



19TH DISTRICT
STATE CAPITOL
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MICHIGAN HOUSE OF REPRESENTATIVES

Laura Cox
STATE REPRESENTATIVE
APPROPRIATIONS CHAIR

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September 26, 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 September 14, 2018, Legislative Transfer Request 2018-8. The transfers are for the departments of Agriculture and Rural Development, Corrections, Health and Human Services, Military and Veterans Affairs, Natural Resources, School Aid, State, and Treasury.

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
Agriculture and Rural Development	\$115,328,600	\$0	\$100,000	\$100,000	1	0.1%
Corrections	2,003,669,200	0	6,050,000	6,050,000	2	0.3%
Health and Human Services	24,855,339,300	37,568,200	202,868,100	240,436,300	4	1.0%
Military and Veteran Affairs	183,271,100	8,873,300	1,100,000	9,973,300	17	5.4%
Natural Resources	422,742,200	0	200,000	200,000	22	0.05%
School Aid	14,682,670,800	0	91,000	91,000	23	0.001%
State	271,450,900	2,500,000	0	2,500,000	24	0.9%
Treasury - Operations	524,828,200	800,000	0	800,000	26	0.2%
Treasury - Revenue Sharing	1,293,928,600	0	219,410	219,410	28	0.02%
Total	\$56,516,594,800	\$49,741,500	\$210,628,510	\$260,370,010		0.5%

FY 2017-18 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Local/ Private	State Restricted	GF/GP	Total Transfer Amount
Agriculture and Rural Development	\$0	\$0	\$0	\$0	\$100,000	\$100,000
Corrections	0	0	0	0	6,050,000	6,050,000
Health and Human Services	0	135,301,800	1,178,200	42,244,000	61,712,300	240,436,300
Military and Veteran Affairs	0	8,600,000	233,300	40,000	1,100,000	9,973,300
Natural Resources	0	0	0	200,000	0	200,000
School Aid	0	0	0	0	91,000	91,000
State	0	2,000,000	0	500,000	0	2,500,000
Treasury - Operations	0	0	0	800,000	0	800,000
Treasury - Revenue Sharing	0	0	0	219,410	0	219,410
Total	\$0	\$145,901,800	\$1,411,500	\$44,003,410	\$69,053,300	\$260,370,010

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: AGRICULTURE AND RURAL DEVELOPMENT

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$100,000				
FROM: ANIMAL INDUSTRY				
Animal disease prevention and response	9,267,300	(100,000)	(100,000)	(100,000)
State general fund/general purpose	8,357,800	(100,000)	(100,000)	(100,000)
TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Emergency management	1,079,600	100,000	100,000	100,000
State general fund/general purpose	645,200	100,000	100,000	100,000

This request would transfer GF/GP authorization from the Animal Disease Prevention and Response line to the Emergency Management line to support a point-person to fulfill the Department's role in Statewide PFAS response activities. These activities include coordinating water inspection at food and retail establishments in PFAS-affected areas, participating in PFAS team meetings, and answering questions from the public. Spending authority is available from the Animal Disease Prevention and Response line due to vacancy savings resulting from higher than average staff attrition.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$1,750,000				
FROM: CORRECTIONAL FACILITIES				
Earnest C. Brooks Correctional Facility - Muskegon	50,892,500	(1,750,000)	(1,750,000)	(1,750,000)
State general fund/general purpose	50,892,500	(1,750,000)	(1,750,000)	(1,750,000)
TO: CORRECTIONAL FACILITIES ADMINISTRATION				
Transportation	26,470,300	1,750,000	1,750,000	1,750,000
State general fund/general purpose	25,899,400	1,750,000	1,750,000	1,750,000

This request would transfer General Fund authorization from the Earnest C. Brooks Correctional Facility line to the Transportation line to support higher than anticipated prisoner transportation costs. Spending authority is available in the Earnest C. Brooks Correctional Facility line as a result of the closure of the West Shoreline Correctional Facility which was part of the Earnest C. Brooks Correctional Facility line.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$4,300,000

