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Laura Cox

STATE REPRESENTATIVE

APPROPRIATIONS CHAIR

November 28, 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 transfers approved are from the Office of the State Budget letters dated October 25, 2018 and November 19, 2018, Legislative Transfer Requests 2018-9 and 2018-11. The transfers are for the departments of Corrections, Health and Human Services, Licensing and Regulatory Affairs, Military and Veterans Affairs, School Aid, State Police, and Technology, Management and Budget.

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	\$2,003,669,200	\$0	\$3,900,000	\$3,900,000	1	0.2%
Health & Human Services	24,892,907,500	50,000,000	179,350,000	229,350,000	2	0.9%
Licensing and Regulatory Affairs	435,347,000	150,000	0	150,000	11	0.03%
Military and Veterans Affairs	192,144,400	0	1,250,000	1,250,000	12	0.7%
School Aid	14,682,670,800	0	9,700,000	9,700,000	14	0.1%
State Police	734,363,400	480,000	7,989,000	8,469,000	15	1.2%
Technology, Management, and Budget	1,434,261,400	0	1,500,000	1,500,000	19	0.1%
Total	\$56,577,369,300	\$50,630,000	\$203,689,000	\$254,319,000		0.4%

FY 2017-18 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Local/ Private	State Restricted	GF/GP	Total Transfer Amount
Corrections	\$0	\$0	\$0	\$0	\$3,900,000	\$3,900,000
Health & Human Services	0	125,100,000	0	7,450,000	96,800,000	229,350,000
Licensing and Regulatory Affairs	0	0	0	150,000	0	150,000
Military and Veterans Affairs	0	1,000,000	0	0	250,000	1,250,000
School Aid	0	0	0	9,700,000	0	9,700,000
State Police	0	2,960,000	0	5,509,000	0	8,469,000
Technology, Management, and Budget	1,500,000	0	0	0	0	1,500,000
Total	\$1,500,000	\$129,060,000	\$0	\$22,809,000	\$100,950,000	\$254,319,000

November 28, 2018

State Budget Office Request 2018-9 & 2018-11,
October 25, 2018, & November 19, 2018

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18

TOTAL TRANSFER REQUEST: \$3,900,000

FROM: HEALTH CARE

Clinical complexes	144,082,600	(750,000)	(750,000)	(750,000)
State general fund/general purpose	143,825,400	(750,000)	(750,000)	(750,000)
Mental health services and support	60,606,400	(3,150,000)	(3,150,000)	(3,150,000)
State general fund/general purpose	60,606,400	(3,150,000)	(3,150,000)	(3,150,000)

TO: HEALTH CARE

Prisoner health care services	71,636,400	3,900,000	3,900,000	3,900,000
State general fund/general purpose	71,636,400	3,900,000	3,900,000	3,900,000

This request would transfer \$3.9 million in General Fund authorization from the Clinical Complexes and Mental Health Services and Support lines to the Prisoner Health Care Services line to support higher than anticipated offsite health care costs. Spending authority is available in the Clinical Complexes and Mental Health Services and Support lines as a result of vacancies in nursing and mental health treatments staff positions.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$15,100,000				
FROM: BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS				
Behavioral health program administration	60,346,400	(8,179,400)	(8,179,400)	(8,179,400)
State general fund/general purpose	26,577,500	(8,179,400)	(8,179,400)	(8,179,400)
FAMILY, MATERNAL, AND CHILD HEALTH				
Family, maternal, and child health administration	9,103,600	(800,000)	(800,000)	(800,000)
State general fund/general purpose	2,835,700	(800,000)	(800,000)	(800,000)
FIELD OPERATIONS AND SUPPORT SERVICES				
Electronic benefit transfer (EBT)	8,509,000	(1,720,600)	(1,720,600)	(1,720,600)
State general fund/general purpose	5,363,900	(1,720,600)	(1,720,600)	(1,720,600)
PUBLIC ASSISTANCE				
Emergency services local office allocations	9,357,500	(1,300,000)	(1,300,000)	(1,300,000)
State general fund/general purpose	3,842,500	(1,300,000)	(1,300,000)	(1,300,000)
Low-income home energy assistance program	177,451,600	(2,500,000)	(2,500,000)	(2,500,000)
State general fund/general purpose	2,500,000	(2,500,000)	(2,500,000)	(2,500,000)
State supplementation administration	2,381,100	(600,000)	(600,000)	(600,000)
State general fund/general purpose	2,381,100	(600,000)	(600,000)	(600,000)
TO: INFORMATION TECHNOLOGY				
Information technology services and projects	159,238,200	10,800,000	10,800,000	10,800,000
State general fund/general purpose	54,777,300	10,800,000	10,800,000	10,800,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
Michigan Medicaid information system	75,634,400	4,300,000	4,300,000	4,300,000
State general fund/general purpose	7,796,800	4,300,000	4,300,000	4,300,000

