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MICHIGAN HOUSE OF REPRESENTATIVES

**Laura Cox**

STATE REPRESENTATIVE  
APPROPRIATIONS CHAIR

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November 29, 2017

Mr. Alton L. Pscholka  
Office of the State Budget  
Department of Management and Budget  
6th Floor Romney Building  
Lansing, MI 48090

Dear Director Pscholka:

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 transfer approved is from the Office of the State Budget letter dated October 31, 2017, Legislative Transfer Request 2017-9. The transfers are for the departments of Corrections, Health and Human Services, Military and Veterans Affairs, School Aid, State Police, and Treasury.

This transfer package also includes the \$5,250,000 Corrections transfer from the Legislative Transfer Request 2017-7.

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

Sincerely,

Laura Cox, Chair  
House Appropriations Committee

Dave Hildenbrand, Chair  
Senate Appropriations Committee



**FY 2016-17 LEGISLATIVE TRANSFER PACKAGE**

<b>Department/Budget Area</b>	<b>FY 2016-17 Year-to-Date Gross Appropriation</b>	<b>Contingency Transfer Amount</b>	<b>Standard Transfer Amount</b>	<b>Total Transfer Amount</b>	<b>Page Number</b>	<b>Transfer Percent of Y-T-D Gross</b>
Corrections	\$2,022,079,000	\$0	\$7,925,000	\$7,925,000	1	0.4%
Health & Human Services	24,994,841,700	32,210,000	85,961,100	118,171,100	5	0.5%
Military & Veterans Affairs	186,235,000	250,000	1,880,000	2,130,000	13	1.1%
School Aid	14,053,904,600	0	6,700,000	6,700,000	16	0.05%
State Police	661,034,200	0	725,000	725,000	18	0.1%
Treasury-Operations	544,923,200	0	215,000	215,000	19	0.04%
Treasury-Revenue Sharing	1,259,435,300	0	282,918	282,918	20	0.02%
<b>Total</b>	<b>\$55,393,267,100</b>	<b>\$32,460,000</b>	<b>\$103,689,018</b>	<b>\$136,149,018</b>		<b>0.2%</b>

**FY 2016-17 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES**

<b>Department/Budget Area</b>	<b>Inter- Departmental Grants</b>	<b>Federal</b>	<b>Local</b>	<b>State Restricted</b>	<b>GF/GP</b>	<b>Total Transfer Amount</b>
Corrections	\$0	\$0	\$0	\$0	\$7,925,000	\$7,925,000
Health & Human Services	0	45,600,000	6,710,000	35,000,000	30,861,100	118,171,100
Military & Veterans Affairs	0	350,000	0	0	1,780,000	2,130,000
School Aid	0	0	0	6,700,000	0	6,700,000
State Police	0	0	0	725,000	0	725,000
Treasury-Operations	0	0	0	215,000	0	215,000
Treasury-Revenue Sharing	0	0	0	282,918	0	282,918
<b>Total</b>	<b>\$0</b>	<b>\$45,950,000</b>	<b>\$6,710,000</b>	<b>\$42,922,918</b>	<b>\$40,566,100</b>	<b>\$136,149,018</b>

November 29, 2017

State Budget Office Requests 2017-7 and 2017-9, September 13 and October 31, 2017

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-7

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$5,250,000</b>				
<b>FROM: PRISONER REENTRY AND COMMUNITY SUPPORT</b>				
Public safety initiative	4,500,000	(500,000)	(500,000)	(500,000)
State general fund/general purpose	4,500,000	(500,000)	(500,000)	(500,000)
<b>BUDGET AND OPERATIONS ADMINISTRATION</b>				
Worker's compensation	14,171,300	(3,600,000)	(3,600,000)	(3,600,000)
Administrative hearings officers	3,407,100	(200,000)	(200,000)	(200,000)
State general fund/general purpose	17,578,400	(3,800,000)	(3,800,000)	(3,800,000)
<b>CORRECTIONAL FACILITIES ADMINISTRATION</b>				
Inmate legal services	790,900	(200,000)	(200,000)	(200,000)
State general fund/general purpose	790,900	(200,000)	(200,000)	(200,000)
<b>CORRECTIONAL FACILITIES</b>				
Carson City Correctional Facility - Carson City	48,491,500	(750,000)	(750,000)	(750,000)
State general fund/general purpose	48,491,500	(750,000)	(750,000)	(750,000)
<b>TO: INFORMATION TECHNOLOGY</b>				
Information technology services and projects	28,813,300	5,250,000	5,250,000	5,250,000
State general fund/general purpose	27,501,400	5,250,000	5,250,000	5,250,000

