

SENATE FISCAL AGENCY  
MEMORANDUM



**DATE:** March 13, 2020  
**TO:** Members of the Senate Appropriations Committee  
**FROM:** Christopher Harkins, Director  
**RE:** Administrative Transfer Request 2020-2

The attached FY 2019-20 **Administrative Transfer** requests were received on March 12, 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 April 11, 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>
Agriculture and Rural Development	\$150,000	Bruce Baker
Insurance and Financial Services	1,400,000	Elizabeth Raczowski
<b>TOTAL</b>	<b>\$1,550,000</b>	

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

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Attachment

c: Tom Davis  
David Ettinger

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** March 13, 2020  
**TO:** Members of the Appropriations Subcommittee on Agriculture and Rural Development  
**FROM:** Bruce Baker, Fiscal Analyst  
**RE:** Administrative Transfer Request 2020-2

The State Budget Office has requested the following administrative transfer:

<b>AGRICULTURE AND RURAL DEVELOPMENT</b>		<b>Transfer Amount</b>
<b>FROM:</b>	<b>ENVIRONMENTAL STEWARDSHIP</b>	
	Qualified forest program	(150,000)
	IDG from MDNR, forest development fund	(150,000)
<b>TO:</b>	<b>ENVIRONMENTAL STEWARDSHIP</b>	
	Qualified forest program	150,000
	Private forestland enhancement fund	150,000

This administrative transfer request aligns spending authorization for the Qualified Forest Program between IDG from MDNR Forest Development Funds and Private Forestland Enhancement Resources with a zero net change in gross appropriations. Private Forestland Enhancement Fund revenue is available due to fund balance reserve and will be utilized to cover annual operational expenses.

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 April 11, 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

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** March 13, 2020  
**TO:** Members of the Appropriations Subcommittee on Insurance and Financial Services  
**FROM:** Elizabeth Raczkowski, Fiscal Analyst  
**RE:** Administrative Transfer Request 2020-2

The State Budget Office has requested the following administrative transfer(s):

<b>INSURANCE AND FINANCIAL SERVICES</b>		<b>Transfer Amount</b>
<b>FROM:</b>	<b>INSURANCE AND FINANCIAL SERVICES REGULATION</b>	
	Financial institutions evaluation	(1,200,000)
	Consumer finance fees	(400,00)
	MBLSLA fund	(800,000)
	Insurance evaluation	(200,000)
	Multiple employer welfare arrangement	(200,000)
<b>TO:</b>	<b>INSURANCE AND FINANCIAL SERVICES REGULATION</b>	
	Financial institutions evaluation	1,200,000
	Bank fees	400,00
	Insurance licensing and regulation fees	800,00
	Insurance evaluation	200,000
	Captive insurance regulatory and supervision fund	200,000

The transfer of \$200,000 within the Insurance Evaluation line item will more accurately reflect regulatory activity taking place pertaining to captive insurers. Since first authorized under PA 29 of 2008, the number of captive insurers has grown within the state. This transfer will provide authorization for revenues collected from captive insurance regulatory fees as specified under Sec. 4673 of PA 218 of 1956 (MCL 500.4673). Authority is available from the multiple employer welfare arrangements fees as the regulatory activity costs are less than originally estimated

The transfer of \$800,000 within the Financial Institutions Evaluation line item will more accurately reflect regulatory activity taking place pertaining to insurance licensing. Since 2015, insurance licensing activities have increased 25%. This transfer will provide authorization for revenues collected from insurance licensing and regulation fees pursuant to, PA 218 of 1956. Authority is available in the MBLSLA fees as the regulatory activity costs are less than originally estimated.

The transfer of \$400,000 within the Financial Institutions Evaluation line item will provide authorization for revenues collected from state bank regulatory fees pursuant to, PA 276 of 1999, to fund regulatory activities. Authority is available in Consumer finance fees as the regulatory activity costs are less than originally estimated.

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 April 11, 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