FROM: CORRECTIONAL FACILITIES

Earnest C. Brooks Correctional Facility - Muskegon	50,892,500	(4,300,000)	(4,300,000)	(4,300,000)
State general fund/general purpose	50,892,500	(4,300,000)	(4,300,000)	(4,300,000)

TO: CORRECTIONAL FACILITIES ADMINISTRATION

Prison food service	57,163,500	4,300,000	4,300,000	4,300,000
State general fund/general purpose	57,163,500	4,300,000	4,300,000	4,300,000

This request would transfer General Fund authorization from the Earnest C. Brooks Correctional Facility line to the Prison Food Service line to support the partial-year transition of prison food service from a contracted service provider to state employees as of July 31, 2018. Spending authority is available in the Earnest C. Brooks Correctional Facility line as a result of the closure of the West Shoreline Correctional Facility, which was part of the Earnest C. Brooks Correctional Facility line.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$181,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	36,590,000	(181,000)	(181,000)	(181,000)
State restricted contingency revenues	36,590,000	(181,000)	(181,000)	(181,000)
TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Departmental administration and management	109,218,800	60,000	60,000	60,000
Total other state restricted revenues	495,100	60,000	60,000	60,000
Property management	64,339,500	120,000	120,000	120,000
Total other state restricted revenues	273,600	120,000	120,000	120,000
Terminal leave payments	7,250,000	1,000	1,000	1,000
Total other state restricted revenues	1,700	1,000	1,000	1,000

This transfer requests an increase in State Restricted authorization to provide sufficient authorization to cover projected shortfalls for various lines within the Departmental Administration and Support unit.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$230,075,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	36,590,000	(36,409,000)	(36,409,000)	(36,409,000)
State restricted contingency revenues	36,590,000	(36,409,000)	(36,409,000)	(36,409,000)
 MEDICAL SERVICES				
Ambulance services	9,990,300	(375,000)	(375,000)	(375,000)
State general fund/general purpose	3,354,800	(375,000)	(375,000)	(375,000)
 Dental services	307,032,500	(9,500,000)	(9,500,000)	(9,500,000)
Total other federal revenues	213,011,300	(9,500,000)	(9,500,000)	(9,500,000)
 Health plan services	4,939,177,100	(26,400,000)	(26,400,000)	(26,400,000)
Total local revenues	15,152,500	(200,000)	(200,000)	(200,000)
State general fund/general purpose	110,718,500	(26,200,000)	(26,200,000)	(26,200,000)
 Healthy Michigan plan	3,707,518,200	(108,600,000)	(108,600,000)	(108,600,000)
Total other federal revenues	3,490,899,800	(108,600,000)	(108,600,000)	(108,600,000)
 Hospital services and therapy	686,966,800	(5,641,000)	(5,641,000)	(5,641,000)
Total other state restricted revenues	246,635,400	(5,641,000)	(5,641,000)	(5,641,000)
 Long-term care services	1,808,300,600	(10,750,000)	(10,750,000)	(10,750,000)
State general fund/general purpose	297,883,900	(10,750,000)	(10,750,000)	(10,750,000)
 Medicare premium payments	578,606,700	(8,750,000)	(8,750,000)	(8,750,000)
State general fund/general purpose	131,094,600	(8,750,000)	(8,750,000)	(8,750,000)