This request would transfer GF/GP authorization from various line items to the Information Technology Services and Projects line to support the replacement of legacy technology for an integrated offender management system. Funding is available due to operational efficiencies including reduced worker's compensation costs and a closed housing unit at the Carson City Correctional Facility.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$600,000</b>				
<b>FROM: CORRECTIONAL FACILITIES</b>				
Central Michigan Correctional Facility - St. Louis	46,415,000	(600,000)	(600,000)	(600,000)
State general fund/general purpose	46,415,000	(600,000)	(600,000)	(600,000)
<b>TO: CORRECTIONAL FACILITIES ADMINISTRATION</b>				
Transportation	24,913,200	600,000	600,000	600,000
State general fund/general purpose	24,344,200	600,000	600,000	600,000

This transfer was requested to provide \$600,000 in GF/GP authorization to the transportation line item to support higher than anticipated prisoner transportation costs. Funding is available as a result of vacancies and a closed housing unit at the Central Michigan Correctional Facility.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$1,750,000</b>				
<b>FROM: HEALTH CARE</b>				
Clinical complexes	143,622,300	(900,000)	(900,000)	(900,000)
State general fund/general purpose	143,365,100	(900,000)	(900,000)	(900,000)
Mental health services and support	60,465,700	(850,000)	(850,000)	(850,000)
State general fund/general purpose	60,465,700	(850,000)	(850,000)	(850,000)
<b>TO: HEALTH CARE</b>				
Prisoner health care services	69,880,400	1,750,000	1,750,000	1,750,000
State general fund/general purpose	69,880,400	1,750,000	1,750,000	1,750,000

This transfer was requested to provide \$1,750,000 in GF/GP authorization to the prisoner health care services line item to support higher than anticipated offsite health care costs. Funding is available as a result of lower than budgeted onsite clinical and mental health costs.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$325,000</b>				
<b>FROM: CORRECTIONAL FACILITIES</b>				
Central Michigan Correctional Facilities - St. Louis	46,415,000	(325,000)	(325,000)	(325,000)
State general fund/general purpose	46,415,000	(325,000)	(325,000)	(325,000)
<b>TO: CORRECTIONAL FACILITIES ADMINISTRATION</b>				
Prison food service	54,455,900	325,000	325,000	325,000
State general fund/general purpose	54,455,900	325,000	325,000	325,000

This transfer was requested to provide \$325,000 in GF/GP authorization to the prison food service line item to support food service equipment costs. Funding is available as a result of vacancies at the Central Michigan Correctional Facility.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$10,036,100</b>				
<b>FROM: MEDICAL SERVICES</b>				
Pharmaceutical services	385,946,800	(10,036,100)	(10,036,100)	(10,036,100)
State general fund/general purpose	132,073,900	(10,036,100)	(10,036,100)	(10,036,100)
<b>TO: CHILDREN'S SERVICES AGENCY-CHILD WELFARE</b>				
Child care fund	195,542,400	10,036,100	10,036,100	10,036,100
State general fund/general purpose	159,767,300	10,036,100	10,036,100	10,036,100

