



90TH DISTRICT
STATE CAPITOL
P.O. BOX 30014
LANSING, MI 48909-7514
PHONE: (517) 373-0830
FAX: (517) 373-7806
E-MAIL: josephhaveman@house.mi.gov

MICHIGAN HOUSE OF REPRESENTATIVES

JOE HAVEMAN
STATE REPRESENTATIVE

COMMITTEES:
APPROPRIATIONS, CHAIR
SUBCOMMITTEE:
CORRECTIONS

September 26, 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 September 10, 2013 and September 24, 2013, Legislative Transfer Requests 2013-9 and 2013-11, and a legislative transfer initiated by the Senate Appropriations Committee on September 25, 2013. The transfers are for the Departments of Agriculture and Rural Development, Attorney General, Community Health, Corrections, Environmental Quality, Human Services, Licensing and Regulatory Affairs, Military and Veterans Affairs, State Police, Technology, Management and Budget, and Treasury.

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: 2013-9, 2013-11 September 10, 2013 September 24, 2013 Legislative Initiated Transfer: September 25, 2013</p>	
---	--	--

FY 2012-13				
Department	Analyst	Page	YTD Gross Authorization	Total Transfer
Agriculture and Rural Development	Paul Holland	1-4	\$78,533,000	\$975,000
Attorney General	Ben Gielczyk Marilyn Peterson	5	88,293,000	47,700
Community Health	Margaret Alston Sue Frey Steve Stauff Matt Ellsworth	6-13	14,950,604,400	75,781,200
Corrections	Robin Risko	14-18	2,021,015,600	8,550,000
Environmental Quality	Viola Wild	19-21	432,329,900	1,984,400
Human Services	Kevin Koorstra	22-28	6,161,935,000	20,935,000
Licensing and Regulatory Affairs	Paul Holland	29-32	655,656,300	7,400,000
Military and Veterans Affairs	Mark Wolf	33-34	180,207,600	4,580,000
State Police	Mark Wolf	35	585,111,700	825,000
Technology, Management and Budget	Marilyn Peterson	36-37	1,143,973,600	385,000
Treasury	Ben Gielczyk	38	MSF: 985,455,200	63,200
Total				\$121,526,500

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$450,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE I, SEC. 206(2)						
Contingency funds	5,800,000			(450,000)	(450,000)	(450,000)
Funding source:						
Total state restricted revenues	5,800,000	NA	NA	(450,000)	(450,000)	(450,000)
TO: SEC. 107. ENVIRONMENTAL STEWARDSHIP						
Environmental stewardship	6,286,500			450,000	450,000	450,000
Funding source:						
Freshwater protection fund	4,737,500	4,963,756	(226,256)	450,000	450,000	450,000

This transfer is necessary to support grants awarded to local conservation districts that provide technical assistance to farmers participating in the voluntary Michigan Agriculture Environmental Assurance Program (MAEAP), statutorily recognized by 2011 PAs 1 and 2, which is designed to proactively assist agricultural producers of all sizes and all commodities to reduce their legal and environmental risks. In an effort to meet the goal set by the Governor of having 2,060 MAEAP verified farms at the end of CY 2013 (5,000 by CY 2015), the Environmental Stewardship Division increased the amount of grant funding, supported with the Freshwater Protection Fund (Fund), that was made available to Michigan Conservation Districts. The Fund, established by Section 8716 of the Natural Resources and Environmental Protection Act of 1994 (NREPA), is partially supported with annual fees collected from persons required to register pesticides and levied on each pesticide product (these fees are statutorily eliminated on 12/31/15).. There are sufficient carryforward monies within the Fund to support this request. This transfer is needed by September 30, 2013. A portion of MAEAP funding is appropriated for within the Environmental Stewardship line item in the FY 2012-13 and FY 2013-14 DARD budgets, SBO is working with DARD to allocate all MAEAP funding within the MAEAP line item for the FY 2014-15 DARD budget.

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$125,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE I, SEC. 206(2)						
Contingency funds	5,800,000			(125,000)	(125,000)	(125,000)
Funding source:						
Total state restricted revenues	5,800,000	NA	NA	(125,000)	(125,000)	(125,000)
TO: SEC. 107. ENVIRONMENTAL STEWARDSHIP						
Farmland and open space preservation	872,000			125,000	125,000	125,000
Funding source:						
Agricultural preservation fund	872,000	897,719	(25,719)	125,000	125,000	125,000

This transfer is necessary to accurately reflect the administrative costs required to operate this program following the enactment of 2011 PA 79 which resulted in a fourfold increase in requests for extensions for Development Rights Agreements under Part 361 of the Natural Resources and Environmental Protection Act of 1994 (NREPA). Consistent with the changes made by 2013 PA 59 (FY 2013-14 appropriation bill), the department requires additional authorization for the Farmland and Open Space Preservation line item from the Agricultural Preservation Fund (Fund) for the FY 2012-13 budget. The Fund, established by Section 36202 of the NREPA, is supported with the payback of property tax credits under 1974 PA 116 (now within Part 361 of the NREPA) and agricultural property recapture tax under 2000 PA 261. Authorization to expend these monies for administrative purposes is provided by 2013 PA 86, which increased the maximum amount expended from the Fund for DARD administrative costs of implementing Part 361 of the NREPA from \$900,000 to \$1.4 million annually. The FY 2013-14 DARD budget anticipated and appropriated for the changes made by 2013 PA 86. There are sufficient carryforward monies within the Fund to support this request for the FY 2012-13 DARD budget. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$100,000**

S.B.O. LETTER: **9/24/13**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/24/13	BALANCE AVAILABLE AS OF 9/24/13	GOV'S REC. 9/24/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 110. FAIRS AND EXPOSITIONS						
Thoroughbred breeders' awards	358,600			(100,000)	(100,000)	(100,000)
Funding source:						
Agriculture equine industry development fund	358,600	32,109	326,491	(100,000)	(100,000)	(100,000)
TO: SEC. 110. FAIRS AND EXPOSITIONS						
Thoroughbred sire stakes	244,800			100,000	100,000	100,000
Funding source:						
Agriculture equine industry development fund	244,800	0	244,800	100,000	100,000	100,000

This transfer will move funding from the Breeders' Awards line item to the Sire Stakes line item under the Thoroughbred Racing Program. Breeders' awards are paid to breeders of thoroughbred horses including the owner of the mother of the winning horse, and sire stakes are supplemental awards to the owner of the father of the winning horse at special stakes races comprised of only two- and three-year-old Michigan-sired thoroughbred horses. There are sufficient funds available to support this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$300,000**

S.B.O. LETTER: **N/A**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/25/13	BALANCE AVAILABLE AS OF 9/25/13	PROPOSED ACTION	SENATE ACTION	HOUSE ACTION
FROM: SEC. 102. DEPARTMENTWIDE						
Unclassified positions	700,000			(300,000)	(300,000)	(300,000)
Funding source:						
State general fund/general purpose	700,000	358,958	341,042	(300,000)	(300,000)	(300,000)
TO: SEC. 107. ENVIRONMENTAL STEWARDSHIP						
Environmental stewardship		6,286,500		300,000	300,000	300,000
Funding source:						
State general fund/general purpose	0	0	0	300,000	300,000	300,000

The purpose of this transfer is to provide GF/GP support for the Michigan Agricultural Environmental Assurance Program (MAEAP) to offset the utilization of Freshwater Protection Fund revenue for FY 2012-13. Sufficient funds are available for this transfer from the Unclassified Positions line item due to savings from vacant positions.

