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MICHIGAN HOUSE OF REPRESENTATIVES

Laura Cox

STATE REPRESENTATIVE
APPROPRIATIONS CHAIR

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June 6, 2018

Mr. John J. Walsh
Office of the State Budget
Department of Management and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Walsh,

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 May 30, 2018, Legislative Transfer Request 2018-6. The transfers are for the departments of Corrections, Health and Human Services, State, State Police, and Transportation.

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 2017-18 LEGISLATIVE TRANSFER PACKAGE

Department/Budget Area	FY 2017-18 Year-to-Date Gross Appropriation	Contingency Transfer Amount	Standard Transfer Amount	Total Transfer Amount	Page Number	Transfer Percent of Y-T-D Gross
Corrections	\$2,001,919,200	\$0	\$900,000	\$900,000	1	0.04%
Health & Human Services	25,510,667,400	26,050,000	0	26,050,000	2	0.1%
State	258,358,500	1,000,000	0	1,000,000	7	0.4%
State Police	704,363,400	0	800,000	800,000	8	0.1%
Transportation	4,524,443,000	4,645,000	535,000	5,180,000	9	0.1%
Total	\$56,848,596,400	\$31,695,000	\$2,235,000	\$33,930,000		0.1%

FY 2017-18 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Private	State Restricted	GF/GP	Total Transfer Amount
Corrections	\$0	\$0	\$0	\$0	\$900,000	\$900,000
Health & Human Services	0	25,000,000	250,000	800,000	0	26,050,000
State	0	0	0	1,000,000	0	1,000,000
State Police	0	0	0	800,000	0	800,000
Transportation	0	4,300,000	345,000	535,000	0	5,180,000
Total	\$0	\$29,300,000	\$595,000	\$3,135,000	\$900,000	\$33,930,000

June 6, 2018

State Budget Office Request 2018-6, May 30, 2018

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$900,000				
FROM: CORRECTIONAL FACILITIES				
Earnest C. Brooks Correctional Facility - Muskegon	51,192,500	(300,000)	(300,000)	(300,000)
State general fund/general purpose	51,192,500	(300,000)	(300,000)	(300,000)
FROM: OFFENDER SUCCESS ADMINISTRATION				
Education program	38,739,100	(300,000)	(300,000)	(300,000)
State general fund/general purpose	28,202,400	(300,000)	(300,000)	(300,000)
Reentry services	15,264,300	(300,000)	(300,000)	(300,000)
State general fund/general purpose	15,264,300	(300,000)	(300,000)	(300,000)
TO: CORRECTIONAL FACILITIES ADMINISTRATION				
Transportation	25,570,300	900,000	900,000	900,000
State general fund/general purpose	24,999,400	900,000	900,000	900,000

This transfer request would provide \$900,000 in General Fund to the Transportation line item to support an increase in prisoner transportation costs associated with inter-facility moves to provide prisoners with access to necessary services and programming, as well as vehicle leasing and mileage increases. Funding is available as a result of vacancies and savings from the closure of West Shoreline Correctional Facility.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$20,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	398,746,400	(20,000,000)	(20,000,000)	(20,000,000)
Federal contingency revenues	398,746,400	(20,000,000)	(20,000,000)	(20,000,000)
TO: MEDICAL SERVICES ADMINISTRATION				
Medical services administration	82,560,400	20,000,000	20,000,000	20,000,000
Total other federal revenues	52,784,600	20,000,000	20,000,000	20,000,000

This transfer requests \$20.0 million in Federal contingency authorization for the Medical Services Administration line. Additional Federal authority is requested for various University partnership agreements. These agreements allow universities to contribute funding to draw down Federal matching dollars, which are passed through the State.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$800,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	37,390,000	(800,000)	(800,000)	(800,000)
State restricted contingency revenues	37,390,000	(800,000)	(800,000)	(800,000)
TO: CHILDREN'S SERVICES AGENCY - CHILD WELFARE				
Children's trust fund	3,327,700	800,000	800,000	800,000
Children's trust fund	2,091,900	800,000	800,000	800,000

