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**LAURA COX**

STATE REPRESENTATIVE  
APPROPRIATIONS CHAIR

October 4, 2017

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

Dear Director Pscholka:

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 transfer approved is from the Office of the State Budget letter dated September 13, 2017, Legislative Transfer Request 2017-7. The transfers are for the departments of Agriculture and Rural Development, Corrections, Education, Health and Human Services, Licensing and Regulatory Affairs, Military and Veterans Affairs, State, State Police and Treasury.

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

Sincerely,

Laura Cox, Chair  
House Appropriations Committee

Dave Hildenbrand, Chair  
Senate Appropriations Committee

# FINAL LEGISLATIVE TRANSFER PACKAGE

|   |   |  |
|---|---|--|
|  <p><b>Mary Ann Cleary, Director</b><br/> <b>Viola Bay Wild, Transfer Coordinator</b><br/> <b>Compiled by Tumai Burris, Budget Assistant</b></p> | <p><b>Summary Sheet</b></p> <p><b>SBO LETTER: 2017-7</b><br/> <b>September 13, 2017</b></p> |  |
|---|---|--|

| Department                        | Analyst                                      | Page  | Total Transfer       |
|-----------------------------------|--|-------|----------------------|
| Agriculture and Rural Development | William Hamilton                             | 1     | \$100,000            |
| Corrections                       | Robin Risko                                  | 2-3   | 9,400,400            |
| Education                         | Samuel Christensen                           | 4     | 300,000              |
| Health and Human Services         | Sue Frey<br>Kevin Koorstra<br>Viola Bay Wild | 5-9   | 158,773,100          |
|                                   |  | 10    |                      |
| Licensing and Regulatory Affairs  | Marcus Coffin                                | 11-13 | 276,000              |
| Military and Veterans Affairs     | Kent Dell                                    | 14    | 8,715,000            |
| State                             | Michael Cnossen                              | 15-19 | 300,000              |
| State Police                      | Kent Dell                                    | 20-21 | 9,061,000            |
| Treasury                          | Ben Gielczyk                                 |       | 7,315,000            |
| <b>Total</b>                      |  |       | <b>\$194,240,500</b> |

**FY 2016-17 Legislative Transfers: Request 2017-7 Final Package**

| Budget                            | Year-to-Date<br>Total Approps | Standard Transfers (Within Existing Budget) |                     |            |            |                     |                     | TOTAL                | % of Budget<br>Shifted |
|-----------------------------------|-------------------------------|---|---------------------|------------|------------|---------------------|---------------------|----------------------|------------------------|
|                                   |                               | IDG   | Federal             | Local      | Private    | Restricted          | GF/GP               |                      |                        |
| Agriculture and Rural Development | 95,906,900                    |   |                     |            |            |                     | 100,000             | 100,000              | 0.10%                  |
| Corrections                       | 2,013,479,000                 |   |                     |            |            |                     | 800,400             | 800,400              | 0.04%                  |
| Health and Human Services         | 24,979,554,400                |   | 61,515,000          |            |            | 25,392,900          | 56,577,900          | 143,485,800          | 0.57%                  |
| Military and Veterans Affairs     | 178,320,000                   |   |                     |            |            |                     | 800,000             | 800,000              | 0.45%                  |
| State Police                      | 668,608,400                   |   | 4,179,100           |            |            | 2,412,100           |                     | 6,591,200            | 0.99%                  |
| Treasury - Operations             | 537,623,200                   |   |                     |            |            | 15,000              |                     | 15,000               | 0.00%                  |
| <b>TOTAL*</b>                     | <b>\$55,284,299,500</b>       | <b>\$0</b>                                  | <b>\$65,694,100</b> | <b>\$0</b> | <b>\$0</b> | <b>\$27,820,000</b> | <b>\$58,278,300</b> | <b>\$151,792,400</b> | <b>0.27%</b>           |

\*Includes budget areas not affected by transfers

| Budget                           | Year-to-Date<br>Total Approps | Contingency Fund Transfers (Increases Budget) |                    |            |            |                     |            | TOTAL               | % Budget<br>Increased |
|----------------------------------|-------------------------------|---|--------------------|------------|------------|---------------------|------------|---------------------|-----------------------|
|                                  |                               | IDG   | Federal            | Local      | Private    | Restricted          | GF/GP      |                     |                       |
| Corrections                      | 2,013,479,000                 |   |                    |            |            | 8,600,000           |            | 8,600,000           | 0.43%                 |
| Education                        | 346,501,400                   |   | 300,000            |            |            |                     |            | 300,000             | 0.09%                 |
| Health and Human Services        | 24,979,554,400                |   | 287,300            |            |            | 15,000,000          |            | 15,287,300          | 0.06%                 |
| Licensing and Regulatory Affairs | 436,694,400                   |   |                    |            |            | 276,000             |            | 276,000             | 0.06%                 |
| Military and Veterans Affairs    | 178,320,000                   |   | 7,915,000          |            |            |                     |            | 7,915,000           | 4.44%                 |
| State                            | 250,315,600                   |   |                    |            |            | 300,000             |            | 300,000             | 0.12%                 |
| State Police                     | 668,608,400                   |   |                    |            |            | 2,469,800           |            | 2,469,800           | 0.37%                 |
| Treasury - Operations            | 537,623,200                   |   |                    |            |            | 7,300,000           |            | 7,300,000           | 1.36%                 |
| <b>TOTAL*</b>                    | <b>\$55,284,299,500</b>       | <b>\$0</b>                                    | <b>\$8,502,300</b> | <b>\$0</b> | <b>\$0</b> | <b>\$33,945,800</b> | <b>\$0</b> | <b>\$42,448,100</b> | <b>0.08%</b>          |