LEGISLATIVE TRANSFER

BUDGET AREA: **ATTORNEY GENERAL**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$47,700**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/16/13	BALANCE AVAILABLE AS OF 9/16/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE VIII, SEC. 301(1)						
Contingency funds	1,500,000			(47,700)	(47,700)	(47,700)
Funding source:						
Total federal revenues	1,500,000	NA	NA	(47,700)	(47,700)	(47,700)
TO: SEC. 102(2) ATTORNEY GENERAL OPERATIONS						
Prosecuting attorneys coordinating council	2,033,400			47,700	47,700	47,700
Funding source:						
National criminal history improvement program	108,100	82,267	25,833	47,700	47,700	47,700

The transfer will provide the necessary federal fund spending authority for the interagency agreements between Prosecuting Attorneys Coordinating Council (PACC) and Michigan State Police (MSP). The MSP receive a National Criminal History Improvement Project (NCHIP) federal grant to improve the electronic transfer of criminal history information. The PACC has been a sub recipient of NCHIP funds to do programming to facilitate the electronic exchange of information from the prosecutors' office to the MSP. The PACC receives the funds via reimbursement based on the number of hours of work performed by PACC on the project. While work performed has been below the annual allocation in the budget, the hours of work performed in FY 2012-13 will exceed the \$108,100 budget authorization due to the increased project work. While previous years fund balances have carried forward, unspent grant funds at the end of FY 2012-13 will lapse and cannot be carried forward to FY 2013-14.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$262,500**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Margaret Alston**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Behavioral health program administration	17,810,400			(262,500)	(262,500)	(262,500)
Funding source:						
State general fund/general purpose	11,828,400	10,287,052	1,541,348	(262,500)	(262,500)	(262,500)
TO: SEC. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Community residential and support services	1,549,100			262,500	262,500	262,500
Funding source:						
State general fund/general purpose	849,100	790,391	58,709	262,500	262,500	262,500

This transfer increases the general fund/general purpose authorization for the Community Residential and Support Services line item by \$262,500, enabling the Department of Community Health (DCH) to finance community residential leases under its responsibility. The FY 2012-13 budget anticipates the availability of \$700,000 in federal oil and gas royalties to support this line item. However, as of September 12, 2013, the remaining balance in oil and gas royalties was \$102,500.

According to the DCH, sufficient general fund/general purpose authorization is available for this transfer from the Behavioral Health Program Administration line item due to one-time FY 2012-13 vacancy/turnover savings for 4.0 FTE positions.

This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$213,700**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Margaret Alston**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Federal and other special projects	3,541,600			(213,700)	(213,700)	(213,700)
Funding source:						
Total federal revenues	3,541,600	964,147	2,577,453	(213,700)	(213,700)	(213,700)
TO: SEC. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Housing and support services	11,322,500			213,700	213,700	213,700
Funding source:						
Total federal revenues	10,616,900	6,896,497	3,720,403	213,700	213,700	213,700

This transfer increases the federal revenue authorization for the Housing and Support Services line item by \$213,700, enabling the DCH to support expenditures related to the following: Detroit Frequent Users Service Engagement (FUSE) project that provides leasing assistance to chronically homeless and severely mentally ill individuals who are frequent users of Detroit's homeless and hospital systems; and housing assistance and opportunities for individuals living with AIDS.

There is sufficient federal revenue authorization available for this transfer from the Federal and Other Special Projects line item due to the completion of the federal Medicaid Infrastructure grant, funds that were used to identify and address barriers to employment for individuals with disabilities. The FY 2013-14 enacted budget recognizes the completion of this federal grant.

This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$284,300**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE IV, SEC. 206(4)						
Contingency funds	19,593,100			(284,300)	(284,300)	(284,300)
Funding source:						
Total private revenues	19,593,100	NA	NA	(284,300)	(284,300)	(284,300)
TO: SEC. 107. HEALTH POLICY						
Michigan essential health provider	1,491,300			284,300	284,300	284,300
Funding source:						
Total private revenues	255,000	171,740	83,260	284,300	284,300	284,300

This transfer increases the private funds authorization for the Michigan Essential Health Provider line item, enabling the Department to expend available private revenues \$284,300 in excess of the current authorization. Increased funding is available from private employers to meet matching funds requirements for the federal State Loan Repayment Program grant. The funds support health education loan repayments on behalf of health care providers serving for two or more years in designated medically underserved and health professional shortage areas. Two similar transfers were made to the line item in FY 2011-12. The Executive indicates that this transfer is needed by September 30, 2013.

Private contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$10,570,700**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE IV, SEC. 206(4)						
Contingency funds	19,593,100			(10,570,700)	(10,570,700)	(10,570,700)
Funding source:						
Total private revenues	19,593,100	NA	NA	(10,570,700)	(10,570,700)	(10,570,700)
TO: SEC. 108. INFECTIOUS DISEASE CONTROL						
AIDS prevention, testing, and care programs		58,558,700		10,570,700	10,570,700	10,570,700
Funding source:						
Total private revenues	27,707,700	27,712,705	(5,005)	10,570,700	10,570,700	10,570,700

This transfer increases the private funds authorization for the AIDS Prevention, Testing, and Care Programs line item, enabling the Department to expend available private revenues \$10,570,700 in excess of the current authorization. Private carryforward funding is available to cover projected expenditures of the HIV/AIDS Drug Assistance Program. Private funds are received from pharmaceutical manufacturers for rebates on AIDS and HIV medications used by the Drug Assistance Program which is payer of last resort for treatment medications for over 3,500 eligible uninsured or underinsured persons in Michigan. Rebate revenue continues to increase as new and brand name drug therapies are primarily used in treatment. A similar transfer was made to the line item in FY 2011-12. The Executive indicates that this transfer is needed by September 30, 2013.

