



FY 2015-16 LEGISLATIVE TRANSFER PACKAGE

Department/Budget Area	FY 2015-16 Year-to-Date Gross Appropriation	Contingency Transfer Amount	Standard Transfer Amount	Total Transfer Amount	Page Number	Transfer Percent of Y-T-D Gross
Corrections	\$1,975,907,300	\$0	\$9,250,000	\$9,250,000	1	0.5%
Education	335,661,200	0	800,000	800,000	3	0.2%
Health and Human Services	24,885,744,500	11,528,000	84,345,200	95,873,200	4	0.4%
Military and Veterans Affairs	180,400,600	554,800	0	554,800	13	0.3%
School Aid	13,736,308,500	0	3,500,000	3,500,000	17	0.03%
Treasury - Revenue Sharing	1,218,520,300	0	88,064	88,064	19	0.01%
Total			\$12,082,800	\$97,983,264		\$110,066,064

FY 2015-16 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Private/ Local	State Restricted	GF/GP	Total Transfer Amount
Corrections	\$0	\$0	\$0	\$0	\$9,250,000	\$9,250,000
Education	0	800,000	0	0	0	800,000
Health and Human Services	0	75,820,000	4,560,000	148,000	15,345,200	95,873,200
Military and Veterans Affairs	0	502,000	0	52,800	0	554,800
School Aid	0	0	0	3,500,000	0	3,500,000
Treasury - Revenue Sharing	0	0	0	88,064	0	88,064
Total	\$0	\$77,122,000	\$4,560,000	\$3,788,864	\$24,595,200	\$110,066,064

November 9, 2016

State Budget Office Requests 2016-9/10, October 31/November 3, 2016

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$5,105,000				
FROM: BUDGET AND OPERATIONS ADMINISTRATION				
Worker's compensation	14,149,000	(4,310,000)	(4,310,000)	(4,310,000)
State general fund/general purpose	14,149,000	(4,310,000)	(4,310,000)	(4,310,000)
Administrative hearings officers	3,326,400	(520,000)	(520,000)	(520,000)
State general fund/general purpose	3,326,400	(520,000)	(520,000)	(520,000)
HEALTH CARE				
Healthy Michigan plan administration	1,243,100	(275,000)	(275,000)	(275,000)
State general fund/general purpose	828,100	(275,000)	(275,000)	(275,000)
TO: HEALTH CARE				
Prisoner health care services	75,180,400	3,350,000	3,350,000	3,350,000
State general fund/general purpose	75,180,400	3,350,000	3,350,000	3,350,000
Clinical and mental health services and support	222,831,900	1,755,000	1,755,000	1,755,000
State general fund/general purpose	222,579,200	1,755,000	1,755,000	1,755,000

The transfer is requested to provide for higher than anticipated specialty care and on-site clinical care costs. The increase is primarily due to increased cancer and mental health caseloads. Funding is available due to increased Federal funding for the Healthy Michigan Plan, as well as lower than anticipated prisoner hearing costs and worker's compensation costs. The use of tasers, chemical agents, and the installation of upgraded security and safety systems at facilities have significantly reduced the number of employee injuries. The transfer is requested as part of the FY 2015-16 book closing.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$4,145,000				
FROM: BUDGET AND OPERATIONS ADMINISTRATION				
Worker's compensation	14,149,000	(490,000)	(490,000)	(490,000)
State general fund/general purpose	14,149,000	(490,000)	(490,000)	(490,000)
County jail reimbursement program	13,597,100	(380,000)	(380,000)	(380,000)
State general fund/general purpose	7,697,100	(380,000)	(380,000)	(380,000)
CORRECTIONAL FACILITIES ADMINISTRATION				
Leased beds and alternatives to leased beds	5,250,000	(1,900,000)	(1,900,000)	(1,900,000)
State general fund/general purpose	5,250,000	(1,900,000)	(1,900,000)	(1,900,000)
CORRECTIONAL FACILITIES				
Pugsley Correctional Facility - Kingsley	24,076,500	(1,375,000)	(1,375,000)	(1,375,000)
State general fund/general purpose	24,076,500	(1,375,000)	(1,375,000)	(1,375,000)
TO: CORRECTIONAL FACILITIES ADMINISTRATION				
Prison food service	52,558,900	3,160,000	3,160,000	3,160,000
State general fund/general purpose	52,333,900	3,160,000	3,160,000	3,160,000
Transportation	23,752,200	985,000	985,000	985,000
State general fund/general purpose	23,752,200	985,000	985,000	985,000