\*Includes budget areas not affected by transfers

## LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$100,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **William E. Hamilton**

| TRANSFER ITEMS                        | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/14/17 | BALANCE<br>AVAILABLE<br>AS OF 9/14/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---------------------------------------|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 102. DEPARTMENTWIDE</b> |                |  |                                       |                          |                            |                             |
| Unclassified positions                | 545,900        | 366,330  | 179,570                               | (100,000)                | (100,000)                  | (100,000)                   |
| Funding source:                       |                |  |                                       |                          |                            |                             |
| State general fund/general purpose    | 545,900        | 366,330  | 179,570                               | (100,000)                | (100,000)                  | (100,000)                   |
| <b>TO: SEC. 102. DEPARTMENTWIDE</b>   |                |  |                                       |                          |                            |                             |
| Executive direction                   | 1,413,500      | 1,021,262                                      | 392,238                               | 100,000                  | 100,000                    | 100,000                     |
| Funding source:                       |                |  |                                       |                          |                            |                             |
| State general fund/general purpose    | 1,359,200      | 1,021,262                                      | 337,938                               | 100,000                  | 100,000                    | 100,000                     |

This transfer request will provide \$100,000 in GF/GP authorization to support the physical relocation of the Central Licensing and Call Center Unit to the Geagley Laboratory in East Lansing, Michigan consistent with the reorganization of the department. This reorganization is recognized in the FY 2017-18 enacted budget. Funds are available from the unclassified salaries line due to a vacant position. Completion of this transfer is needed by September 30, 2017.

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$8,600,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Robin Risko**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/9/17 | BALANCE<br>AVAILABLE<br>AS OF 9/9/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|---|--------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE V<br/>SEC. 223(2)</b> |                |   |                                      |                          |                            |                             |
| Contingency funds  | 10,000,000     | NA  | NA                                   | (8,600,000)              | (8,600,000)                | (8,600,000)                 |
| Funding source:  |                |   |                                      |                          |                            |                             |
| Total state restricted revenues                                | 10,000,000     | NA  | NA                                   | (8,600,000)              | (8,600,000)                | (8,600,000)                 |
| <b>TO: SEC. 104. BUDGET AND OPERATIONS<br/>ADMINISTRATION</b>  |                |   |                                      |                          |                            |                             |
| Equipment and special maintenance                              | 1,559,700      | 1,011,685                                     | 548,015                              | 8,600,000                | 8,600,000                  | 8,600,000                   |
| Funding source:  |                |   |                                      |                          |                            |                             |
| Program and special equipment fund                             | 100            | 0   | 100                                  | 8,600,000                | 8,600,000                  | 8,600,000                   |

This transfer appropriates available Program and Special Equipment Fund revenue and authorizes the department to expend it on security improvement projects at various correctional facilities. Projects include perimeter security enhancements, fence replacements and razor ribbon enhancements, and replacement of personal protection devices.

Revenue going into the Program and Special Equipment Fund is derived from charging prisoners specific rates for telephone services. Authorization for fund revenue was reduced in the enacted FY 2016-17 budget based on a decision by the Federal Communications Commission (FCC) to reduce and cap the rates charged to prisoners. The FCC decision has since been reversed, resulting in revenue accumulating in the fund and being available for expenditure.

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$800,400**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Robin Risko**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/9/17 | BALANCE<br>AVAILABLE<br>AS OF 9/9/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|---|--------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 108. CORRECTIONAL FACILITIES</b>        |                |   |                                      |                          |                            |                             |
| Earnest C. Brooks Correctional Facility - Muskegon    | 50,687,600     | 44,562,384                                    | 6,125,216                            | (255,700)                | (255,700)                  | (255,700)                   |
| Central Michigan Correctional Facility – St. Louis    | 46,681,300     | 39,660,934                                    | 7,020,366                            | (266,300)                | (266,300)                  | (266,300)                   |
| Kinross Correctional Facility - Kincheloe             | 33,138,100     | 27,384,447                                    | 5,753,653                            | (278,400)                | (278,400)                  | (278,400)                   |
| Funding source:<br>State general fund/general purpose | 130,507,000    | 111,607,765                                   | 18,899,235                           | (800,400)                | (800,400)                  | (800,400)                   |
| <b>TO: SEC. 108. CORRECTIONAL FACILITIES</b>          |                |   |                                      |                          |                            |                             |
| Oaks Correctional Facility - Eastlake                 | 34,072,200     | 31,895,699                                    | 2,176,501                            | 800,400                  | 800,400                    | 800,400                     |
| Funding source:<br>State general fund/general purpose | 34,072,200     | 31,895,699                                    | 2,176,501                            | 800,400                  | 800,400                    | 800,400                     |

This transfer appropriates additional GF/GP to the Oaks Correctional Facility line item to support staff transition costs resulting from closure of the Pugsley Correctional Facility. Funding is available in the various correctional facility line items due to vacant FTE positions.