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
Pharmaceutical services	310,497,100	(7,000,000)	(7,000,000)	(7,000,000)
State general fund/general purpose	114,570,300	(7,000,000)	(7,000,000)	(7,000,000)
Program of all-inclusive care for the elderly	100,365,600	(400,000)	(400,000)	(400,000)
State general fund/general purpose	35,348,700	(400,000)	(400,000)	(400,000)
School-based services	114,937,200	(3,500,000)	(3,500,000)	(3,500,000)
Total other federal revenues	114,937,200	(3,500,000)	(3,500,000)	(3,500,000)
Special Medicaid reimbursement	309,777,400	(11,500,000)	(11,500,000)	(11,500,000)
Total other federal revenues	202,247,100	(11,500,000)	(11,500,000)	(11,500,000)
Transportation	22,057,200	(1,250,000)	(1,250,000)	(1,250,000)
State general fund/general purpose	9,219,700	(1,250,000)	(1,250,000)	(1,250,000)
TO: CHILDREN'S SPECIAL HEALTH CARE SERVICES				
Medical care and treatment	211,799,700	300,000	300,000	300,000
Total other federal revenues	116,342,200	300,000	300,000	300,000
MEDICAL SERVICES				
Adult home help services	326,714,900	5,100,000	5,100,000	5,100,000
Total other federal revenues	212,469,100	2,000,000	2,000,000	2,000,000
State general fund/general purpose	114,245,800	3,100,000	3,100,000	3,100,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
Ambulance services	9,990,300	50,000	50,000	50,000
Total other state restricted revenues	189,300	50,000	50,000	50,000
Federal Medicare pharmaceutical program	268,913,900	600,000	600,000	600,000
State general fund/general purpose	268,913,900	600,000	600,000	600,000
Health plan services	4,939,177,100	49,000,000	49,000,000	49,000,000
Total other federal revenues	3,306,217,100	7,000,000	7,000,000	7,000,000
Total other state restricted revenues	1,507,089,000	42,000,000	42,000,000	42,000,000
Healthy Michigan plan	3,707,518,200	3,525,000	3,525,000	3,525,000
Total local revenues	531,400	200,000	200,000	200,000
State general fund/general purpose	150,895,600	3,325,000	3,325,000	3,325,000
Home health services	5,438,600	500,000	500,000	500,000
Total other federal revenues	3,524,000	400,000	400,000	400,000
State general fund/general purpose	1,914,600	100,000	100,000	100,000
Hospice services	123,316,500	12,400,000	12,400,000	12,400,000
Total other federal revenues	77,734,700	8,000,000	8,000,000	8,000,000
State general fund/general purpose	45,581,800	4,400,000	4,400,000	4,400,000
Hospital services and therapy	686,966,800	49,425,000	49,425,000	49,425,000
Total other federal revenues	416,010,300	42,000,000	42,000,000	42,000,000
State general fund/general purpose	24,321,100	7,425,000	7,425,000	7,425,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
Integrated care organizations	220,099,400	55,300,000	55,300,000	55,300,000
Total other federal revenues	141,985,400	37,000,000	37,000,000	37,000,000
State general fund/general purpose	78,114,000	18,300,000	18,300,000	18,300,000
Maternal and child health	26,279,500	2,500,000	2,500,000	2,500,000
Total other federal revenues	26,279,500	2,500,000	2,500,000	2,500,000
Medicaid home- and community-based services waiver	344,563,300	4,500,000	4,500,000	4,500,000
Total other federal revenues	224,612,200	1,100,000	1,100,000	1,100,000
State general fund/general purpose	119,951,100	3,400,000	3,400,000	3,400,000
Medicare premium payments	578,606,700	1,000,000	1,000,000	1,000,000
Total other federal revenues	447,512,100	1,000,000	1,000,000	1,000,000
Personal care services	9,035,500	75,000	75,000	75,000
State general fund/general purpose	3,182,300	75,000	75,000	75,000
Pharmaceutical services	310,497,100	1,500,000	1,500,000	1,500,000
Total other federal revenues	195,926,800	1,500,000	1,500,000	1,500,000
Physician services	264,724,200	44,000,000	44,000,000	44,000,000
Total other federal revenues	176,161,500	30,000,000	30,000,000	30,000,000
State general fund/general purpose	88,562,700	14,000,000	14,000,000	14,000,000
Transportation	22,057,200	300,000	300,000	300,000
Total other federal revenues	12,837,500	300,000	300,000	300,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT	
		GOV.'S REC.	SENATE ACTION 9/26/18

The Medicaid transfer reflects several types of adjustments: funding necessary to cover year-end costs for accounts that are paid prospectively, adjustments related to special payments, and adjustments in actuarially determined rates.

Regarding the largest adjustments: The Health Plan Services increase is tied to changes in provider tax funded Hospital Rate Adjustor payments made pursuant to the new Federal Managed Care Rule. The Hospital Services and Therapy adjustment reflects an increase in pended claims above what was assumed at the May Medicaid expenditure consensus. The Integrated Care Organization transfer reflects an increase in actuarially sound payment rates. The Physician Services transfer is intended to cover continued payments for dental services provided at Federally Qualified Health Centers (FQHCs) as well as a backlog of clinic settlements tied to FQHCs, rural clinics, and other clinic providers.