The transfer is requested to provide for a contractual inflationary food service increase as well as an increase in prisoner relocation transportation costs. Funding is available due to a reduced number of court dispositions for the County Jail Reimbursement Program, discontinuation of leased county jail beds, the closure of Pugsley Correctional Facility, and lower than anticipated worker's compensation costs. The use of tasers, chemical agents, and the installation of upgraded security and safety systems at facilities have significantly reduced the number of employee injuries. The transfer is requested as part of the FY 2015-16 book closing.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: EDUCATION

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$800,000				
FROM: MICHIGAN OFFICE OF GREAT START				
Child development and care external support	26,896,500	(800,000)	(800,000)	(800,000)
Federal revenues	26,896,500	(800,000)	(800,000)	(800,000)
TO: MICHIGAN OFFICE OF GREAT START				
Office of great start operations	22,808,600	800,000	800,000	800,000
Federal revenues	15,681,700	800,000	800,000	800,000

The Office of Great Start Operations line had higher-than-expected costs in FY 2015-16 due to increased staffing and administrative costs. These costs were attributable to new Federal regulations requiring the State to dedicate additional resources toward targeted activities focused on improving the quality of infant and toddler care. Funding will come from the Child Development and Care External Support line, which provides funding to LARA and DHHS for childcare licensing and inspecting services. There is sufficient authority within the External Support line to cover this transfer because LARA was in the process of hiring additional consultants during FY 2015-16 and did not expend its entire allocated amount. This transfer is requested to close the FY 2015-16 books.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$4,910,000				
FROM: CONTINGENCY FUNDS				
Federal contingency funds	370,309,000	(4,910,000)	(4,910,000)	(4,910,000)
Federal contingency revenues	370,309,000	(4,910,000)	(4,910,000)	(4,910,000)
TO: FIELD OPERATIONS AND SUPPORT STAFF				
Nutrition education	23,036,600	4,910,000	4,910,000	4,910,000
Total other federal revenues	23,036,600	4,910,000	4,910,000	4,910,000

The Nutrition Education Program experienced an increased demand for the use of the Michigan State University (MSU) Extension Service to provide nutrition education to Food Assistance Program recipients. The U.S. Food and Nutrition Services provides the Federal funds for which MSU Extension contributes the matching funds to receive these funds.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$4,560,000				
FROM: CONTINGENCY FUNDS				
Local contingency funds	40,000,000	(4,560,000)	(4,560,000)	(4,560,000)
Local contingency revenues	40,000,000	(4,560,000)	(4,560,000)	(4,560,000)
TO: CHILDREN'S SERVICES AGENCY- CHILD WELFARE				
Foster care payments	183,353,000	4,560,000	4,560,000	4,560,000
Local funds-county chargeback	14,194,000	4,560,000	4,560,000	4,560,000

Due to timing issues regarding when county reimbursements are received by the Department for foster care services provided by the State, this increase in authorization would allow for the receipt of actual local county chargeback revenue received during FY 2015-16. The transfer would allow the financial ledger to balance as the fiscal year is closed.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$1,200,000				
FROM: CONTINGENCY FUNDS				
Federal contingency funds	370,309,000	(1,200,000)	(1,200,000)	(1,200,000)
Federal contingency revenues	370,309,000	(1,200,000)	(1,200,000)	(1,200,000)
TO: LOCAL HEALTH ADMINISTRATION AND GRANTS				
Medicaid outreach cost reimbursement to local health departments	9,000,000	1,200,000	1,200,000	1,200,000
Total other federal revenues	9,000,000	1,200,000	1,200,000	1,200,000

The Department indicates that local health departments have increased their use of nonprofit partners to reach out to potential clients in their catchment areas. These non-state expenditures earn Medicaid administrative match, so the Administration is seeking a Federal authorization increase through a transfer of Federal contingency funds to reflect this earned match.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$148,000				
FROM: CONTINGENCY FUNDS				
State restricted contingency funds	14,130,300	(148,000)	(148,000)	(148,000)
State restricted contingency revenues	14,130,300	(148,000)	(148,000)	(148,000)
TO: AGING AND ADULT SERVICES AGENCY				
Respite care program	6,418,700	148,000	148,000	148,000
Total other state restricted revenues	1,950,000	148,000	148,000	148,000

The Senior Respite Care Program is funded in part with Restricted revenue from escheats related to the Nonprofit Health Care Corporation Act. Public Act 197 of 2010 shortened the escheats period from five years to three years. This led to a one-time increase in revenue in the Senior Care Respite Fund and this contingency fund transfer would reflect the available one-time funding, which would be used to provide respite services to the families of elderly people.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$710,000				
FROM: CONTINGENCY FUNDS				
Federal contingency funds	370,309,000	(710,000)	(710,000)	(710,000)
Federal contingency revenues	370,309,000	(710,000)	(710,000)	(710,000)
TO: AGING AND ADULT SERVICES AGENCY				
Nutrition services	39,044,000	710,000	710,000	710,000
Total other federal revenues	27,657,000	710,000	710,000	710,000