The Administration is requesting a transfer to address costs associated with the County Child Care Fund. There have been expenditures in the line that were paid but never booked in the accounting system. These costs were not known at the time of the caseload consensus process. The Department of Health and Human Services reports that these expenditures were discovered only recently leading to a discrepancy in the line item. Based on analysis of the expenditures in the current fiscal year for the County Child Care Fund line item, there was an increase in payments to counties as well as private agency foster care service providers. These amounts appear to be legitimate costs that must now be accounted for before the financial books and records are closed for the fiscal year. There is sufficient excess authorization in the Pharmaceutical Services line to effect this transfer due to higher than predicted pharmacy rebates and slower than predicted growth in the utilization of specialty pharmaceuticals.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$2,700,000</b>				
<b>FROM: CHILDREN'S SERVICES AGENCY-CHILD WELFARE</b>				
Supplemental county payments	5,000,000	(2,700,000)	(2,700,000)	(2,700,000)
State general fund/general purpose	5,000,000	(2,700,000)	(2,700,000)	(2,700,000)
<b>TO: CHILDREN'S SERVICES AGENCY-CHILD WELFARE</b>				
Child welfare licensing	6,549,800	2,700,000	2,700,000	2,700,000
State general fund/ general purpose	671,100	2,700,000	2,700,000	2,700,000

The Administration is requesting a transfer to correct a financing issue with Federal funding associated with Child Welfare Licensing. When some of the child licensing functions were moved to the Department Licensing and Regulatory Affairs under Executive Order 2015-04, the associated Federal and GF/GP financing authorizations were incorrect. The financing issue was corrected in the FY 2017-18 initial appropriation and this transfer request would correct the financing for FY 2016-17. Funds are available to transfer from the Supplemental County Payments line as there was \$3.9 million allocated in PA 340 of 2016 for supplemental county payments. From a review of the State's accounting system, these payments were made to the counties but \$1.7 million (from the following counties: Gratiot, Jackson, Macomb, and Midland) was returned to the State after a financial review by the counties.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$4,210,000</b>				
<b>FROM: CONTINGENCY FUNDS</b>				
Local contingency funds	40,000,000	(4,210,000)	(4,210,000)	(4,210,000)
Local contingency revenues	40,000,000	(4,210,000)	(4,210,000)	(4,210,000)
<b>TO: CHILDREN'S SERVICES AGENCY-CHILD WELFARE</b>				
Foster care payments	197,454,400	4,210,000	4,210,000	4,210,000
Local funds-county chargeback	14,493,700	4,210,000	4,210,000	4,210,000

The Administration is requesting a transfer to increase Local funds authorization in the Foster Care Payments line. Due to greater than anticipated county chargeback revenue, the funding authorization in the Foster Care Payments line item would be increased to recognize the revenue.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$28,000,000</b>				
<b>FROM: CONTINGENCY FUNDS</b>				
State restricted contingency funds	29,700,000	(28,000,000)	(28,000,000)	(28,000,000)
State restricted revenues	29,700,000	(28,000,000)	(28,000,000)	(28,000,000)
<b>TO: MEDICAL SERVICES</b>				
Health plan services	4,889,604,800	28,000,000	28,000,000	28,000,000
Total other state restricted revenues	1,355,962,400	28,000,000	28,000,000	28,000,000

The Administration is requesting an additional \$28.0 million in State Restricted authorization in the Health Plan Services line in order to reflect two extra quarters of Specialty Network Access Fees (SNAF) in FY 2016-17. The first extra quarter is a result of a timing issue that has caused an FY 2015-16 collection to occur in FY 2016-17, while the second extra quarter is a result of the establishment, for the first time in FY 2016-17, of a SNAF accrual.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$600,000</b>				
<b>FROM: CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>				
Medical care and treatment	232,153,400	(600,000)	(600,000)	(600,000)
Total other federal revenues	128,627,500	(600,000)	(600,000)	(600,000)
<b>TO: CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>				
Children's special health care services administration	5,990,100	600,000	600,000	600,000
Total other federal revenues	3,035,500	600,000	600,000	600,000