The Administration is requesting a transfer of \$15.1 million in excess GF/GP authorization from the Behavioral Health Program Administration; Family, Maternal, and Child Health Administration; Electronic Benefit Transfer (EBT); Emergency Services Local Office Allocations; Low-Income Home Energy Assistance Program; and State Supplementation Administration line items to the Information Technology Services and Projects; and the Michigan Medicaid Information Services line items to reflect the expiration of the 90/10 Federal/State match rate for the Bridges (Eligibility & Enrollment) and Integrated Service Delivery projects. The expiration of this match rate has created the need for additional GF/GP funding to continue pulling down Federal funds.

There is excess GF/GP authorization in the Behavioral Health Program Administration line resulting from the lapse of funding initially appropriated to implement various Mental Health and Wellness Commission recommendations. These recommendations will be funded using excess authorization from FY 2015-16 and FY 2016-17 that was designated as work project funding for the purpose of implementing the recommendations of the Mental Health and Wellness Commission. Additionally there is excess GF/GP authorization in the Low-Income Home Energy Assistance Program line item due to the fact that funding initially allocated for crisis energy assistance as part of the restoration of the "Heat and Eat" payments for low-income households has not been needed because the number of households eligible for the payments has been lower than anticipated. The Electronic Benefit Transfer (EBT) line item has available GF/GP authorization due to a decline in the Food Assistance Program caseload, while the Emergency Services Local Office Allocations line item had lower than anticipated emergency needs. Finally, the State Supplementation Administration line item has excess authorization due to lower than projected Supplemental Security Income caseloads.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$50,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	373,746,400	(50,000,000)	(50,000,000)	(50,000,000)
Federal contingency revenues	373,746,400	(50,000,000)	(50,000,000)	(50,000,000)
TO: INFORMATION TECHNOLOGY				
Information technology services and projects	159,238,200	46,000,000	46,000,000	46,000,000
Capped federal revenues	12,188,800	10,000,000	10,000,000	10,000,000
Total other federal revenues	65,283,400	36,000,000	36,000,000	36,000,000
Michigan Medicaid information system	75,634,400	4,000,000	4,000,000	4,000,000
Total other federal revenues	42,837,600	4,000,000	4,000,000	4,000,000