The other adjustments are of a smaller magnitude and reflect typical year-end Medicaid adjustments. The most notable of these is a \$12.4 million increase for Hospice Services due to an uptick in reimbursements.

The adjustments in the "FROM" accounts reflect anticipated unused authorization and there appears to be sufficient excess authorization in those accounts to effect these transfers.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$3,500,000				
FROM: BEHAVIORAL HEALTH SERVICES				
Medicaid mental health services	2,330,225,500	(3,500,000)	(3,500,000)	(3,500,000)
Total other federal revenues	1,520,966,600	(1,750,000)	(1,750,000)	(1,750,000)
State general fund/general purpose	763,496,700	(1,750,000)	(1,750,000)	(1,750,000)
TO: BEHAVIORAL HEALTH SERVICES				
Medicaid substance use disorder services	62,520,300	3,500,000	3,500,000	3,500,000
Total other federal revenues	40,841,800	1,750,000	1,750,000	1,750,000
State general fund/general purpose	21,678,500	1,750,000	1,750,000	1,750,000

This is a request to transfer some of the excess authorization in the Medicaid Mental Health Services line to the Medicaid Substance Use Disorder Services line. Public Act 207 of 2018 included funding to address PIHP concerns that the appropriated funds would not cover expenditures for the year. Since the enactment of PA 207 of 2018, additional months of data have been received, indicating that this estimate understated the level of funding needed. This transfer would align authorization with updated estimates of the necessary level of funding. There is available authorization in the Medicaid Mental Health Services line item resulting from a one-time increase in recouped prior month payments.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$1,702,100				
FROM: DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Departmental administration and management	109,218,800	(111,500)	(111,500)	0
Total other federal revenues	48,728,100	(19,000)	(19,000)	0
State general fund/general purpose	44,125,600	(92,500)	(92,500)	0
Developmental disabilities council and projects	3,573,700	(14,000)	(14,000)	0
Total other federal revenues	3,073,700	(14,000)	(14,000)	0
INFORMATION TECHNOLOGY				
Michigan Medicaid information system	75,634,400	(27,000)	(27,000)	0
Total other federal revenues	42,837,600	(2,000)	(2,000)	0
State general fund/general purpose	7,796,800	(25,000)	(25,000)	0
BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS				
Behavioral health program administration	60,346,400	(93,500)	(93,500)	0
Total other federal revenues	32,743,200	(3,500)	(3,500)	0
State general fund/general purpose	26,577,500	(90,000)	(90,000)	0
Office of recipient rights	2,721,900	(11,000)	(11,000)	0
State general fund/general purpose	2,721,900	(11,000)	(11,000)	0
BEHAVIORAL HEALTH SERVICES				
Nursing home PAS/ARR-OBRA	12,274,100	(9,000)	(9,000)	0
Total other federal revenues	9,545,900	(2,500)	(2,500)	0
State general fund/general purpose	2,728,200	(6,500)	(6,500)	0

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
CHILDREN'S SPECIAL HEALTH CARE SERVICES				
Children's special health care services administration	6,028,300	(39,600)	(39,600)	0
Total other federal revenues	3,052,900	(19,800)	(19,800)	0
State general fund/general purpose	2,869,900	(19,800)	(19,800)	0
HEALTH POLICY				
Certificate of need program administration	2,825,300	(5,500)	(5,500)	0
Total other state restricted revenues	2,207,600	(5,500)	(5,500)	0
Health policy administration	13,065,200	(25,500)	(25,500)	0
Total other federal revenues	11,024,600	(12,000)	(12,000)	0
State general fund/general purpose	1,389,700	(13,500)	(13,500)	0
MEDICAL SERVICES ADMINISTRATION				
Medical services administration	103,540,500	(518,000)	(518,000)	0
Total other federal revenues	73,130,100	(259,000)	(259,000)	0
State general fund/general purpose	29,617,200	(259,000)	(259,000)	0
AGING AND ADULT SERVICES AGENCY				
Aging and adult services administration	9,364,700	(36,000)	(36,000)	0
State general fund/general purpose	4,299,700	(36,000)	(36,000)	0
STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES				
Caro Regional Mental Health Center-psychiatric hospital-adult	59,061,600	(78,500)	(78,500)	0
State general fund/general purpose	40,560,100	(78,500)	(78,500)	0