The Federal Home Delivered Nutrition Title III/C-2 and Nutrition Services Incentive Program grants received by the Department were increased during FY 2015-16. This contingency fund transfer would increase authorization in the Nutrition Services line to recognize these increased Federal grant awards. The funding is used to support area agencies on aging nutrition services.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$12,600,000				
FROM: BEHAVIORAL HEALTH SERVICES				
Healthy Michigan plan- behavioral health	255,000,000	(400,000)	(400,000)	(400,000)
Total other federal revenues	255,000,000	(400,000)	(400,000)	(400,000)
MEDICAL SERVICES				
Hospital services and therapy	1,023,300,000	(12,200,000)	(12,200,000)	(12,200,000)
Total other federal revenues	674,535,200	(8,300,000)	(8,300,000)	(8,300,000)
State general fund/general purpose	35,359,100	(3,900,000)	(3,900,000)	(3,900,000)
TO: BEHAVIORAL HEALTH SERVICES				
Autism services	57,700,000	12,200,000	12,200,000	12,200,000
Total other federal revenues	37,851,200	8,300,000	8,300,000	8,300,000
State general fund/general purpose	19,848,800	3,900,000	3,900,000	3,900,000
Medicaid substance use disorder services	52,922,800	400,000	400,000	400,000
Total other federal revenues	34,717,000	400,000	400,000	400,000

There has been significant growth in demand for Medicaid autism services as providers have become more available and potential clients have become aware of the services available. The Administration is also requesting a minor adjustment to cover final projected costs in the Medicaid Substance Use Disorder Services line. There is a significant lapse in the Hospital Services and Therapy line and a smaller lapse in the Healthy Michigan Plan Behavioral Health line, allowing funds to be potentially transferred from those lines to cover these increased costs.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$65,745,200				
FROM: MEDICAL SERVICES				
Hospital services and therapy	1,023,300,000	(34,745,200)	(34,745,200)	(34,745,200)
Total other federal revenues	674,535,200	(32,800,000)	(32,800,000)	(32,800,000)
State general fund/general purpose	35,359,100	(1,945,200)	(1,945,200)	(1,945,200)
Pharmaceutical services	443,353,700	(31,000,000)	(31,000,000)	(31,000,000)
Total other federal revenues	292,571,900	(24,500,000)	(24,500,000)	(24,500,000)
State general fund/general purpose	150,781,800	(6,500,000)	(6,500,000)	(6,500,000)
TO: MEDICAL SERVICES				
Hospital disproportionate share payments	45,000,000	745,200	745,200	745,200
State general fund/general purpose	9,365,100	745,200	745,200	745,200
Hospice services	99,268,600	11,000,000	11,000,000	11,000,000
Total other federal revenues	65,120,000	7,000,000	7,000,000	7,000,000
State general fund/general purpose	34,148,600	4,000,000	4,000,000	4,000,000
Healthy Michigan plan	3,341,423,500	15,000,000	15,000,000	15,000,000
Total other federal revenues	3,341,423,500	15,000,000	15,000,000	15,000,000
Long-term care services	1,689,800,300	9,000,000	9,000,000	9,000,000
Total other federal revenues	1,097,198,000	9,000,000	9,000,000	9,000,000
Medicaid home-and community-based services waiver	326,229,700	4,000,000	4,000,000	4,000,000
Total other federal revenues	215,925,900	2,800,000	2,800,000	2,800,000
State general fund/general purpose	110,303,800	1,200,000	1,200,000	1,200,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
Adult home help services	302,344,700	5,000,000	5,000,000	5,000,000
Total other federal revenues	198,788,400	2,500,000	2,500,000	2,500,000
State general fund/general purpose	103,556,300	2,500,000	2,500,000	2,500,000
Health plan services	5,154,716,300	15,000,000	15,000,000	15,000,000
Total other federal revenues	3,438,806,700	15,000,000	15,000,000	15,000,000
Maternal and child health	20,279,500	6,000,000	6,000,000	6,000,000
Total other federal revenues	20,279,500	6,000,000	6,000,000	6,000,000