Private contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$500,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE IV, SEC. 206(1)						
Contingency funds	196,631,000			(500,000)	(500,000)	(500,000)
Funding source:						
Total federal revenues	196,631,000	NA	NA	(500,000)	(500,000)	(500,000)
TO: SEC. 108. INFECTIOUS DISEASE CONTROL						
Immunization local agreements	12,980,700			500,000	500,000	500,000
Funding source:						
Total federal revenues	10,433,700	9,026,056	1,407,644	500,000	500,000	500,000

This transfer increases the federal funds authorization for the Immunization Local Agreements line item, enabling the Department to expend available federal revenues \$500,000 in excess of the current authorization. Increased funding is available from a \$1.2 million FY 2011-12 federal grant for capacity building for immunization programs, including enhancement and implementation of a comprehensive vaccine management module in the Michigan Care Improvement Immunization Registry (MCIR), and assessment of local public health billing capacities. A similar transfer was made to the line item earlier in the fiscal year. The FY 2013-14 enacted budget includes a \$1.1 million increase of federal funds to this line item for similar immunization program capacity building projects. The Executive indicates that this transfer is needed by September 30, 2013.

Federal contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$63,950,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Steve Stauff**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE IV, SEC. 206(1)						
Contingency funds	196,631,000			(49,300,000)	(49,300,000)	(49,300,000)
Funding source:						
Total federal revenues	196,631,000	NA	NA	(49,300,000)	(49,300,000)	(49,300,000)
SEC. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES						
Medical care and treatment	198,097,600			(3,950,000)	(3,950,000)	(3,950,000)
Funding source:						
State general fund/general purpose	88,818,000	84,198,370*	4,619,630*	(3,950,000)	(3,950,000)	(3,950,000)
Nonemergency medical transportation	2,679,300			(1,000,000)	(1,000,000)	(1,000,000)
Funding source:						
State general fund/general purpose	1,992,600	545,036*	1,447,564*	(1,000,000)	(1,000,000)	(1,000,000)
SEC. 119. MEDICAL SERVICES						
Physician services	385,000,000			(8,000,000)	(8,000,000)	(8,000,000)
Funding source:						
State general fund/general purpose	111,479,100	80,933,461*	30,545,639	(8,000,000)	(8,000,000)	(8,000,000)
Pharmaceutical services	287,558,600			(1,700,000)	(1,700,000)	(1,700,000)
Funding source:						
State general fund/general purpose	97,819,300	87,483,510	10,335,790*	(1,700,000)	(1,700,000)	(1,700,000)

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

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$63,950,000 (Continued)**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Steve Stauff**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
TO: SEC. 104. BEHAVIORAL HEALTH SERVICES						
Medicaid mental health services	2,109,626,900			7,500,000	7,500,000	7,500,000
Funding sources:						
Total federal revenues	1,400,415,600	1,286,395,585*	114,020,015*	3,500,000	3,500,000	3,500,000
State general fund/general purpose	660,578,800	606,795,334*	53,783,466*	4,000,000	4,000,000	4,000,000
SEC. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES						
Medical care and treatment	198,097,600			3,950,000	3,950,000	3,950,000
Funding source:						
Total federal revenues	105,939,500	100,429,341*	5,510,159*	3,950,000	3,950,000	3,950,000
SEC. 119. MEDICAL SERVICES						
Home health services	4,389,600			1,500,000	1,500,000	1,500,000
Funding sources:						
Total federal revenues	2,914,200	2,439,260*	474,940*	1,050,000	1,050,000	1,050,000
State general fund/general purpose	1,475,400	1,234,948*	240,452*	450,000	450,000	450,000
Medicare premium payments	395,000,000			5,000,000	5,000,000	5,000,000
Funding source:						
Total federal revenues	343,134,300	316,772,840*	26,361,460*	5,000,000	5,000,000	5,000,000
MICchild program	69,248,700			19,500,000	19,500,000	19,500,000
Funding sources:						
Total federal revenues	52,954,500	48,685,618*	4,268,882*	18,800,000	18,800,000	18,800,000
State general fund/general purpose	16,294,200	14,980,657*	1,313,543*	700,000	700,000	700,000

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

LEGISLATIVE TRANSFER

BUDGET AREA: **COMMUNITY HEALTH**

FISCAL YEAR: **2012-13**

TRANSFER AMOUNT: **\$63,950,000 (Continued)**

S.B.O. LETTER: **9/10/13**

ANALYST: **Steve Stauff**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
TO: SEC. 119. MEDICAL SERVICES						
Medicaid adult benefits waiver	88,000,000			21,500,000	21,500,000	21,500,000
Funding sources:						
Total federal revenues	58,423,000	54,716,841*	3,706,159*	17,000,000	17,000,000	17,000,000
State general fund/general purpose	18,023,200	16,879,869*	1,143,331*	4,500,000	4,500,000	4,500,000
Federal Medicare pharmaceutical program	182,634,100			5,000,000	5,000,000	5,000,000
Funding source:						
State general fund/general purpose	182,634,100	140,995,024	41,639,076	5,000,000	5,000,000	5,000,000

This transfer covers projected expenditures within the Behavioral Health, Children's Special Health Care Services, and Medical Services units. Federal contingency fund authorization is available. The Children's Special health Care Services (CSHCS) Medical Care and Treatment line needs more federal and less GF/GP based on the projected case mix and CSHCS Nonemergency Medical Transportation, Physician Services, and Pharmaceutical Services costs are lower than anticipated. Note that in the FY 2013-14 budget, over \$1 million in CSHCS Nonemergency Medical Transportation authorization was moved to the Medical Services section due to Title V/XIX Duals transition to managed care. Other transfers reflect year end needs for Home Health, Medicare Premium Payments, MICHild program, Medicaid Adult Benefits Waiver and the Federal Medicare Pharmaceutical Program. This transfer is needed by September 30, 2013.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$900,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/13	BALANCE AVAILABLE AS OF 9/19/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE V, SEC. 223(4)						
Contingency funds	2,000,000			(900,000)	(900,000)	(900,000)
Funding source:						
Total private revenues	2,000,000	NA	NA	(900,000)	(900,000)	(900,000)
TO: SEC. 106. CORRECTIONAL FACILITIES- ADMINISTRATION						
Education program	32,449,800			900,000	900,000	900,000
Funding source:						
Private - grant from Vera institute of justice	100,000	0	100,000	900,000	900,000	900,000

This transfer authorizes the department to receive private grant funding made available from the Vera Institute of Justice. The funding will be used to provide post-secondary education services for offenders who are within two years of their earliest release date. Completion of this transfer is requested prior to year-end.

