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MICHIGAN HOUSE OF REPRESENTATIVES

THOMAS A. ALBERT

APPROPRIATIONS CHAIR

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November 10, 2021

Mr. Chris Harkins, Director
Office of the State Budget
Department of Technology, Management, and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Harkins,

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 letter dated November 2, 2021, Legislative Transfer Request 2021-6. The transfers are for the departments of Corrections, Health and Human Services, Labor and Economic Opportunity, Licensing and Regulatory Affairs, Military and Veterans Affairs and School Aid.

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

Sincerely,

Thomas Albert, Chair
House Appropriations Committee

Jim Stamas, Chair
Senate Appropriations Committee



FY 2020-21 LEGISLATIVE TRANSFER PACKAGE

Department/Budget Area	FY 2020-21 Year-to-Date Gross Appropriation	Contingency Transfer Amount	Standard Transfer Amount	Total Transfer Amount	Page Number	Transfer Percent of Y-T-D Gross
Corrections	2,060,788,400	\$0	\$2,060,000	\$2,060,000	1	0.10%
Health and Human Services	33,000,318,300	5,000,000	127,600,000	132,600,000	2	0.40%
Labor and Economic Opportunity	2,667,735,500	20,000,000	0	20,000,000	8	0.75%
Licensing and Regulatory Affairs	484,389,600	0	3,258,000	3,258,000	9	0.67%
Military and Veterans Affairs	260,239,800	1,700,000	1,385,000	3,085,000	12	1.19%
School Aid	21,720,040,700	0	1,961,000	1,961,000	17	0.01%
Total	\$60,193,512,300	\$26,700,000	\$136,264,000	\$162,964,000		1.19%

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

FY 2020-21 CONTINGENCY TRANSFER FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Local/ Private	State Restricted	Total Contingency Transfer Amount	Percent Increase of Y-T-D Gross
Corrections	\$0	\$0	\$0	\$0	\$0	0.00%
Health and Human Services	0	5,000,000	0	0	5,000,000	0.02%
Labor and Economic Opportunity	0	15,000,000	0	5,000,000	20,000,000	0.75%
Licensing and Regulatory Affairs	0	0	0	0	0	0.00%
Military and Veterans Affairs	0	1,700,000	0	0	1,700,000	0.65%
School Aid	0	0	0	0	0	0.00%
Total	\$0	\$21,700,000	\$0	\$5,000,000	\$26,700,000	0.04%

FY 2020-21 STANDARD TRANSFER FUND SOURCES

Department/Budget Area	Inter- Departmental Grants	Federal	Local/ Private	State Restricted	GF/GP	Total Transfer Amount
Corrections	\$0	\$0	\$0	\$0	\$2,060,000	\$2,060,000
Health and Human Services	0	54,200,000	0	100,000	73,300,000	127,600,000
Labor and Economic Opportunity	0	0	0	0	0	0
Licensing and Regulatory Affairs	0	0	0	3,258,000	0	3,258,000
Military and Veterans Affairs	0	0	0	0	1,385,000	1,385,000
School Aid	0	0	0	1,956,000	5,000	1,961,000
Total	\$0	\$54,200,000	\$0	\$5,314,000	\$76,750,000	\$136,264,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$2,060,000

FROM: CORRECTIONAL FACILITIES

Special alternative incarceration program – Jackson	6,452,400	(2,060,000)	(2,060,000)	(2,060,000)
State general fund/general purpose	5,685,500	(2,060,000)	(2,060,000)	(2,060,000)

TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT

Worker's compensation	9,714,400	2,060,000	2,060,000	2,060,000
State general fund/general purpose	9,714,400	2,060,000	2,060,000	2,060,000

