

SENATE FISCAL AGENCY
MEMORANDUM



DATE: November 12, 2020
TO: Members of the Senate Appropriations Committee
FROM: Christopher Harkins, Director
RE: Administrative Transfer Request 2020-10

The attached FY 2019-20 **Administrative Transfer** request was received on October 30, 2020, 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 30, 2020, 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 | <u>\$2,600,000</u> | Joe Carrasco |
| TOTAL | \$2,600,000 | |

If you have any questions, please contact me or Joe.

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Attachment

c: Tom Davis
David Ettinger

**SENATE FISCAL AGENCY
MEMORANDUM**



DATE: November 6, 2020
TO: Members of the Appropriations Subcommittee on Justice and Public Safety
FROM: Joe Carrasco, Fiscal Analyst
RE: Administrative Transfer Request 2020-10

The State Budget Office has requested the following administrative transfer:

| CORRECTIONS | | Transfer Amount |
|--------------------|--|------------------------|
| FROM: | DEPARTMENTAL ADMINISTRATION AND SUPPORT | |
| | Worker's compensation | (2,600,000) |
| | State general fund/general purpose | (2,600,000) |
| TO: | DEPARTMENTAL ADMINISTRATION AND SUPPORT | |
| | Budget and operations administration | 2,600,000 |
| | State general fund/general purpose | 2,600,000 |

This request transfers \$2.6 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. Funding is available as a result of cost savings in the Worker's Compensation line. Over the last decade the Department has reduced worker's compensation expenditures by nearly 60% from a high of \$18.9 million in FY 2009-10 down to \$10.0 million in FY 2019-20.

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 30, 2020, unless rejected by either the House or Senate Appropriations Committee. If you have any questions, please let me know.

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