The Administration is requesting an additional \$50.0 million in Federal authorization in the Information Technology Services and Projects, and the Medicaid Management Information System lines in order to cover projected shortfalls within these line items resulting from required system modifications, increased data storage and processing needs, and increased maintenance and operations rated costs. The Federal funds are available due to approval of various Advanced Planning Documents by the Centers for Medicare and Medicaid Services, and the Administration for Children and Families. In previous years an information technology increase consisting only of Federal funds did not require the approval of the Legislature due to boilerplate Section 234 in the General Government budget which allowed for the Michigan Medicaid Information Systems line item to be increased through a boilerplate appropriation process upon receipt of funds related to enterprisewide information technology investments. This language was removed from the General Government bill beginning in FY 2017-18, requiring any such increases be approved by the Legislature through the transfer process.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$129,150,000				
FROM: MEDICAL SERVICES				
Federal Medicare pharmaceutical program	269,513,900	(4,500,000)	(4,500,000)	(4,500,000)
State general fund/general purpose	269,513,900	(4,500,000)	(4,500,000)	(4,500,000)
Health plan services	4,961,777,100	(32,300,000)	(32,300,000)	(32,300,000)
Total other federal revenues	3,313,217,100	(20,100,000)	(20,100,000)	(20,100,000)
Total other state restricted revenues	1,549,089,000	(450,000)	(450,000)	(450,000)
State general fund/general purpose	84,518,500	(11,750,000)	(11,750,000)	(11,750,000)
Healthy Michigan plan	3,602,443,200	(20,000,000)	(20,000,000)	(20,000,000)
Total other federal revenues	3,382,299,800	(20,000,000)	(20,000,000)	(20,000,000)
Hospital services and therapy	730,750,800	(7,000,000)	(7,000,000)	(7,000,000)
Total other state restricted revenues	240,994,400	(7,000,000)	(7,000,000)	(7,000,000)
Integrated care organizations	275,399,400	(3,000,000)	(3,000,000)	(3,000,000)
State general fund/general purpose	96,414,000	(3,000,000)	(3,000,000)	(3,000,000)
Long-term care services	1,797,550,600	(1,000,000)	(1,000,000)	(1,000,000)
State general fund/general purpose	287,133,900	(1,000,000)	(1,000,000)	(1,000,000)
Physician services	308,724,200	(61,350,000)	(61,350,000)	(61,350,000)
Total other federal revenues	206,161,500	(35,000,000)	(35,000,000)	(35,000,000)
State general fund/general purpose	102,562,700	(26,350,000)	(26,350,000)	(26,350,000)

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TO: BEHAVIORAL HEALTH SERVICES				
Healthy Michigan plan - behavioral health	306,049,300	2,000,000	2,000,000	2,000,000
State general fund/general purpose	17,597,900	2,000,000	2,000,000	2,000,000
Medicaid mental health services	2,326,725,500	2,450,000	2,450,000	2,450,000
Total other state restricted revenues	20,533,300	450,000	450,000	450,000
State general fund/general purpose	761,746,700	2,000,000	2,000,000	2,000,000
Nursing home PAS/ARR-OBRA	12,274,100	350,000	350,000	350,000
State general fund/general purpose	2,728,200	350,000	350,000	350,000
CHILDREN'S SPECIAL HEALTH CARE SERVICES				
Children's special health care services administration	6,028,300	500,000	500,000	500,000
Total other federal revenues	3,052,900	500,000	500,000	500,000
Medical care and treatment	212,099,700	15,000,000	15,000,000	15,000,000
Total other federal revenues	116,642,200	15,000,000	15,000,000	15,000,000
MEDICAL SERVICES				
Adult home help services	331,814,900	5,500,000	5,500,000	5,500,000
Total other federal revenues	214,469,100	3,500,000	3,500,000	3,500,000
State general fund/general purpose	117,345,800	2,000,000	2,000,000	2,000,000
Healthy Michigan plan	3,602,443,200	3,500,000	3,500,000	3,500,000
State general fund/general purpose	154,220,600	3,500,000	3,500,000	3,500,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
Home health services	5,938,600	250,000	250,000	250,000
State general fund/general purpose	2,014,600	250,000	250,000	250,000
Hospital disproportionate share payments	45,000,000	1,500,000	1,500,000	1,500,000
Total other federal revenues	29,151,000	1,000,000	1,000,000	1,000,000
State general fund/general purpose	9,734,100	500,000	500,000	500,000
Hospital services and therapy	730,750,800	45,000,000	45,000,000	45,000,000
Total other federal revenues	458,010,300	25,000,000	25,000,000	25,000,000
State general fund/general purpose	31,746,100	20,000,000	20,000,000	20,000,000
Medicare premium payments	570,856,700	4,000,000	4,000,000	4,000,000
State general fund/general purpose	122,344,600	4,000,000	4,000,000	4,000,000
Pharmaceutical services	300,997,100	11,000,000	11,000,000	11,000,000
State general fund/general purpose	103,570,300	11,000,000	11,000,000	11,000,000
Special Medicaid reimbursement	298,277,400	37,000,000	37,000,000	37,000,000
Total other federal revenues	190,747,100	30,000,000	30,000,000	30,000,000
Total other state restricted revenues	95,394,600	7,000,000	7,000,000	7,000,000
Transportation	21,107,200	1,100,000	1,100,000	1,100,000
Total other federal revenues	13,137,500	100,000	100,000	100,000
State general fund/general purpose	7,969,700	1,000,000	1,000,000	1,000,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18

