

MEMORANDUM



DATE: October 30, 2023
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Package 2023-8

Attached are legislative transfers proposed by the State Budget Office in a letter dated October 26, 2023. 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.

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 \$374.9 million, which will shift 0.43% of total appropriations within the existing FY 2022-23 year-to-date state budget.


A **contingency authorization 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 authorization transfer mechanism, this type of budget adjustment would be made through a supplemental appropriation bill.

As shown in the attached table, contingency authorization transfers in this package total \$13.4 million, which will increase the FY 2022-23 year-to-date state budget by 0.02%.

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

Attachment

LEGISLATIVE TRANSFER PACKAGE

 <p>Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant</p>	<p>Summary Sheet</p> <p>SBO LETTER: 2023-8 October 26, 2023</p>	
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Department	Analyst	Page	Total Transfer
Corrections	Robin Risko	1-2	\$18,700,000
Health and Human Services	Kevin Koorstra Kent Dell Sydney Brown	3-19	361,109,200
Licensing and Regulatory Affairs	Marcus Coffin	20	750,000
Military and Veterans Affairs	Michael Clossen	21-23	7,409,000
State Police	Marcus Coffin	24	200,000
Treasury	Viola Wild	25	153,644
Total			\$388,321,844

Legislative Transfers 2023-8

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Corrections	2,125,218,000						18,700,000	18,700,000	0.88%
Health and Human Services	36,134,176,700		192,990,000			25,000,000	137,300,000	355,290,000	0.98%
Licensing and Regulatory Affairs	542,335,400					750,000		750,000	0.14%
Treasury - Revenue Sharing	1,567,121,100					153,644		153,644	0.01%
TOTAL*	\$86,476,814,300	\$0	\$192,990,000	\$0	\$0	\$25,903,644	\$156,000,000	\$374,893,644	0.43%

Budget	Year-to-Date Total Approps	Contingency Authorization Transfers (Increases Budget)						TOTAL	% Budget Increased
		IDG	Federal	Local	Private	Restricted	GF/GP		
Health and Human Services	36,134,176,700					5,819,200		5,819,200	0.02%
Military and Veterans Affairs	366,471,000		7,350,000			59,000		7,409,000	2.02%
State Police	871,263,900					200,000		200,000	0.02%
TOTAL*	\$86,476,814,300	\$0	\$7,350,000	\$0	\$0	\$6,078,200	\$0	\$13,428,200	0.02%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$700,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Robin R. Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 105. CORRECTIONAL FACILITIES ADMINISTRATION						
Prison food service	74,415,900	67,076,831	7,339,069	(700,000)		
Funding source:						
State general fund/general purpose	66,645,600	59,306,531	7,339,069	(700,000)		
TO: SEC. 105. CORRECTIONAL FACILITIES ADMINISTRATION						
Transportation	32,263,400	31,504,019	759,381	700,000		
Funding source:						
State general fund/general purpose	23,544,400	22,859,711	684,689	700,000		

This transfer request will provide funding to cover higher than budgeted costs for prisoner transport staff. Prisoner transport staff are paid at a higher rate than corrections officers. The majority of prisoner transport staff are at the top of the pay scale and there is a low vacancy rate for those positions. The result has been costs exceeding the appropriation. Funding is available from the Prison Food Service line item as a result of the closure of the Michigan Reformatory facility and closure of the south side of the Gus Harrison Correctional Facility. Savings occur in the facility line items as well as in various other line items associated with the facilities (e.g., food service, education, health care).

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$18,000,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Robin R. Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 109. ONE-TIME APPROPRIATIONS						
COVID-19 suspended intake payments	1,000,000	0	1,000,000	(1,000,000)		
Funding source:						
State general fund/general purpose	1,000,000	0	1,000,000	(1,000,000)		
SEC. 107. CORRECTIONAL FACILITIES						
Gus Harrison Correctional Facility – Adrian	46,673,800	39,442,164	7,231,636	(7,000,000)		
Funding source:						
State general fund/general purpose	34,425,900	27,194,264	7,231,636	(7,000,000)		
Michigan Reformatory – Ionia	12,413,100	4,676,411	7,736,689	(7,600,000)		
Funding source:						
State general fund/general purpose	12,413,100	4,676,411	7,736,689	(7,600,000)		
SEC. 106. HEALTH CARE						
Prisoner health care services	94,793,600	90,929,379	3,864,221	(2,400,000)		
Funding source:						
State general fund/general purpose	94,793,600	90,929,379	3,864,221	(2,400,000)		
TO: SEC. 106. HEALTH CARE						
Clinical complexes	154,703,900	150,413,076	4,290,824	18,000,000		
Funding source:						
State general fund/general purpose	154,446,700	150,413,076	4,033,624	18,000,000		

