



---

MICHIGAN SENATE  
**JIM STAMAS**  
APPROPRIATIONS CHAIRMAN

November 6, 2019

Chris Kolb, Director  
State Budget Office  
Department of Technology, Management, and Budget  
6th Floor Romney Building  
Lansing, MI 48090

Dear Director Kolb:

For your information, the attached transfer package has been approved by a majority of the members of both the Senate and House Appropriations Committees.

The transfers approved are from the State Budget Office letter dated June 5, 2019, Legislative Transfer Request 2019-4. The transfers are for the Departments of Education; Health and Human Services; Licensing and Regulatory Affairs; Military and Veterans Affairs; Natural Resources; State Police; Transportation; and Treasury.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Stamas".

Jim Stamas, Chair  
Senate Appropriations Committee

A handwritten signature in black ink, appearing to read "Shane Hernandez".

Shane Hernandez, Chair  
House Appropriations Committee



**FY 2018-19 LEGISLATIVE TRANSFER PACKAGE 2019-4**

<b>Department/Budget Area</b>	<b>FY 2018-19 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>
Education	\$406,134,900	\$112,800	\$150,000	\$262,800	1	0.06%
Health and Human Services	25,502,246,400	750,000	0	\$750,000	3	0.00%
Licensing and Regulatory Affairs	552,356,700	1,810,000	0	1,810,000	4	0.33%
Military and Veterans Affairs	199,639,300	2,624,700	911,300	\$3,536,000	7	1.77%
Natural Resources	484,430,900	746,200	0	\$746,200	11	0.15%
State Police	777,936,400	0	1,500,000	\$1,500,000	13	0.19%
Transportation	5,013,880,800	0	30,375,000	30,375,000	16	0.61%
Treasury (Operations)	570,041,500	130,000	0	130,000	18	0.02%
<b>Total</b>	<b>\$58,189,520,600</b>	<b>\$6,173,700</b>	<b>\$32,936,300</b>	<b>\$39,110,000</b>		<b>0.07%</b>

Year-to-Date Gross Appropriation Total represents all department budgets.

**FY 2018-19 LEGISLATIVE TRANSFER PACKAGE FUND SOURCES**

<b>Department/Budget Area</b>	<b>Federal</b>	<b>Local/ Private</b>	<b>State Restricted</b>	<b>GF/GP</b>	<b>Total Transfer Amount</b>
Education	\$150,000	\$0	\$112,800	\$0	\$262,800
Health and Human Services	0	750,000	0	0	750,000
Licensing and Regulatory Affairs	0	0	1,810,000	0	1,810,000
Military and Veterans Affairs	2,603,100	0	21,600	911,300	3,536,000
Natural Resources	0	0	746,200	0	746,200
State Police	1,500,000	0	0	0	1,500,000
Transportation	0	0	30,375,000	0	30,375,000
Treasury (Operations)	0	0	130,000	0	130,000
<b>Total</b>	<b>\$4,253,100</b>	<b>\$750,000</b>	<b>\$33,195,600</b>	<b>\$911,300</b>	<b>\$39,110,000</b>

At the request of the State Budget Office, the transfer request for the Department of Education was modified on September 9, 2019, which impacted the total request.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: EDUCATION

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$150,000**

**FROM: MICHIGAN OFFICE OF GREAT START**

TEACH scholarship program	5,000,000	(150,000)	(150,000)	(150,000)
Federal funds	5,000,000	(150,000)	(150,000)	(150,000)

**TO: MICHIGAN OFFICE OF GREAT START**

Child development and care contracted services	11,500,000	150,000	150,000	150,000
Federal funds	11,500,000	150,000	150,000	150,000