This transfer request would provide additional authorization to support increased worker's compensation claims for the Department of Corrections. The COVID-19 pandemic created a significant increase in worker compensation claims among MDOC staff who contracted the virus. Between January 1, 2020 and September 30, 2021, an estimated 2,700 worker's compensation claims were filed by MDOC employees related to COVID-19 which represents 70% of all claims during this period and over 50% of all claim costs. Due to the increase in claims, costs to pay out claims increased by an estimated \$4.3 million from FY 2019-20 to FY 2020-21. The appropriated amount for FY 2021-21 did not anticipate this increase in costs and thus a transfer of \$2.1 million is requested to fully fund the claims. Funding is available due to cost savings in the Special Alternative Incarceration Program line item due to ongoing efficiencies resulting from the move of the program to the Cooper Street Correctional Facility, which also resulted in a reduction to the line item for FY 2021-22.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$97,050,000				
FROM: MEDICAL SERVICES				
Dental services	315,508,000	(18,000,000)	(18,000,000)	(18,000,000)
State general fund/general purpose	93,112,300	(18,000,000)	(18,000,000)	(18,000,000)
Health plan services	6,134,334,400	(19,500,000)	(19,500,000)	(19,500,000)
State general fund/general purpose	272,815,400	(19,500,000)	(19,500,000)	(19,500,000)
Healthy Michigan plan	5,065,757,700	(17,500,000)	(17,500,000)	(17,500,000)
Total other federal revenues	4,550,341,400	(17,500,000)	(17,500,000)	(17,500,000)
Hospital services and therapy	824,699,100	(7,000,000)	(7,000,000)	(7,000,000)
State general fund/general purpose	22,609,600	(7,000,000)	(7,000,000)	(7,000,000)
Long-term care services	1,829,811,000	(28,350,000)	(28,350,000)	(28,350,000)
Total other state restricted revenues	309,793,700	(100,000)	(100,000)	(100,000)
State general fund/general purpose	225,825,700	(28,250,000)	(28,250,000)	(28,250,000)
Medicare premium payments	689,098,200	(6,700,000)	(6,700,000)	(6,700,000)
Total other federal revenues	583,751,800	(6,700,000)	(6,700,000)	(6,700,000)
TO: BEHAVIORAL HEALTH SERVICES				
Medicaid mental health services	2,751,847,100	8,000,000	8,000,000	8,000,000
State general fund/general purpose	744,223,500	8,000,000	8,000,000	8,000,000
MEDICAL SERVICES				
Adult home help services	391,978,700	5,500,000	5,500,000	5,500,000
State general fund/general purpose	114,124,500	5,500,000	5,500,000	5,500,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
Ambulance services	9,942,000	200,000	200,000	200,000
Total other federal revenues	6,844,200	100,000	100,000	100,000
Total other state restricted revenues	686,900	100,000	100,000	100,000
Auxiliary medical services	6,852,800	500,000	500,000	500,000
Total other federal revenues	4,718,900	500,000	500,000	500,000
Federal Medicare pharmaceutical program	250,910,000	8,500,000	8,500,000	8,500,000
State general fund/general purpose	250,910,000	8,500,000	8,500,000	8,500,000
Home health services	3,022,600	100,000	100,000	100,000
Total other federal revenues	1,975,600	100,000	100,000	100,000
Hospital disproportionate share payments	45,000,000	2,700,000	2,700,000	2,700,000
State general fund/general purpose	8,649,000	2,700,000	2,700,000	2,700,000
Integrated care organizations	308,438,200	19,000,000	19,000,000	19,000,000
Total other federal revenues	206,194,400	12,000,000	12,000,000	12,000,000
State general fund/general purpose	102,243,800	7,000,000	7,000,000	7,000,000
Medicaid home- and community-based services waiver	374,186,500	5,000,000	5,000,000	5,000,000
Total other federal revenues	262,357,400	3,000,000	3,000,000	3,000,000
State general fund/general purpose	111,329,100	2,000,000	2,000,000	2,000,000
Medicare premium payments	689,098,200	10,000,000	10,000,000	10,000,000
State general fund/general purpose	105,346,400	10,000,000	10,000,000	10,000,000

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
Personal care services	8,289,400	50,000	50,000	50,000
State general fund/general purpose	2,514,600	50,000	50,000	50,000
Pharmaceutical services	288,857,600	28,000,000	28,000,000	28,000,000
State general fund/general purpose	62,838,200	28,000,000	28,000,000	28,000,000
Physician services	242,759,900	8,500,000	8,500,000	8,500,000
Total other federal revenues	171,019,700	7,500,000	7,500,000	7,500,000
State general fund/general purpose	71,740,200	1,000,000	1,000,000	1,000,000
Transportation	16,703,200	1,000,000	1,000,000	1,000,000
Total other federal revenues	10,215,600	1,000,000	1,000,000	1,000,000

This transfer request reflects the usual bookclosing Medicaid transfers that are requested to align line item appropriations and fund sourcing for Medicaid programs with projected expenditures. The State Budget Office, the House Fiscal Agency, and the Senate Fiscal Agency reached consensus estimates for Medicaid expenditures in May 2021, but variances in spending and accrual costs occurring subsequent to May would leave several line items with shortfalls at bookclosing, necessitating the transfer request. Most of the line item adjustments reflect these typical fluctuations, but some adjustments merit more explanation:

The proposed transfer of authorization to the Ambulance Services line is related to the Ambulance Quality Assurance Assessment Program (QAAP). As the ambulance QAAP slowly ramps up, revenues have increased and this transfer would reflect the revenue increase. The Department of Health and Human Services (DHHS) estimates that ambulance QAAP revenues will increase by another 10.8% in FY 2021-22.