This transfer request will provide funding to cover higher than budgeted costs for onsite clinical staff. Due to the number of vacant civil service nursing positions, the department has been forced to contract for nursing providers. Contracted RNs are 30% more expensive than the average civil service RN, and contracted LPNs are 17% more expensive. Funding is available from the COVID-19 Suspended Intake Payments line item because the department was receiving prisoners in FY 2022-23 following the pandemic and did not need this funding to make payments to local county jails for holding prisoners. Funding is available from the closure of the Michigan Reformatory facility and closure of the south side of the Gus Harrison Correctional Facility. Funding is available from the Prisoner Health Care Services line item due to lower costs for offsite services.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$1,200,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 6 SEC. 210(2)						
Contingency authorization	18,917,000	NA	NA	(1,200,000)		
Funding source:						
Total state restricted revenues	18,917,000	NA	NA	(1,200,000)		
TO: SEC. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE						
Foster care payments	273,002,400	265,175,500	7,826,900	1,200,000		
Funding source:						
Total other state restricted revenues	1,990,500	3,171,200	(1,180,700)	1,200,000		

This transfer would move \$1.2 million in state restricted contingency authorization to the Foster Care Payments line item to recognize higher than projected state restricted revenues related to Social Security Administration (SSA) revenues that children may receive while in foster care. Spending authority is available from state restricted contingency authorization in accordance with 2022 PA 166, Article 6, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$100,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 105. CHILDREN'S SERVICES						
AGENCY - CHILD WELFARE						
Family preservation programs	56,035,600	46,824,300	9,211,300	(100,000)		
Funding source:						
State general fund/general purpose	7,738,700	1,838,500	5,900,200	(100,000)		
TO: SEC. 105. CHILDREN'S SERVICES						
AGENCY - CHILD WELFARE						
Guardianship assistance program	11,354,400	11,391,200	(36,800)	100,000		
Funding source:						
State general fund/general purpose	7,414,600	7,657,200	(242,600)	100,000		

This transfer would move \$100,000 GF/GP available from the Family Preservation Programs line item to the Guardianship Assistance Program line item to support greater than anticipated expenditures in that line. GF/GP funding is available for transfer from the Family Preservation Program line due to lower than anticipated GF/GP expenditures.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$17,000,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Legal services	12,300,000	1,729,400	10,570,600	(1,500,000)		
Funding source:						
State general fund/general purpose	12,300,000	1,729,400	10,570,600	(1,500,000)		
SEC. 122. ONE-TIME APPROPRIATIONS						
Child welfare day treatment pilot program	2,480,000	9,500	2,470,500	(2,400,000)		
Funding source:						
State general fund/general purpose	2,480,000	9,500	2,470,500	(2,400,000)		
SEC. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE						
Children's protective services - caseload staff	171,293,200	150,367,300	20,925,900	(8,100,000)		
Funding source:						
State general fund/general purpose	56,870,000	40,896,500	15,973,500	(8,100,000)		
SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES						
Food assistance reinvestment	7,446,700	2,301,000	5,145,700	(5,000,000)		
Funding source:						
State general fund/general purpose	7,446,700	2,301,000	5,145,700	(5,000,000)		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$17,000,000 (Continued)**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
TO: SEC. 105. CHILDREN'S SERVICES						
AGENCY - CHILD WELFARE						
Child care fund	222,126,300	194,137,600	27,988,700	17,000,000		
Funding source:						
State general fund/general purpose	189,702,500	194,137,600	(4,435,100)	17,000,000		