There is excess Federal authorization in the Health Plan Services line due to higher than projected drug rebates, the Healthy Michigan Plan line due to lower than projected caseload costs, and in the Physician Services line due to a decline in anticipated payments to FQHCs resulting from the switch from a retrospective to prospective payment system. The Administration is asking for this excess authorization to be transferred to the Hospital Services and Therapy line item to cover costs related to larger than projected inpatient operating costs. Additionally, a shift in drug costs from Title V to Title XIX in the Medical Care and Treatment line item resulted in excess GF/GP authorization due to variations in the match rates, while updated cost allocations resulted in a need for increased authorization in the Children's Special Health Care Services Administration line item. There is a need for increased authorization in the Adult Home Help Services line item due to caseload and wage-related inflationary increases. Increased authorization in the Hospital Disproportionate Share Payments line item will address a temporary timing issue due to the tight timeline for end of year recoupment and redistribution of payments to disproportionate share hospitals. The transfer would increase authorization in the Special Medicaid Reimbursement line item to reflect revenue resulting from greater than anticipated state psychiatric disproportionate share hospital (DSH) collections. Finally, there is a need for additional authorization in the Transportation line due to higher than projected utilization costs.

The excess State Restricted Fund authorization in the Health Plan Services line item reflects the offsetting impact of greater than anticipated collections for state psychiatric DSH payments, and lower than projected costs in the Hospital Services and Therapy line item. The Administration is requesting to transfer this excess authorization to the Medicaid Mental Health Services line item to reflect increased QAAP revenue, and to the Special Medicaid reimbursement line item to reflect revenue resulting from an increase in collections for state psychiatric DSH.

There is excess GF/GP authorization in the Federal Medicare Pharmaceutical Program, Integrated Care Organizations, and Long-Term Care Services line items due to full year costs being lower than anticipated during the May consensus meeting, while the excess GF/GP authorization in the Health Plan Services line item reflects higher than anticipated retainer savings through state psychiatric DSH collections. Additionally, there is excess GF/GP authorization in the Physician Services line item due to a decline in anticipated payments to FQHCs resulting from the switch from a retrospective to prospective payment system. Additional GF/GP authorization is requested for the Medicaid Mental Health Services and Healthy Michigan Plan - Behavioral Health line items to account for anticipated contractually required risk-settlement payments to PIHPs. There is need for additional GF/GP authorization in the Nursing Home PAS/ARR-OBRA line item to realign funding to reflect the required 75% Federal to 25% State funding split. Additional authorization in the Adult Home Help Services line item is needed due to caseload and wage-related inflationary increases, while the Hospital Disproportionate Share Payments line item transfer addresses a temporary timing issue due to the tight timeline for end of year recoupment and redistribution of payments to disproportionate share hospitals. The Administration is requesting excess authorization be transferred to the Healthy Michigan Plan, Home Health Services, Medicare Premium Payments, Pharmaceutical Services, and Transportation line items to align GF/GP authorization with greater than projected full year costs. Finally, additional GF/GP authorization is needed in the Hospital Services and Therapy line item to cover costs resulting from growth in inpatient operating costs.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$34,500,000				
FROM:	CHILDREN'S SPECIAL HEALTH CARE SERVICES			
Medical care and treatment	212,099,700	(7,000,000)	(7,000,000)	(7,000,000)
State general fund/general purpose	92,596,500	(7,000,000)	(7,000,000)	(7,000,000)
	MEDICAL SERVICES			
Health plan services	4,961,777,100	(27,500,000)	(27,500,000)	(27,500,000)
State general fund/general purpose	84,518,500	(27,500,000)	(27,500,000)	(27,500,000)
TO:	CHILDREN'S SERVICES AGENCY -CHILD WELFARE			
Child care fund	198,860,000	16,100,000	16,100,000	16,100,000
State general fund/general purpose	163,084,900	16,100,000	16,100,000	16,100,000
Foster care payments	219,690,200	18,400,000	18,400,000	18,400,000
State general fund/general purpose	90,487,700	18,400,000	18,400,000	18,400,000