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$2,100,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/13	BALANCE AVAILABLE AS OF 9/19/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 107. HEALTH CARE						
Clinical complexes	153,373,900			(2,000,000)	(2,000,000)	(2,000,000)
Funding source:						
State general fund/general purpose	153,095,200	134,551,117	18,544,083	(2,000,000)	(2,000,000)	(2,000,000)
SEC. 108. NORTHERN REGION CORRECTIONAL FACILITIES						
Marquette branch prison - Marquette	37,121,600			(100,000)	(100,000)	(100,000)
Funding source:						
State general fund/general purpose	37,121,600	33,131,016	3,990,584	(100,000)	(100,000)	(100,000)
TO: SEC. 106. CORRECTIONAL FACILITIES- ADMINISTRATION						
Prison food service	67,491,300			2,100,000	2,100,000	2,100,000
Funding source:						
State general fund/general purpose	66,831,300	66,419,790	411,510	2,100,000	2,100,000	2,100,000

This transfer will provide funding to cover higher than anticipated prison food services costs due to delays in finalizing the food services contract. Also, the transfer will provide funding for a work project for one-time costs related to the food service contract implementation. Funding is available from the Clinical Complexes and Marquette Branch Prison line items due to vacancies and efficiencies. Examples of health care efficiencies include increased utilization of Medicaid reimbursement whenever possible, reduced dependency on off-site care, and revisions to the pharmaceutical formulary. Completion of this transfer is requested by September 28, 2013, to allow vendor payments to be processed.

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$1,050,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/13	BALANCE AVAILABLE AS OF 9/19/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 108. NORTHERN REGION CORRECTIONAL FACILITIES						
Marquette branch prison - Marquette	37,121,600			(450,000)	(450,000)	(450,000)
Funding source:						
State general fund/general purpose	37,121,600	33,131,016	3,990,584	(450,000)	(450,000)	(450,000)
Oaks correctional facility - Eastlake	34,098,700			(600,000)	(600,000)	(600,000)
Funding source:						
State general fund/general purpose	34,098,700	29,490,820	4,607,880	(600,000)	(600,000)	(600,000)
TO: SEC. 106. CORRECTIONAL FACILITIES- ADMINISTRATION						
Transportation	21,522,700			750,000	750,000	750,000
Funding source:						
State general fund/general purpose	21,522,700	21,063,727	458,973	750,000	750,000	750,000
Central records	4,889,800			300,000	300,000	300,000
Funding source:						
State general fund/general purpose	4,889,800	4,797,755	92,045	300,000	300,000	300,000

This transfer provides funding to cover an increase in prisoner transfers and to cover costs of limited term staff in central records to audit all records in the OMNI time computation module. Funding is available from the Marquette Branch Prison and Oaks Correctional Facility line items due to vacancies and efficiencies. Completion of this transfer is requested by September 28, 2013 to allow for vendor payments to be processed.

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$4,500,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/13	BALANCE AVAILABLE AS OF 9/19/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT						
Prisoner re-entry local service providers	20,311,500			(500,000)	(500,000)	(500,000)
Funding source:						
State general fund/general purpose	20,311,500	15,667,349	4,644,151	(500,000)	(500,000)	(500,000)
Prisoner re-entry MDOC programs	21,126,200			(2,000,000)	(2,000,000)	(2,000,000)
Funding source:						
State general fund/general purpose	21,126,200	12,321,546	8,804,654	(2,000,000)	(2,000,000)	(2,000,000)
SEC. 108. NORTHERN REGION CORRECTIONAL FACILITIES						
Oaks correctional facility - Eastlake	34,098,700			(500,000)	(500,000)	(500,000)
Funding source:						
State general fund/general purpose	34,098,700	29,490,820	4,607,880	(500,000)	(500,000)	(500,000)
SEC. 109. SOUTHERN REGION CORRECTIONAL FACILITIES						
Gus Harrison correctional facility - Adrian	45,306,100			(500,000)	(500,000)	(500,000)
Funding source:						
State general fund/general purpose	45,306,100	40,814,462	4,491,638	(500,000)	(500,000)	(500,000)
Womens Huron Valley correctional complex - Ypsilanti	58,902,000			(1,000,000)	(1,000,000)	(1,000,000)
Funding source:						
State general fund/general purpose	58,902,000	48,996,247	9,905,753	(1,000,000)	(1,000,000)	(1,000,000)

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$4,500,000 (Continued)**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/19/13	BALANCE AVAILABLE AS OF 9/19/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
TO: SEC. 108. NORTHERN REGION CORRECTIONAL FACILITIES						
Alger correctional facility - Munising	26,374,200			500,000	500,000	500,000
Funding source:						
State general fund/general purpose	26,374,200	25,275,121	1,099,079	500,000	500,000	500,000
Kinross correctional facility - Kincheloe	34,399,400			600,000	600,000	600,000
Funding source:						
State general fund/general purpose	34,399,400	33,115,271	1,284,129	600,000	600,000	600,000
Central Michigan correctional facility - St. Louis	41,383,300			1,500,000	1,500,000	1,500,000
Funding source:						
State general fund/general purpose	41,383,300	40,570,526	812,774	1,500,000	1,500,000	1,500,000
Pugsley correctional facility - Kingsley	22,131,700			500,000	500,000	500,000
Funding source:						
State general fund/general purpose	22,131,700	21,391,821	739,879	500,000	500,000	500,000
SEC. 109. SOUTHERN REGION CORRECTIONAL FACILITIES						
Lakeland correctional facility - Coldwater	28,369,800			1,400,000	1,400,000	1,400,000
Funding source:						
State general fund/general purpose	28,369,800	27,820,562	549,238	1,400,000	1,400,000	1,400,000

This transfer will provide for high seniority staffing at Central Michigan and Lakeland Correctional Facilities, higher than budgeted inmate levels at Kinross and Lakeland Correctional Facilities, and higher than anticipated overtime costs for custody vacancies at Alger, Central Michigan, and Pugsley Correctional Facilities. Funding is available due to unallocated resources in the prisoner re-entry line items, and vacancies and efficiencies at Oaks, Gus Harrison, and Women's Huron Valley Correctional Facilities. Completion of this transfer is requested by September 28, 2013 to allow vendor payments to be processed.