The Administration is requesting a transfer of \$600,000 in excess Federal authorization from the Medical Care and Treatment line to the Children's Special Health Care Services Administration line to reflect authority given by the Health Resources and Services Administration to the Department to carry-over funding from the 2016 Maternal and Child Health block grant into FY 2016-17. There is excess Federal authorization in the Medical Care and Treatment line due to costs related to the provision of specialty drugs (such as the cystic fibrosis biologic Orkambi) growing at a rate slower than predicted.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$72,625,000</b>				
<b>FROM: MEDICAL SERVICES</b>				
Hospital services and therapy	825,000,100	(2,000,000)	(2,000,000)	(2,000,000)
Total other state restricted revenues	258,009,800	(2,000,000)	(2,000,000)	(2,000,000)
Health plan services	4,889,604,800	(53,125,000)	(53,125,000)	(53,125,000)
Total other federal revenues	3,255,534,400	(35,000,000)	(35,000,000)	(35,000,000)
State general fund/general purpose	263,196,900	(18,125,000)	(18,125,000)	(18,125,000)
Healthy Michigan Plan	3,672,306,200	(10,000,000)	(10,000,000)	(10,000,000)
Total other federal revenues	3,536,101,800	(10,000,000)	(10,000,000)	(10,000,000)
Long-term care services	1,707,472,500	(1,000,000)	(1,000,000)	(1,000,000)
Total other state restricted revenues	277,006,600	(1,000,000)	(1,000,000)	(1,000,000)
Special Medicaid reimbursement	308,799,600	(6,500,000)	(6,500,000)	(6,500,000)
Total other state restricted revenues	95,214,200	(4,000,000)	(4,000,000)	(4,000,000)
Total local revenues	11,613,300	(2,500,000)	(2,500,000)	(2,500,000)
<b>TO: MEDICAL SERVICES</b>				
Hospital services and therapy	825,000,100	3,000,000	3,000,000	3,000,000
Total other state restricted revenues	258,009,800	3,000,000	3,000,000	3,000,000
Health plan services	4,889,604,800	2,500,000	2,500,000	2,500,000
Total other state restricted revenues	1,355,962,400	1,000,000	1,000,000	1,000,000
Total local revenues	14,911,100	1,500,000	1,500,000	1,500,000

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
Healthy Michigan Plan	3,672,306,200	8,500,000	8,500,000	8,500,000
Total other state restricted revenues	29,276,200	3,000,000	3,000,000	3,000,000
Total local revenues	549,300	500,000	500,000	500,000
State general fund/general purpose	106,378,900	5,000,000	5,000,000	5,000,000
Transportation	20,583,400	1,000,000	1,000,000	1,000,000
Total other federal revenues	11,935,700	1,000,000	1,000,000	1,000,000
Adult home help services	315,500,400	1,000,000	1,000,000	1,000,000
State general fund/general purpose	109,504,600	1,000,000	1,000,000	1,000,000
Personal care services	9,562,500	125,000	125,000	125,000
State general fund/general purpose	3,332,500	125,000	125,000	125,000
Long-term care services	1,707,472,500	46,500,000	46,500,000	46,500,000
Total other federal revenues	1,101,196,000	34,000,000	34,000,000	34,000,000
Total local revenues	6,618,800	500,000	500,000	500,000
State general fund/general purpose	300,811,900	12,000,000	12,000,000	12,000,000
School-based services	109,937,200	10,000,000	10,000,000	10,000,000
Total other federal revenues	109,937,200	10,000,000	10,000,000	10,000,000

This transfer would shift authorization among lines in the Medical Services appropriations units to reflect actual FY 2016-17 Medicaid caseload spending, align quality assurance assessment revenue, and reflect a shift in Local and State Restricted authorization from the Special Medicaid Reimbursement line to the Health Plan Services, Healthy Michigan Plan, and Long-term Care Services lines.

The administration is requesting to transfer excess State Restricted fund authorization from the Hospital Services and Therapy line to the Healthy Michigan Plan line. The transfer to the Healthy Michigan Plan line is requested to cover special financing revenue needs during book closing due to the two extra quarters of SNAF collections in FY 2016-17. There is excess State Restricted authorization in the Hospital Services and Therapy line due to an error made in Legislative Transfer Request 2017-7 which transferred \$10.0 million of State Restricted contingency fund revenue to the Hospital

# LEGISLATIVE TRANSFER

**S.B.O. REQUEST NO: 2017-9**

**BUDGET AREA: HEALTH AND HUMAN SERVICES**

**FISCAL YEAR: 2016-17**

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17

Services and Therapy line to recognize higher than anticipated QAAP revenue. The administration indicates that a portion of their \$10.0 million request should have been other state restricted fund revenue, resulting in excess QAAP in this line.