The administration is requesting a transfer to address GF/GP authorization shortfalls for the County Child Care Fund and Foster Care Payments line items that exceed May consensus estimates. The County Child Care Fund shortfall appears to be attributable to three factors: a new process for the reimbursement of a 10% indirect costs for County Child Care Fund, greater utilization of more expensive residential treatment, and increased costs of county hold harmless payments for private agency administrative and residential rate increases. The Foster Care Payments shortfall is due to increased front-end costs associated with the prospective case rate paid to West Michigan Partnership for Children in Kent County, a greater placement ratio into residential treatment, and a greater utilization of specialized residential treatment. Excess GF/GP funds are available in the Medical Care and Treatment line item due to a shift in the Federal financing of drug costs and in the Health Plan Services line item due to lower than budgeted capitated payments and an extra quarter of state restricted and local revenue collections.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-11

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$600,000				
FROM: CHILDREN'S SERVICES AGENCY -CHILD WELFARE				
Adoption subsidies	209,190,900	(600,000)	(600,000)	(600,000)
State general fund/general purpose	62,687,600	(600,000)	(600,000)	(600,000)
TO: CHILDREN'S SERVICES AGENCY -CHILD WELFARE				
Adoption support services	27,283,500	600,000	600,000	600,000
State general fund/general purpose	14,050,900	600,000	600,000	600,000

The administration is requesting a transfer to address a GF/GP shortage in the Adoption Support Services for adoption incentive payments paid to private agencies that facilitate the placement and finalization of adoption. These incentives are based on the length of time needed for finalization. Changes were made in the Adoption Master Contract to lengthen the range of days needed to meet certain adoption placement incentives deadlines. The range lengthening has meant that adoptions will now meet a higher incentive rate category and provided higher payments to private agencies. Funds are available due to an updated estimate for payments made from the Adoption Subsidies line item paid to adoptive parents.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18

TOTAL TRANSFER REQUEST: \$150,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	25,000,000	(150,000)	(150,000)	(150,000)
State restricted contingency revenues	25,000,000	(150,000)	(150,000)	(150,000)

TO: GRANTS

Liquor law enforcement grants	7,200,000	150,000	150,000	150,000
Liquor license revenue	7,200,000	150,000	150,000	150,000

This transfer would increase State restricted spending authorization for Liquor Law Enforcement Grants by \$150,000 to allow for the required level of payments to local law enforcement agencies pursuant to the Liquor Control Code (MCL 436.1543). The Liquor Control Code specifies that 55% of the proceeds from retail license and renewal fees are to be dedicated to this purpose. Spending authority is available from State restricted contingency funds. Total FY 2017-18 Liquor license revenue is estimated to be \$13.5 million. This transfer is requested by November 29, 2018, to comply with statutory language which specifies that these payments be made quarterly on the Liquor Control Commission's recommendation.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$250,000				
FROM: MILITARY				
Headquarters and armories	20,317,800	(250,000)	(250,000)	(250,000)
State general fund/general purpose	7,507,800	(250,000)	(250,000)	(250,000)
TO: INFORMATION TECHNOLOGY				
Information technology services and projects	1,390,700	105,000	105,000	105,000
State general fund/general purpose	403,900	105,000	105,000	105,000
MILITARY				
Departmentwide	3,353,100	145,000	145,000	145,000
State general fund/general purpose	308,900	145,000	145,000	145,000