## LEGISLATIVE TRANSFER

BUDGET AREA: **EDUCATION**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$300,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Samuel Christensen**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/9/17 | BALANCE<br>AVAILABLE<br>AS OF 9/9/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|---|--------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE VI<br/>SEC. 210(1)</b> |                |   |                                      |                          |                            |                             |
| Contingency funds   | 10,000,000     | NA  | NA                                   | (300,000)                | (300,000)                  | (300,000)                   |
| Funding source:   |                |   |                                      |                          |                            |                             |
| Total federal revenues  | 10,000,000     | NA  | NA                                   | (300,000)                | (300,000)                  | (300,000)                   |
| <b>TO: SEC. 103. CENTRAL SUPPORT</b>                            |                |   |                                      |                          |                            |                             |
| Terminal leave payments   | 353,300        | 501,233                                       | (147,933)                            | 300,000                  | 300,000                    | 300,000                     |
| Funding source:   |                |   |                                      |                          |                            |                             |
| Federal indirect funds  | 287,900        | 387,295                                       | (99,395)                             | 300,000                  | 300,000                    | 300,000                     |

This transfer would provide \$300,000 in federal contingency fund authorization in accordance with PA 268 of 2016 (Article VI, Part 2, section 210(1)) to the Central Support unit's Terminal Leave Payments line item. Current terminal leave appropriations are \$353,300 between all fund sources and costs will exceed this appropriation due to a high number of employee retirements. This appropriation is used solely for leave payoffs for employees departing state service. There are sufficient federal indirect fund dollars available to cover the transfer. This transfer is necessary by September 30, 2017.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$287,300**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Viola Bay Wild**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE X<br/>SEC. 206(1)</b>         |                |  |                                       |                          |                            |                             |
| Contingency funds  | 369,172,400    | NA   | NA                                    | (287,300)                | (287,300)                  | (287,300)                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total federal revenues   | 369,172,400    | NA   | NA                                    | (287,300)                | (287,300)                  | (287,300)                   |
| <b>TO: SEC. 106. CHILDREN'S SERVICES<br/>AGENCY - JUVENILE JUSTICE</b> |                |  |                                       |                          |                            |                             |
| Juvenile justice, administration<br>and maintenance                    | 3,543,700      | 2,508,081                                      | 1,035,619                             | 287,300                  | 287,300                    | 287,300                     |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Capped federal revenues  | 77,200         | 54,639*  | 22,561*                               | 287,300                  | 287,300                    | 287,300                     |

This contingency fund transfer requests additional capped federal authorization to recognize increase capped federal revenues exceeding current authorization. Additional funding from federal juvenile justice education funds, including special education funding, that can be used to help pay for the education expenses of children in juvenile justice facilities is available. Funding in the Juvenile Justice, Administration and Maintenance line supports oversight functions of the Bureau of Juvenile Justice, including administration, quality assurance, education, assignment, reintegration, and information technology requested activities. Spending authority is available from federal contingency fund authorization in accordance with PA 268 of 2016, Article X, section 206 (1). This transfer is requested by September 30, 2017.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2016-17**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kevin Koorstra**  
**Viola Bay Wild**

TRANSFER AMOUNT: **\$8,200,000**

| TRANSFER ITEMS                           | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 122. MEDICAL SERVICES</b>  |                |  |                                       |                          |                            |                             |
| Health plan services                     | 4,967,304,800  | 4,399,318,365                                  | 567,986,435                           | (8,200,000)              | (8,200,000)                | (8,200,000)                 |
| Funding source:                          |                |  |                                       |                          |                            |                             |
| State general fund/general purpose       | 294,381,900    | 260,720,804*                                   | 33,661,096*                           | (8,200,000)              | (8,200,000)                | (8,200,000)                 |
| <b>TO: SEC. 105. CHILDREN'S SERVICES</b> |                |  |                                       |                          |                            |                             |
| <b>AGENCY - CHILD WELFARE</b>            |                |  |                                       |                          |                            |                             |
| Foster care payments                     | 189,254,400    | 184,355,243                                    | 4,889,157                             | 8,200,000                | 8,200,000                  | 8,200,000                   |
| Funding source:                          |                |  |                                       |                          |                            |                             |
| State general fund/general purpose       | 76,480,000     | 74,500,191*                                    | 1,979,809*                            | 8,200,000                | 8,200,000                  | 8,200,000                   |