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
Center for forensic psychiatry	82,593,400	(200,500)	(200,500)	0
State general fund/general purpose	76,449,900	(200,500)	(200,500)	0
Hawthorn Center- psychiatric hospital-children and adolescents	31,613,100	(120,000)	(120,000)	0
Total other federal revenues	22,214,200	(120,000)	(120,000)	0
Kalamazoo Psychiatric Hospital- adult	67,797,700	(194,000)	(194,000)	0
State general fund/general purpose	53,606,600	(194,000)	(194,000)	0
Walter P. Reuther Psychiatric Hospital-adult	59,433,400	(211,000)	(211,000)	0
State general fund/general purpose	47,450,900	(211,000)	(211,000)	0
COMMUNITY SERVICES AND OUTREACH				
Crime victim grants administration services	2,177,100	(7,500)	(7,500)	0
Crime victim's rights fund	1,537,000	(7,500)	(7,500)	0
TO: INFORMATION TECHNOLOGY				
Information technology services and projects	159,238,200	1,702,100	1,702,100	0
Total other federal revenues	65,283,400	451,800	451,800	0
Total other state restricted revenues	1,985,800	13,000	13,000	0
State general fund/general purpose	54,777,300	1,237,300	1,237,300	0

This is a request to centralize all telecommunications charges from administrative line-items to the Information Technology Services and Projects line in order to meet the cost allocation plan of the department.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$749,100				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	40,000,000	(749,100)	(749,100)	(749,100)
Local contingency revenues	40,000,000	(749,100)	(749,100)	(749,100)
TO: CHILDREN'S SERVICES AGENCY- CHILD WELFARE				
Foster care payments	214,712,000	749,100	749,100	749,100
Local funds- county chargeback	16,927,400	749,100	749,100	749,100

This is a request 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: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$229,100

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	59,750,000	(229,100)	(229,100)	(229,100)
Private contingency revenues	59,750,000	(229,100)	(229,100)	(229,100)

TO: CHILDREN'S SERVICES AGENCY- CHILD WELFARE

Foster care payments	214,712,000	229,100	229,100	229,100
Private - collections	1,770,700	229,100	229,100	229,100

This is a request to increase Private funds authorization in the Foster Care Payments line. Due to greater than anticipated Private collections 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: 2018-8

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$4,000,000				
FROM: MEDICAL SERVICES				
Pharmaceutical services	310,497,100	(4,000,000)	(4,000,000)	(4,000,000)
State general fund/general purpose	114,570,300	(4,000,000)	(4,000,000)	(4,000,000)
TO: CHILDREN'S SERVICES AGENCY- CHILD WELFARE				
Foster care payments	214,712,000	4,000,000	4,000,000	4,000,000
State general fund/general purpose	86,487,700	4,000,000	4,000,000	4,000,000

The May 2018 consensus estimated the monthly average foster care caseload to be 6,216 cases per month with an average annual cost of \$32,000 per case. The administration has stated that data through the 3rd quarter of FY 2017-18 indicates that actual caseload and cost per case will be above the May 2018 estimate. The requested transfer amount would bring the total GF/GP in the Foster Care Payments line to \$90,487,700. There is sufficient excess authorization in the Pharmaceutical Services line to effect this transfer due to lower than predicted growth in the cost of pharmaceuticals and slightly higher than predicted pharmacy rebates.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: 233,300				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	500,000	(233,300)	(233,300)	(233,300)
Local contingency revenues	500,000	(233,300)	(233,300)	(233,300)
TO: MILITARY				
Michigan youth challeNGe academy	5,259,100	233,300	233,300	233,300
Local revenues	1,528,400	233,300	233,300	233,300

This transfer would shift local contingency authorization to the Michigan Youth ChalleNGe Academy line to align authorization with Federal match requirements. The School Aid budget makes a yearly appropriation to a fiduciary agent (Marshall Public Schools) for this program who then provides the funding to the Academy. School Aid Fund revenue, which becomes local revenue when paid to the Academy from Marshall Public Schools, is available due to carry-forward of prior-year revenue.