LEGISLATIVE TRANSFER

BUDGET AREA: ENVIRONMENTAL QUALITY
 FISCAL YEAR: 2012-13
 TRANSFER AMOUNT: \$234,400

S.B.O. LETTER: 9/10/13
 ANALYST: Viola Bay Wild

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/13	BALANCE AVAILABLE AS OF 9/17/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE VII SEC. 215(2)						
Contingency funds	5,000,000			(234,400)	(234,400)	(234,400)
Funding source:						
Total state restricted revenues	5,000,000	NA	NA	(234,400)	(234,400)	(234,400)
TO: SEC. 110. RESOURCE MANAGEMENT DIVISION						
Radiological protection program	1,310,500			234,400	234,400	234,400
Funding source:						
IDG-MDSP	993,300	1,104,963	(111,663)	234,400	234,400	234,400

The radiological protection program is supported by payments from Michigan's three nuclear power plants that support program costs for providing training and emergency preparedness capabilities in the event of an incident at any of Michigan's nuclear power plants. This transfer of state restricted funding authority will provide the additional spending authorization needed to match anticipated revenues for services provided by the program. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: ENVIRONMENTAL QUALITY
 FISCAL YEAR: 2012-13
 TRANSFER AMOUNT: \$650,000

S.B.O. LETTER: 9/10/13
 ANALYST: Viola Bay Wild

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/13	BALANCE AVAILABLE AS OF 9/17/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE VII SEC. 215(2)						
Contingency funds	5,000,000			(650,000)	(650,000)	(650,000)
Funding source:						
Total state restricted revenues	5,000,000	NA	NA	(650,000)	(650,000)	(650,000)
TO: SEC. 110. RESOURCE MANAGEMENT DIVISION						
Hazardous waste management program	6,769,700			650,000	650,000	650,000
Funding source:						
Environmental pollution prevention fund	2,298,100	2,206,631	91,469	650,000	650,000	650,000

This transfer of state restricted funding authority is needed to support program costs for staffing, sampling, and other operational costs in the hazardous waste program which is responsible for the oversight of 6,500 hazardous waste generators, 110 transporters, and 17 treatment, storage, and disposal facilities. In addition, the program is involved with the coordination of cleanup activity at contaminated legacy sites. DEQ is in the process of evaluating alternative long-term financing solutions for this program. Sufficient carryforward revenue is available for this transfer. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **ENVIRONMENTAL QUALITY**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$1,100,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/20/13	BALANCE AVAILABLE AS OF 9/20/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE VII SEC. 215(2)						
Contingency funds	5,000,000			(1,100,000)	(1,100,000)	(1,100,000)
Funding source:						
Total state restricted revenues	5,000,000	NA	NA	(1,100,000)	(1,100,000)	(1,100,000)
TO: SEC. 110. RESOURCE MANAGEMENT DIVISION						
Scrap tire grants	3,500,000			1,100,000	1,100,000	1,100,000
Funding source:						
Scrap tire regulatory fund	3,500,000	2,432,879	1,067,121	1,100,000	1,100,000	1,100,000

The Scrap Tire Program is responsible for issuing and overseeing grants to private and governmental entities for the removal of abandoned scrap tires and market development grants. This transfer will provide authorization to issue additional market development grants based on anticipated revenue. There is sufficient revenue available for this transfer. Revenue to the Scrap Tire Regulatory Fund is dependent upon the number of vehicle title transfers processed by the Secretary of State. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$7,100,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: Kevin Koorstra

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 105. ADULT AND FAMILY SERVICES						
Nutrition education	30,025,000			(7,100,000)	(7,100,000)	(7,100,000)
Funding source:						
Total other federal revenues	30,025,000	13,451,040	16,573,960	(7,100,000)	(7,100,000)	(7,100,000)
TO: SEC. 112. PUBLIC ASSISTANCE						
Food assistance program benefits				7,100,000	7,100,000	7,100,000
Funding source:						
Total other federal revenues	2,471,047,300	2,464,480,422*	566,878*	7,100,000	7,100,000	7,100,000

This transfer requests \$7.1 million in federal authorization from the nutrition education line item to the food assistance program benefits line item. Based on the department's caseload projections and year-to-date program activity, total food assistance program expenditures are expected to exceed the current appropriations. Further, public assistance recoupments used to support the food assistance program benefits line item are lower than appropriated. Sufficient authorization is available in the nutrition education line item due to federal grant levels for the program being lower than appropriated.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$2,600,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE X, SEC. 284(1)						
Contingency funds	191,482,400			(2,600,000)	(2,600,000)	(2,600,000)
Funding source:						
Total federal revenues	191,482,400	NA	NA	(2,600,000)	(2,600,000)	(2,600,000)
TO: SEC. 112. PUBLIC ASSISTANCE						
Food assistance program benefits (ARRA)	443,616,300			2,600,000	2,600,000	2,600,000
Funding source:						
Federal supplemental nutrition assistance revenues (ARRA)	443,616,300	443,297,937	318,363	2,600,000	2,600,000	2,600,000

This transfer requests \$2.6 million in federal contingency authorization for the food assistance program (ARRA) line item. Based on the department's caseload projections and year-to-date program activity, total food assistance program expenditures are expected to exceed the current appropriations.

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$2,500,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE X, SEC. 284(3)						
Contingency funds	20,000,000			(2,500,000)	(2,500,000)	(2,500,000)
Funding source:						
Total local revenues	20,000,000	NA	NA	(2,500,000)	(2,500,000)	(2,500,000)
TO: SEC. 107. CHILD WELFARE SERVICES						
Foster care payments		184,205,500		2,500,000	2,500,000	2,500,000
Funding source:						
Local funds-county chargeback	15,480,300	12,764,960*	2,715,340*	2,500,000	2,500,000	2,500,000

This transfer requests \$2.5 million in additional local spending authority to recognize county chargeback revenues in excess of the May caseload consensus estimates. While total foster care caseloads are not higher than May caseload consensus estimates, more costs of care are eligible for county funding as state wards who are not Title IV-E eligible.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$250,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 107. CHILD WELFARE SERVICES						
Foster care payments	184,205,500			(250,000)	(250,000)	(250,000)
Funding sources:						
Total other federal revenues	78,663,000	64,865,024*	13,797,976*	(215,000)	(215,000)	(215,000)
State general fund/general purpose	76,682,200	63,231,669*	13,450,531*	(35,000)	(35,000)	(35,000)
TO: SEC. 107. CHILD WELFARE SERVICES						
Guardianship assistance program	4,564,900			250,000	250,000	250,000
Funding sources:						
Total other federal revenues	1,911,700	1,911,632*	68*	215,000	215,000	215,000
State general fund/general purpose	2,653,200	2,653,105*	95*	35,000	35,000	35,000