This transfer requests \$8.2 million in GF/GP authorization from the Health Plan Services line item to the Foster Care Payments line item. Based on the department's caseload projections and cost allocation plan, increased GF/GP authorization is needed to meet foster care obligations through the end of the fiscal year. According to the department, the foster care average monthly caseload is expected to remain close to the projected 5,914 cases, however, the average annual cost per case is expected to be approximately \$1,375 higher per case than the consensus average cost of \$29,972 per case. Sufficient authorization is available in the Health Plan Services line item due to greater than anticipated pharmacy rebates. Both appropriations are consensus accounts. This transfer is requested by September 22, 2017.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$150,285,800**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE X<br/>SEC. 206(2)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 44,700,000     | NA   | NA                                    | (15,000,000)             | (15,000,000)               | (15,000,000)                |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total state restricted revenues                                | 44,700,000     | NA   | NA                                    | (15,000,000)             | (15,000,000)               | (15,000,000)                |
| <b>SEC. 121. MEDICAL SERVICES<br/>ADMINISTRATION</b>           |                |  |                                       |                          |                            |                             |
| Electronic health record incentive program                     | 144,297,800    | 40,286,769                                     | 104,011,031                           | (10,000,000)             | (10,000,000)               | (10,000,000)                |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other federal revenues                                   | 142,944,000    | 39,876,104                                     | 103,067,896                           | (10,000,000)             | (10,000,000)               | (10,000,000)                |
| <b>SEC. 122. MEDICAL SERVICES</b>                              |                |  |                                       |                          |                            |                             |
| Hospital services and therapy                                  | 815,000,100    | 715,005,168                                    | 99,994,932                            | (25,392,900)             | (25,392,900)               | (25,392,900)                |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                          | 273,402,700    | 239,858,061*                                   | 33,544,639*                           | (25,392,900)             | (25,392,900)               | (25,392,900)                |
| Health plan services   | 4,967,304,800  | 4,399,318,365                                  | 567,986,435                           | (74,500,000)             | (74,500,000)               | (74,500,000)                |
| Funding sources:   |                |  |                                       |                          |                            |                             |
| Total other federal revenues                                   | 3,307,049,400  | 2,928,904,858*                                 | 378,144,542*                          | (51,515,000)             | (51,515,000)               | (51,515,000)                |
| State general fund/general purpose                             | 294,381,900    | 260,720,804*                                   | 33,661,096*                           | (22,985,000)             | (22,985,000)               | (22,985,000)                |
| Long term care services  | 1,707,472,500  | 1,531,338,537                                  | 176,133,963                           | (25,392,900)             | (25,392,900)               | (25,392,900)                |
| Funding source:  |                |  |                                       |                          |                            |                             |
| State general fund/general purpose                             | 326,204,800    | 292,555,213*                                   | 33,649,587*                           | (25,392,900)             | (25,392,900)               | (25,392,900)                |

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$150,285,800 (Continued)**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>TO: SEC. 121. MEDICAL SERVICES<br/>ADMINISTRATION</b> |                |  |                                       |                          |                            |                             |
| Medical services administration                          | 84,565,600     | 77,031,507                                     | 7,534,093                             | 10,000,000               | 10,000,000                 | 10,000,000                  |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other federal revenues                             | 54,375,900     | 49,531,458*                                    | 4,844,442*                            | 10,000,000               | 10,000,000                 | 10,000,000                  |
| <b>SEC. 122. MEDICAL SERVICES</b>                        |                |  |                                       |                          |                            |                             |
| Hospital services and therapy                            | 815,000,100    | 715,005,168                                    | 99,994,932                            | 35,392,900               | 35,392,900                 | 35,392,900                  |
| Funding sources:   |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                    | 273,402,700    | 239,858,061*                                   | 33,544,639*                           | 10,000,000               | 10,000,000                 | 10,000,000                  |
| State general fund/general purpose                       | 3,177,900      | 2,787,993*                                     | 389,907*                              | 25,392,900               | 25,392,900                 | 25,392,900                  |
| Health plan services                                     | 4,967,304,800  | 4,399,318,365                                  | 567,986,435                           | 5,000,000                | 5,000,000                  | 5,000,000                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                    | 1,350,962,400  | 1,196,486,613*                                 | 154,475,787*                          | 5,000,000                | 5,000,000                  | 5,000,000                   |
| Medicare premium payments                                | 516,239,200    | 477,518,261                                    | 38,720,939                            | 10,000,000               | 10,000,000                 | 10,000,000                  |
| Funding sources:   |                |  |                                       |                          |                            |                             |
| Total other federal revenues                             | 408,908,700    | 378,238,172*                                   | 30,670,528*                           | 6,515,000                | 6,515,000                  | 6,515,000                   |
| State general fund/general purpose                       | 107,330,500    | 99,280,089*                                    | 8,050,411*                            | 3,485,000                | 3,485,000                  | 3,485,000                   |
| Long-term care services                                  | 1,707,472,500  | 1,531,338,537                                  | 176,133,963                           | 25,392,900               | 25,392,900                 | 25,392,900                  |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                    | 251,613,700    | 225,658,542*                                   | 25,955,158*                           | 25,392,900               | 25,392,900                 | 25,392,900                  |
| Integrated care organizations                            | 188,871,100    | 188,871,100                                    | 0                                     | 16,000,000               | 16,000,000                 | 16,000,000                  |
| Funding sources:   |                |  |                                       |                          |                            |                             |
| Total other federal revenues                             | 122,451,100    | 122,451,100*                                   | 0*                                    | 11,000,000               | 11,000,000                 | 11,000,000                  |
| State general fund/general purpose                       | 66,420,000     | 66,420,000*                                    | 0*                                    | 5,000,000                | 5,000,000                  | 5,000,000                   |

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$150,285,800 (Continued)**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS                              | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>TO: SEC. 122. MEDICAL SERVICES</b>       |                |  |                                       |                          |                            |                             |
| Maternal and child health                   | 20,279,500     | 12,866,439                                     | 7,413,061                             | 10,000,000               | 10,000,000                 | 10,000,000                  |
| Funding source:                             |                |  |                                       |                          |                            |                             |
| Total other federal revenues                | 20,279,500     | 12,866,439                                     | 7,413,061                             | 10,000,000               | 10,000,000                 | 10,000,000                  |
| Federal Medicare pharmaceutical program     | 249,182,100    | 183,279,402                                    | 65,902,698                            | 1,000,000                | 1,000,000                  | 1,000,000                   |
| Funding source:                             |                |  |                                       |                          |                            |                             |
| State general fund/general purpose          | 249,182,100    | 183,279,402                                    | 65,902,698                            | 1,000,000                | 1,000,000                  | 1,000,000                   |
| <b>SEC. 111. BEHAVIORAL HEALTH SERVICES</b> |                |  |                                       |                          |                            |                             |
| Autism services                             | 88,304,900     | 50,433,774                                     | 37,871,126                            | 37,500,000               | 37,500,000                 | 37,500,000                  |
| Funding sources:                            |                |  |                                       |                          |                            |                             |
| Total other federal revenues                | 58,807,800     | 33,587,030*                                    | 25,220,770*                           | 24,000,000               | 24,000,000                 | 24,000,000                  |
| State general fund/general purpose          | 29,497,100     | 16,846,744*                                    | 12,650,356*                           | 13,500,000               | 13,500,000                 | 13,500,000                  |

