



86TH DISTRICT
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MICHIGAN HOUSE OF REPRESENTATIVES

THOMAS A. ALBERT

APPROPRIATIONS CHAIR

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November 10, 2021

Mr. Chris Harkins, Director
Office of the State Budget
Department of Technology, Management, and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Harkins,

For your information, the attached transfer package has been approved by a majority of the members of both the House and Senate Appropriations Committees.

The transfers approved are from the Office of the State Budget letter dated November 2, 2021, Legislative Transfer Request 2021-6. The transfers are for the departments of Corrections, Health and Human Services, Labor and Economic Opportunity, Licensing and Regulatory Affairs, Military and Veterans Affairs and School Aid.

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

Sincerely,

Thomas Albert, Chair
House Appropriations Committee

Jim Stamas, Chair
Senate Appropriations Committee

FINAL LEGISLATIVE TRANSFER PACKAGE



Mary Ann Cleary, Director
 Viola Bay Wild, Transfer Coordinator
 Compiled by Tumai Burris, Budget Assistant

Summary Sheet

SBO LETTER: 2021-6
 November 2, 2021

Department	Analyst	Page	Total Transfer
Corrections	Robin Risko	1	\$2,060,000
Health and Human Services	Sue Frey Kevin Koorstra Kent Dell Sydney Brown	2-7	132,600,000
Labor and Economic Opportunity	Viola Wild	8	20,000,000
Licensing and Regulatory Affairs	Marcus Coffin	9-11	3,258,000
Military and Veterans Affairs	Mike Cnossen	12-16	3,085,000
School Aid	Jacqueline Mullen, Samuel Christensen, Emily Hatch	17-18	1,961,000
Total			\$162,964,000

2021-6 Legislative Transfers

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Corrections	2,060,788,400						2,060,000	2,060,000	0.10%
Health and Human Services	32,652,991,000		54,200,000			100,000	73,300,000	127,600,000	0.39%
Licensing and Regulatory Affairs	484,389,600					3,258,000		3,258,000	0.67%
Military and Veterans Affairs	254,888,800		600,000				785,000	1,385,000	0.54%
School Aid	21,720,040,700					1,956,000	5,000	1,961,000	0.01%
TOTAL*	\$75,511,166,700	\$0	\$54,800,000	\$0	\$0	\$5,314,000	\$76,150,000	\$136,264,000	0.18%

*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		
Health and Human Services	32,652,991,000		5,000,000					5,000,000	0.02%
Labor and Economic Opportunity	2,667,735,500		15,000,000			5,000,000		20,000,000	0.75%
Military and Veterans Affairs	254,888,800		1,700,000					1,700,000	0.67%
TOTAL*	\$75,511,166,700	\$0	\$21,700,000	\$0	\$0	\$5,000,000	\$0	\$26,700,000	0.04%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$2,060,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/04/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 105. CORRECTIONAL FACILITIES						
Special alternative incarceration program - Jackson	6,452,400	3,170,947	3,281,453	(2,060,000)	(2,060,000)	(2,060,000)
Funding source:						
State general fund/general purpose	5,685,500	2,505,132	3,180,368	(2,060,000)	(2,060,000)	(2,060,000)
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Worker's compensation	9,714,400	11,764,980	(2,050,580)	2,060,000	2,060,000	2,060,000
Funding source:						
State general fund/general purpose	9,714,400	11,764,980	(2,050,580)	2,060,000	2,060,000	2,060,000

This request to transfer \$2.1 million in available GF/GP from the Special Alternative Incarceration Program line item to the Worker's Compensation line item will provide the additional funding necessary to cover an increase in costs for worker's compensation claims. Costs are higher than anticipated due to COVID-19 and a significant increase in claims submitted by department employees that contracted the virus. From January 1, 2020, to September 30, 2021, roughly 2,700 worker's compensation claims related to COVID-19 were filed by department employees. This number represents 70% of all claims filed during this time period and over 50% of all claim costs. This resulted in an increase of roughly \$4.3 million in worker's compensation costs over the previous fiscal year. The existing appropriation for worker's compensation was able to absorb a significant portion of the increased costs. The transfer is requested to cover the remaining costs.