This transfer would move \$17.0 million GF/GP from various lines to the Child Care Fund line item to support greater than anticipated expenditures in that line. GF/GP is available in the Food Assistance Reinvestment, the Child Welfare Day Treatment Pilot Program, the Children's Protective Services - Caseload Staff, and Legal Services lines all due to lower than anticipated expenditures in FY 2022-23.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$60,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 105. CHILDREN'S SERVICES						
AGENCY - CHILD WELFARE						
Family preservation programs	56,035,600	46,824,300	9,211,300	(60,000)		
Funding source:						
Social security act, temporary assistance for needy families	43,238,000	43,642,300	(404,300)	(60,000)		
TO: SEC. 110. BEHAVIORAL HEALTH						
PROGRAM ADMINISTRATION AND						
SPECIAL PROJECTS						
Family support subsidy	15,026,100	15,060,200	(34,100)	60,000		
Funding source:						
Social security act, temporary assistance for needy families	15,026,100	15,060,200	(34,100)	60,000		

This transfer would shift \$60,000 in Temporary Assistance for Needy Families (TANF) authorization from the Family Preservation Programs line item to the Family Support Subsidy line item. This transfer is needed for higher than anticipated payments to income-eligible families who care for their children with severe disabilities at home as caseloads for the family support subsidy program increased for the first time in at least 5 years. The department anticipates final TANF spending from the Family Preservation Programs line item to be \$43.0 million.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$1,130,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Autism services	285,773,000	272,745,400	13,027,600	(1,130,000)		
Funding sources:						
Total other federal revenues	200,954,200	191,037,200	9,917,000	(830,000)		
State general fund/general purpose	84,818,800	81,708,200	3,110,600	(300,000)		
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Nursing home PAS/ARR-OBRA	13,961,700	13,919,900	41,800	1,130,000		
Funding sources:						
Total other federal revenues	10,485,400	10,440,000	45,400	830,000		
State general fund/general purpose	3,476,300	3,480,000	(3,700)	300,000		

This transfer would shift \$1.1 million Gross (\$300,000 GF/GP) from the Autism Services line item to the Nursing Home PAS/ARR-OBRA line item. This transfer is needed for increased monthly billings from Community Mental Health Services Programs (CMHSPs) for performing pre-admission screenings and evaluations services to seriously mentally ill individuals who are seeking admission to nursing home facilities.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$1,500,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Behavioral health community supports and services	43,950,800	22,631,800	21,319,000	(1,500,000)		
Funding source:						
Total other federal revenues	8,349,700	168,800	8,180,900	(1,500,000)		
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Federal mental health block grant	24,462,000	19,443,500	5,018,500	1,500,000		
Funding source:						
Total other federal revenues	24,462,000	19,443,500	5,018,500	1,500,000		

This transfer would shift \$1.5 million in federal authorization from the Behavioral Health Community Supports and Services line item to the Federal Mental Health Block Grant line item to allow expenditure of available annual block grant and prior year carry forward revenue on eligible costs in FY 2022-23. The department anticipates final spending from the Federal Mental Health Block Grant line item to be \$26.0 million.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$1,519,200**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 6 SEC. 210(2)						
Contingency authorization	18,917,000	NA	NA	(1,519,200)		
Funding source:						
Total state restricted revenues	18,917,000	NA	NA	(1,519,200)		
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Healthy Michigan plan – behavioral health	635,122,400	643,214,200	(8,091,800)	223,700		
Funding source:						
Total other state restricted revenues	7,796,800	7,571,800	225,000	223,700		
Medicaid mental health services	3,267,218,700	3,373,338,600	(106,119,900)	1,295,500		
Funding source:						
Total other state restricted revenues	36,511,200	32,933,800	3,577,400	1,295,500		

This transfer would shift \$1.5 million in state restricted contingency authority to the Medicaid Mental Health Services line item and Healthy Michigan Plan – Behavioral Health line item to account for greater than anticipated Quality Assurance Assessment Program (QAAP) tax revenue. State restricted contingency authorization is available in accordance with 2023 PA 119, Article 6, Sec. 210 (2).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$35,600,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Healthy Michigan plan – behavioral health	635,122,400	643,214,200	(8,091,800)	(2,000,000)		
Funding source:						
State general fund/general purpose	55,754,200	56,776,700	(1,022,500)	(2,000,000)		
Medicaid mental health services	3,267,218,700	3,373,338,600	(106,119,900)	(33,600,000)		
Funding sources:						
Total other federal revenues	2,302,883,700	2,369,490,100	(66,606,400)	(20,600,000)		
State general fund/general purpose	917,880,200	962,367,100	(44,486,900)	(13,000,000)		
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Certified community behavioral health clinic demonstration	131,654,800	120,785,600	10,869,200	35,600,000		
Funding sources:						
Total other federal revenues	111,785,600	96,649,700	15,135,900	20,600,000		
State general fund/general purpose	19,869,200	24,135,900	(4,266,700)	15,000,000		