This transfer requests that \$150,000 in excess Federal authorization from the TEACH scholarship line be moved to the Child Development and Care Contracted Services line for child care quality initiatives. Boilerplate in PA 207 of 2018 Article VI section 1003(2) requires all contracts for early childhood systems planning to be bid out through a statewide request-for-proposal process. In compliance with legislative boilerplate, the contracts have been bid out. This \$150,000 is a one-time transition cost to implement these new regional-based contracts in July instead of October. Without this transfer, approved quality child care contracts will not be fully funded. There is excess authorization in the TEACH scholarship program line item, which will otherwise lapse as Federal carry forward at the end of the fiscal year. The formal transfer request was originally \$500,000. This transfer request was revised at the request of the State Budget Office to reflect contract cost expenditures that were less than originally estimated.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: EDUCATION

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$112,800**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	700,000	(112,800)	(112,800)	(112,800)
State restricted contingency revenue	700,000	(112,800)	(112,800)	(112,800)

**TO: MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

Michigan schools for the deaf and blind operations	13,430,700	112,800	112,800	112,800
Student insurance revenue	93,300	112,800	112,800	112,800

This transfer requests \$112,800 in State restricted contingency authorization for the Michigan Schools for the Deaf and Blind Operations line to align authorization with anticipated revenues. The increased authorization will allow the Michigan Schools for the Deaf and Blind to utilize all Medicaid funds available for audiology, nursing, physical therapy, occupational therapy, speech therapy, and counseling services provided to students attending the school. Additional funding comes from Federal Medicaid due to cost allocations for eligible children enrolled at the school.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$750,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	59,300,000	(750,000)	(750,000)	(750,000)
Private contingency revenues	59,300,000	(750,000)	(750,000)	(750,000)

**TO: MEDICAL SERVICES ADMINISTRATION**

Medical services administration	95,439,900	750,000	750,000	750,000
Total private revenues	101,300	750,000	750,000	750,000

The transfer requests \$750,000 in Private contingency authorization to recognize available revenue for two different programs within the Medical Services Administration line item.

Of the \$750,000 request, \$500,000 will be used to develop an integrated, statewide directory and consumer management system within the Michigan Health Information Network (MiHIN). This system will link together the MiHIN systems for patient health data sharing, provider health data sharing, and clinical reporting and storage in order to improve care coordination, standardize quality data sharing, and improve reporting related to patient needs and services. Funding is available from the Michigan Health Endowment Fund and will pull down Federal match revenue.

The remaining \$250,000 in private revenue will be used to support the managed long-term care services and supports study required in Sec. 1510 of the FY 2018-19 Department of Health and Human Services (DHHS) budget. Funding is available from the Michigan Health Endowment Fund (\$150,000 of the private revenue) and the Ralph C. Wilson Jr. Foundation (\$100,000 of the private revenue). Per DHHS, the \$250,000 in private revenue combined with the \$100,000 GF/GP appropriated in the FY 2018-19 DHHS budget will fully fund the study.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$600,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	25,000,000	(600,000)	(600,000)	(600,000)
State restricted contingency revenues	25,000,000	(600,000)	(600,000)	(600,000)

**TO: OCCUPATIONAL REGULATION**

Bureau of community and health systems	63,085,000	600,000	600,000	600,000
Health systems fees	3,792,200	600,000	600,000	600,000

This transfer would increase State restricted spending authorization for Health Systems Fees in the Bureau of Community and Health Systems by \$600,000 to offset a one-time reduction in Medicare Support (CFDA 93.777). Funds would be used to cover the operations of the Federal Survey and Certification Division in the regulation of several different federally certified health care providers and suppliers. Spending authority is available from State restricted contingency authorization in accordance with PA 207 of 2018, Article XIII, Section 210(2), and sufficient revenues exist within Health Systems Fees.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$310,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	25,000,000	(310,000)	(310,000)	(310,000)
State restricted contingency revenues	25,000,000	(310,000)	(310,000)	(310,000)

**TO: ENERGY AND UTILITY PROGRAMS**

Michigan agency for energy	7,132,800	310,000	310,000	310,000
Public utility assessments	2,287,000	310,000	310,000	310,000