The Administration has requested this transfer to make final adjustments to Medicaid lines to reflect anticipated bookclosing costs. These adjustments are similar in magnitude to those requested in previous years and reflect increases in expenditures above those projected at the Medicaid consensus in May 2016. There are significant lapse revenues available in the Hospital Services and Therapy and Pharmaceutical Services lines due to, respectively, a continued decline in fee-for-service inpatient hospital expenditures and slower growth in specialty pharmacy utilization.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$6,000,000				
FROM: PUBLIC ASSISTANCE				
Family independence program	102,815,800	(3,000,000)	(3,000,000)	(3,000,000)
State general fund/general purpose	9,383,700	(3,000,000)	(3,000,000)	(3,000,000)
FIELD OPERATIONS AND SUPPORT SERVICES				
Public assistance field staff	463,753,300	(3,000,000)	(3,000,000)	(3,000,000)
Social security act, temporary assistance for needy families	84,249,700	(3,000,000)	(3,000,000)	(3,000,000)
TO: PUBLIC ASSISTANCE				
Family independence program	102,815,800	3,000,000	3,000,000	3,000,000
Social security act, temporary assistance for needy families	50,883,400	3,000,000	3,000,000	3,000,000
FIELD OPERATIONS AND SUPPORT SERVICES				
Public assistance field staff	463,753,300	3,000,000	3,000,000	3,000,000
State general fund/general purpose	183,887,500	3,000,000	3,000,000	3,000,000

This transfer would move Temporary Assistance for Needy Families (TANF) and State GF/GP between the Family Independence Program and Public Assistance field staff line items. In order to maintain maintenance of effort (MOE) expenditure requirements of the Federally funded Child Care and Development Fund (CCDF), the Department will swap State GF/GP revenue in the Family Independence Program, to the Public Assistance Field Staff line item that has CCDF MOE spending. This matching CCDF funding would otherwise revert to the Federal government from a lack of CCDF- eligible MOE expenditures. Swapped TANF funding in the Family Independence Program would likely remain unspent and decrease the amount of fiscal year 2015-16 TANF used.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$30,000				
FROM: CONTINGENCY FUNDS				
State restricted contingency fund	1,256,300	(30,000)	(30,000)	(30,000)
State restricted contingency revenues	1,256,300	(30,000)	(30,000)	(30,000)
TO: MILITARY				
Departmental and national guard operations	70,581,000	30,000	30,000	30,000
State restricted revenues	3,023,000	30,000	30,000	30,000

This transfer would provide increased authorization from State Restricted contingency funds to align authorization with increased revenue from the Mackinac Bridge Authority to support costs associated with National Guard deployment to provide security and crowd control.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$22,800				
FROM: CONTINGENCY FUNDS				
State restricted contingency fund	1,256,300	(22,800)	(22,800)	(22,800)
State restricted contingency revenues	1,256,300	(22,800)	(22,800)	(22,800)
TO: MICHIGAN VETERANS AFFAIRS AGENCY				
Veterans' homes	69,755,900	22,800	22,800	22,800
State restricted revenues	12,417,100	22,800	22,800	22,800

This transfer would provide increased authorization from State Restricted contingency funds to align authorization with available State Restricted lease revenues to support clinical services at the Grand Rapids Home for Veterans.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$102,000				
FROM: CONTINGENCY FUNDS				
Federal contingency fund	8,163,400	(102,000)	(102,000)	(102,000)
Federal contingency revenues	8,163,400	(102,000)	(102,000)	(102,000)
TO: MILITARY				
Departmental and national guard operations	70,581,000	102,000	102,000	102,000
Federal revenues	46,494,400	102,000	102,000	102,000

This transfer would provide increased authorization from Federal contingency funds to align authorization with available Federal revenue from the Department of Defense. This funding would be used to support computer-aided design training classes as part of Starbase operations.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$400,000				
FROM: CONTINGENCY FUNDS				
Federal contingency fund	8,163,400	(400,000)	(400,000)	(400,000)
Federal contingency revenues	8,163,400	(400,000)	(400,000)	(400,000)
TO: MILITARY				
Departmental and national guard operations	70,581,000	400,000	400,000	400,000
Federal revenues	46,494,400	400,000	400,000	400,000

This transfer would provide increased authorization from Federal contingency funds to align authorization with available Federal revenue. An amount of \$200,000 would be used to support headquarters and armories' furniture, and another \$200,000 would be used at military training sites for barracks furniture for Camp Grayling and Fort Custer, air traffic control consoles at the Grayling Army Airfield, and concrete pads for bleachers.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$2,000,000				
FROM: SEC. 22b DISCRETIONARY PAYMENT	3,691,947,000	(2,000,000)	(2,000,000)	(2,000,000)
School Aid Fund	3,675,626,500	(2,000,000)	(2,000,000)	(2,000,000)
TO: SEC. 31f SCHOOL BREAKFAST PROGRAMS	2,500,000	2,000,000	2,000,000	2,000,000
School Aid Fund	2,500,000	2,000,000	2,000,000	2,000,000

