

SENATE FISCAL AGENCY  
MEMORANDUM



**DATE:** October 30, 2018  
**TO:** Members of the Senate Appropriations Committee  
**FROM:** Ellen Jeffries, Director  
**RE:** Administrative Transfer Request 2018-10

The attached FY 2017-18 **Administrative Transfer** request was received on October 26, 2018, from the State Budget Office. Under the provisions of the Management and Budget Act, administrative transfers are effective not less than 30 days after the House and Senate Appropriations Committees are notified of the transfers, unless rejected by either Appropriations Committee (by November 25, 2018, in this case). The Act allows administrative transfers for the following purposes only:

- to adjust for current cost and price variations from the enacted budget;
- to adjust amounts between Federal sources of financing for a specific appropriation line item;
- to adjust amounts between restricted sources of financing for a specific appropriation line item;
- to cover the cost of court judgments, including court-approved consent judgments;
- to pay all settlements and claims.

<u>Department/Budget Area</u>	<u>Amount</u>	<u>Fiscal Analyst</u>
Corrections	2,400,000	Abbey Frazier
Licensing and Regulatory Affairs	2,777,200	Elizabeth Raczowski

If you have any questions, please contact me or the fiscal analyst listed for the budget area.

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Attachments

c: Tom Davis  
David Ettinger

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** October 29, 2018  
**TO:** Members of the Appropriations Subcommittee on Corrections  
**FROM:** Abbey Frazier, Fiscal Analyst  
**RE:** Administrative Transfer Request 2018-10

The State Budget Office has requested the following administrative transfer:

<b>CORRECTIONS</b>		<b>Transfer Amount</b>
<b>FROM:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Worker's compensation	(2,400,000)
	State general fund/general purpose	(2,400,000)
<b>TO:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Budget and operations administration	2,400,000
	State general fund/general purpose	2,400,000

This request transfers \$2.4 million in General Fund authorization from the Worker's Compensation line to the Budget and Operations Administration line to provide funding for court judgements and settlements pursuant to MCL 18.1393 of the Management and Budget Act. Spending authority is available as a result of identified cost savings in the Worker's Compensation line.

The transfer above meets the criteria for an administrative transfer as set forth in the Management and Budget Act (Public Act 431 of 1984). It will automatically be effective on November 25, 2018, unless rejected by either the House or Senate Appropriations Committee. If you have any questions, please let me know.

- c: Ellen Jeffries, Director  
 Steve Angelotti, Associate Director  
 Tom Davis, Senate Majority Policy Office  
 David Ettinger, Senate Democratic Office

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** October 30, 2018  
**TO:** Members of the Appropriations Subcommittee on Licensing and Regulatory Affairs  
**FROM:** Elizabeth Raczkowski, Fiscal Analyst  
**RE:** Administrative Transfer Request 2018-10

The State Budget Office has requested the following administrative transfers:

**LICENSING AND REGULATORY AFFAIRS**

		Transfer Amount
<b>FROM:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Executive director programs	(232,700)
	Construction code fund	(65,000)
	Liquor purchase revolving fund	(150,000)
	Securities fees	(17,700)

<b>TO:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Executive director programs	232,700
	Asbestos abatement fund	10,000
	Boiler inspection fund	8,500
	Elevator fees	12,000
	Health professions regulatory fund	76,500
	Health system fees	21,000
	Marihuana registry fund	3,200
	Public utility assessments	17,500
	Radiological health fees	12,000
	Safety education and training fund	72,000

This transfer is requested for the Executive Director Programs appropriation line to properly align funding with expenditures. Due to several organizational changes within the Department in recent years, actual cost allocation expenditures differ from the fund source allocations established in the enacted budget.