This transfer would increase State restricted spending authorization in the Michigan Agency for Energy by \$310,000 to support expenditures from a prior-year grant award and to cover unanticipated one-time employee payout costs. Spending authority is available from State restricted contingency authorization in accordance with PA 207 of 2018, Article XIII, Section 210(2), and sufficient revenues exist within Public Utility Assessments.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$900,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	25,000,000	(900,000)	(900,000)	(900,000)
State restricted contingency revenues	25,000,000	(900,000)	(900,000)	(900,000)

**TO: OCCUPATIONAL REGULATION**

Medical marihuana facilities licensing and tracking	10,000,000	900,000	900,000	900,000
Marihuana regulatory fund	10,000,000	900,000	900,000	900,000

This transfer would increase State restricted spending authorization in the Medical Marihuana Facilities, Licensing, and Tracking Program (MMFLTP) by \$900,000 to allow the program to bring on additional staff/resources in order to effectively regulate the State's medical marihuana facilities and licensees in accordance with the Medical Marihuana Facilities Licensing Act (Public Act 281 of 2016). The Department's fiscal year 2019 appropriation for the MMFLP was set at \$10.0 million with an understanding that additional funding (supported through existing State restricted revenues) would likely be required as the program matured and demand in the State's new medical marihuana marketplace increased. Spending authority is available from State restricted contingency authorization in accordance with PA 207 of 2018, Article XIII, Section 210(2), and sufficient revenues exist within the Marihuana Regulatory Fund.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$100,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	12,000,000	(100,000)	(100,000)	(100,000)
Federal contingency revenues	12,000,000	(100,000)	(100,000)	(100,000)

**TO: MILITARY**

National guard operations	398,200	100,000	100,000	100,000
Other federal revenues	100,000	100,000	100,000	100,000

This transfer request would shift Federal contingency fund authorization to the National Guard Operations line for reimbursement for equipment used during interstate response to Hurricane Florence.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$21,600**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	3,000,000	(21,600)	(21,600)	(21,600)
State restricted contingency revenues	3,000,000	(21,600)	(21,600)	(21,600)

**TO: GRAND RAPIDS HOME FOR VETERANS**

Veterans homes operations	8,989,700	21,600	21,600	21,600
Other state restricted revenues	856,700	21,600	21,600	21,600

This request would shift State restricted contingency fund authorization to the Grand Rapids Veterans Home Operations line to align authorization with higher than anticipated lease revenue at the Grand Rapids Home for Veterans.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$911,300**

**FROM: MILITARY**

Military training sites and support facilities	36,411,300	(911,300)	(911,300)	(911,300)
State general fund/general purpose	3,840,700	(911,300)	(911,300)	(911,300)

**TO: ONE-TIME APPROPRIATIONS**

Armory maintenance	1,000,000	911,300	911,300	911,300
State general fund/general purpose	1,000,000	911,300	911,300	911,300

This request would transfer General Fund authorization from Military Training Sites and Support Facilities to the Armory Maintenance line to better align authorization with the statewide armory maintenance needs of the Department. Spending authority is available in the Military Training Sites and Support Facilities line based on additional funding for physical operations and maintenance at Camp Grayling provided under PA 618 of 2018.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$2,503,100**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	12,000,000	(2,503,100)	(2,503,100)	(2,503,100)
Federal contingency revenues	12,000,000	(2,503,100)	(2,503,100)	(2,503,100)

**TO: MILITARY**

Michigan youth challeNGe academy	6,023,000	2,503,100	2,503,100	2,503,100
Other federal revenues	2,970,300	2,503,100	2,503,100	2,503,100

This transfer request would shift Federal contingency fund authorization to the Michigan Youth ChalleNGe Academy line to align authorization with new Federal revenues from the U.S. Department of Defense in support of the Michigan Job ChalleNGe program.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: NATURAL RESOURCES