There is excess Federal and GF/GP authorization in the Health Plan Services line due to lower than budgeted capitation payments and the two extra quarters of Specialty Network Access Fee (SNAF) collections. The first extra quarter is a result of a timing issue that has caused an FY 2015-16 collection to occur in FY 2016-17, while the second extra quarter is a result of the establishment, for the first time in FY 2016-17, of a SNAF accrual. Although the SNAF collections have resulted in a need for increased State Restricted and Local authorization they have also offset some GF/GP. The administration is asking for this excess authorization to be transferred to the Transportation line to account for service costs that are being matched at a rate higher than what was anticipated. The Long-Term Care Services, Adult Home Help Services, and Personal Care Services lines are projected to need increased authorization to cover costs related to caseload and utilization of services at a higher than predicted level. The transfer to the Healthy Michigan Plan line is requested to cover special financing revenue and GF/GP needs during book closing.

The administration is requesting to transfer excess Federal authorization from the Healthy Michigan Plan line to the School-based Services line to cover costs related to higher than predicted interim payments and cost settlements. There is excess Federal authorization in the Healthy Michigan Plan line due to adjustments made during Consensus in May.

There is excess State Restricted Fund authorization in the Long-term Care Services line is due to higher than predicted QAAP collections in FY 2016-17. The administration is requesting to transfer this excess authorization to the Health Plan Services line to reflect increased Quality Assurance Assessment Program (QAAP) revenue due to hospital rate adjustment lookback collections

Finally, the administration is requesting to transfer \$4.0 million in State Restricted authorization and \$2.5 million in Local authorization from the Special Medicaid Reimbursement line to the Health Plan Services, Healthy Michigan Plan, Long-term Care and Services, and Hospital Services and Therapy lines. There is a need for increased State Restricted and Local authorization in the Health Plan Services line due to the two extra quarters of SNAF collections in FY 2016-17. The transfer to the Healthy Michigan Plan line is requested to cover special financing revenue and GF/GP needs during book closing. The Local revenue need in the Long-term Care line reflects higher than predicted caseload and service utilization growth as well as an increase in cost settlements. The \$3.0 million State Restricted fund transfer to the Hospital Services and Therapy line reflects approval from the Centers for Medicare and Medicaid Services to make Graduate Medical Education Innovations payments to Pine Rest Christian Mental Health Services. Pine Rest is a nonprofit organization based out of Grand Rapids that has partnered with Michigan State University to provide a psychiatric residency program at their Grand Rapids campus. There is excess authorization in the Special Medicaid Reimbursement line due to lower than projected State Psych Disproportionate Share Hospital payments and lower than projected Local revenue and expenditures.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$1,780,000</b>				
<b>FROM: MICHIGAN VETERANS AFFAIRS AGENCY</b>				
MVAA administration	7,107,300	(325,000)	(325,000)	(325,000)
Michigan veteran's facility authority	1,000,000	(600,000)	(600,000)	(600,000)
State general fund/general purpose	8,057,300	(925,000)	(925,000)	(925,000)
<b>MILITARY</b>				
Unclassified positions	1,425,500	(310,000)	(310,000)	(310,000)
Michigan youth challenge academy	6,126,900	(410,000)	(410,000)	(410,000)
Military training sites and support facilities	35,043,000	(75,000)	(75,000)	(75,000)
National Guard operations	338,200	(35,000)	(35,000)	(35,000)
Department wide accounts	4,839,100	(25,000)	(25,000)	(25,000)
State general fund/general purpose	4,065,600	(855,000)	(855,000)	(855,000)
<b>TO: MILITARY</b>				
National Guard tuition assistance program	5,705,000	1,780,000	1,780,000	1,780,000
State general fund/general purpose	2,200,000	1,780,000	1,780,000	1,780,000

This request would transfer \$1,780,000 in GF/GP authorization from several lines to support higher than anticipated enrollment in the National Guard tuition assistance program. For FY 2015-16, the program received 961 invoices for tuition payments from 660 individuals and for FY 2016-17, the program has received 2,242 invoices from 1,309 individuals. Funding is available in the various lines as a result of increased operating efficiencies by the department and higher than anticipated Federal revenue, reducing expenditure of State GF/GP resources.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$250,000</b>				
<b>FROM: CONTINGENCY FUNDS</b>				
Federal contingency fund	1,835,000	(250,000)	(250,000)	(250,000)
Federal contingency revenues	1,835,000	(250,000)	(250,000)	(250,000)
<b>TO: MICHIGAN VETERANS AFFAIRS AGENCY</b>				
DJ Jacobetti home for veterans	22,050,600	250,000	250,000	250,000
Total federal revenues	9,105,600	250,000	250,000	250,000