This transfer would shift \$33.6 million Gross (\$13.0 million GF/GP) from the Medicaid Mental Health Services and \$2.0 million GF/GP from the Healthy Michigan Plan - Behavioral Health line items to the Certified Community Behavioral Health Clinic Demonstration (CCBHC) line item. This transfer is requested to account for all payments, accruals, and cost settlement estimates to be made to Prepaid Inpatient Health Plans (PIHPs) and CCBHC providers for services rendered in FY 2022-23.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$6,000,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 6 SEC. 210(2)						
Contingency authorization	18,917,000	NA	NA	(3,100,000)		
Funding source:						
Total state restricted revenues	18,917,000	NA	NA	(3,100,000)		
SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Hawthorn Center – psychiatric hospital – children and adolescents	51,474,200	55,990,400	(4,516,200)	(1,000,000)		
Funding source:						
Total other federal revenues	25,600,300	24,052,500	1,547,800	(1,000,000)		
Walter P. Reuther Psychiatric Hospital - adult	67,773,700	65,606,800	2,166,900	(1,900,000)		
Funding source:						
State general fund/general purpose	54,822,600	53,419,400	1,403,200	(1,900,000)		
TO: SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Caro Regional Mental Health Center – psychiatric hospital – adult	59,284,900	60,525,500	(1,240,600)	2,300,000		
Funding sources:						
Total federal revenues	3,248,000	3,210,400	37,600	1,000,000		
Total other state restricted revenues	3,126,400	3,203,600	(77,200)	1,300,000		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$6,000,000 (Continued)**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
TO: SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Center for forensic psychiatry	98,443,800	100,114,500	(1,670,700)	3,200,000		
Funding sources:						
Total other state restricted revenues	3,057,500	2,790,000	267,500	1,300,000		
State general fund/general purpose	83,070,300	85,031,700	(1,961,400)	1,900,000		
Walter P. Reuther Psychiatric Hospital – adult	67,773,700	65,606,800	2,166,900	500,000		
Funding source:						
Total other state restricted revenues	3,221,700	3,634,000	(412,300)	500,000		

The transfer is requested to align authorization with projected revenues and expenditures within the state psychiatric hospital line items. The transfer includes \$1.9 million in GF/GP and \$1.3 million in state restricted contingency authorization to the Center for Forensic Psychiatry, \$1.3 million in state restricted contingency authorization and \$1.0 million in federal authorization to the Caro Regional Mental Health Center, and \$500,000 in state restricted contingency authorization to the Walter P. Reuther Psychiatric Hospital.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$20,000,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 107. PUBLIC ASSISTANCE						
Food assistance program benefits	4,950,922,000	3,943,355,500	1,007,566,500	(20,000,000)		
Funding source:						
Total other federal revenues	4,946,212,000	3,939,664,800	1,006,547,200	(20,000,000)		
SEC. 116. FAMILY HEALTH SERVICES*						
Women, infant, and children program local agreements and food costs	231,285,000	210,088,900	21,196,100	20,000,000		
Funding source:						
Total other federal revenues	170,511,400	156,530,200	13,981,200	20,000,000		

The transfer would align authorization with projected revenues and expenditures within the Women, Infants, and Children Program Local Agreements and Food Costs line item. The Women, Infants, and Children Program Local Agreements and Food Costs line item is projected to need additional authorization due to an increase in monthly cash value benefit provided to families participating in the program.