This request would transfer available General Fund authorization from Headquarters and Armories lines to the Departmentwide and Information Technology Services and Projects lines to support worker's compensation, travel, training, equipment, and monthly DTMB information technology user charges. General Fund authorization is available in the Headquarters and Armories line as a result of vacant positions.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$1,000,000				
FROM: MILITARY				
Military training sites and support facilities	35,956,100	(1,000,000)	(1,000,000)	(1,000,000)
Other federal revenues	32,760,500	(1,000,000)	(1,000,000)	(1,000,000)
TO: MILITARY				
Headquarters and armories	20,317,800	1,000,000	1,000,000	1,000,000
Other federal revenues	7,507,800	1,000,000	1,000,000	1,000,000

This request would transfer available Federal authorization from the Military Training Sites and Support Facilities line to the Headquarters and Armories line to align authorization with available revenue to support Federally funded personnel costs and maintenance of armory facilities. Spending authority is available due to lower than anticipated costs related to end of year construction projects.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18

TOTAL TRANSFER REQUEST: \$9,700,000

FROM:	SEC. 22b DISCRETIONARY PAYMENT	4,024,769,400	(9,700,000)	(9,700,000)	(9,700,000)
	School aid fund	3,947,760,500	(9,700,000)	(9,700,000)	(9,700,000)
TO:	SEC. 11m CASH FLOW BORROWING COSTS	18,000,000	9,700,000	9,700,000	9,700,000
	School aid fund	18,000,000	9,700,000	9,700,000	9,700,000

This request would transfer funds from the Discretionary Payment account to cover additional cash flow borrowing costs. Funds in the Discretionary Payment account are expected to be available after all other obligations are met. Cash flow interfund borrowing costs to make timely State school aid payments are higher than the amount estimated during the May 2018 Consensus Revenue Estimating Conference.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$3,500,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	483,400	(480,000)	(480,000)	(480,000)
State restricted contingency revenues	483,400	(480,000)	(480,000)	(480,000)
DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Departmentwide	40,942,200	(500,000)	(500,000)	(500,000)
Other state restricted revenues	3,338,700	(500,000)	(500,000)	(500,000)
MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS				
Standards and training/justice training grants	9,986,500	(2,520,000)	(2,520,000)	(2,520,000)
Other state restricted revenues	8,561,400	(2,520,000)	(2,520,000)	(2,520,000)
TO: INFORMATION TECHNOLOGY				
Information technology services and projects	25,762,400	3,500,000	3,500,000	3,500,000
Other state restricted revenues	9,365,000	3,500,000	3,500,000	3,500,000

This request would transfer existing State Restricted authorization from the Standards and Training/Justice Training Grants and Departmentwide lines and State Restricted contingency authorization, to the Information Technology Projects and Services lines to support upgrades and maintenance for departmental information technology systems for data collection and analytics, intelligence management, and report writing. Spending authority is available due to lower than anticipated medical marijuana licensing revenue and lower than anticipated Justice System Fund revenue used to support justice training grants (\$8.2 million authorized, \$5.5 million actual) and available contingency fund authorization. Increased Restricted revenue for Information Technology is from higher numbers of fees from criminal history background checks than was initially projected.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$710,000				
FROM: SPECIALIZED SERVICES				
Hazardous materials programs	30,139,700	(710,000)	(710,000)	(710,000)
Other federal revenues	25,766,500	(710,000)	(710,000)	(710,000)
TO: SPECIALIZED SERVICES				
Commercial vehicle enforcement	29,521,700	710,000	710,000	710,000
Other federal revenues	7,737,600	710,000	710,000	710,000