This request would transfer \$250,000 in Federal contingency fund authorization to the DJ Jacobetti Home for Veterans line to align authorization with available Federal revenue as a result of higher than anticipated Federal census revenue. Funding would be used to support additional staffing costs and accrued expenses resulting from staff changes and shortages.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$100,000</b>				
<b>FROM: MILITARY</b>				
Military training sites and support facilities	35,043,000	(100,000)	(100,000)	(100,000)
Total federal revenues	31,854,300	(100,000)	(100,000)	(100,000)
<b>TO: MILITARY</b>				
Headquarters and armories	17,854,100	100,000	100,000	100,000
Total federal revenues	11,454,000	100,000	100,000	100,000

This request would transfer \$100,000 in Federal authorization from the Military Training Sites and Support Facilities line to the Headquarters and Armories line. This funding supports the cost of an energy audit required by the National Guard Bureau to determine cost savings measures and best practices. Federal authorization is available due to revised cost estimates.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$5,700,000</b>				
<b>FROM: SEC. 22b DISCRETIONARY PAYMENT</b>	3,913,000,000	(4,325,000)	(4,325,000)	(4,325,000)
School Aid Fund	3,706,921,300	(4,325,000)	(4,325,000)	(4,325,000)
<b>SEC. 11j SCHOOL BOND LOAN REDEMPTION</b>	126,500,000	(1,375,000)	(1,375,000)	(1,375,000)
School Aid Fund	126,500,000	(1,375,000)	(1,375,000)	(1,375,000)
<b>TO: SEC. 11m CASH FLOW BORROWING COSTS</b>	5,500,000	5,700,000	5,700,000	5,700,000
School Aid Fund	5,500,000	5,700,000	5,700,000	5,700,000

This request transfers funds from the Discretionary Payment account and the School Bond Loan Redemption Account to cover additional cash flow borrowing costs. The School Aid Fund had to borrow from the General Fund in order to make timely State school aid payments, thereby incurring cash flow borrowing costs throughout the year. In May, this line was increased from the initially-enacted level of \$3.0 million to \$5.5 million based on costs estimated at the May 2017 Consensus Revenue Estimating Conference (CREC). This transfer would increase that amount, from \$5.5 million to \$11.2 million because costs in the third and fourth quarters were higher than anticipated in May. Funds in the Discretionary Payment account and the School Bond Loan Redemption account are expected to be available after all other obligations are met, and would otherwise lapse to the School Aid Fund. This transfer is requested as part of fiscal year 2016-17 bookclosing.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17

**TOTAL TRANSFER REQUEST: \$1,000,000**

<b>FROM:</b>	<b>SEC. 51a(3) SPECIAL EDUATION HOLD HARMLESS</b>	1,000,000	(500,000)	(500,000)	(500,000)
	School Aid Fund	1,000,000	(500,000)	(500,000)	(500,000)
	<b>SEC. 51a(6) SPECIAL EDUCATION RULE CHANGES</b>	2,200,000	(500,000)	(500,000)	(500,000)
	School Aid Fund	2,200,000	(500,000)	(500,000)	(500,000)
<b>TO:</b>	<b>SEC. 51a(2) SPECIAL EDUCATION FOUNDATIONS</b>	260,700,000	1,000,000	1,000,000	1,000,000
	School Aid Fund	260,700,000	1,000,000	1,000,000	1,000,000

This request transfers funds remaining in various special education accounts after those estimated obligations are met to fully fund estimated Special Education Foundations costs. The additional authorization is needed due to slightly higher than estimated actual special education cost data reported by local and intermediate school districts subsequent to the last budget adjustment. This transfer is requested as part of fiscal year 2016-17 bookclosing.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17
<b>TOTAL TRANSFER REQUEST: \$725,000</b>				
<b>FROM: LAW ENFORCEMENT SERVICES</b>				
Grants and community services	16,772,900	(725,000)	(725,000)	(725,000)
Total restricted revenues	7,674,100	(725,000)	(725,000)	(725,000)
<b>TO: EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES</b>				
Information technology services and projects	27,307,800	725,000	725,000	725,000
Total restricted revenues	9,612,000	725,000	725,000	725,000