Funding is available from the Special Alternative Incarceration Program line item which has unspent funds due to ongoing efficiencies from moving the program into the Cooper Street Correctional Facility and due to reduced census at various times during the fiscal year due to COVID-19. The transfer is requested to complete the FY 2020-21 book closing process.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$97,050,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 120. MEDICAL SERVICES						
Dental services	315,508,000	297,765,309	17,742,691	(18,000,000)	(18,000,000)	(18,000,000)
Funding source:						
State general fund/general purpose	93,112,300	87,513,466	5,598,834	(18,000,000)	(18,000,000)	(18,000,000)
Health plan services	6,134,334,400	5,610,578,500	523,755,900	(19,500,000)	(19,500,000)	(19,500,000)
Funding source:						
State general fund/general purpose	272,815,400	390,733,658	(117,918,258)	(19,500,000)	(19,500,000)	(19,500,000)
Healthy Michigan plan	5,065,757,700	4,835,546,727	230,210,973	(17,500,000)	(17,500,000)	(17,500,000)
Funding source:						
Total other federal revenues	4,550,341,400	4,356,172,963	194,168,437	(17,500,000)	(17,500,000)	(17,500,000)
Hospital services and therapy	824,699,100	646,553,242	178,145,858	(7,000,000)	(7,000,000)	(7,000,000)
Funding source:						
State general fund/general purpose	22,609,600	50,252,454	(27,642,854)	(7,000,000)	(7,000,000)	(7,000,000)
Long-term care services	1,829,811,000	1,668,337,305	161,473,695	(28,350,000)	(28,350,000)	(28,350,000)
Funding sources:						
Total other state restricted revenue	309,793,700	268,135,220	41,658,480	(100,000)	(100,000)	(100,000)
State general fund/general purpose	225,825,700	181,412,281	44,413,419	(28,250,000)	(28,250,000)	(28,250,000)
Medicare premium payments	689,098,200	684,738,506	4,359,694	(6,700,000)	(6,700,000)	(6,700,000)
Funding source:						
Total other federal revenues	583,751,800	567,909,658	15,842,142	(6,700,000)	(6,700,000)	(6,700,000)

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$97,050,000 (Continued)**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
TO: SEC. 111. BEHAVIORAL HEALTH SERVICES						
Medicaid mental health services	2,751,847,100	2,901,349,008	(149,501,908)	8,000,000	8,000,000	8,000,000
Funding source:						
State general fund/general purpose	744,223,500	823,133,934	(78,910,434)	8,000,000	8,000,000	8,000,000
SEC. 120. MEDICAL SERVICES						
Adult home help services	391,978,700	342,756,152	49,222,548	5,500,000	5,500,000	5,500,000
Funding source:						
State general fund/general purpose	114,124,500	103,067,817	11,056,683	5,500,000	5,500,000	5,500,000
Ambulance services	9,942,000	7,760,804	2,181,196	200,000	200,000	200,000
Funding sources:						
Total other federal revenues	6,844,200	5,589,733	1,254,467	100,000	100,000	100,000
Total other state restricted revenues	686,900	566,995	119,905	100,000	100,000	100,000
Auxiliary medical services	6,852,800	6,008,524	844,276	500,000	500,000	500,000
Funding source:						
Total other federal revenues	4,718,900	4,289,194	429,706	500,000	500,000	500,000
Federal Medicare pharmaceutical program	250,910,000	258,796,114	(7,886,114)	8,500,000	8,500,000	8,500,000
Funding source:						
State general fund/general purpose	250,910,000	258,796,114	(7,886,114)	8,500,000	8,500,000	8,500,000