The National Guard ChalleNGe Program is for high school dropouts aged 16 to 18. The Program's goal is to improve education, life skills, and employment potential of participants by use of military-based training and supervised work experience. The Program is funded with Federal funds, matched by School Aid Fund revenue, and is administered by the Department of Military and Veterans Affairs via a contract with Marshall Public Schools.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$8,600,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	10,000,000	(8,600,000)	(8,600,000)	(8,600,000)
Federal contingency revenues	10,000,000	(8,600,000)	(8,600,000)	(8,600,000)
TO: MICHIGAN VETERANS AFFAIRS AGENCY				
D.J. Jacobetti home for veterans	23,542,200	600,000	600,000	600,000
Other federal revenues	8,396,100	600,000	600,000	600,000
MILITARY				
Departmentwide	1,853,100	1,500,000	1,500,000	1,500,000
Other federal revenues	1,544,200	1,500,000	1,500,000	1,500,000
Headquarters and armories	17,317,800	3,000,000	3,000,000	3,000,000
Other federal revenues	9,560,000	3,000,000	3,000,000	3,000,000
Michigan youth challeNGe academy	5,259,100	1,500,000	1,500,000	1,500,000
Other federal revenues	2,913,400	1,500,000	1,500,000	1,500,000
Military training sites and support facilities	33,956,100	2,000,000	2,000,000	2,000,000
Other federal revenues	30,760,500	2,000,000	2,000,000	2,000,000

This transfer would shift Federal contingency authorization to multiple line items including the D.J. Jacobetti Home for Veterans, Military Training Sites and Support Facilities, Headquarters and Armories, Departmentwide, and Michigan Youth ChalleNGe Academy lines to align authorization with available Federal revenue. Spending authority is available from the Federal Contingency Fund authorization.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$400,000				
FROM: MICHIGAN VETERANS AFFAIRS AGENCY				
Michigan veterans affairs agency administration	7,061,200	(400,000)	(400,000)	(400,000)
State general fund/general purpose	7,011,200	(400,000)	(400,000)	(400,000)
TO: GRAND RAPIDS HOME FOR VETERANS				
Veterans home operations	9,007,800	400,000	400,000	400,000
State general fund/general purpose	5,393,700	400,000	400,000	400,000

This transfer would shift General Fund authorization from the Michigan Veteran Affairs Administration line to the Grand Rapids Home for Veterans Operations line to support higher than anticipated information technology user fees. General fund authorization is available in the Michigan Veteran Affairs Administration line as a result of vacant positions.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$700,000				
FROM: GRAND RAPIDS HOME FOR VETERANS				
Salaries, wages, and fringe benefits	31,054,000	(700,000)	(700,000)	(700,000)
State general fund/general purpose	12,939,400	(700,000)	(700,000)	(700,000)
TO: GRAND RAPIDS HOME FOR VETERANS				
Veterans home operations	9,007,800	600,000	600,000	600,000
State general fund/general purpose	5,393,700	600,000	600,000	600,000
Purchased services	10,342,700	100,000	100,000	100,000
State general fund/general purpose	4,285,600	100,000	100,000	100,000

This transfer would shift General Fund authorization from the Salaries, Wages, and Fringe Benefits line to the Veterans Home Operations and Purchased Services lines to align authorization with operational needs at the Grand Rapids Home for Veterans. Funding is available in the Salaries, Wages, and Fringe Benefits line due to the redistribution of authorizations as part of a technical restructuring of the Grand Rapids Home for Veterans line items in FY 2016-17.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$40,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	3,000,000	(40,000)	(40,000)	(40,000)
State restricted contingency revenues	3,000,000	(40,000)	(40,000)	(40,000)
TO: GRAND RAPIDS HOME FOR VETERANS				
Veterans home operations	9,007,800	40,000	40,000	40,000
Other state restricted revenues	859,200	40,000	40,000	40,000