The Federal Medicare Pharmaceutical line covers a portion of the estimated costs of Medicare Part D pharmaceuticals for those dually eligible for Medicaid and Medicare. As part of the Part D legislation (which expanded Medicare to cover prescription drugs), states were required to pay the estimated State Medicaid match for Part D pharmaceuticals if the cost for those pharmaceuticals had instead continued to be covered by State Medicaid programs. The cost increase included in the proposed transfer is mostly tied to a Federally directed 2.9% increase in payment rates and a 7.3% increase in caseload.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

The proposed Gross adjustment in the Hospital Disproportionate Share Payments line is tied to the shortfall in Restricted Health and Safety Fund revenue, which is used to support Medicaid. Making a Gross and GF/GP adjustment via a transfer would increase GF/GP authorization sufficiently to offset the lost Restricted revenue.

The proposed GF/GP transfer to the Pharmaceutical Services line reflects the necessary GF/GP match costs tied to the \$42.0 million Federal increase included in the FY 2020-21 supplemental contained in 2021 Public Act 87.

The proposed GF/GP transfer to the Medicare Premium Payments line reflects a shortfall in Federal School-Based Services revenue. The Federal School-Based Services revenue is used to help offset GF/GP in the Medicare Premium Payments line. The DHHS indicates that final School-Based Services payments are lower than the May consensus forecast. This GF/GP transfer would offset that fund source shortfall.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$550,000				
FROM: STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES				
Kalamazoo Psychiatric Hospital - adult	74,250,200	(550,000)	(550,000)	(550,000)
State general fund/general purpose	54,343,900	(550,000)	(550,000)	(550,000)
TO: STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES				
Walter P. Reuther Psychiatric Hospital - adult	62,153,100	550,000	550,000	550,000
State general fund/general purpose	47,885,400	550,000	550,000	550,000

This transfer would shift \$550,000 from the Kalamazoo Psychiatric Hospital line to the Walter P. Reuther Psychiatric Hospital line to align revenues with hospital expenditures in the Reuther facility. There is sufficient excess authorization in the Kalamazoo facility line to effect this transfer.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$35,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	5,171,300	(5,000,000)	(5,000,000)	(5,000,000)
Federal contingency revenues	5,171,300	(5,000,000)	(5,000,000)	(5,000,000)
MEDICAL SERVICES ADMINISTRATION				
Electronic health record incentive program	37,477,500	(16,000,000)	(16,000,000)	(16,000,000)
Total other federal revenues	37,477,500	(16,000,000)	(16,000,000)	(16,000,000)
PUBLIC ASSISTANCE				
Low-income home energy assistance program	174,951,600	(14,000,000)	(14,000,000)	(14,000,000)
Capped federal revenues	174,951,600	(14,000,000)	(14,000,000)	(14,000,000)
TO: PUBLIC ASSISTANCE				
Food assistance program benefits	3,813,542,100	35,000,000	35,000,000	35,000,000
Total other federal revenues	3,808,832,100	35,000,000	35,000,000	35,000,000

This transfer requests \$35.0 million in Federal authorization in the Food Assistance program benefits line item to ensure that additional nutrition benefits will be available based on accruals in the Food Assistance Program. Due to benefit and eligibility changes made at the Federal level due to COVID-19, the Food Assistance Program has experienced funding volatility during Fiscal Year 2020-21.