This request is to transfer funds from the Discretionary Payment account to fund an anticipated shortfall in the State's school breakfast program. Funds in the discretionary payment account are expected to be available after all other obligations are met, and would otherwise lapse. For fiscal year 2015-16, school breakfast payment amounts will be finalized after the financial information (FID) data is received on November 1; therefore, this transfer is based on the estimated need of \$1.2 million, which may increase when payment amounts are finalized. As background, a mid-year supplemental reduced this line from \$5.6 million to \$2.5 million based on prior-year payments; however, payments for FY 2015-16 are trending higher.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-10

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$1,500,000				
FROM: SEC. 22b DISCRETIONARY PAYMENT	3,691,947,000	(1,500,000)	(1,500,000)	(1,500,000)
School Aid Fund	3,675,626,500	(1,500,000)	(1,500,000)	(1,500,000)
TO: SEC. 11m CASH FLOW BORROWING COSTS	1,000,000	1,500,000	1,500,000	1,500,000
School Aid Fund	1,000,000	1,500,000	1,500,000	1,500,000

This request is to transfer funds from the Discretionary Payment account to cover the State's anticipated cash flow borrowing costs of \$2.5 million. The current appropriation of \$1.0 million was based on the May 2016 Consensus Revenue estimates. Final costs are calculated as part of the fiscal year 2015-16 bookclosing process. Funds in the Discretionary Payment account are expected to be available after all other obligations are met, and would otherwise lapse to the School Aid Fund.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: TREASURY - REVENUE SHARING

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16
TOTAL TRANSFER REQUEST: \$88,064				
FROM: REVENUE SHARING				
City, village, and township revenue sharing	243,040,000	(88,064)	(88,064)	(88,064)
Sales tax		(88,064)	(88,064)	(88,064)
TO: REVENUE SHARING				
Financially distressed cities, villages, or townships	5,000,000	88,064	88,064	88,064
Sales tax		88,064	88,064	88,064

The City, Village, and Township Revenue Sharing program, often called "Statutory" revenue sharing, requires each eligible local unit to meet accountability and transparency requirements in order to receive the full payment for which it is eligible. Budget bill boilerplate (Public Act 84 of 2015, Article VIII, Sec. 952(5)) requires the transfer of any unclaimed funds from City, Village, and Township Revenue Sharing to the appropriation for Financially Distressed Cities, Villages, or Townships which provides grants to local units with signs of probable financial distress. In FY 2015-16, 11 local governments forfeited a total of \$88,064 or 0.04% of the \$248.8 million of total ongoing and one-time appropriations for the program. This is the lowest amount forfeited under this program or its predecessor, the Economic Vitality Incentive Program, since it began in FY 2011-12. Previous year-end transfer amounts were \$262,235 in FY 2011-12, \$239,389 in FY 2012-13, \$100,307 in FY 2013-14, and \$184,332 in FY 2014-15. Statutory revenue sharing payments are structured such that all eligible local units receive the first payment of one-sixth of the amount for which they are eligible. To receive any of the remaining five payments, certification and submission of required reports to the Department of Treasury must be completed by December 1 or the first day of a payment month. The table below lists the amounts forfeited by local unit.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2016-9

BUDGET AREA: TREASURY - REVENUE SHARING

FISCAL YEAR: 2015-16

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/16	HOUSE ACTION 11/9/16

City, Village, and Township Revenue Sharing, "Statutory" Estimated Payments Forfeited by Local Governmental Unit					
County	Name	Unit Type	Maximum Pmt Available	Amount Received	Amount Forfeited
Arenac	Twining	Village	\$4,232	\$705	\$3,527
Gratiot	Perrinton	Village	5,999	4,999	1,000
Hillsdale	Litchfield	City	16,187	8,094	8,093
Hillsdale	Montgomery	Village	7,445	1,240	6,205
Huron	Ubly	Village	13,416	2,236	11,180
Jackson	Grass Lake	Village	5,190	865	4,325
Kalamazoo	Augusta	Village	5,898	4,915	983
Livingston	Brighton	Township	47,085	7,847	39,238
Shiawassee	New Lathrop	Village	6,293	5,244	1,049
Van Buren	Geneva	Township	11,129	1,854	9,275
Wexford	Buckley	Village	<u>3,823</u>	<u>637</u>	<u>3,186</u>
Total			\$126,697	\$38,636	\$88,061

Source: Michigan Department of Treasury and Senate Fiscal Agency.