*Note: This transfer would be for the Women, Infant, and Children Program Local Agreements and Food Costs line item but due to a technical error, was listed in the SBO transfer request as a transfer for the Healthy Michigan plan – behavioral health line item. The numbers reflected above are for the Women, Infant, and Children Program Local Agreements and Food Costs line.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$276,500,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Legal services	12,300,000	1,729,400	10,570,600	(5,000,000)		
Funding source:						
State general fund/general purpose	12,300,000	1,729,400	10,570,600	(5,000,000)		
SEC. 111. BEHAVIORAL HEALTH SERVICES						
Behavioral health community supports and services	43,950,800	22,631,800	21,319,000	(12,000,000)		
Funding source:						
State general fund/general purpose	35,601,100	22,463,000	13,138,100	(12,000,000)		
Medicaid mental health services	3,267,218,700	3,373,338,600	(106,119,900)	(8,000,000)		
Funding source:						
State general fund/general purpose	917,880,200	962,367,100	(44,486,900)	(8,000,000)		
SEC. 120. HEALTH SERVICES						
Dental services	367,398,500	334,910,400	32,488,100	(13,000,000)		
Funding sources:						
Total other federal revenues	261,525,900	238,426,700	23,099,200	(5,000,000)		
State general fund/general purpose	105,872,600	96,483,700	9,388,900	(8,000,000)		
Health plan services	6,535,126,300	6,143,016,700	392,109,600	(63,000,000)		
Funding source:						
Total other federal revenues	4,633,777,200	4,378,240,100	255,537,100	(63,000,000)		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$276,500,000 (Continued)**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 120. HEALTH SERVICES						
Healthy Michigan plan	5,472,647,400	5,302,118,000	170,529,400	(35,000,000)		
Funding sources:						
Total other federal revenues	4,875,914,000	4,771,282,900	104,631,100	(10,000,000)		
Total other state restricted revenues	511,324,900	445,737,500	65,587,400	(25,000,000)		
Hospital services and therapy	750,610,600	534,129,800	216,480,800	(82,000,000)		
Funding sources:						
Total other federal revenues	504,386,500	362,338,500	142,048,000	(52,000,000)		
State general fund/general purpose	7,618,900	18,168,500	(10,549,600)	(30,000,000)		
Medicare premium payments	851,166,300	820,868,700	30,297,600	(27,000,000)		
Funding source:						
State general fund/general purpose	139,102,600	111,614,900	27,487,700	(27,000,000)		
Pharmaceutical services	348,254,200	498,011,300	(149,757,100)	(25,000,000)		
Funding sources:						
Total other federal revenues	241,657,100	342,347,200	(100,690,100)	(12,000,000)		
State general fund/general purpose	103,310,200	151,893,800	(48,583,600)	(13,000,000)		
Special Medicaid reimbursement	329,485,300	264,071,400	65,413,900	(6,500,000)		
Funding source:						
Total other federal revenues	231,253,100	192,789,600	38,463,500	(6,500,000)		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$276,500,000 (Continued)**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
TO: SEC. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES						
Medical care and treatment	256,677,700	255,924,000	753,700	5,000,000		
Funding source:						
Total other federal revenues	150,664,700	149,745,300	919,400	5,000,000		
SEC. 120. HEALTH SERVICES						
Adult home help services	540,826,900	501,795,300	39,031,600	4,500,000		
Funding source:						
State general fund/general purpose	155,444,100	142,591,100	12,853,000	4,500,000		
Health plan services	6,535,126,300	6,143,016,700	392,109,600	52,000,000		
Funding sources:						
Total other state restricted revenues	1,552,880,600	1,387,573,700	165,306,900	25,000,000		
State general fund/general purpose	328,925,100	366,629,500	(37,704,400)	27,000,000		
Hospice services	152,492,400	133,909,900	18,582,500	6,000,000		
Funding source:						
State general fund/general purpose	46,611,100	42,787,800	3,823,300	6,000,000		
Long-term care services	2,051,124,200	1,980,804,900	70,319,300	155,000,000		
Funding sources:						
Total other federal revenues	1,420,177,200	1,373,457,600	46,719,600	100,000,000		
State general fund/general purpose	268,119,400	254,734,500	13,384,900	55,000,000		
Maternal and child health	22,255,500	8,644,800	13,610,700	6,000,000		
Funding source:						
Total other federal revenues	22,255,500	8,644,800	13,610,700	6,000,000		