This request would transfer State Restricted authorization from the Grants and Community Services line item to the Information Technology Services and Projects line item to align authorization with higher than anticipated criminal justice information center service fee revenue. Funding would be used to expand data analytics capability to further detect crime trends, patterns, and behaviors to develop actionable intelligence. State Restricted spending authority is available in the Grants and Community Services line item based on lower than anticipated auto theft prevention fee carryforward.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: TREASURY - OPERATIONS

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17

**TOTAL TRANSFER REQUEST: \$215,000**

**FROM: DEPARTMENTWIDE APPROPRIATIONS**

Rent and building occupancy charges - property management services	6,002,400	(215,000)	(215,000)	(215,000)
Delinquent tax collection revenue	2,809,200	(215,000)	(215,000)	(215,000)

**TO: DEPARTMENTWIDE APPROPRIATIONS**

Worker's compensation insurance premium	81,400	215,000	215,000	215,000
Delinquent tax collection revenue	81,400	215,000	215,000	215,000

This request transfers \$215,000 in authorization from Rent and Building Occupancy Charges - Property Management Services to Worker's Compensation Insurance Premium to cover additional costs associated with new worker's compensation-related incidents occurring this fiscal year (FY). Funding is available from the Rent and Building Occupancy Charges - Property Management Services line item in the program's rent portion. Appropriations to Worker's Compensation Insurance Premium had declined dramatically from \$129,200 in FY 2014-15 to \$36,500 in FY 2015-16 due to historic declines in expenditures in this line item. Multiple unanticipated events in the summer of FY 2016-17 have resulted in the need for additional appropriations, at least one of which is expected to carry forward into the 2017-18 fiscal year with significant costs. It is expected that this line item will need additional appropriations in FY 2017-18, which was enacted with \$25,100, to cover the unanticipated events, but the additional FY 2017-18 cost is unknown at this time. This transfer is requested as part of FY 2016-17 bookclosing.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2017-9

BUDGET AREA: TREASURY - REVENUE SHARING

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/29/17	HOUSE ACTION 11/29/17

**TOTAL TRANSFER REQUEST: \$282,918**

**FROM: REVENUE SHARING**

City, village, and township revenue sharing	243,040,000	(276,779)	(276,779)	(276,779)
County incentive program	43,033,500	(6,139)	(6,139)	(6,139)
Sales tax	286,073,500	(282,918)	(282,918)	(282,918)

**TO: REVENUE SHARING**

Financially distressed cities, villages, or townships	5,000,000	282,918	282,918	282,918
Sales Tax	5,000,000	282,918	282,918	282,918

Revenue sharing boilerplate (Sec. 952(5)) for City, Village, and Township Revenue Sharing and the County Incentive Program requires the transfer of funds that are not distributed during the year from those line items to the appropriation for Financially Distressed Cities, Villages, or Townships. Funds are available to transfer from the line item for City, Village, and Township Revenue Sharing because some cities, villages, and townships did not comply with the accountability and transparency requirements necessary to qualify for the full payments for which they were eligible. For City, Village, and Township Revenue Sharing, 0.1% of the available funding was forfeited. The transfer would reduce the ongoing line item for City, Village, and Township Revenue Sharing by \$276,779 to \$242,763,221. Including the \$5.8 million one-time appropriation for the program, funding for City, Village, and Township Revenue Sharing would total \$248,563,221 in FY 2016-17, the amount actually distributed. All eligible counties satisfied the accountability and transparency requirements of the County Incentive Program, however, the amount of the line item exceeded the formula payment amounts by \$6,139. The transfer would decrease the line item for the County Incentive Program by \$6,139 to \$43,027,361 in FY 2016-17. Finally, funding for Financially Distressed Cities, Villages, or Townships would increase to \$5,282,918 and the additional funds would remain in a work project for grants to eligible communities.