authorization to support life cycle equipment replacements, information technology upgrades, staffing costs. Funding is available from federal contingency revenues in accordance with 2015 PA 84, Article XIV, section 206(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$150,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 102. MILITARY</b>						
Unclassified positions	1,390,700	1,051,700	339,000	(150,000)		
Funding source:						
State general fund/general purpose	1,390,700	1,004,400	386,300	(150,000)		
<b>TO: SEC. 102. MILITARY</b>						
Departmental and National Guard operations	70,031,000	56,826,200	13,204,800	150,000		
Funding source:						
State general fund/general purpose	15,375,700	11,592,600	3,783,100	150,000		

This transfer provides spending authorization to support National Guard activation in accordance with Executive Order 2016-17. The National Guard was activated to assist in responding to clean up efforts following severe storm damage in Gogebic County. Authorization is available as a result of vacancies in the unclassified positions line item.

## LEGISLATIVE TRANSFER

BUDGET AREA: **NATURAL RESOURCES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$2,561,100**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Austin Scott**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/14/16	BALANCE AVAILABLE AS OF 9/14/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 103. DEPARTMENT INITIATIVES</b>						
Great Lakes restoration initiative	5,500,000	720,570	4,779,430	(2,561,100)		
Funding source:						
EPA, federal	4,578,000	210,652	4,367,348	(2,561,100)		
<b>TO: SEC. 106. WILDLIFE MANAGEMENT</b>						
Wildlife management	36,026,500	31,505,685	4,520,815	2,561,100		
Funding source:						
DAG, federal	345,400	340,948	4,452	320,000		
DOI, federal – FWS wildlife restoration	18,987,200	18,383,645	603,555	2,241,100		

This transfer will provide sufficient spending authority for new federal grant funding provided by the U.S. Department of Agriculture and the U.S. Fish and Wildlife Service. The department has been awarded these federal grants to expand hunting access opportunities on private land in northern Michigan; to purchase coastal wetlands in Baraga County; and to study, restore and/or enhance habitat for a variety of species including bat, Karner Blue Butterfly, Eastern Massasauga, Native Bumble Bee, and Kirtland Warbler. Excess federal authority exists within the Great Lakes Restoration Initiative appropriation due to current year grants coming in less than the appropriated level. The transfer is needed to allow these federal funds to be used in FY 2015-16 and is needed by September 30, 2016.

## LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$53,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Bethany Wicksall and Samuel Christensen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 22b. DISCRETIONARY PAYMENT</b>	3,692,000,000	3,662,564,768	29,435,232	(53,000)		
Funding source:						
School Aid Fund	3,675,679,500	3,662,564,768	13,114,732	(53,000)		
<b>TO: SEC. 26c. PROMISE ZONE REIMBURSEMENTS</b>	278,000	0	278,000	53,000		
Funding source:						
School Aid Fund	278,000	0	278,000	53,000		

This transfer would fully fund anticipated payments to the seven eligible Promise Zones. Payment estimates have been updated by Treasury to reflect current State Education Tax (SET) revenues, a portion of which are required to be set aside to reimburse Promise Zones. The original appropriation was reduced from \$610,000 to \$278,000 as a part of supplemental revisions in PA 249 of 2016 based on initial estimates at the time. The transfer is needed by September 30, 2016, in order to make payments in full by year-end. The funds are anticipated to be available from the Discretionary Payment (foundation allowances) appropriation.

## LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF STATE**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$1,000,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Perry Zielak**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/16	BALANCE AVAILABLE AS OF 9/12/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE VIII, SEC. 701(2)</b>						
Contingency funds	7,500,000	NA	NA	(1,000,000)		
Funding source:						
Total state restricted revenues	7,500,000	NA	NA	(1,000,000)		
<b>TO: SEC. 106(8). INFORMATION TECHNOLOGY</b>						
Information technology services and projects	25,745,300	18,122,611	7,622,689	1,000,000		
Funding source:						
Transportation administration collection fund	17,004,400	14,948,011	2,056,389	1,000,000		

This request transfers \$1,000,000 in authorization from state restricted contingency funds to Information Technology Services and Projects to cover increased costs associated with their mainframe Unisys changes, Citrix server and Windows 2003 server. Funding is available from state restricted contingency funds in accordance with PA 84 of 2015, Article VIII, section 701(2). This transfer is requested to meet current payment obligations and is needed by September 30, 2016.

## LEGISLATIVE TRANSFER

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

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Perry Zielak**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/16	BALANCE AVAILABLE AS OF 9/12/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE VIII, SEC. 701(2)</b>						
Contingency funds	7,500,000	NA	NA	(250,000)		
Funding source:						
Total state restricted revenues	7,500,000	NA	NA	(250,000)		
<b>TO: SEC. 106(5). CUSTOMER DELIVERY SERVICES</b>						
Credit and debit assessment services	6,000,000	4,821,937	1,178,063	250,000		
Funding source:						
Credit and debit assessment service fees	6,000,000	4,821,937	1,178,063	250,000		

This request transfers \$250,000 in authorization from state restricted contingency funds to Credit and Debit Assessment Services to cover additional costs associated with increased credit and debit card usage from the program. Funding is available from the state restricted contingency funds in accordance with PA 84 of 2015, Article VIII, section 701(2). This transfer is requested to meet current payment obligations to credit card processors. This transfer is needed by September 30, 2016.