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$276,500,000 (Continued)**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
TO: SEC. 120. HEALTH SERVICES						
Medicaid home-and community-based services waiver	458,577,000	448,384,800	10,192,200	18,500,000		
Funding sources:						
Total other federal revenues	327,970,400	320,482,100	7,488,300	15,500,000		
State general fund/general purpose	130,106,600	127,902,700	2,203,900	3,000,000		
Physician services	246,116,900	234,856,200	11,260,700	29,500,000		
Funding sources:						
Total other federal revenues	171,756,100	167,128,500	4,627,600	22,000,000		
State general fund/general purpose	74,360,800	67,727,300	6,633,500	7,500,000		

These transfers are part of the standard, final book-closing adjustments for the Department of Health and Human Services for FY 2022-23. Adjustments would shift GF/GP, state restricted, and associated federal Medicaid reimbursements to various line items throughout Medicaid programs to align department-estimated final book-closing expenditures. A number of expenditure amounts noted above are prior to accruals and receivables being booked into SIGMA, and so the recommended transfer amount may not appear to fully resolve a deficit balance but would once the anticipated accruals and receivables are booked.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$500,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
TO: SEC. 119. HEALTH AND AGING SERVICES ADMINISTRATION						
Healthy Michigan plan administration	31,826,800	9,919,800	21,907,000	(500,000)		
Funding source:						
Total other federal revenues	21,327,600	5,260,600	16,067,000	(500,000)		
 SEC. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES						
Children's special health care services administration	9,131,100	8,176,800	954,300	500,000		
Funding source:						
Total other federal revenues	3,730,800	3,735,700	(4,900)	500,000		

This transfer would increase federal authorization to allow expenditure of anticipated revenue related to sickle cell agreements within the Children's Special Health Care Services Administration line item. These agreements are eligible to receive 50% federal Medicaid match, which is not currently included in the budget.

LEGISLATIVE TRANSFER

BUDGET AREA: **LICENSING AND REGULATORY AFFAIRS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$750,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 106. CANNABIS REGULATORY AGENCY						
Medical marihuana program	5,031,900	2,302,585	2,729,315	(750,000)		
Funding source:						
Marihuana registry fund	5,031,900	2,302,585	2,729,315	(750,000)		
TO: SEC. 106. CANNABIS REGULATORY AGENCY						
Medical marihuana facilities licensing and tracking	6,546,100	6,204,027	342,073	50,000		
Funding source:						
Marihuana regulatory fund	6,546,100	6,204,027	342,073	50,000		
Recreational marihuana regulation	14,594,100	13,089,160	1,504,940	700,000		
Funding source:						
Marihuana regulation fund	14,594,100	13,089,160	1,504,940	700,000		

This transfer request would shift restricted funding authorization between three restricted fund sources to properly align authorization with final book closing expenditures for FY 2022-23 within the Cannabis Regulatory Agency (CRA) and its programs. This is a net-to-zero transfer by fund source, and would reduce funding authorization for the Medical Marihuana Program line item while increasing funding authorization for the Medical Marihuana Facilities Licensing and Tracking and the Recreational Marihuana Regulation line items by a like amount.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$59,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 10, SEC. 210(2)						
Contingency authorization	945,000	NA	NA	(59,000)		
Funding source:						
Total state restricted revenues	945,000	NA	NA	(59,000)		
TO: SEC. 102. MILITARY						
Headquarters and armories	21,931,200	22,252,900	(321,700)	59,000		
Funding source:						
Rental fees	167,100	225,700	(58,600)	59,000		

This request would transfer state restricted contingency authorization to the Headquarters and Armories line item to allow for the receipt and expenditure of revenue from armory rental fees. DMVA is authorized by statute (MCL32.754) to rent armory facilities and space to outside parties for temporary purposes. Rentals are often for members of the local community for purposes such as weddings, parties, elections, school events, etc. Spending authority is available from 2022 PA 166, Article 10, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$500,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 10, SEC. 210(1)						
Contingency authorization	8,600,000	NA	NA	(500,000)		
Funding source:						
Total federal revenues	8,600,000	NA	NA	(500,000)		
TO: SEC. 102. MILITARY						
Headquarters and armories	21,931,200	22,252,900	(321,700)	500,000		
Funding source:						
DOD-DOA-NGB	13,745,300	14,304,300	(559,000)	500,000		