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$97,050,000 (Continued)**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
TO: SEC. 120. MEDICAL SERVICES						
Home health services	3,022,600	2,429,968	592,632	100,000	100,000	100,000
Funding source:						
Total other federal revenues	1,975,600	1,738,185	237,415	100,000	100,000	100,000
Hospital disproportionate share payments	45,000,000	42,037,961	2,962,039	2,700,000	2,700,000	2,700,000
Funding source:						
State general funds/general purpose	8,649,000	7,596,452	1,052,548	2,700,000	2,700,000	2,700,000
Integrated care organizations	308,438,200	298,270,197	10,168,003	19,000,000	19,000,000	19,000,000
Funding sources:						
Total other federal revenues	206,194,400	201,415,313	4,779,087	12,000,000	12,000,000	12,000,000
State general funds/general purpose	102,243,800	96,854,884	5,388,916	7,000,000	7,000,000	7,000,000
Medicaid home-and community-based services waiver	374,186,500	364,996,923	9,189,577	5,000,000	5,000,000	5,000,000
Funding sources:						
Total other federal revenues	262,357,400	256,181,392	6,176,008	3,000,000	3,000,000	3,000,000
State general fund/general purpose	111,329,100	108,815,531	2,513,569	2,000,000	2,000,000	2,000,000
Medicare premium payments	689,098,200	684,738,506	4,359,694	10,000,000	10,000,000	10,000,000
Funding source:						
State general funds/general purpose	105,346,400	116,828,848	(11,482,448)	10,000,000	10,000,000	10,000,000

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$97,050,000 (Continued)**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
TO: SEC. 120. MEDICAL SERVICES						
Personal care services	8,289,400	7,536,761	752,639	50,000	50,000	50,000
Funding source:						
State general fund/general purpose	2,514,600	2,299,723	214,877	50,000	50,000	50,000
Pharmaceutical services	288,857,600	237,746,915	51,110,685	28,000,000	28,000,000	28,000,000
Funding source:						
State general funds/general purpose	62,838,200	69,669,190	(6,830,990)	28,000,000	28,000,000	28,000,000
Physician services	242,759,900	211,369,303	31,390,597	8,500,000	8,500,000	8,500,000
Funding sources:						
Total other federal revenues	171,019,700	151,695,102	19,324,598	7,500,000	7,500,000	7,500,000
State general funds/general purpose	71,740,200	59,674,202	12,065,998	1,000,000	1,000,000	1,000,000
Transportation	16,703,200	16,217,813	485,387	1,000,000	1,000,000	1,000,000
Funding source:						
Total other federal revenues	10,215,600	10,838,571	(622,971)	1,000,000	1,000,000	1,000,000

This transfer would adjust federal, state restricted, and GF/GP authorization within the Medical Services and Behavioral Health Services program line items to align with the forecasted final book-closing expenditures for these Medicaid caseload expenditure line items. 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: **2020-21**
 TRANSFER AMOUNT: **\$550,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Kalamazoo Psychiatric Hospital - adult	74,250,200	66,328,581	7,921,619	(550,000)	(550,000)	(550,000)
Funding source:						
State general fund/general purpose	54,343,900	54,893,975	(550,075)	(550,000)	(550,000)	(550,000)
TO: SEC. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Walter P. Reuther Psychiatric Hospital – adult	62,153,100	67,110,896	(4,957,796)	550,000	550,000	550,000
Funding source:						
State general fund/general purpose	47,885,400	53,623,727	(5,738,327)	550,000	550,000	550,000

This transfer request would shift \$550,000 GF/GP from the Kalamazoo Psychiatric Hospital line item to the Walter P. Reuther Psychiatric Hospital line item. The 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: **2020-21**
 TRANSFER AMOUNT: **\$35,000,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Sydney Brown**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 6 SEC. 210(1)						
Contingency funds	5,171,300	NA	NA	(5,000,000)	(5,000,000)	(5,000,000)
Funding source:						
Total federal revenues	5,171,300	NA	NA	(5,000,000)	(5,000,000)	(5,000,000)
SEC. 119. MEDICAL SERVICES ADMINISTRATION						
Electronic health record incentive program	37,477,500	0	37,477,500	(16,000,000)	(16,000,000)	(16,000,000)
Funding source:						
Total other federal revenues	37,477,500	0	37,477,500	(16,000,000)	(16,000,000)	(16,000,000)
SEC. 107. PUBLIC ASSISTANCE						
Low-income home energy assistance program	174,951,600	137,278,033	37,673,567	(14,000,000)	(14,000,000)	(14,000,000)
Funding source:						
Capped federal revenues	174,951,600	137,278,033	37,673,567	(14,000,000)	(14,000,000)	(14,000,000)
TO: SEC. 107. PUBLIC ASSISTANCE						
Food assistance program benefits	3,813,542,100	3,820,549,911	(7,007,811)	35,000,000	35,000,000	35,000,000
Funding source:						
Total other federal funds	3,808,832,100	3,817,799,618	(8,967,518)	35,000,000	35,000,000	35,000,000