This transfer requests \$800,000 in State Restricted contingency fund authorization for the Children's Trust Fund line to allow for increased local council and direct service grants. This request will bring the total number of direct service grants to 37 and total spending to nearly \$2.0 million in addition to \$1.0 million in local council contracts. There is available revenue in the trust fund's cash reserves to support the additional spending. This transfer is consistent with the FY 2018-19 Executive Recommendation.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$150,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	60,000,000	(150,000)	(150,000)	(150,000)
Private contingency revenues	60,000,000	(150,000)	(150,000)	(150,000)
TO: MEDICAL SERVICES ADMINISTRATION				
Medical services administration	82,560,400	150,000	150,000	150,000
Total private revenues	101,300	150,000	150,000	150,000

This transfer requests \$150,000 in Private contingency authorization for the Medical Services Administration line. Additional Private authority is requested to fully expend a grant from the Health Endowment Fund. The grant would support an analysis of Medicaid long term care services and supports.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$5,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	398,746,400	(5,000,000)	(5,000,000)	(5,000,000)
Federal contingency revenues	398,746,400	(5,000,000)	(5,000,000)	(5,000,000)
TO: MEDICAL SERVICES				
School-based services	109,937,200	5,000,000	5,000,000	5,000,000
Total other federal revenues	109,937,200	5,000,000	5,000,000	5,000,000

This transfer requests \$5.0 million in Federal contingency authorization for the School-based Services line to align authorization with anticipated expenditures. Higher than anticipated settlement payments are projected to push expenditures above the current authorization. Funds are utilized by local school districts to provide speech, hearing, counseling, and other health screening services for Medicaid eligible students.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2016-17

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$100,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	60,000,000	(100,000)	(100,000)	(100,000)
Private contingency revenues	60,000,000	(100,000)	(100,000)	(100,000)
TO: LOCAL HEALTH AND ADMINISTRATIVE SERVICES				
Cancer prevention and control program	15,064,100	100,000	100,000	100,000
Total private revenues	500,000	100,000	100,000	100,000

This transfer requests \$100,000 in Private contingency authorization for the Cancer Prevention and Control Program line. Additional Private funds are available to support the Breast Cancer and Cervical Cancer Nation Program (BCCCNP) which assists low income women in screening, follow up, and cancer treatment services.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: STATE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$1,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	7,500,000	(1,000,000)	(1,000,000)	(1,000,000)
State restricted contingency revenues	7,500,000	(1,000,000)	(1,000,000)	(1,000,000)
TO: CUSTOMER DELIVERY SERVICES				
Credit and debit assessment services	8,000,000	1,000,000	1,000,000	1,000,000
Credit and debit assessment service fees	8,000,000	1,000,000	1,000,000	1,000,000

This request transfers \$1,000,000 in authorization from State Restricted contingency funds to the credit and debit assessment services line item to cover additional costs associated with increased credit and debit card usage from the program. There will be an estimated net 300,000 more credit card transactions completed in FY 2017-18 than in the previous fiscal year. The increase in credit card transactions results in more fees being collected by the State which in turn are paid out to the credit card companies. This request increases the restricted fund authorization so those payments can be made. The majority of the increased transactions via credit cards will occur at branch offices (250,000); with the remaining 50,000 additional transactions being done via internet and SOS Express. Funding is available from State Restricted contingency funds. This transfer is requested to meet current payment obligations to credit card processors.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18

TOTAL TRANSFER REQUEST: \$800,000

FROM: SPECIALIZED SERVICES

Commercial vehicle regulation	2,226,200	(800,000)	(800,000)	(800,000)
Other state restricted revenues	2,222,000	(800,000)	(800,000)	(800,000)

TO: SPECIALIZED SERVICES

Commercial vehicle enforcement	28,721,700	800,000	800,000	800,000
Other state restricted revenues	6,064,400	800,000	800,000	800,000

