

MEMORANDUM



DATE: March 19, 2018
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Package 2018-3

Attached are legislative transfers proposed by the State Budget Office in a letter dated March 9, 2018. Pursuant to section 393 of the Management and Budget Act, a legislative transfer must be approved by a majority of both the House and Senate Appropriations Committees, with identical funding sources and dollar amounts, in order to become effective. This transfer package is scheduled to be considered by the House Appropriations Committee on Wednesday, March 21, 2018.

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

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

As shown in the attached table, standard transfers in this package total \$36.6 million, which will shift 0.06% of total appropriations within the existing FY 2017-18 year-to-date state budget.

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

As shown in the attached table, contingency fund transfers in this package total \$18.1 million, which will increase the FY 2017-18 year-to-date state budget by 0.03%.

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

Attachment

LEGISLATIVE TRANSFER PACKAGE

 Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant	Summary Sheet SBO LETTER: 2018-3 March 9, 2018		
Department	Analyst	Page	Total Transfer
Agriculture and Rural Development	William E. Hamilton	1-2	\$380,000
Health and Human Services	Sue Frey Kevin Koorstra Viola Wild	3-9	37,927,500
Insurance and Financial Services	Marcus Coffin	10	25,000
Natural Resources	Austin Scott	11	4,298,700
State Police	Kent Dell	12-13	3,096,000
Treasury - Operations	Ben Gielczyk	14	9,000,000
Treasury – Revenue Sharing	Ben Gielczyk	15	100
Total			\$54,727,300

FY 2017-18 Legislative Transfers: Request 2018-3

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Health and Human Services	25,509,303,800		23,314,900				13,249,000	\$36,563,900	0.14%
State Police	698,946,800		79,400					79,400	0.01%
Treasury - Revenue Sharing	1,278,215,000						100	100	0.00%
TOTAL*	\$56,632,424,000	\$0	\$23,394,300	\$0	\$0	\$0	\$13,249,100	\$36,643,400	0.06%

*Includes budget areas not affected by transfers

Budget	Year-to-Date Total Approps	Contingency Fund Transfers (Increases Budget)						TOTAL	% Budget Increased
		IDG	Federal	Local	Private	Restricted	GF/GP		
Agriculture and Rural Development	114,698,600		380,000					\$380,000	0.33%
Health and Human Services	25,509,303,800		1,253,600			110,000		1,363,600	0.01%
Insurance and Financial Services	66,741,400					25,000		\$25,000	0.04%
Natural Resources	409,993,500					4,298,700		\$4,298,700	1.05%
State Police	698,946,800					3,016,600		\$3,016,600	0.43%
Treasury Operations	513,929,900					9,000,000		\$9,000,000	1.75%
TOTAL*	\$56,632,424,000	\$0	\$1,633,600	\$0	\$0	\$16,450,300	\$0	\$18,083,900	0.03%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$80,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/16/18	BALANCE AVAILABLE AS OF 3/16/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017, ARTICLE I, SEC. 210(1)						
Contingency funds	\$5,000,000	NA	NA	(80,000)		
Funding source:						
Total federal revenues	\$5,000,000	NA	NA	(80,000)		
TO: SEC. 104. FOOD AND DAIRY						
Milk safety and quality assurance	4,179,300	1,622,933	2,556,367	80,000		
Funding source:						
HHS, FDA	0	0	0	80,000		

This transfer request provides \$80,000 in authorization from federal contingency funds to the Milk Safety and Quality Assurance line to recognize anticipated grant funding from the federal Food and Drug Administration. The grant will be used to provide dairy program employees with proper inspection certifications and to plan reviews of dairy processing facilities. Spending authority is available from federal contingency authorization in accordance with PA 107 of 2017, Article I, Section 210(1). The State Budget Office requests completion of this transfer by June 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$300,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/16/18	BALANCE AVAILABLE AS OF 3/16/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017, ARTICLE I, SEC. 210(1)						
Contingency funds	\$5,000,000	NA	NA	(300,000)		
Funding source:						
Total federal revenues	\$5,000,000	NA	NA	(300,000)		
TO: SEC. 108. LABORATORY SERVICES						
Laboratory services	6,829,000	2,791,444	4,037,556	300,000		
Funding source:						
HHS, FDA	626,300	155,735	470,565	300,000		