<b>FROM:</b>	<b>INFORMATION TECHNOLOGY</b>	
	Information technology services and projects	(1,146,500)
	Aboveground storage tank fees	(20,000)
	Accountancy enforcement fund	(400)
	Asbestos abatement fund	(20,000)
	Boiler inspection fund	(62,000)
	Construction code fund	(175,000)
	Distance education fund	(2,000)
	Marihuana registry fund	(60,000)
	Mobile home code fund	(140,000)
	PMECSEMA fund	(178,600)
	Private occupational school license fees	(4,000)
	Real estate appraiser education fund	(500)

<b>FROM:</b>	<b>INFORMATION TECHNOLOGY CONTINUED</b>	
	Real estate education fund	(3,000)
	Refined petroleum fund	(6,000)
	Restructuring mechanism assessments	(16,000)
	Retired engineers technical assistance program fund	(5,000)
	Second injury fund	(130,000)
	Securities investor education and training fund	(1,000)
	Self-insurers security fund	(105,000)
	Silicosis and dust disease fund	(68,000)
Tax tribunal fund	(150,000)	

<b>TO:</b>	<b>INFORMATION TECHNOLOGY</b>	
	Information technology services and projects	1,146,500
	Corporation fees	1,146,500

This transfer is requested for the Information Technology Services and Projects appropriation line to support the implementation, programming, and maintenance costs of the new Corporations Online Filing System (COFS) project that was launched in the current fiscal year. The transfer shifts authorization from various State restricted funds to Corporation Fees, the appropriation fund source for the project. As a new filing and public search system, COFS provides enhanced access, usability, and tools for individuals who are looking to plan, start, or maintain their business in the state.

<b>FROM:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Administrative services	(673,000)
	Construction code fund	(175,000)
	Health professions regulatory fund	(100,000)
	Licensing and regulation fund	(100,000)
	Liquor purchase revolving fund	(248,000)
Tax tribunal fund	(50,000)	

<b>TO:</b>	<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
	Administrative services	673,000
	Corporation fees	250,000
	Elevator fees	28,000
	Marihuana registry fund	75,000
	Public utility assessments	258,000
	Real estate education fund	6,000
	Restructuring mechanism assessments	21,000
	Safety education and training fund	15,000
	Securities fees	17,000
	Security business fund	3,000

This transfer requested for the Administrative Services appropriation line will properly align funding with expenditures. Due to several organizational changes within the Department in recent years, actual cost allocation expenditures differ from the fund source allocations established in the enacted budget.

<b>FROM:</b>	<b>OCCUPATIONAL REGULATION</b>	
	Bureau of fire services	(75,000)
	Fire services fees	(75,000)

<b>TO:</b>	<b>OCCUPATIONAL REGULATION</b>	
	Bureau of fire services	75,000
	Aboveground storage tank fees	75,000

Revenue from aboveground storage tank fees for FY 2017-18 exceeded appropriations in the enacted budget. This transfer between State restricted fund sources for the aboveground storage tank program will provide the authority necessary to fund remaining regulatory activities.

<b>FROM:</b>	<b>OCCUPATIONAL REGULATION</b>	
	Corporations, securities, and commercial licensing bureau	(650,000)
	Distance education fund	(100,000)
	Securities fees	(170,000)
	Securities investor education and training fund	(280,000)
	Security business fund	(100,000)

<b>TO:</b>	<b>OCCUPATIONAL REGULATION</b>	
	Corporations, securities, and commercial licensing bureau	650,000
	Corporation fees	450,000
	Licensing and regulation fund	200,000

This transfer for the Corporations, Securities, and Commercial Licensing Bureau appropriation line will properly align the funding consistent with updated cost allocation methodologies, and for the costs associated with providing notification to more than 800,000 active businesses as part of the new Corporations Online Filing System (COFS) project that was initiated in the current year.

The transfers above meet the criteria for administrative transfers as set forth in the Management and Budget Act (Public Act 431 of 1984). They will automatically be effective on November 25, 2018, unless rejected by either the House or Senate Appropriations Committee. If you have any questions, please let me know.

- c: Ellen Jeffries, Director
- Bill Bowerman, Associate Director
- Tom Davis, Senate Majority Policy Office
- David Ettinger, Senate Democratic Office