This transfer request would shift \$5.0 million in federal contingency authorization, \$14.0 million federal authorization from the Low-Income Home Energy Assistance Program line item, and \$16.0 million federal authorization from the Electronic Health Record Incentive Program line item to the Food Assistance Program Benefits line item. The transfer would provide authorization for end of year accruals to the Food Assistance Program. Federal authority is available in the Low-Income Home Energy Assistance Program and the Electronic Health Record Incentive Program line items due to lower than anticipated expenditures in FY 2020-21. Federal contingency funds are available in accordance with 2020 PA 166, Article 6, Sec. 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: **LABOR AND ECONOMIC OPPORTUNITY**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$20,000,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Viola Bay Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 980 (1)(2)						
Contingency funds	20,000,000	NA	NA	(20,000,000)	(20,000,000)	(20,000,000)
Funding sources:						
Total federal revenues	15,000,000	NA	NA	(15,000,000)	(15,000,000)	(15,000,000)
Total state restricted revenues	5,000,000	NA	NA	(5,000,000)	(5,000,000)	(5,000,000)
TO: SEC. 109(6). UNEMPLOYMENT						
Unemployment insurance agency	293,478,900	291,015,990	2,462,910	20,000,000	20,000,000	20,000,000
Funding source:						
DOL-ETA, unemployment insurance	272,241,500	270,106,128	2,135,372	15,000,000	15,000,000	15,000,000
Contingent fund, penalty and interest account	21,237,400	20,909,862	327,538	5,000,000	5,000,000	5,000,000

This transfer provides a total of \$20.0 million in contingency authorization (\$15.0 million federal, \$5.0 million state restricted) to the Unemployment Insurance Agency (UIA) line item to cover contractor costs from work done during the COVID-19 pandemic because of the high volume of unemployment claims. Contractors provided UIA with a range of supports including call center support, fraud detection, and other assistance on fraud and adjudication. US Department of Labor has provided additional above-base federal funding to UIA to support these increased expenditures, and UIA has sufficient federal revenue to support the federal contingency fund transfer. An additional \$5.0 million in state restricted authorization from the Penalty & Interest Fund will fund expenditures that the federal revenues cannot. There is sufficient Penalty & Interest Fund revenue to support these additional expenditures.

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$2,188,000

S.B.O. LETTER: 11/2/21
 S.B.O. REQUEST: 2021-6
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 109. INFORMATION TECHNOLOGY						
Information technology services and projects	19,390,100	19,739,468	(349,368)	(2,188,000)	(2,188,000)	(2,188,000)
Funding sources:						
Corporation fees	4,693,100	2,941,459	1,751,641	(748,000)	(748,000)	(748,000)
Health systems fees	348,200	103,157	245,043	(150,000)	(150,000)	(150,000)
Licensing and regulation fund	1,901,700	833,367	1,068,333	(900,000)	(900,000)	(900,000)
PMECSEMA fund	68,600	19,928	48,672	(40,000)	(40,000)	(40,000)
Public utility assessments	1,508,200	1,004,831	503,369	(350,000)	(350,000)	(350,000)
TO: SEC. 109. INFORMATION TECHNOLOGY						
Information technology services and projects	19,390,100	19,739,468	(349,368)	2,188,000	2,188,000	2,188,000
Funding sources:						
Construction code fund	778,800	1,403,063	(624,263)	619,600	619,600	619,600
Fire service fees	199,200	559,222	(360,022)	391,300	391,300	391,300
Health professions regulatory fund	1,371,300	1,702,353	(331,053)	336,100	336,100	336,100
Marihuana registry fund	352,100	401,099	(48,999)	61,000	61,000	61,000
Marihuana regulation fund	270,900	526,915	(256,015)	269,100	269,100	269,100
Marihuana regulatory fund	291,800	689,947	(398,147)	426,800	426,800	426,800
Mobile home code fund	171,400	249,648	(78,248)	84,100	84,100	84,100