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$770,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 106. FIELD SERVICES</b>						
Field services	300,363,100	275,710,800	24,652,300	(770,000)		
Funding source:						
Total interdepartmental grants and intradepartmental transfers	6,706,100	3,999,600	2,706,500	(770,000)		
<b>TO: SEC. 107. SPECIALIZED SERVICES</b>						
Specialized services	127,040,800	90,514,500	36,526,300	770,000		
Funding source:						
Total interdepartmental grants and intradepartmental transfers	12,577,100	8,239,200	4,337,900	770,000		

This transfer request provides increased spending authority to align authorization with available Truck Safety Fund revenue. Additional authorization is requested as a result of a higher than anticipated grant award from the Michigan Truck Safety Commission. This transfer will support expanded patrols in areas with higher risk of commercial vehicle crashes. Authorization is available due to vacancies in the Field Services line item supported by casino gaming fees.

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$2,000,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XVI, SEC. 206(2)</b>						
Contingency funds	3,500,000	NA	NA	(2,000,000)		
Funding source:						
Total state restricted revenues	3,500,000	NA	NA	(2,000,000)		
<b>TO: SEC. 107. SPECIALIZED SERVICES</b>						
Specialized services	127,040,800	90,514,500	36,526,300	2,000,000		
Funding source:						
Total state restricted revenues	14,010,900	9,560,900	4,450,000	2,000,000		

This transfer request provides increased spending authority to align authorization with available Motor Carrier Fee revenue. The Federal Motor Carrier Safety Administration - Unified Carrier Registration board has improved the processing time of state distributions resulting in an unanticipated increase in revenue resulting from the disbursement of both remaining FY 2014-15 and FY 2015-16 revenues. This transfer will support one-time equipment replacement and a one-time Motor Carrier Officer recruit school expected to graduate 12 Motor Carrier Officers in early January. Authorization is available from state restricted contingency revenues in accordance with 2015 PA 84, Article XVI, section 206(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$400,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/16	BALANCE AVAILABLE AS OF 9/19/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 107. SPECIALIZED SERVICES</b>						
Specialized services	127,040,800	90,514,500	36,526,300	(400,000)		
Funding source:						
Total federal revenues	62,541,000	31,690,100	30,850,900	(400,000)		
<b>TO: SEC. 106. FIELD SERVICES</b>						
Field services	300,363,100	275,710,800	24,652,300	400,000		
Funding source:						
Total federal revenues	6,512,300	5,593,700	918,600	400,000		

This transfer request shifts federal authorization from the Specialized Services line item to the Field Services line item to align authorization with available revenues based on the federal reimbursement of costs incurred by the Michigan State Police while providing security and law enforcement services at the Republican National Convention in Cleveland, Ohio. Authorization is available in the Specialized Services line as a result of lower than expected revenues from the Department of Homeland Security.

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$3,000,000**

S.B.O. LETTER: **9/9/16**  
 S.B.O. REQUEST: **2016-7**  
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/9/16	BALANCE AVAILABLE AS OF 9/9/16	GOV'S REC. 9/9/16	HOUSE ACTION	SENATE ACTION
<b>FROM: SEC. 108(8) DEBT SERVICE</b>						
Clean Michigan initiative	63,961,000	61,083,667	2,877,333	(1,500,000)		
Funding source:						
State general fund/general purpose	63,961,000	61,083,667	2,877,333	(1,500,000)		
Great Lakes water quality bond	16,529,000	12,328,788	4,200,212	(1,500,000)		
Funding source:						
State general fund/general purpose	16,529,000	12,328,788	4,200,212	(1,500,000)		
<b>TO: SEC. 108(17) ONE-TIME BASIS ONLY APPROPRIATIONS</b>						
Presidential primary	10,000,000	0	10,000,000	3,000,000		
Funding source:						
State general fund/general purpose	10,000,000	0	10,000,000	3,000,000		

This request transfers authorization from the Clean Michigan Initiative and Great Lakes Water Quality bond line items to the Presidential Primary one-time basis only appropriation line item to cover statutorily-required reimbursement costs for counties, cities, and townships associated with the March 8, 2016 Presidential Primary election. Counties, cities, and villages are eligible for the reimbursement of costs incurred administering the 2016 Presidential Primary under Michigan Election Law, 1954 PA 116, MCL 168.624g. The amount certified for reimbursement by the Departments of State and Treasury totals \$12,933,062.46. Funding is available from the debt service line items as all scheduled debt service payments have been met for the current fiscal year. Payments will be made to local units following transfer approval. This transfer is requested to meet statutory payment obligations and is needed by September 30, 2016.