This transfer request provides \$300,000 in authorization from federal contingency funds to the Laboratory Services line to recognize anticipated FDA grant funding. Funding will be used support the ISO/Genome Sequencer Grant program to research the sequence of genomes for food related pathogens. Spending authority is available from federal contingency authorization in accordance with PA 107 of 2017, Article I, Section 210(1). Completion of this transfer is requested by June 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$1,563,900**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Departmental administration and management	109,342,700	28,847,402	80,495,298	(123,900)		
Funding sources:						
Total other federal revenues	47,347,900	9,074,159	38,273,741	(62,000)		
State general fund/general purpose	44,187,500	14,837,707	29,349,793	(61,900)		
SEC. 114. LABORATORY SERVICES						
Laboratory services	22,312,100	10,148,426	12,163,674	(40,000)		
Funding sources:						
Total other federal revenues	3,840,100	2,363,499	1,476,601	(27,000)		
State general fund/general purpose	6,847,600	2,975,484	3,872,116	(13,000)		
SEC. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Behavioral health program administration	58,916,400	13,915,397	45,001,003	(70,000)		
Funding sources:						
Total other federal revenues	32,778,200	5,145,309	27,632,891	(35,000)		
State general fund/general purpose	25,133,000	8,293,031	16,839,969	(35,000)		
SEC. 121. MEDICAL SERVICES ADMINISTRATION						
Medical services administration	82,810,400	37,825,311	44,985,089	(250,000)		
Funding sources:						
Total other federal revenues	52,909,500	25,687,204	27,222,296	(125,000)		
State general fund/general purpose	29,327,100	12,127,204	17,199,896	(125,000)		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$1,563,900 (Continued)**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 120. AGING AND ADULT SERVICES AGENCY						
Aging and adult services administration	9,394,700	2,892,594	6,502,106	(30,000)		
Funding sources:						
Total other federal revenues	4,489,700	416,244	4,073,456	(16,200)		
State general fund/general purpose	4,313,500	2,086,676	2,226,824	(13,800)		
SEC. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS						
Bioterrorism preparedness	30,398,600	10,234,095	20,164,505	(30,000)		
Funding source:						
Total other federal revenues	30,209,700	10,214,713	19,994,987	(30,000)		
Emergency medical services program	6,591,600	2,215,952	4,375,648	(30,000)		
Funding sources:						
Total other federal revenues	1,156,400	103,538	1,052,862	(23,500)		
State general fund/general purpose	1,446,500	1,054,651	391,849	(6,500)		
SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Caro Regional Mental Health Center – psychiatric hospital - adult	59,211,600	25,487,173	33,724,427	(150,000)		
Funding source:						
State general fund/general purpose	40,710,100	22,574,659	18,135,441	(150,000)		
Center for forensic psychiatry	82,823,400	41,986,066	40,837,334	(230,000)		
Funding source:						
State general fund/general purpose	76,679,900	41,972,565	34,707,335	(230,000)		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$1,563,900 (Continued)**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Hawthorn Center – psychiatric hospital – children and adolescents	31,793,100	16,675,964	15,117,136	(180,000)		
Funding sources:						
Total other federal revenues	22,336,700	8,733,862	13,602,838	(122,500)		
State general fund/general purpose *	6,798,600	7,942,102	(1,143,502)	(57,500)		
Kalamazoo Psychiatric Hospital - adult	68,057,700	32,290,465	35,767,235	(260,000)		
Funding source:						
State general fund/general purpose	53,866,600	31,457,307	22,409,293	(260,000)		
Walter P. Reuther Psychiatric Hospital - adult	59,603,400	29,399,727	30,203,673	(170,000)		
Funding source:						
State general fund/general purpose	47,620,900	28,412,389	19,208,511	(170,000)		
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Terminal leave payments	5,686,100	190,587	5,495,513	1,563,900		
Funding sources:						
Total other federal revenues	817,700	34,294	783,406	441,200		
State general fund/general purpose	1,949,400	74,999	1,874,401	1,122,700		