This transfer would shift State Restricted Contingency authorization to the Veterans Home Operations line to align authorization with higher than anticipated lease revenue at the Grand Rapids Home for Veterans. Spending authority is available from State Restricted Contingency authorization.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: NATURAL RESOURCES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$200,000

FROM: WATERWAYS BOATING PROGRAMS

State boating infrastructure maintenance (AY 2016)	2,435,000	(200,000)	(200,000)	(200,000)
Michigan state waterways fund	1,560,000	(200,000)	(200,000)	(200,000)

TO: WATERWAYS BOATING PROGRAM

East Tawas state harbor, Iosco County, harbor renovation, dock replacements, dredging, fueling station, new electrical/utilities, phase II (total authorized cost is increased from \$3,120,000 to \$4,320,000; federal share \$1,550,000; state share is increased from \$1,570,000 to \$2,770,000) (AY 2016)	1,300,000	200,000	200,000	200,000
Michigan state waterways fund	1,200,000	200,000	200,000	200,000

This request transfers \$200,000 of Michigan State Waterways Fund authorization available from the Appropriation Year 2016 State Boating Infrastructure Maintenance line item to the Appropriation Year 2016 East Tawas State Harbor, Iosco County, Phase II line-item.* Costs associated with the dock replacement and mooring capacity upgrades have increased from the original estimates in 2016. The funding is available within the State Boating Infrastructure Maintenance line-item as several projects were completed under budget. This transfer increases the total cost of the multi-year, multi-phase East Tawas project from \$6.7 million to \$6.9 million (\$1.7 million Federal share; \$5.2 million State share).

*Both Appropriation Year 2016 accounts involved in this transfer request are capital outlay accounts with multi-year authorization authority.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$91,000

FROM: SEC. 22b DISCRETIONARY PAYMENT	4,024,860,400	(91,000)	(91,000)	(91,000)
State general fund/general purpose	5,099,900	(91,000)	(91,000)	(91,000)
TO: SEC. 94 ADVANCED PLACEMENT INCENTIVE PROGRAM	750,000	91,000	91,000	91,000
State general fund/general purpose	750,000	91,000	91,000	91,000

The amount appropriated in the Advanced Placement (AP) Incentive Program line to subsidize AP testing fees for low-income students is insufficient to cover the total remaining costs for billing by International Baccalaureate (IB) and the College Board. In FY 2016-17, 8,100 AP tests and 778 IB tests were supported. For FY 2017-18, the AP tests supported have grown to 15,711, while the IB tests supported declined to 508. Given these figures, it is estimated that remaining costs will total \$841,000. After applying existing state appropriations of \$750,000, an additional \$91,000 is needed to cover the costs. The Discretionary Payment line is expected to have sufficient lapses to cover the transfer.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: STATE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$2,000,000

FROM: BOILERPLACE APPROPRIATIONS

Contingency funds	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)
Federal contingency revenues	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)

TO: ELECTION REGULATION

Election administration and services	11,209,800	2,000,000	2,000,000	2,000,000
HAVA Title II	4,000,000	2,000,000	2,000,000	2,000,000

This transfer requests \$2.0 million in Federal contingency fund authorization for the Election Administration and Services line item to support on-going Qualified Voter File contractual services work. This funding will allow completion of the project by 2020. Funding is available from additional interest accrued on remaining federal Help America Vote Act resources that were utilized to purchase voting equipment. Michigan received just over \$100.0 million in Federal Help America Vote Act funding as a result of the 2000 presidential election. The recent installation of new voting machines across the State expended the remaining \$40.0 million left from the original HAVA funds. This transfer appropriates the remaining interest earnings from the original HAVA funds. Spending authority is available from Federal contingency funds.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: STATE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$500,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	6,500,000	(500,000)	(500,000)	(500,000)
State restricted contingency revenues	6,500,000	(500,000)	(500,000)	(500,000)

TO: CUSTOMER DELIVERY SERVICES

Branch operations	88,887,700	500,000	500,000	500,000
Transportation administration collection fund	37,021,800	500,000	500,000	500,000