This legislative transfer request would shift \$2.2 million between state restricted funding sources in the Information Technology Services and Projects (IT) line item, pursuant to the Management and Budget Act (MCL 18.1393). This adjustment is necessary to align expenditures from various state restricted fund sources to support ongoing maintenance costs of IT projects in several department bureaus. Revenues are available in each of the necessary funds to support the costs, and excess authority is available in multiple fund sources due to savings from decreased maintenance costs associated with the L2K/My License system and vacancies within DTMB.

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$70,000

S.B.O. LETTER: 11/2/21
 S.B.O. REQUEST: 2021-6
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of fire services	12,552,700	10,387,029	2,165,671	(70,000)	(70,000)	(70,000)
Funding source:						
Fire service fees	2,662,100	2,346,247	315,853	(70,000)	(70,000)	(70,000)
TO: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of fire services	12,552,700	10,387,029	2,165,671	70,000	70,000	70,000
Funding source:						
Aboveground storage tank fees	230,400	607,468	(377,068)	70,000	70,000	70,000

This legislative transfer request would shift \$70,000 between state restricted funding sources in the Bureau of Fire Services line item, pursuant to the Management and Budget Act (MCL 18.1393). This adjustment is requested to align expenditures with available revenues for Aboveground Storage Tank Fees, in support of Aboveground Storage Tank program activities, which pertain to the regulation of storage of a variety of flammable liquids. Spending authorization and revenue is sufficient to support this adjustment.

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$1,000,000

S.B.O. LETTER: 11/2/21
 S.B.O. REQUEST: 2021-6
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/3/21	BALANCE AVAILABLE AS OF 11/3/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of construction codes	23,980,600	16,992,034	6,988,566	(1,000,000)	(1,000,000)	(1,000,000)
Funding source:						
Mobile home code fund	3,088,500	953,902	2,134,598	(1,000,000)	(1,000,000)	(1,000,000)
TO: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of construction codes	23,980,600	16,992,034	6,988,566	1,000,000	1,000,000	1,000,000
Funding source:						
Construction code fund	8,335,400	8,526,361	(190,961)	1,000,000	1,000,000	1,000,000

This legislative transfer request would shift \$1,000,000 between state restricted funding sources in the Bureau of Construction Code line item, pursuant to the Management and Budget Act (MCL 18.1393). This adjustment is necessary to align expenditures with available revenues to support regulatory activities within the Bureau. Spending authorization and revenue is sufficient to support this adjustment. These adjustments were incorporated into the enacted budget for FY 2021-22.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$250,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 107. ONE-TIME APPROPRIATIONS						
Coronavirus response activities	1,650,000	486,976	1,163,024	(250,000)	(250,000)	(250,000)
Funding source:						
State general fund/general purpose	1,650,000	486,976	1,163,024	(250,000)	(250,000)	(250,000)
TO: SEC. 106. INFORMATION TECHNOLOGY						
Information technology services and projects	1,991,000	1,550,539	440,461	250,000	250,000	250,000
Funding source:						
State general fund/general purpose	528,500	793,473	(264,973)	250,000	250,000	250,000