This transfer request would move authorization between a number of Medicaid caseload and non-caseload lines to reflect anticipated year-end FY 2016-17 spending levels. Authorization is available for transfer from the Health Plan Services line item as pharmacy rebates have exceeded projected levels. This authorization would be transferred to the Medicare Premium Payments, Long-Term Care Services, Integrated Care Organizations, Federal Medicare Pharmaceutical Program, Maternal and Child Health, and Autism Services line items where expenditures are projected to come in above appropriated levels.

In addition, this transfer requests three non-caseload Medicaid authorization adjustments. First, state restricted contingency funds are requested to provide authorization for greater than budgeted Quality Assurance Assessment Tax (QAAP) revenues in Hospital Services and Therapy and Health Plan Services line items. Second, this transfer requests a GF/GP and Healthy Michigan Fund shift between the Hospital Services and Therapy and Long-Term Care Services line items. Third, available federal authorization in the Electronic Health Record Incentive Program line item is transferred to provide necessary federal authorization in the Medical Services Administration line item to support certain contracts that can draw down enhanced federal matching funds.

This transfer is requested by September 30, 2017.

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

## LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS  
 FISCAL YEAR: 2016-17  
 TRANSFER AMOUNT: \$276,000

S.B.O. LETTER: 9/13/17  
 S.B.O. REQUEST: 2017-7  
 ANALYST: Marcus Coffin

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/15/17 | BALANCE<br>AVAILABLE<br>AS OF 9/15/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE XII<br/>SEC. 206(2)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 24,065,300     | NA   | NA                                    | (276,000)                | (276,000)                  | (276,000)                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total state restricted revenues                                  | 24,065,300     | NA   | NA                                    | (276,000)                | (276,000)                  | (276,000)                   |
| <b>TO: SEC. 109. DEPARTMENT GRANTS</b>                           |                |  |                                       |                          |                            |                             |
| Liquor law enforcement grants                                    | 7,200,000      | 2,179,599                                      | 5,020,401                             | 276,000                  | 276,000                    | 276,000                     |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Liquor license revenue   | 7,200,000      | 2,179,599                                      | 5,020,401                             | 276,000                  | 276,000                    | 276,000                     |

This transfer request increases state restricted spending authorization for Liquor Law Enforcement Grants by \$276,000 to allow for the proper level of payments to local law enforcement agencies pursuant to the Liquor Control Code (MCL 436.1543). The code requires that 55% of the amount of the proceeds of retailers' license fees and license renewal fees collected within a jurisdiction be remitted to that jurisdiction, for the specific purpose of enforcing the Liquor Control Code. Spending authority is available from state restricted contingency funds in accordance with PA 268 of 2016, Article XIII, section 210 (2). This transfer is needed by September 30, 2017.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$7,115,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE XIV<br/>SEC. 206(1)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 9,750,000      | NA   | NA                                    | (7,115,000)              | (7,115,000)                | (7,115,000)                 |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total federal revenues   | 9,750,000      | NA   | NA                                    | (7,115,000)              | (7,115,000)                | (7,115,000)                 |
| <b>TO: SEC. 102. MILITARY</b>                                    |                |  |                                       |                          |                            |                             |
| Headquarters and armories  | 15,854,100     | 15,252,500                                     | 601,600                               | 2,000,000                | 2,000,000                  | 2,000,000                   |
| Michigan youth challenge academy                                 | 5,426,900      | 5,420,300                                      | 6,600                                 | 700,000                  | 700,000                    | 700,000                     |
| Military training sites and support facilities                   | 34,043,000     | 31,191,500                                     | 2,851,500                             | 1,000,000                | 1,000,000                  | 1,000,000                   |
| Departmentwide accounts  | 1,839,100      | 3,295,900                                      | (1,456,800)                           | 3,000,000                | 3,000,000                  | 3,000,000                   |
| Starbase grant   | 2,322,000      | 2,563,300                                      | (241,300)                             | 415,000                  | 415,000                    | 415,000                     |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total federal revenues   | 47,068,300     | 47,206,600                                     | (138,300)                             | 7,115,000                | 7,115,000                  | 7,115,000                   |