This transfer requests general fund/general purpose and federal authorization from the foster care payments line item to the guardianship assistance program line item. Based on the department's caseload projections and year-to-date program activity, total general fund/general purpose and federal expenditures for the guardianship assistance program are expected to exceed current appropriations. Sufficient authorization is available in the foster care payments line item due to lower than anticipated caseload costs.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$2,500,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 107. CHILD WELFARE SERVICES						
Foster care payments	184,205,500			(2,500,000)	(2,500,000)	(2,500,000)
Funding source:						
State general fund/general purpose	76,682,200	63,231,669*	13,450,531*	(2,500,000)	(2,500,000)	(2,500,000)
TO: SEC. 107. CHILD WELFARE SERVICES						
Child care fund	184,637,300			2,500,000	2,500,000	2,500,000
Funding source:						
State general fund/general purpose	91,182,100	58,586,455*	32,595,645*	2,500,000	2,500,000	2,500,000

This transfer requests \$2.5 million in general fund/general purpose authorization from the foster care payments line item to the child care fund line item. Based on the department's caseload projections and cost allocation plan, increased general fund/general purpose authorization is needed to meet child care fund expenditures. Sufficient authorization is available in the foster care payments line item due to lower than anticipated caseload costs.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$5,800,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 106. CHILDREN'S SERVICES						
Child protection and permanency	16,589,700			(1,700,000)	(1,700,000)	(1,700,000)
Funding source:						
Social security act, temporary assistance for needy families	16,059,300	8,540,461*	7,518,839*	(1,700,000)	(1,700,000)	(1,700,000)
SEC. 111. CENTRAL SUPPORT ACCOUNTS						
Payroll taxes and fringe benefits	425,280,200			(4,100,000)	(4,100,000)	(4,100,000)
Funding sources:						
Total other federal revenues	187,310,300	171,634,872*	15,675,428*	(1,450,000)	(1,450,000)	(1,450,000)
State general fund/general purpose	149,907,700	137,362,381*	12,545,319*	(2,650,000)	(2,650,000)	(2,650,000)
TO: SEC. 107. CHILD WELFARE SERVICES						
Adoption support services	26,772,700			5,800,000	5,800,000	5,800,000
Funding sources:						
Social security act, temporary assistance for needy families	383,300	297,378*	85,922*	1,700,000	1,700,000	1,700,000
Total other federal revenues	10,787,500	8,369,331*	2,418,169*	1,450,000	1,450,000	1,450,000
State general fund/general purpose	15,601,900	12,104,515*	3,497,385*	2,650,000	2,650,000	2,650,000

This transfer requests \$5.8 million in general fund/general purpose and federal authorization for the adoption support services line item to recognize higher than anticipated adoption finalizations in the current year. Total finalizations are projected at 2,150 for the year at a cost of \$12,300 for each finalization. Additional post-adoption services and administrative costs are also supported through the line item. There is sufficient TANF funding authorization available in the child protection and permanency line item based on mid-year program reductions that were part of DHS's May reduction plan to address budgetary shortfalls. There is sufficient federal and general fund/general purpose authorization available in the payroll taxes and fringe benefits line item as hiring has been limited to critical position within DHS.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$185,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 108. JUVENILE JUSTICE SERVICES						
Committee on juvenile justice grants	5,000,000			(185,000)	(185,000)	(185,000)
Funding source:						
Total federal revenues	5,000,000	611,579	4,388,421	(185,000)	(185,000)	(185,000)
TO: SEC. 108. JUVENILE JUSTICE SERVICES						
County juvenile officers	4,049,600			115,000	115,000	115,000
Funding source:						
Total federal revenues	247,800	223,120*	24,680*	115,000	115,000	115,000
Committee on juvenile justice administration	331,200			70,000	70,000	70,000
Funding source:						
Total federal revenues	179,700	156,480*	23,220*	70,000	70,000	70,000

This transfer requests federal authorization from the committee on juvenile justice grants line item to the county juvenile officers and committee on juvenile justice administration line items to support projected costs. Based on the department's cost allocation plan, federal claims supporting the county juvenile officers and committee on juvenile justice administration line items are higher than authorized. There is sufficient authorization available in the committee on juvenile justice grants line item based on projected multi-year federal grant levels.

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

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$1,500,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XII SEC. 223(1)						
Contingency funds	45,000,000			(1,500,000)	(1,500,000)	(1,500,000)
Funding source:						
Total federal revenues	45,000,000	NA	NA	(1,500,000)	(1,500,000)	(1,500,000)
TO: SEC. 106. OCCUPATIONAL REGULATION						
Background check program	2,595,000			1,500,000	1,500,000	1,500,000
Funding source:						
Federal revenues	0	0	0	1,500,000	1,500,000	1,500,000

Federal grant award pursuant to the Affordable Care and Patient Protection Act (ACA) intended to establish a nationwide program to identify efficient, effective, and economical procedures for long term care facilities and providers to conduct background checks on a statewide basis on all prospective direct patient access employees. One-time grant was awarded to Michigan which will enable the extension of the Criminal Background Check Program for personal care workers and agencies who have regular direct access to patients and/or their medical records or provide direct services to patients. The pilot program supported through this grant provides for the creation of a national abuser list from state nurse aide registries, upgrades and standardizes Michigan State Police communications protocols for receipt of FBI background check materials, and supports an advisory committee comprised of long term care providers and long term care recipient advocates to oversee program implementation. A corresponding work project designation will be submitted at a later date as part of the year-end closing process to facilitate expenditure of the grant.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$5,000,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XII SEC. 223(2)						
Contingency funds	25,045,500			(5,000,000)	(5,000,000)	(5,000,000)
Funding source:						
Total state restricted revenues	25,045,500	NA	NA	(5,000,000)	(5,000,000)	(5,000,000)
TO: SEC. 108. EMPLOYMENT SERVICES						
Unemployment insurance agency		153,814,400		5,000,000	5,000,000	5,000,000
Funding source:						
Contingent fund, regular penalty and interest		3,814,700	111,453	3,703,247	5,000,000	5,000,000