This request would transfer \$250,000 in GF/GP authorization from the Coronavirus Response Activities line item to the Information Technology Services and Projects line item to support departmental IT costs related to the installation of Wi-Fi at military training sites and support facilities and the migration of departmental IT systems to supported applications. The Coronavirus Response Activities line item was appropriated under 2020 PA 257 for various COVID-19 response purposes including providing a 25% state spending match for Federal Emergency Management Agency (FEMA) support of National Guard active duty costs. FEMA has revised the federal reimbursement rate to 100% for National Guard COVID-19 missions through December 31, 2021, freeing up available spending authorization.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$385,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 107. ONE-TIME APPROPRIATIONS						
Coronavirus response activities	1,650,000	486,976	1,163,024	(385,000)	(385,000)	(385,000)
Funding source:						
State general fund/general purpose	1,650,000	486,976	1,163,024	(385,000)	(385,000)	(385,000)
TO: SEC. 102. MILITARY						
National guard operations	408,200	576,751	(168,551)	385,000	385,000	385,000
Funding source:						
State general fund/general purpose	96,400	463,441	(367,041)	385,000	385,000	385,000

This request would transfer \$385,000 in GF/GP authorization from the Coronavirus Response Activities line item to the National Guard Operations line item to cover expenses incurred during two state active duty missions in Michigan: November 2020 election support and January 2021 state capitol response. The Coronavirus Response Activities line item was appropriated under 2020 PA 257 for various COVID-19 response purposes including providing a 25% state spending match for Federal Emergency Management Agency (FEMA) support of National Guard active duty costs. FEMA has revised the federal reimbursement rate to cover 100% of costs for National Guard COVID-19 missions through December 31, 2021, freeing up available spending authorization.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$150,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 107. ONE-TIME APPROPRIATIONS						
Coronavirus response activities	1,650,000	486,976	1,163,024	(150,000)	(150,000)	(150,000)
Funding source:						
State general fund/general purpose	1,650,000	486,976	1,163,024	(150,000)	(150,000)	(150,000)
TO: SEC. 102. MILITARY						
Headquarters and armories	20,871,100	22,181,696	(1,310,596)	150,000	150,000	150,000
Funding source:						
State general fund/general purpose	7,705,900	7,625,282	80,618	150,000	150,000	150,000

This request would transfer \$150,000 in GF/GP authorization from the Coronavirus Response Activities line item to the Headquarters and Armories line item to support operations at DMVA's central office as well as statewide armory locations. Funding will be used to cover necessary costs of complying with federal grant requirements and for securing future federal funding. The Coronavirus Response Activities line item was appropriated under 2020 PA 257 for various COVID-19 response purposes including providing a 25% state spending match for Federal Emergency Management Agency (FEMA) support of National Guard active duty costs. FEMA has revised the federal reimbursement rate to cover 100% of costs for National Guard COVID-19 missions through December 31, 2021, freeing up available spending authorization.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$600,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SEC. 102. MILITARY						
Michigan youth challenge academy	9,759,900	7,283,194	2,476,706	(600,000)	(600,000)	(600,000)
Funding source:						
DOD – DOA – NGB	6,654,900	5,256,746	1,398,154	(600,000)	(600,000)	(600,000)
TO: SEC. 102. MILITARY						
Departmentwide	1,792,200	2,284,639	(492,439)	600,000	600,000	600,000
Funding source:						
DOD – DOA – NGB	1,512,800	2,097,613	(584,813)	600,000	600,000	600,000

This request would transfer federal DOD – DOA – NGB authorization from the Michigan Youth Challenge Academy line item to the Departmentwide line item to align authorization with federal revenue received under the department's Cooperative Agreement grants from the federal National Guard Bureau. The Departmentwide line item appropriation is used for travel and training, State of Michigan fleet vehicles, worker's compensation, and equipment purchases. Funding will be used for a lifecycle replacement of a heavy-duty truck with outfitting, a utility tractor, a min excavator, and physical training equipment for members of the National Guard. Spending authority is available in the Michigan Youth Challenge Academy line item due to lower cadre staffing for the program as a result of the effect of COVID-19 on recruitment efforts for the program in FY 2020-21.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$1,700,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 10 SEC. 210(1)						
Contingency funds	4,134,000	NA	NA	(1,700,000)	(1,700,000)	(1,700,000)
Funding source:						
Total federal revenues	4,134,000	NA	NA	(1,700,000)	(1,700,000)	(1,700,000)
TO: SEC. 102. MILITARY						
Headquarters and armories	20,871,100	22,181,696	(1,310,596)	1,700,000	1,700,000	1,700,000
Funding source:						
DOD – DOA – NGB	12,997,900	14,556,415	(1,558,515)	1,700,000	1,700,000	1,700,000