This transfer moves state GF/GP funds and federal funds from 12 administration line items to the Terminal Leave Payments line item for expenditures related to employee departures from state service. The purpose of the funding is not changed. The transfer consolidates funding from former Department of Community Health line items into the line item that includes all other terminal leave payments for DHHS from the former Department of Human Services. The two departments merged to become DHHS in 2015. The FY 2018-19 Executive Recommendation for the DHHS budget includes similar adjustments to consolidate terminal leave payments. The Executive indicates that this transfer is in accordance with the Department's Public Assistance Cost Allocation Plan, and it is requested by June 30, 2018.

*Although a negative Balance Available is shown, a positive balance of up to \$1.8 million is available against YTD authorization; data currently available from SIGMA includes expenditures and encumbrances against both YTD of \$6.8 million and prior year carryforward funding of \$2.9 million.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$1,176,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(1)						
Contingency funds	400,000,000	NA	NA	(1,176,000)		
Funding source:						
Total federal revenues	400,000,000	NA	NA	(1,176,000)		
TO: SEC. 104. COMMUNITY SERVICES AND OUTREACH						
Homeless programs	19,466,700	8,729,945	10,736,755	1,176,000		
Funding source:						
Capped federal revenues	2,437,900	1,337,997	1,099,903	1,176,000		

This transfer requests additional federal contingency fund authorization to increase federal funding in the Homeless Programs line item to recognize additional Housing and Urban Development federal grant award funding. Spending authority is available from federal contingency authorization in accordance with PA 107 of 2017, Article X, Section 210(1). A similar federal funding increase is included in the FY 2018-19 DHHS Executive Budget Recommendation. This transfer is requested by June 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$77,600**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(1)						
Contingency funds	400,000,000	NA	NA	(77,600)		
Funding source:						
Total federal revenues	400,000,000	NA	NA	(77,600)		
TO: SEC. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE						
Bay pines center	5,468,900	2,496,372	2,972,528	77,600		
Funding source:						
Capped federal revenues	117,400	10,289	107,111	77,600		

This transfer requests additional federal contingency fund authorization to provide sufficient funding for the Bay Pines Center line item to recognize additional Federal Perkins Grant funding from the Michigan Department of Education to support the center's vocational education program. Spending authority is available from federal contingency authorization in accordance with PA 107 of 2017, Article X, Section 210(1). The FY 2018-19 DHHS Executive Budget Recommendation requests a similar federal authorization increase to reflect this additional grant funding. This transfer is requested by June 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$110,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(2)						
Contingency funds	37,500,000	NA	NA	(110,000)		
Funding source:						
Total state restricted revenues	37,500,000	NA	NA	(110,000)		
TO: SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES						
Michigan rehabilitation services	128,750,800	50,138,380	78,612,420	110,000		
Funding source:						
Rehabilitation service fees	40,000	12	39,988	110,000		

This transfer request seeks state restricted contingency funds in the Michigan Rehabilitation Services (MRS) line item to provide sufficient authorization to recognize additional billable services revenue that is expected to be received and expended. The MRS has a business network division that provides resources and services to employers and employees to help obtain and retain employment, provide training, and other fee-for-service programs, including those related to disabilities. Spending authority is available from state restricted contingency authorization in accordance with PA 107 of 2017, Article X, Section 210(2). The FY 2018-19 DHHS Executive Budget Recommendation requests a similar increase to reflect the anticipated additional Rehabilitation Service Fees. This transfer is requested by June 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$35,000,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/12/18	BALANCE AVAILABLE AS OF 3/12/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 122. MEDICAL SERVICES						
Pharmaceutical services	366,015,600	186,880,647	179,134,953	(35,000,000)		
Funding sources:						
Total other federal revenues	232,092,400	123,524,778	108,567,622	(22,873,700)		
State general fund/general purpose	133,923,200	63,355,869	70,567,331	(12,126,300)		
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Autism services	105,097,300	48,405,884	56,691,416	35,000,000		
Funding sources:						
Total other federal revenues	69,687,600	31,759,367	37,928,233	22,873,700		
State general fund/general purpose	35,409,700	16,646,517	18,763,183	12,126,300		