The federal government supports the administrative expenses of the Unemployment Insurance Agency (UIA) through formula grants based on the Insured Unemployment Rate within the state. Due to the decline in the state's Insured Unemployment Rate during 2012, the federal government reduced the amount of these grants (approximately \$37.2 million annually) and, as a result, UIA employees were laid-off in 2012 (approximately 402.0 FTEs). This transfer of spending authorization is for the UIA to maintain operations in FY 2012-13 in response to decreases in federal program support. Sufficient monies within the Penalty and Interest Account of the Contingent Fund are available to support the transfer on a one-time basis. Staffing reductions, information technology improvements (e.g. the benefit application of the UIA Integrated System Project which goes on-line on Oct. 1, 2013), and other administrative efficiencies have been implemented to address the needs of the program going forward. However, LARA may require a transfer in FY 2013-14 dependent on the level of federal grants received. This transfer is needed by September 30, 2013 in order to close the books for FY 2012-13.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$700,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XII SEC. 223(1)						
Contingency funds	45,000,000			(700,000)	(700,000)	(700,000)
Funding source:						
Total federal revenues	45,000,000	NA	NA	(700,000)	(700,000)	(700,000)
TO: SEC. 106. OCCUPATIONAL REGULATION						
Bureau of health systems	27,196,500			700,000	700,000	700,000
Funding source:						
Title XIX Medicaid, facility certification fees	7,049,600	4,765,887	2,283,713	700,000	700,000	700,000

This transfer provides additional authorization to align available federal funding with year-end Title XIX Medicaid expenditures by the Bureau of Health Systems (BHS). The U.S. Department of Health and Human Services fully reimburses the BHS for expenditures incurred under the Survey and Certification program which determines that providers and suppliers of health care services are in compliance with Medicaid regulatory health and safety standards and conditions of participation. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$200,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/13/13	BALANCE AVAILABLE AS OF 9/13/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 108. EMPLOYMENT SERVICES						
Worker's compensation administration	7,646,100			(200,000)	(200,000)	(200,000)
Funding source:						
State general fund/general purpose	3,781,100	2,309,059	1,472,041	(200,000)	(200,000)	(200,000)
TO: SEC. 106. OCCUPATIONAL REGULATION						
Bureau of fire services	8,641,000			200,000	200,000	200,000
Funding source:						
State general fund/general purpose	585,000	723	584,277	200,000	200,000	200,000

This transfer would provide GF/GP spending authority to the Bureau of Fire Services (BFS) which would offset reduced revenues generated by Fire Service Fees resulting from a statewide decrease in the construction of new hospitals and school facilities. Fire Service Fees are established in Section 302 of LARA boilerplate, pursuant to Section 2c of 1941 PA 207, and are collected from schools and hospitals for BFS review of construction plans and inspection of construction sites. Since FY 2008-09, the BFS has expended more from Fire Service Fees than is generated via construction inspection and plan review fees; exhausting fund reserves in FY 2011-12. The FY 2012-13 Executive Budget Recommendation included an increase of Fire Service Fees by an amount sufficient to generate an estimated \$585,000 annually in additional revenue, the Legislature did not concur and the fees remained at their current level, however the Legislature did increase the GF/GP appropriation for the BFS by \$585,000. This amount has turned out to be insufficient to cover BFS costs of statutory inspections of school and hospitals during FY 2012-13. While revenue generated by plan review and construction inspection fees has declined during FY 2012-13, the number of annual fire safety inspections of schools and hospitals has remained relatively constant. Sufficient excess GF/GP authorization for the Worker's Compensation Administration line item is available, due to lower-than-anticipated database rewrite costs, to implement this transfer. This transfer is needed by September 30, 2013.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$3,600,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Mark Wolf**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/16/13	BALANCE AVAILABLE AS OF 9/16/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XIII, SEC. 206(1)						
Federal contingency funds	10,000,000			(3,600,000)	(3,600,000)	(3,600,000)
Funding source:						
Federal contingency revenues	10,000,000	NA	NA	(3,600,000)	(3,600,000)	(3,600,000)
TO: SEC. 102. HEADQUARTERS AND ARMORIES						
Headquarters and armories	54,574,100			3,600,000	3,600,000	3,600,000
Funding source:						
Federal revenues	40,541,000	39,369,738	1,171,262	3,600,000	3,600,000	3,600,000

This request increases spending authorization for the Headquarters and Armories program line by \$1.5 million from funds received through the Department of Defense (National Guard Bureau) related to three adjustments. The first adjustment reflects the availability of federal funding to cover 50% of the costs of utilities and related services (snow removal, trash removal, etc.) at the state's armories. Previously, these costs were borne entirely by state General Fund dollars. The additional federal funds for these costs total about \$1.1 million. The second adjustment provides additional spending authorization for funding received through the National Guard Bureau for \$220,435 in electronic security upgrades (video surveillance, access controls, etc.) to the Combined Support Maintenance Shop (CSMS) located in north Lansing. An adjustment is also made to allocate a portion of OPEB costs to National Guard Bureau funds within this program line.

The request also increases spending authorization in the Military Training Sites and Support Facilities program line by \$2.1 million from funds received through the DOD-National Guard Bureau related to several upgrades and activities to Camp Grayling, including the fire protection agreement with the City of Grayling (\$450,000), fencing along the range (\$70,000), one-time costs for fire protection officers (\$107,675), and gravel used for various purposes at the training site (\$375,000). An adjustment is also made to allocate a portion of OPEB costs to National Guard Bureau funds within this program line.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$980,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Mark Wolf**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/16/13	BALANCE AVAILABLE AS OF 9/16/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XIII, SEC. 206(1)						
Federal contingency funds	10,000,000			(980,000)	(980,000)	(980,000)
Funding source:						
Federal contingency revenues	10,000,000	NA	NA	(980,000)	(980,000)	(980,000)
TO: SEC. 105. HOMES						
Homes	65,552,200			980,000	980,000	980,000
Funding source:						
Federal revenues	29,317,500	26,305,586	3,011,914	980,000	980,000	980,000

This transfer increases the spending authorization for the D.J. Jacobetti Veterans' Home (DJJVH) in Marquette for revenue received from the U.S. Department of Veterans Affairs (State Veterans' Home Per Diem Program/CFDA 64.015) due to an increase in the number of resident members at the home with a VA disability rating of 70-100%.

Generally speaking, the VA provides a basic per diem rate for residents in nursing care settings at state veterans' homes. This amount is \$97.07 per day for FY 2012-13. Beginning with the enactment of the federal Veterans Benefits, Health Care, and Information Technology Act of 2006 (P.L. 109-461), the VA has provided a higher per diem rate for residents with a VA disability rating of 70-100%. This amount varies among state veterans homes based on the prevailing Medicare rate or the cost of care provided by the home, as agreed to by the home and the VA. For DJJVH, the FY 2012-13 per diem rate for residents with a 70-100% disability rate calculated by the VA using the prevailing Medicare rate is \$344.79. The amount paid by the VA for these residents is intended to represent the full costs of care for these resident members, so they do not pay any additional assessments to the home for their care.