This request would transfer federal contingency authorization to the Headquarters and Armories line item to align authorization with federal revenue received under the department's Cooperative Agreement grants from the federal National Guard Bureau. The Headquarters and Armories appropriation funds operations at DMVA central office as well as statewide armory locations. Funding would be used for life-cycle replacement of office furniture at the central office and various armories, replacing facility lighting and upgrading to LED lights, and environmental projects. Spending authority is available from 2020 PA 166, Article 10, Section 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$1,961,000**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYSTS: **Jacqueline Mullen, Samuel Christensen, Emily Hatch**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
FROM: SCHOOL AID						
Sec. 22b – Discretionary payment	4,558,000,000	4,537,722,204	20,277,796	(696,000)	(696,000)	(696,000)
Funding source:						
School aid fund	4,474,002,400	4,457,683,774	16,318,626	(691,000)	(691,000)	(691,000)
State general fund/general purpose	4,197,600	238,430	3,959,170	(5,000)	(5,000)	(5,000)
Sec. 31f – School breakfast programs	11,900,000	0	11,900,000	(680,000)	(680,000)	(680,000)
Funding source:						
School aid fund	11,900,000	0	11,900,000	(680,000)	(680,000)	(680,000)
Sec. 51a(2) – Special education foundations (ISDs)	319,000,000	299,565,334	19,434,666	(585,000)	(585,000)	(585,000)
Funding source:						
School aid fund	319,000,000	299,565,334	19,434,666	(585,000)	(585,000)	(585,000)
TO: SCHOOL AID						
Sec. 147e – MPSERS reforms – defined contribution payments	33,800,000	33,799,999	1	470,000	470,000	470,000
Funding source:						
School aid fund	33,800,000	33,799,999	1	470,000	470,000	470,000
Sec. 147a(2) – MPSERS normal cost offset	190,500,000	190,500,000	0	226,000	226,000	226,000
Funding source:						
School aid fund	190,430,000	190,430,000	0	221,000	221,000	221,000
State general fund/general purpose	70,000	70,000	0	5,000	5,000	5,000
Sec. 31d – School lunch programs	939,965,500	681,369,980	258,595,520	680,000	680,000	680,000
Funding source:						
School aid fund	23,838,400	23,128,967	709,433	680,000	680,000	680,000

LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$1,961,000 (Continued)**

S.B.O. LETTER: **11/2/21**
 S.B.O. REQUEST: **2021-6**
 ANALYSTS: **Jacqueline Mullen, Samuel Christensen, Emily Hatch**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 11/4/21	BALANCE AVAILABLE AS OF 11/4/21	GOV'S REC. 11/2/21	HOUSE ACTION 11/10/21	SENATE ACTION 11/9/21
TO: SCHOOL AID						
Sec. 51a(11) – Special education non-section 52 to ISDs	2,400,000	2,400,000	0	585,000	585,000	585,000
Funding source: School aid fund	2,400,000	2,400,000	0	585,000	585,000	585,000

This request provides necessary FY 2020-21 transfers to fully fund projected payments under Sec. 31d - School Lunch; Sec. 51a(11) - Special Education Non-Section 52 to ISDs; Sec. 147a(2) - MPSERS Normal Cost Offset; and Sec. 147e - MPSERS Defined Contribution Payments. Amounts appropriated in the State School Aid Act were estimates. Actual costs exceeded these estimates.

Excess authorization exists in Sec. 31f - School Breakfast; Sec. 51a(2) - Special Education Foundation Payments; and Sec. 22b - Discretionary Payment to offset these costs.

Note: Sec. 31d – School lunch programs includes an additional \$155,500 in federal funding over the estimated amount in statute. This section specifies that the appropriated amount is "all available federal funding, estimated at" and an additional \$155,500 in federal funds has become available since the budget was enacted.