This transfer shifts \$35 million Gross (\$12.1 million GF/GP) from the Pharmaceutical Services line item to the Autism Services line item. Additional authority is needed for Autism Services to cover higher costs largely driven by increases in number of children evaluated and diagnosed with Autism Spectrum Disorder (ASD) and in service utilization as more qualified practitioners become available. Excess authorization is available in the Pharmaceutical Services line due to lower than expected caseload spending. The FY 2017-18 Executive supplemental request 2018-3 has requested \$75.6 million (of which this \$35 million represents approximately half of this request) to be added to the Autism Services line item, so this transfer request should be seen as a stop gap allocation until the May Consensus Revenue Estimate can further evaluate the full year cost of the Autism Services line item. This transfer is requested by April 30, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **INSURANCE AND FINANCIAL SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$25,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/15/18	BALANCE AVAILABLE AS OF 3/15/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 of 2017 ARTICLE XI, SEC. 210(2)						
Contingency funds	5,000,000	NA	NA	(25,000)		
Funding source:						
Total state restricted revenues	5,000,000	NA	NA	(25,000)		
TO: SEC. 102. DEPARTMENT SERVICES						
Department services	3,752,200	1,176,092	2,576,108	25,000		
Funding source:						
Insurance bureau fund	1,354,500	378,852	975,648	25,000		

This transfer request would shift \$25,000 of state restricted contingency authorization within the Department of Insurance and Financial Services enacted budget to the Department Services line item to provide for legislative participation in insurance activities, as permitted in section 225 of 1956 PA 218, MCL 500.225. Spending authority is available from state restricted contingency funds, in accordance with PA 107 of 2017, Article XI, section 210(2). This transfer is requested by March 31, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **NATURAL RESOURCES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$4,298,700**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Austin Scott**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/19/18	BALANCE AVAILABLE AS OF 3/19/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE XV SEC. 210(2)						
Contingency funds	10,000,000	NA	NA	(4,298,700)		
Funding source:						
Total state restricted revenues	10,000,000	NA	NA	(4,298,700)		
TO: SEC. 108. PARKS AND RECREATION DIVISION						
Recreational boating	19,011,000	6,388,514	12,622,486	237,700		
Funding source:						
Michigan state waterways fund	17,391,200	5,890,861	11,500,339	237,700		
State parks	67,144,900	20,036,963	47,107,937	4,061,000		
Funding source:						
Park improvement fund	42,399,500	11,698,058	30,701,442	4,061,000		

This transfer would fund increased hours and wages for seasonal park staff, repairs and preventative maintenance on state park facilities and grounds, replacing aging maintenance equipment, and addressing the rise in costs related to the increase in campground reservations. Sufficient revenue is available to support the additional State Parks improvement spending authority due to increased camping and Recreation Passport sales. The additional Waterways authority can also be supported by current revenues. Spending authority is available from state restricted contingency funds in accordance with PA 107 of 2017, Article XV, Section 210. The transfer is requested before March 31, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$79,400**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/14/18	BALANCE AVAILABLE AS OF 3/14/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 103. LAW ENFORCEMENT SERVICES						
Grant and community services	19,185,400	3,410,600	15,774,800	(79,400)		
Funding source:						
Other federal funds	9,912,900	1,180,900	8,732,000	(79,400)		
TO: SEC. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS						
Standards and training/justice training grants	9,907,100	2,471,600	7,435,500	79,400		
Funding source:						
Other federal revenues	175,700	141,900	33,800	79,400		

This transfer request shifts federal authorization from the Grants and Community Services line item to the Standards and Training/Justice Training Grants line item to allow for the expenditure of U.S. Department of Justice grant revenues to support new sexual assault training for first responders, update investigator training, and to conduct two statewide conferences. Federal authorization is available in the Grants and Community Services line item due to authorization in excess of actual Department of Justice grant revenues to the Grants and Community Services Division.