This transfer would shift Federal authorization from the Hazardous Materials Programs line to the Commercial Vehicle Enforcement line to align authorization with available revenue based on higher than anticipated Federal Motor Carrier Safety Assistance Program funds that assist in reducing commercial vehicle crashes, fatalities, and injuries through traffic enforcement and other safety efforts at international border crossings. Spending authority is available in the Hazardous Materials Programs line due to lower than anticipated Federal revenue.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$4,250,000				
FROM: DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Departmentwide	40,942,200	(2,000,000)	(2,000,000)	(2,000,000)
Other state restricted revenues	3,338,700	(2,000,000)	(2,000,000)	(2,000,000)
SPECIALIZED SERVICES				
Hazardous materials programs	30,139,700	(2,250,000)	(2,250,000)	(2,250,000)
Other federal revenues	25,766,500	(2,250,000)	(2,250,000)	(2,250,000)
TO: LAW ENFORCEMENT SERVICES				
Criminal justice information center	19,917,400	4,250,000	4,250,000	4,250,000
Other federal funds	1,924,500	2,250,000	2,250,000	2,250,000
Other state restricted revenues	12,866,100	2,000,000	2,000,000	2,000,000

This transfer would shift available Federal and State Restricted authorization from the Hazardous Materials Programs and Departmentwide lines to the Criminal Justice Information Center line to align authorization with available revenue to support ongoing maintenance and integration of various criminal justice information systems including criminal history improvement activities, sex offender registry enforcement, and traffic record improvement. Spending authority is available due to lower than anticipated Federal and medical marihuana licensing revenue. Additional funding for the Criminal Justice Information Center comes from higher than anticipated Federal support for criminal history systems improvements and higher amounts of criminal history background check fees than initially projected.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18
TOTAL TRANSFER REQUEST: \$9,000				
FROM: MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS				
Standards and training/justice training grants	9,986,500	(9,000)	(9,000)	(9,000)
Other state restricted revenues	8,561,400	(9,000)	(9,000)	(9,000)
TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT				
Executive direction	4,170,100	7,500	7,500	7,500
Other state restricted revenues	491,500	7,500	7,500	7,500
Department services	8,823,200	1,500	1,500	1,500
Other state restricted revenues	1,161,000	1,500	1,500	1,500

This request would transfer available State Restricted authorization from the Standards and Training/Justice Training Grants line to the Executive Direction and Department Services lines to align authorization for Michigan Justice Training funds to be cost allocated across central administrative appropriations.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2018-9

BUDGET AREA: TECHNOLOGY, MANAGEMENT, AND BUDGET

FISCAL YEAR: 2017-18

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/28/18	HOUSE ACTION 11/28/18

TOTAL TRANSFER REQUEST: \$1,500,000

FROM: TECHNOLOGY SERVICES

General services	107,508,000	(1,500,000)	(1,500,000)	(1,500,000)
IDG from technology user fees	107,508,000	(1,500,000)	(1,500,000)	(1,500,000)

TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT

Motor vehicle fleet	74,299,300	1,500,000	1,500,000	1,500,000
IDG from motor transport fund	74,299,300	1,500,000	1,500,000	1,500,000

This transfer would increase the appropriation authority for additional IDG funds to be transferred from the General Services line item to the Motor Vehicle Fleet line item. This transfer of \$1.5 million for motor vehicle fleet operations is necessary due to the increase in fuel costs and the number of miles driven by the State's vehicle fleet during fiscal year (FY) 2017-18. The average price per gallon was originally budgeted at \$2.47/gallon, while the actual average cost for the fiscal year was \$2.91/gallon. Additionally, the actual miles driven by the fleet for the fiscal year are 2.6 million miles over the original estimates of 122.0 million miles driven upon which the budget was based. The appropriation authority for the transfer is available from the general services information technology line item and interdepartmental grant fund source due to lower than anticipated project costs in the General Services line item for FY 2017-18.