This transfer requests \$500,000 in State Restricted contingency fund authorization for Branch Operations. This request will be utilized to accommodate contractual rate increases not known during budget development. The increases include \$100,000 for janitorial services; \$220,000 for security guards; and \$180,000 for telecommunications. Funding is available from the Transportation Administration Collection Fund as revenues have exceeded projections. Spending authority is available from State Restricted contingency funds.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: TREASURY - OPERATIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$300,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	1,000,000	(300,000)	(300,000)	(300,000)
State restricted contingency revenues	1,000,000	(300,000)	(300,000)	(300,000)

TO: FINANCIAL PROGRAMS

Michigan finance authority - bond finance programs	25,962,900	300,000	300,000	300,000
MFA, bond and loan program revenue	3,012,400	300,000	300,000	300,000

This transfer request moves \$300,000 in State restricted contingency funds to the Michigan Finance Authority line item. The funding will help manage and monitor loans administered in the Clean Water and Drinking Water State Revolving Fund programs. There is sufficient restricted contingency fund authorization and Michigan Finance Authority revenue to accommodate this transfer. The Drinking Water State Revolving Fund program was created in 1996 in the Safe Drinking Water Act to provide states with a revolving loan fund to provide loans to eligible infrastructure projects. The Department of Environmental Quality administers the programs.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: TREASURY - OPERATIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18

TOTAL TRANSFER REQUEST: \$500,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	1,000,000	(500,000)	(500,000)	(500,000)
State restricted contingency revenues	1,000,000	(500,000)	(500,000)	(500,000)

TO: ONE-TIME APPROPRIATIONS

Drinking water declaration of emergency	9,000,100	500,000	500,000	500,000
Drinking water declaration of emergency reserve fund	9,000,100	500,000	500,000	500,000

This transfer request moves \$500,000 in State restricted contingency funds to the Drinking Water Declaration of Emergency line item. The funding will be used to pay for continued integrity monitoring oversight of the City of Flint lead service line replacement effort via a Deloitte contractual agreement. There is sufficient restricted contingency fund authorization and Drinking Water Declaration of Emergency Reserve Fund balance to accommodate this transfer. If this transfer is approved, the estimated balance in the Reserve Fund would be \$5.6 million. This is the second appropriation for the integrity monitoring oversight contract. The first appropriation was made in FY 2016-17 under Legislative Transfer 2017-1 for \$300,000.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-8

BUDGET AREA: TREASURY - REVENUE SHARING

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/26/18	HOUSE ACTION 9/26/18
TOTAL TRANSFER REQUEST: \$219,410				
FROM: REVENUE SHARING				
City, village, and township revenue sharing	243,040,000	(192,654)	(192,654)	(192,654)
Sales tax	243,040,000	(192,654)	(192,654)	(192,654)
County incentive program	43,160,400	(26,756)	(26,756)	(26,756)
Sales tax	43,160,400	(26,756)	(26,756)	(26,756)
TO: REVENUE SHARING				
Financially distressed cities, villages, or townships	5,000,000	219,410	219,410	219,410
Sales tax	5,000,000	219,410	219,410	219,410

Section 952(5) of Article VIII of PA 107 of 2017 states, "The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393." City, Village, and Township (CVT) Revenue Sharing funds are available due to 28 eligible units not qualifying for some or all of their CVT revenue sharing payment. The local units were Antwerp Twp., Bangor Twp., Benzonia, Brighton Twp., Buckley, Camden, Clayton, Eau Claire, Elberta, Elsie, Farmington Hills, Geneva Twp., Gobles, Grass Lake, Keego Harbor, Lakewood Club, Litchfield, Mayfield Twp., Milan, Parchment, Parma, Sand Lake, St. Charles, Sumpter Twp., Three Oaks, Twining, Walkerville, and Webberville. For City, Village, and Township Revenue Sharing, less than 0.1% of available funding was forfeited.

County Incentive Program (CIP) funds are available due to one eligible unit (Huron County) not qualifying for some or all of its CIP payment. For the County Incentive Program, 0.06% of available funding was forfeited. The Financially Distressed Cities, Villages, or Townships grant program supports grant funding to cities, villages, or townships with one or more conditions that indicate probable financial distress to pay for specific projects, services, or strategies that move a city, village, or township toward financial stability.