LEGISLATIVE TRANSFER

BUDGET AREA: STATE POLICE
 FISCAL YEAR: 2017-18
 TRANSFER AMOUNT: \$3,016,600

S.B.O. LETTER: 3/9/18
 S.B.O. REQUEST: 2018-3
 ANALYST: Kent Dell

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/16/18	BALANCE AVAILABLE AS OF 3/16/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE XVI, SEC. 210(2)						
Contingency funds	3,500,000	NA	NA	(3,016,600)		
Funding source:						
Total state restricted revenues	3,500,000	NA	NA	(3,016,600)		
TO: SEC. 105. FIELD SERVICES						
Post operations	295,730,300	131,413,900	164,316,400	3,016,600		
Funding source:						
Other state restricted revenues	38,666,200	14,018,100	24,648,100	3,016,600		

This transfer request will provide increased authorization from state restricted contingency funds to align authorization with available revenue in the Trooper School Recruitment Fund to support training costs associated with the trooper school that began January 14, 2018, which is expected to graduate 110 troopers. Additional revenue is available as a result of accrued attrition savings – the cost difference between retiring troopers and newly graduated troopers. Spending authority is available from state restricted contingency fund authorization in accordance with 2017 PA 107, Article XVI, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$9,000,000**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/16/18	BALANCE AVAILABLE AS OF 3/16/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 107 OF 2017 ARTICLE VIII, SEC. 901(2)						
Contingency funds	10,000,000	NA	NA	(9,000,000)		
Funding source:						
Total state restricted revenues	10,000,000	NA	NA	(9,000,000)		
TO: SEC. 108. (15) ONE-TIME APPROPRIATIONS						
Drinking water declaration of emergency	100	0	100	9,000,000		
Funding source:						
Drinking water declaration of emergency reserve fund	100	0	100	9,000,000		

Public Act 268 of 2016 created the Drinking Water Declaration of Emergency Reserve Fund. This state restricted contingency fund transfer will move \$9,000,000 from the reserve fund into the Drinking Water Declaration of Emergency line item to support the water emergency efforts in Flint and the implement the requirements of the Concerned Pastors for Social Action settlement agreement. Per the agreement, the state, the City of Flint, and the United States Environmental Protection Agency are required to work together to provide funding for the cost of service line replacements. The current balance in the Drinking Water Declaration of Emergency Rescue Fund is \$17.2 million. Spending authority is available from state restricted contingency fund authorization in accordance with PA 107 of 2017, Article VIII, Section 901(2). This transfer is requested by March 31, 2018.

LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$100**

S.B.O. LETTER: **3/9/18**
 S.B.O. REQUEST: **2018-3**
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/16/18	BALANCE AVAILABLE AS OF 3/16/18	GOV'S REC. 3/9/18	HOUSE ACTION	SENATE ACTION
FROM: SEC. 108. (2) DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Executive direction and operations	7,867,200	2,514,297	5,352,903	(100)		
Funding source:						
State general fund/general purpose	5,297,700	1,965,765	3,331,935	(100)		
TO: SEC. 108. (15) ONE-TIME APPROPRIATIONS						
Supplemental city, village, and township revenue sharing	6,200,000	3,084,031	3,115,969	100		
Funding source:						
State general fund/general purpose	6,200,000	3,084,031	3,115,969	100		

This transfer moves \$100 in GF/GP authorization from the Executive Direction and Operations line item to the Supplemental City, Village, and Township Revenue Sharing (CVTRS) line item. Based on final calculations, the Supplemental CVTRS payments will be slightly over the current authorization amount. This transfer is requested by June 30, 2018.