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19
<b>TOTAL TRANSFER REQUEST: \$396,200</b>				
<b>FROM: BOILERPLATE APPROPRIATIONS</b>				
Contingency funds	10,000,000	(396,200)	(396,200)	(396,200)
State restricted contingency revenues	10,000,000	(396,200)	(396,200)	(396,200)
<b>TO: COMMUNICATION AND CUSTOMER SERVICES</b>				
Michigan historical center	6,134,900	396,200	396,200	396,200
Michigan historical center operations fund	807,300	396,200	396,200	396,200

The Michigan History Center Act, 2016 PA 470, MCL 399.803, requires private gift revenue received by the Michigan History Center to be deposited into the Michigan Historical Center Operations Fund. The Fund is a State restricted fund and this transfer would increase State restricted authorization for the Michigan Historical Center appropriation line. Spending authority is available from State restricted contingency authorization in accordance with PA 207 of 2018, Article XV, Section 210(2).

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: NATURAL RESOURCES

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$350,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	10,000,000	(350,000)	(350,000)	(350,000)
State restricted contingency revenues	10,000,000	(350,000)	(350,000)	(350,000)

**TO: COMMUNICATION AND CUSTOMER SERVICES**

Grants to counties - marine safety	3,074,700	350,000	350,000	350,000
Marine safety fund	1,407,300	350,000	350,000	350,000

This transfer would increase State restricted authorization for the Grants to Counties - Marine Safety line to enable current year marine safety grants to be recorded on an accrual basis in line with generally accepted accounting principles. The transfer would have no impact on 2019 marine safety grant award amounts. Sufficient revenue is available to support the additional Marine Safety spending authority. Spending authority is available from State restricted contingency authorization in accordance with PA 207 of 2018, Article XV, Section 210(2).

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$600,000**

**FROM: SPECIALIZED SERVICES**

Hazardous materials programs	28,031,500	(600,000)	(600,000)	(600,000)
Other federal revenues	23,783,900	(600,000)	(600,000)	(600,000)

**TO: SPECIALIZED SERVICES**

Commercial vehicle enforcement	30,593,300	600,000	600,000	600,000
Other federal revenues	7,825,700	600,000	600,000	600,000

This request would transfer Federal authorization from the Hazardous Materials Programs line to the Commercial Vehicle Enforcement line to align authorization with available revenues based on higher than anticipated Federal Motor Carrier Safety Assistance Program funds. The funding would support efforts to assist in reducing commercial vehicle crashes, fatalities, and injuries through traffic enforcement and other safety efforts.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$100,000**

**FROM: SPECIALIZED SERVICES**

Hazardous materials programs	28,031,500	(100,000)	(100,000)	(100,000)
Other federal revenues	23,783,900	(100,000)	(100,000)	(100,000)

**TO: LAW ENFORCEMENT**

Training	10,576,000	100,000	100,000	100,000
Other federal revenues	404,500	100,000	100,000	100,000

This request would transfer Federal authorization from the Hazardous Materials Programs line to the Training line to align authorization with available revenues based on higher than anticipated Federal Highway Safety Grant award. The funding would support coordination and training for State and local law enforcement personnel on standardized field sobriety testing and advanced roadside impaired driving enforcement.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: STATE POLICE

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$800,000**

**FROM: SPECIALIZED SERVICES**

Hazardous materials programs	28,031,500	(800,000)	(800,000)	(800,000)
Other federal revenues	23,783,900	(800,000)	(800,000)	(800,000)

**TO: LAW ENFORCEMENT SERVICES**

Criminal justice information center	19,876,100	800,000	800,000	800,000
Other federal funds	1,932,700	800,000	800,000	800,000

This request would transfer Federal authorization from the Hazardous Materials Programs line to the Criminal Justice Information Center line to align authorization with available revenues based on higher than anticipated Federal funding for the National Criminal History Records Improvement Program and Sex Offender Sentencing, Monitoring, Apprehending, Registering Tracking Grand award. The funding would support ongoing maintenance and integration of various criminal justice information systems to ensure accurate records including the sex offender registry, and protective orders including domestic violence.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: TRANSPORTATION