This request would transfer federal contingency authorization to the Headquarters and Armories line item in order to align authorization with projected federal DOD-DOA-NGB revenue and expenditures. Expenditures exceeded original projections due to one-time costs of \$497,000 for an energy conservation audit to determine where and how energy efficiency may be improved at armory sites. Spending authority is available from 2022 PA 166, Article 10, Section 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$6,850,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 10, SEC. 210(1)						
Contingency authorization	8,600,000	NA	NA	(6,850,000)		
Funding source:						
Total federal revenues	8,600,000	NA	NA	(6,850,000)		
TO: SEC. 104. MICHIGAN VETERANS' FACILITY AUTHORITY						
Chesterfield Township home for veterans	21,267,800	20,849,500	418,300	3,000,000		
Funding source:						
USDVA-VHA	7,643,600	10,558,800	(2,915,200)	3,000,000		
D.J. Jacobetti home for veterans	25,184,600	23,386,700	1,797,900	3,600,000		
Funding source:						
USDVA-VHA	8,123,800	9,953,900	(1,830,100)	3,600,000		
Grand Rapids home for veterans	23,506,900	24,741,600	(1,234,700)	250,000		
Funding source:						
HHS-HCFA, Medicare, hospital insurance	390,900	481,000	(90,100)	250,000		

This request would transfer federal contingency authorization to the Chesterfield Township Home for Veterans and D.J. Jacobetti Home for Veterans lines to align authorization with projected federal USDVA-VHA revenue and expenditures. State veterans homes receive revenue from the U.S. Department of Veterans Affairs Veterans Health Administration based on home census numbers for members with service-connected disabilities and for skilled nursing care for all members.

This request would also transfer federal contingency authorization to the Grand Rapids Home for Veterans line item in order to align authorization with projected federal Medicare revenue and expenditures. Spending authority is available from 2022 PA 166, Article 10, Section 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$200,000**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/27/23	BALANCE AVAILABLE AS OF 10/27/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: PUBLIC ACT 166 OF 2022, ARTICLE 12 SEC. 210(2)						
Contingency authorization	331,900	NA	NA	(200,000)		
Funding source:						
Total state restricted revenues	331,900	NA	NA	(200,000)		
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Departmentwide	48,770,800	47,397,620	1,373,180	200,000		
Funding source:						
Total other state restricted revenues	1,253,600	872,535	381,065	200,000		

This transfer request would shift state restricted contingency authorization to the Departmentwide line item to align authorization with available vehicle sales revenue generated through the sale of surplus vehicles from the department's fleet. Revenue from vehicle sales would be used to support the department's ongoing fleet costs. Spending authority is available from state restricted contingency authorization, in accordance with 2022 PA 166, Article 12, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**
 FISCAL YEAR: **2022-23**
 TRANSFER AMOUNT: **\$153,644**

S.B.O. LETTER: **10/26/23**
 S.B.O. REQUEST: **2023-8**
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/26/23	BALANCE AVAILABLE AS OF 10/26/23	GOV'S REC. 10/26/23	HOUSE ACTION	SENATE ACTION
FROM: SEC. 108(11). REVENUE SHARING						
City, village, and township revenue sharing	279,557,400	279,403,638	153,762	(153,644)		
Funding source:						
Sales tax	279,557,400	279,403,638	153,762	(153,644)		
TO: SEC. 108(11). REVENUE SHARING						
Financially distressed cities, villages, or townships	2,500,000	2,282,861	217,139	153,644		
Funding source:						
Sales tax	2,500,000	2,282,861	217,139	153,644		

This transfer will make unexpended City, Village, and Township Revenue Sharing (CVTRS) funds available for expenditure under the program for Financially Distressed Cities, Villages, or Townships (FDCVT), in accordance with boilerplate section 952(5) of 2022 PA 166. There were no funds remaining in the County Incentive Program (CIP) to transfer for FY 2022-23.

CVTRS funds are available due to eligible units not qualifying for some or all of their payments. The FDCVT grant program supports grant funding to cities, villages, or townships with one or more conditions that indicate probable financial distress to pay for specific projects, services, or strategies that move a local unit toward financial stability. This transfer is requested as part of FY 2022-23 book closing. Consistent with prior years, these transfer amounts should not be rounded.