The Federal Electronic Health Record Incentive Program line is a work project, with any funding remaining at the end of a fiscal year carrying over to the next fiscal year. There is sufficient excess authorization in the line for FY 2020-21 to help implement this transfer. Transferring these funds would reduce the carryforward going to the work project, however, all payments in the Federal Electronic Health Record Incentive Program must be made by December 31, 2021 and there would be more than enough revenue in the FY 2021-22 appropriation (the same \$37.5 million originally appropriated in FY 2020-21) to ensure sufficient authorization to make payments through the cut-off date of December 31, 2021.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: LABOR AND ECONOMIC OPPORTUNITY

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$20,000,000				
FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	20,000,000	(20,000,000)	(20,000,000)	(20,000,000)
Federal contingency revenues	15,000,000	(15,000,000)	(15,000,000)	(15,000,000)
State restricted contingency revenues	5,000,000	(5,000,000)	(5,000,000)	(5,000,000)
TO: UNEMPLOYMENT				
Unemployment insurance agency	333,478,900	20,000,000	20,000,000	20,000,000
DOL-ETA, unemployment insurance	312,241,500	15,000,000	15,000,000	15,000,000
Contingent fund, penalty and interest account	21,237,900	5,000,000	5,000,000	5,000,000

This request would transfer \$20.0 million in contingency authorization (\$15.0 million Federal, \$5.0 million State Restricted) to the Unemployment Insurance Agency (UIA) line item, to cover contractor costs from work done during the COVID-19 pandemic in support of the high volume of unemployment claims. Contractors provided UIA with a range of supports including call center support, fraud detection, and other assistance on fraud and adjudication. This request is in addition to \$40.0 million in Federal supplemental dollars appropriated to the UIA in PA 87 of 2021. Additional Federal funds are available from the USDOL above-base Federal funding to support increased expenditures at the UIA. An additional \$5.0 million in State Restricted authorization from the Penalty & Interest Fund will support expenditures that Federal revenues cannot. There is enough Penalty & Interest revenue to support the transfer request.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$2,188,000

From: INFORMATION TECHNOLOGY

Information technology services and projects	19,390,100	(2,188,000)	(2,188,000)	(2,188,000)
Corporation fees	4,693,100	(748,000)	(748,000)	(748,000)
Health systems fees	348,200	(150,000)	(150,000)	(150,000)
Licensing and regulation fund	1,901,700	(900,000)	(900,000)	(900,000)
PMECSEMA fund	68,600	(40,000)	(40,000)	(40,000)
Public utility assessments	1,508,200	(350,000)	(350,000)	(350,000)

TO: INFORMATION TECHNOLOGY

Information technology services and projects	19,390,100	2,188,000	2,188,000	2,188,000
Construction code fund	778,800	619,600	619,600	619,600
Fire service fees	199,200	391,300	391,300	391,300
Health professions regulatory fund	1,371,300	336,100	336,100	336,100
Marihuana registry fund	352,100	61,000	61,000	61,000
Marihuana regulation fund	270,900	269,100	269,100	269,100
Marihuana regulatory fund	291,800	426,800	426,800	426,800
Mobile home code fund	171,400	84,100	84,100	84,100

This request would shift \$2.2 million among State Restricted funding sources in the Information Technology Services and Projects line item. This adjustment would align expenditures with various State Restricted fund sources to support ongoing maintenance costs for information technology projects. These projects pertain to several department bureaus. Revenues are available in each of the necessary funds to support the costs, and excess authority is available in multiple fund sources due to savings from decreased maintenance costs associated with the L2K/My License system and vacancies within DTMB.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$70,000				
FROM: OCCUPATIONAL REGULATION				
Bureau of fire services	12,552,700	(70,000)	(70,000)	(70,000)
Fire service fees	2,662,100	(70,000)	(70,000)	(70,000)
TO: OCCUPATIONAL REGULATION				
Bureau of fire services	12,552,700	70,000	70,000	70,000
Aboveground storage tank fees	230,400	70,000	70,000	70,000

This request would shift \$70,000 in Restricted fund authorization within the Bureau of Fire Services line item. This adjustment is requested in order to align spending authorization with available revenues to support the regulatory activities of the Aboveground Storage Tank program. The transfer would shift \$70,000 from Fire Service Fees to Aboveground Storage Tank Fees. Spending authorization and revenue is sufficient to support the adjustment.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$1,000,000				
FROM: OCCUPATIONAL REGULATION				
Bureau of construction codes	23,980,600	(1,000,000)	(1,000,000)	(1,000,000)
Mobile home code fund	3,088,500	(1,000,000)	(1,000,000)	(1,000,000)
TO: OCCUPATIONAL REGULATION				
Bureau of construction codes	23,980,600	1,000,000	1,000,000	1,000,000
Construction code fund	8,335,400	1,000,000	1,000,000	1,000,000

This request would shift \$1.0 million between State Restricted funding sources within the Bureau of Construction Code line item. The requested adjustment is reflected in the Fiscal Year 2021-22 enacted budget due to changes in regulatory activity in the Bureau. The transfer would align expenditures with available revenues. Spending authorization and revenue is sufficient to support the adjustment.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$250,000