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$9,000,000**

**FROM: ROAD AND BRIDGE PROGRAMS**

State trunkline federal aid and road and bridge construction	1,266,763,500	(9,000,000)	(9,000,000)	(9,000,000)
State trunkline fund	417,274,700	(9,000,000)	(9,000,000)	(9,000,000)

**TO: HIGHWAY MAINTENANCE**

State trunkline operations	339,127,800	9,000,000	9,000,000	9,000,000
State trunkline fund	339,127,800	9,000,000	9,000,000	9,000,000

This transfer will shift \$9.0 million of State Trunkline Fund authorization from the State Trunkline Federal Aid and Road and Bridge Construction to the State Trunkline Operations line item. The transfer is needed to address additional highway maintenance costs incurred due to above-average snowfalls experienced during the winter of 2018-19. To date, winter maintenance costs have exceeded the five-year average by \$11.0 million, with most of the additional costs due to snow removal and salt. Although MDOT projects they are \$11.0 million over their current year projection, they believe \$9.0 million will cover the remaining FY 2018-19 costs. Without this transfer, the Department's ability to deliver non-winter maintenance activities, such as critical and high priority road and bridge maintenance, including pothole fill, would be diminished.

The current year appropriation amount is \$339.1 million, a \$4.6 million baseline increase from the previous fiscal year.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: TRANSPORTATION

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$21,375,000**

**FROM: ROAD AND BRIDGE PROGRAMS**

State trunkline federal aid and road and bridge construction	1,266,763,500	(21,375,000)	(21,375,000)	(21,375,000)
State trunkline fund	417,274,700	(21,375,000)	(21,375,000)	(21,375,000)

**TO: HIGHWAY MAINTENANCE**

State trunkline operations	339,127,800	21,375,000	21,375,000	21,375,000
State trunkline fund	339,127,800	21,375,000	21,375,000	21,375,000

This transfer of \$21.4 million of State Trunkline Fund authorization from the State Trunkline Federal Aid and Road and Bridge Construction to the State Trunkline Operations line item will facilitate the establishment of a State maintenance operation in Monroe County. This operation will provide State trunkline maintenance services currently provided by the local county road commission, which has opted to terminate its maintenance contract with the Department. The contract was for roughly \$2.5 million for the current year. These transfer funds will support the development of facilities at two locations in Monroe county, as well as maintenance trucks, snowplows, and other related equipment needed to initiate State trunkline maintenance services. The Department will utilize contracted forces beginning on October 1, 2019, and ultimately transition to State employees once operational capabilities are established.

The current Senate budget bill for transportation for FY 2019-20, S.B. 149 (S-2), does not anticipate this proposal. The maintenance contract with Monroe County Road Commission was still in effect when the Governor's recommendation came out in February. Both House and Senate budget bills concur with the Governor's recommendation for highway maintenance, to date.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2019-4

BUDGET AREA: TREASURY

FISCAL YEAR: 2018-19

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 9/18/19	HOUSE ACTION 11/6/19

**TOTAL TRANSFER REQUEST: \$130,000**

**FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	4,387,000	(130,000)	(130,000)	(130,000)
State restricted contingency revenues	4,387,000	(130,000)	(130,000)	(130,000)

**TO: PAYMENTS IN LIEU OF TAXES**

Purchased lands	8,677,900	130,000	130,000	130,000
Michigan natural resources trust fund	2,064,700	130,000	130,000	130,000

This transfer provides \$130,000 in State restricted contingency authority to the Purchased Lands appropriation, with financing from the Michigan Natural Resources Trust Fund. The additional authority will enable the Department to make payments in lieu of taxes (PILT) to local governments based on current land valuations on behalf of the Department of Natural Resources (DNR) for properties owned by the State and controlled by the DNR. The increase is due to additional properties being purchased in the past few years that now require PILT reimbursement. PA 604 of 2012 requires PILT to be paid in full; otherwise, the unpaid portion is subject to penalties and interest.