This request transfers a total of \$7,115,000 in federal contingency fund authorization to several military lines to align authorization with available federal revenues from the Department of Defense – Department of Army – National Guard Bureau. \$2.0 million for the Headquarters and Armories line item will support purchases for items such as armory furniture, energy audits, utility integration services, and other life, safety, and health materials. \$700,000 for the Michigan Youth Challenge Academy line item will support academy operating costs. \$1.0 million for the Military Training Sites and Support Facilities line item will support purchases for items such as furniture, energy audits, a master plan for the Grayling Army Airfield, and other life, safety, and health materials. \$3.0 million for the Departmentwide Accounts line item will support purchases associated with equipment necessary to maintain training facilities, Camp Grayling, and Fort Custer. \$415,000 for the Starbase Grant line item will support contract expenditures. Additional funding is available as a result of unanticipated federal revenues. Spending authority is available from federal contingency fund authorization in accordance with 2016 PA 268, Article XIV, section 206(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$800,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE XIV<br/>SEC. 206(1)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 9,750,000      | NA   | NA                                    | (800,000)                | (800,000)                  | (800,000)                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total federal revenues   | 9,750,000      | NA   | NA                                    | (800,000)                | (800,000)                  | (800,000)                   |
| <b>TO: SEC. 103. MICHIGAN VETERANS<br/>AFFAIRS AGENCY</b>        |                |  |                                       |                          |                            |                             |
| D.J. Jacobetti home for veterans                                 | 21,250,600     | 21,458,800                                     | (208,200)                             | 800,000                  | 800,000                    | 800,000                     |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total federal revenues   | 8,305,600      | 8,423,300                                      | (117,700)                             | 800,000                  | 800,000                    | 800,000                     |

This request transfers \$800,000 in federal contingency fund authorization to the D.J. Jacobetti Home for Veterans line item to align authorization with available Department of Veteran Affairs – Veteran Health Administration as a result of a U.S. Department of Veterans Affairs rate increase. Funding will be used to support staffing and general operations costs such as laundry and food service contracts. Spending authority is available from federal contingency funds in accordance with 2016 PA 268, Article XIV, section 206(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$800,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b> |                |  |                                       |                          |                            |                             |
| Salaries, wages, and fringe benefits                  | 29,651,000     | 22,733,900                                     | 6,917,100                             | (800,000)                | (800,000)                  | (800,000)                   |
| Funding source:                                       |                |  |                                       |                          |                            |                             |
| State general fund/general purpose                    | 12,854,900     | 5,937,800                                      | 6,917,100                             | (800,000)                | (800,000)                  | (800,000)                   |
| <b>TO: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b>   |                |  |                                       |                          |                            |                             |
| Veterans home operations                              | 9,255,200      | 10,191,700                                     | (936,500)                             | 500,000                  | 500,000                    | 500,000                     |
| Purchased services                                    | 10,342,600     | 10,239,400                                     | 103,200                               | 300,000                  | 300,000                    | 300,000                     |
| Funding source:                                       |                |  |                                       |                          |                            |                             |
| State general fund/general purpose                    | 8,841,700      | 9,675,000                                      | (833,300)                             | 800,000                  | 800,000                    | 800,000                     |

This request transfers \$800,000 GF/GP authorization from the Salaries, Wages, and Fringe Benefits line item to the Veterans Home Operations line item (\$500,000) and the Purchased Services line item (\$300,000) to align authorization with operational need to support laundry and food costs in the Veterans Home Operations line item, and staffing costs in the Purchased Services line item. Funding is available in the Salaries, Wages and Fringe Benefits line due to the redistribution of authorization as part of a technical restructuring of the Grand Rapids Home for Veterans line items during the FY 2016-17 budget development process. In previous years, appropriations for the Grand Rapids Home for Veterans were made via a single line item. FY 2016-17 is the first year that the new budget structure has been implemented, resulting in the need to make minor adjustments to correctly align authorization between the separate line items in the Grand Rapids Home for Veterans appropriation unit.

## LEGISLATIVE TRANSFER

BUDGET AREA: STATE  
 FISCAL YEAR: 2016-17  
 TRANSFER AMOUNT: \$300,000

S.B.O. LETTER: 9/13/17  
 S.B.O. REQUEST: 2017-7  
 ANALYST: Michael Cnossen

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/9/17 | BALANCE<br>AVAILABLE<br>AS OF 9/9/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|---|--------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE VIII<br/>SEC. 701(2)</b> |                |   |                                      |                          |                            |                             |
| Contingency funds   | 5,500,000      | NA  | NA                                   | (300,000)                | (300,000)                  | (300,000)                   |
| Funding source:   |                |   |                                      |                          |                            |                             |
| Total state restricted revenues                                   | 5,500,000      | NA  | NA                                   | (300,000)                | (300,000)                  | (300,000)                   |
| <b>TO: SEC. 106(5) CUSTOMER DELIVERY<br/>SERVICES</b>             |                |   |                                      |                          |                            |                             |
| Credit and debit assessment services                              | 8,000,000      | 6,578,024                                     | 1,421,976                            | 300,000                  | 300,000                    | 300,000                     |
| Funding source:   |                |   |                                      |                          |                            |                             |
| Credit and debit assessment service fee<br>revenue                | 8,000,000      | 6,578,024                                     | 1,421,976                            | 300,000                  | 300,000                    | 300,000                     |

This request transfers \$300,000 in authorization from state restricted contingency funds to Credit and Debit Assessment Services to cover additional costs associated with increased debit and credit card usage from the program. Spending authority is available from state restricted contingency funds in accordance with PA 268 of 2016, Article VIII, section 701 (2). This transfer is needed by September 30, 2017 to meet payment obligations to credit card processors due to higher than anticipated credit and debit card usage. This transfer would authorize the Department of State to use restricted collected service fee revenue for its intended purpose.