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$825,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Mark Wolf**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/16/13	BALANCE AVAILABLE AS OF 9/16/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: PUBLIC ACT 200 OF 2012, ARTICLE XVI, SEC. 206(2)						
State restricted contingency funds	3,500,000			(825,000)	(825,000)	(825,000)
Funding source:						
State restricted contingency revenues	3,500,000	NA	NA	(825,000)	(825,000)	(825,000)
TO: SEC. 107. SUPPORT SERVICES						
Support services	153,083,700			825,000	825,000	825,000
Funding source:						
Interdepartmental grant revenues	1,496,900	2,148,256	(651,356)	825,000	825,000	825,000

This transfer will provide the necessary financial resources for the purchase of voice over internet protocol (VOIP) phone equipment for enhanced 911 (E-911) calls and emergency communications/dispatch consoles for the Michigan State Police (MSP) regional dispatch centers in Negaunee and Gaylord. (E-911 automatically associates a physical address with the calling party's telephone number, and routes the call to the most appropriate dispatch center.) The new phone equipment is intended to improve the capacity and reliability of the phone system, replacing equipment that has reached the end of its lifecycle. The dispatch consoles are being replaced as the existing consoles have also reached the end of their lifecycle and are no longer supported by the manufacturer. The phone equipment totals \$346,021, while the radio consoles total \$988,853.

The transfer increases the spending authorization from the Emergency Telephone Fund – Dispatch Operations (Treasury interdepartmental grant) to support these added costs, with this additional authorization supported by the accumulated revenue carried forward from prior fiscal years. The department receives 1.88% of the revenue generated by the \$0.19 State 911 charge per wireline and wireless phone lines under the Emergency 911 Service Enabling Act (1986 PA 32) as partial funding for the operation of its regional dispatch centers. The transfer increases the spending authority in the Management Services program line within the Support Services line item.

LEGISLATIVE TRANSFER

BUDGET AREA: **TECHNOLOGY, MANAGEMENT AND BUDGET**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$315,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 107(3) DEPARTMENT SERVICES						
Information technology services and projects	27,443,500			(315,000)	(315,000)	(315,000)
Funding source:						
State general fund/general purpose	11,459,200	10,371,329	1,087,871	(315,000)	(315,000)	(315,000)
TO: SEC. 107(3) DEPARTMENT SERVICES						
Bureau of labor market information and strategies	5,587,900			315,000	315,000	315,000
Funding source:						
State general fund/general purpose	0	0	0	315,000	315,000	315,000

When the Bureau of Labor Market Information and Strategies (LMI) was transferred from the Department of Licensing and Regulatory Affairs (LARA) to DTMB in FY 2010-11, not all of the federal funds were transferred from LARA, including rent for Cadillac Place. LARA funded these costs for FY 2011-12 but does not have the funds for FY 2012-13 or FY 2013-14. Amounts of federal funds are tied to the Detroit CPI and OPEB costs are a significant burden for LMI that the feds will not pay for. DTMB originally proposed reducing costs for LMI, but it is unclear whether the cost reductions to the LMI would take the state out of compliance with federal law/funding. The Executive Office values LMI and thus proposed, and the Legislature approved, GF/GP funding for FY 2013-14 to offset reduced federal funds and support OPEB costs. This transfer supports these costs for FY 2012-13 with excess GF/GP authorization within the DTMB IT Services and Projects line item.

LEGISLATIVE TRANSFER

BUDGET AREA: **TECHNOLOGY, MANAGEMENT AND BUDGET**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$70,000**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Paul Holland**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/12/13	BALANCE AVAILABLE AS OF 9/12/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: SEC. 107(3) DEPARTMENT SERVICES						
Administrative services	16,376,300			(70,000)	(70,000)	(70,000)
Funding source:						
State general fund/general purpose	1,694,400	1,402,798	291,602	(70,000)	(70,000)	(70,000)
TO: SEC. 107(6) SPECIAL PROGRAMS						
Office of children's ombudsman	1,194,000			70,000	70,000	70,000
Funding source:						
State general fund/general purpose	1,194,000	1,174,337	19,663	70,000	70,000	70,000

This transfer is an adjustment to offset expenditures related to unfunded personnel costs. During FY 2009-10 and FY 2010-11 the state incentivized retirement (i.e. "early out"), under which DTMB was authorized to hire one FTE for every two who were incentivized to retire. Two FTEs left the Office of Children's Ombudsman (OCO) without being incentivized and two new FTEs were hired to replace the two that left. It was mistakenly thought that the two FTEs that left the OCO were incentivized and as a result funds to support the salary of one of the new FTEs hired was not authorized. In FY 2011-12, DTMB was able to support this salary since there were vacancies in the OCO. There were no such vacancies in the OCO during FY 2012-13, however due to high turnover for accounting positions supported by the DTMB Administrative Services line item, funding is available for the otherwise unfunded OCO position.

LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$63,200**

S.B.O. LETTER: **9/10/13**
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/16/13	BALANCE AVAILABLE AS OF 9/16/13	GOV'S REC. 9/10/13	SENATE ACTION 9/25/13	HOUSE ACTION 9/26/13
FROM: 108(13) MICHIGAN STRATEGIC FUND						
Administration	2,989,200			(12,600)	(12,600)	(12,600)
Funding source:						
State general fund/general purpose	2,989,200	2,976,600	12,600	(12,600)	(12,600)	(12,600)
Job creation services	18,124,400			(50,600)	(50,600)	(50,600)
Funding source:						
State general fund/general purpose	13,970,000	13,919,400	50,600	(50,600)	(50,600)	(50,600)
TO: 108(17) ONE-TIME BASIS ONLY APPROPRIATIONS						
MSF and MSHDA, state employee lump-sum payments	1,135,700			63,200	63,200	63,200
Funding source:						
State general fund/general purpose	140,900	0	140,900	63,200	63,200	63,200

This transfer moves General Fund spending authority from the Administration and Job Creation Services line items to cover an additional \$63,200 needed in the employee lump-sum payments line-item. The benefit costs associated with the employee lump-sum payments were not part of the original FY 2012-13 calculations for funding the employee lump-sum payments and were not included in the employee lump-sum payment line item. It is now requested that the benefit costs associated with the employee lump-sum payments be included in the lump-sum line item. The transfer of \$63,200 from the Administration and Job Creation Services line items will allow required benefit costs associated with the employee lump-sum payments to be funded.