This request would transfer Motor Carrier Fees authorization from the Commercial Vehicle Regulation line to the Commercial Vehicle Enforcement line to align available revenue with expenditures to support the 23rd motor carrier officer recruit school scheduled to start in August. Authorization is available in the Commercial Vehicle Regulation line due to lower than anticipated expenditures as a result of operational efficiencies associated with the consolidation of commercial vehicle regulation activities from the Michigan Public Service Commission to the Michigan State Police under Executive Order 2015-10.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: TRANSPORTATION

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$535,000				
FROM: INTERCITY PASSENGER AND FREIGHT				
Intercity services	8,060,000	(535,000)	(535,000)	(535,000)
Comprehensive transportation fund	3,300,000	(535,000)	(535,000)	(535,000)
TO: PUBLIC TRANSPORTATION DEVELOPMENT				
Service initiatives	3,389,200	535,000	535,000	535,000
Comprehensive transportation fund	1,414,200	535,000	535,000	535,000

This transfer would shift \$535,000 in Comprehensive Transportation Fund authority from Intercity Services to Service Initiatives. These funds were originally intended to be used for the demolition of the Detroit Intercity Bus Station facility. However, an in-depth assessment of the facility determined that the facility has five to seven years of remaining useful life allowing for its demolition to be deferred. Therefore, MDOT requests that the funds be transferred to the Service Initiatives line item, where they would be used to extend a cooperative project with MDOT and the State's two transit associations to evaluate and implement best practices regarding all aspects of transit operations (safety, training, level of service, etc.) to help measure the overall condition of the statewide transit system in Michigan. This effort includes a contract with Michigan State University to survey the transit agencies regarding their activity in each of the designated areas, as well as conducting rider surveys that will also feed into an economic benefit analysis model for the State.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: TRANSPORTATION

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18
TOTAL TRANSFER REQUEST: \$1,045,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	200,000,000	(1,045,000)	(1,045,000)	(1,045,000)
Federal contingency revenues	200,000,000	(700,000)	(700,000)	(700,000)
Private contingency revenues	1,000,000	(345,000)	(345,000)	(345,000)
TO: INTERCITY PASSENGER AND FREIGHT				
Intercity services	8,060,000	1,045,000	1,045,000	1,045,000
Federal aid, transportation programs, CTF, FTA	4,500,000	700,000	700,000	700,000
Private funds 120	0	345,000	345,000	345,000

This transfer adds \$700,000 in Federal contingency fund authorization and \$345,000 in Private contingency fund authorization to the Intercity Services line item. The additional authority would allow for the replacement of a motor coach that was destroyed in a fire on February 22, 2018, near Paw Paw. The additional Private authorization sought in this transfer reflects insurance funds collected by Indian Trails, Inc. that would be used to match \$1,725,000 in Federal funds, which is a combination of the \$700,000 in Federal authority contained in this request and \$1,025,000 in existing Federal authorization within the Intercity Services line item.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-6

BUDGET AREA: TRANSPORTATION

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 6/6/18	HOUSE ACTION 6/6/18

TOTAL TRANSFER REQUEST: \$3,600,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	200,000,000	(3,600,000)	(3,600,000)	(3,600,000)
Federal contingency revenues	200,000,000	(3,600,000)	(3,600,000)	(3,600,000)

TO: PUBLIC TRANSPORTATION DEVELOPMENT

Transit capital	59,403,500	3,600,000	3,600,000	3,600,000
Federal aid, transportation programs, CTF, FTA	15,300,000	3,600,000	3,600,000	3,600,000

This transfer would add \$3,600,000 in Federal contingency authorization to the Transit Capital line item, reflecting the recent award of a discretionary Bus and Bus Facilities grant from the Federal Transit Administration (FTA). A total of \$400,000 of this award would support the expansion of the Harbor Transit Multi-Modal Transit System Operations Center in Grand Haven, with the remainder supporting the purchase of new transit vehicles for other local agencies. The State match for the grant is \$900,000 and would be paid using existing State authority in the Transit Capital line item.