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$2,000,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE XVI<br/>SEC. 206(2)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 2,469,800      | NA   | NA                                    | (1,491,200)              | (1,491,200)                | (1,491,200)                 |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                            | 2,469,800      | NA   | NA                                    | (1,491,200)              | (1,491,200)                | (1,491,200)                 |
| <b>SEC. 105. FIELD SERVICES</b>                                  |                |  |                                       |                          |                            |                             |
| Post operations  | 279,967,400    | 265,925,700                                    | 14,041,700                            | (508,800)                | (508,800)                  | (508,800)                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                            | 38,456,100     | 32,787,000                                     | 5,669,100                             | (508,800)                | (508,800)                  | (508,800)                   |
| <b>TO: SEC. 103. LAW ENFORCEMENT<br/>SERVICES</b>                |                |  |                                       |                          |                            |                             |
| Criminal justice information center                              | 18,485,400     | 17,729,600                                     | 755,800                               | 2,000,000                | 2,000,000                  | 2,000,000                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                            | 12,521,600     | 12,137,300                                     | 384,300                               | 2,000,000                | 2,000,000                  | 2,000,000                   |

This transfer request provides \$1.5 million in authorization from state restricted contingency funds and \$508,800 in authorization from the Highway Safety Fund to align authorization with higher than anticipated Criminal Justice Information Center Services Fees revenue. Funding will be used to expand data analytics capability to further detect crime trends, patterns, and behaviors to develop actionable intelligence. Spending authority is available from state restricted contingency fund authorization in accordance with 2016 PA 268, Article XVI, section 206(2), as well as lower than anticipated Highway Safety Fund revenue.

## LEGISLATIVE TRANSFER

BUDGET AREA: STATE POLICE  
 FISCAL YEAR: 2016-17  
 TRANSFER AMOUNT: \$2,881,900

S.B.O. LETTER: 9/13/17  
 S.B.O. REQUEST: 2017-7  
 ANALYST: Kent Dell

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE XVI<br/>SEC. 206(2)</b>      |                |  |                                       |                          |                            |                             |
| Contingency funds   | 2,469,800      | NA   | NA                                    | (978,600)                | (978,600)                  | (978,600)                   |
| Funding source:   |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                                 | 2,469,800      | NA   | NA                                    | (978,600)                | (978,600)                  | (978,600)                   |
| <b>SEC. 104. MICHIGAN COMMISSION ON<br/>LAW ENFORCEMENT STANDARDS</b> |                |  |                                       |                          |                            |                             |
| Standards and training/justice training grants                        | 9,094,500      | 3,742,000                                      | 5,352,500                             | (1,400,000)              | (1,400,000)                | (1,400,000)                 |
| Funding source:   |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                                 | 8,176,600      | 2,827,200                                      | 5,349,400                             | (1,400,000)              | (1,400,000)                | (1,400,000)                 |
| <b>SEC. 103. LAW ENFORCEMENT<br/>SERVICES</b>                         |                |  |                                       |                          |                            |                             |
| Training  | 13,030,600     | 10,440,400                                     | 2,590,200                             | (503,300)                | (503,300)                  | (503,300)                   |
| Funding source:   |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                                 | 6,402,900      | 3,983,200                                      | 2,419,700                             | (503,300)                | (503,300)                  | (503,300)                   |

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$2,881,900 (Continued)**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>TO: SEC. 102. EXECUTIVE DIRECTION AND<br/>DEPARTMENTAL SERVICES</b> |                |  |                                       |                          |                            |                             |
| Information technology services and projects                           | 24,425,900     | 19,661,300                                     | 4,764,600                             | 2,881,900                | 2,881,900                  | 2,881,900                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total other state restricted revenues                                  | 7,171,600      | 5,835,500                                      | 1,336,100                             | 2,881,900                | 2,881,900                  | 2,881,900                   |

This transfer request provides authorization from various state restricted funds including state restricted contingency fund authorization to align authorization with higher than anticipated Criminal Justice Information Center Services Fees revenue. Funding will be used to support continued information technology upgrades including data analytics, intelligence management, and report writing systems. Spending authority is available from state restricted contingency fund authorization in accordance with 2016 PA 268, Article XVI, section 206(2), as well lower than anticipated Michigan Justice Training Fund and Drunk Driving Prevention and Training Fund revenues.

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$859,100**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS                                  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 103. LAW ENFORCEMENT SERVICES</b> |                |  |                                       |                          |                            |                             |
| Grants and community services                   | 17,632,000     | 7,732,200                                      | 9,899,800                             | (859,100)                | (859,100)                  | (859,100)                   |
| Funding source:                                 |                |  |                                       |                          |                            |                             |
| Total federal revenues                          | 8,634,900      | 2,291,100                                      | 6,343,800                             | (859,100)                | (859,100)                  | (859,100)                   |
| <b>TO: SEC. 103. LAW ENFORCEMENT SERVICES</b>   |                |  |                                       |                          |                            |                             |
| Criminal justice information center             | 18,485,400     | 17,729,600                                     | 755,800                               | 859,100                  | 859,100                    | 859,100                     |
| Funding source:                                 |                |  |                                       |                          |                            |                             |
| Total federal revenues                          | 1,921,200      | 2,465,200                                      | (544,000)                             | 859,100                  | 859,100                    | 859,100                     |

This request transfers federal expenditure authorization from the Grants and Community Services line item to the Criminal Justice Information Center line item, in order to allow MSP to expend grant funding received from the Office of Highway Safety Planning. Grant funding will allow for the integration of various traffic-related datasets including crashes, citations, vehicles, drivers, roadways, and injuries. Spending authority is available in the Grants and Community Services line due to lower than anticipated federal Department of Justice - Byrne Justice Assistance Grant revenues.

## LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$3,320,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS                                 | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/18/17 | BALANCE<br>AVAILABLE<br>AS OF 9/18/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 106. SPECIALIZED SERVICES</b>    |                |  |                                       |                          |                            |                             |
| Hazardous materials programs                   | 35,114,400     | 8,801,500                                      | 26,312,900                            | (3,320,000)              | (3,320,000)                | (3,320,000)                 |
| Funding source:                                |                |  |                                       |                          |                            |                             |
| Total federal revenues                         | 30,761,700     | 6,133,000                                      | 24,628,700                            | (3,320,000)              | (3,320,000)                | (3,320,000)                 |
| <b>TO: SEC. 106. SPECIALIZED SERVICES</b>      |                |  |                                       |                          |                            |                             |
| Commercial vehicle enforcement and inspections | 24,999,100     | 19,852,500                                     | 5,146,600                             | 3,320,000                | 3,320,000                  | 3,320,000                   |
| Funding source:                                |                |  |                                       |                          |                            |                             |
| Total federal revenues                         | 5,047,900      | 4,991,200                                      | 56,700                                | 3,320,000                | 3,320,000                  | 3,320,000                   |

This request transfers federal expenditure authorization from the Hazardous Materials Programs line item to the Commercial Vehicle Enforcement and Inspections line item, due to an unanticipated increase in the availability of federal motor carrier safety assistance program funds. Funding will be used to support programs that focus on reducing commercial vehicle crashes, fatalities, and injuries through driver/vehicle inspections, traffic enforcement, and related efforts. Spending authority is available in the Hazardous Materials Programs line due to lower than anticipated Department of Justice - Byrne Justice Assistance Grant revenues.

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$15,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Ben Gielczyk**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/16/17 | BALANCE<br>AVAILABLE<br>AS OF 9/16/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|---|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 108(3) DEPARTMENTWIDE<br/>APPROPRIATIONS</b>            |                |  |                                       |                          |                            |                             |
| Rent and building occupancy charges –<br>property management services | 6,017,400      | 5,808,138                                      | 209,262                               | (15,000)                 | (15,000)                   | (15,000)                    |
| Funding source:   |                |  |                                       |                          |                            |                             |
| Delinquent tax collection revenue                                     | 2,824,200      | 2,755,324                                      | 68,876                                | (15,000)                 | (15,000)                   | (15,000)                    |
| <b>TO: SEC. 108(3) DEPARTMENTWIDE<br/>APPROPRIATIONS</b>              |                |  |                                       |                          |                            |                             |
| Worker's compensation insurance premium                               | 66,400         | 59,757   | 6,643                                 | 15,000                   | 15,000                     | 15,000                      |
| Funding source:   |                |  |                                       |                          |                            |                             |
| Delinquent tax collection revenue                                     | 66,400         | 59,757   | 6,643                                 | 15,000                   | 15,000                     | 15,000                      |

This request transfers \$15,000 in authorization from Rent and Building Occupancy Charges - Property Management Services to Worker's Compensation Insurance Premiums to cover additional costs associated with new worker's compensation related incidents occurring this fiscal year. Funding is available from the Rent and Building Occupancy Charges - Property Management Services line item in the program's rent portion. This transfer is requested to meet current payment obligations. This transfer is needed by September 30, 2017.

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2016-17**  
 TRANSFER AMOUNT: **\$7,300,000**

S.B.O. LETTER: **9/13/17**  
 S.B.O. REQUEST: **2017-7**  
 ANALYST: **Ben Gielczyk**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 9/16/17 | BALANCE<br>AVAILABLE<br>AS OF 9/16/17 | GOV'S<br>REC.<br>9/13/17 | HOUSE<br>ACTION<br>9/20/17 | SENATE<br>ACTION<br>10/4/17 |
|--|----------------|--|---------------------------------------|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 268 OF 2016, ARTICLE VIII, SEC. 901(2)</b> |                |  |                                       |                          |                            |                             |
| Contingency funds  | 7,300,000      | NA   | NA                                    | (7,300,000)              | (7,300,000)                | (7,300,000)                 |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Total state restricted revenues                                | 7,300,000      | NA   | NA                                    | (7,300,000)              | (7,300,000)                | (7,300,000)                 |
| <b>TO: SEC. 108(17) ONE-TIME BASIS ONLY APPROPRIATIONS</b>     |                |  |                                       |                          |                            |                             |
| Drinking water declaration of emergency                        | 2,700,100      | 2,699,738                                      | 362                                   | 7,300,000                | 7,300,000                  | 7,300,000                   |
| Funding source:  |                |  |                                       |                          |                            |                             |
| Drinking water declaration of emergency reserve fund           | 2,700,100      | 2,699,738                                      | 362                                   | 7,300,000                | 7,300,000                  | 7,300,000                   |

PA 268 of 2016 created the Drinking Water Declaration of Emergency Reserve Fund and this transfer will move \$7,300,000 to support continued bottled water purchases, warehousing of bottled water, and distribution of bottled water to public dissemination sites within the City of Flint, as well as delivery to immobile populations through February 2018. Spending authority is available from state restricted contingency fund authorization in accordance with PA 268 of 2016, Article VIII, section 901 (2). This transfer is needed by September 30, 2017. Transfer request 2017-5 from April 2017 included \$2.4 million to cover bottled water costs through June 2017. 2017 PA 107, a supplemental appropriations act, included \$4.0 million to cover bottled water purchases through the final quarter of FY 2016-17.