FROM: ONE-TIME APPROPRIATIONS

Coronavirus response activities	1,650,000	(250,000)	(250,000)	(250,000)
State general fund/general purpose	1,650,000	(250,000)	(250,000)	(250,000)

TO: INFORMATION TECHNOLOGY

Information technology services and projects	1,991,000	250,000	250,000	250,000
State general fund/general purpose	528,500	250,000	250,000	250,000

This transfer request would transfer \$250,000 in General Fund authorization from the Coronavirus Response Activities line to the Information Technology Services and Projects line to support increased departmental IT costs related to the installation of Wi-Fi at military training sites and support facilities, and the migration of departmental IT systems to supported applications. Spending authority is available in the Coronavirus Response Activities line because the Federal Emergency Management Agency is providing a 100% Federal cost share for National Guard COVID-19 missions through December 31, 2021.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$385,000

FROM: ONE-TIME APPROPRIATIONS

Coronavirus response activities	1,650,000	(385,000)	(385,000)	(385,000)
State general fund/general purpose	1,650,000	(385,000)	(385,000)	(385,000)

TO: MILITARY

National guard operations	408,200	385,000	385,000	385,000
State general fund/general purpose	298,200	385,000	385,000	385,000

This transfer request would transfer \$385,000 in General Fund authorization from the Coronavirus Response Activities line to the National Guard Operations line to cover expenses incurred during two state active duty missions in Michigan: November 2020 election support and January 2021 State capitol response. Spending authority is available in the Coronavirus Response Activities line because the Federal Emergency Management Agency is providing a 100% Federal cost share for National Guard COVID-19 missions through December 31, 2021.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$150,000

FROM: ONE-TIME APPROPRIATIONS

Coronavirus response activities	1,650,000	(150,000)	(150,000)	(150,000)
State general fund/general purpose	1,650,000	(150,000)	(150,000)	(150,000)

TO: MILITARY

Headquarters and armories	20,871,100	150,000	150,000	150,000
State general fund/general purpose	7,705,900	150,000	150,000	150,000

This transfer request would transfer \$150,000 in General Fund authorization from the Coronavirus Response Activities line to the Headquarters and Armories line to support operations at the Department of Military and Veterans Affairs central office as well as statewide armory locations. Spending authority is available in the Coronavirus Response Activities line because the Federal Emergency Management Agency is providing a 100% Federal cost share for National Guard COVID-19 missions through December 31, 2021.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$600,000

FROM: MILITARY

Michigan youth challeNGe academy	9,759,900	(600,000)	(600,000)	(600,000)
DOD-DOA-NGB	6,654,900	(600,000)	(600,000)	(600,000)

TO: MILITARY

Departmentwide	1,792,200	600,000	600,000	600,000
DOD-DOA-NGB	1,512,800	600,000	600,000	600,000

This transfer request would transfer Federal DOD-DOA-NGB authorization from the Michigan Youth ChalleNGe Academy line to the Departmentwide line to align authorization with Federal revenue received under the department's Cooperative Agreement grants from the Federal National Guard Bureau. The Departmentwide appropriation is used for travel and training, State of Michigan fleet vehicles, worker's compensation, and equipment purchases. Spending authority is available in the Michigan Youth ChalleNGe Academy line because COVID-19 impacted recruitment efforts and the cadre was smaller than usual in fiscal year 2021.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21

TOTAL TRANSFER REQUEST: \$1,700,000

FROM: BOILERPLATE APPROPRIATIONS

Contingency funds	4,134,000	(1,700,000)	(1,700,000)	(1,700,000)
Federal contingency revenue	1,134,000	(1,700,000)	(1,700,000)	(1,700,000)

TO: MILITARY

Headquarters and armories	20,871,100	1,700,000	1,700,000	1,700,000
DOD-DOA-NGB	7,705,900	1,700,000	1,700,000	1,700,000

This transfer request would transfer Federal contingency authorization to the Headquarters and Armories line in order to align authorization with Federal revenue received under the department's Cooperative Agreement grants from the Federal National Guard Bureau. The Headquarters and Armories appropriation funds operations at the Department of Military and Veterans Affairs central office as well as statewide armory locations.

LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2021-6

BUDGET AREA: SCHOOL AID

FISCAL YEAR: 2020-21

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION 11/9/21	HOUSE ACTION 11/10/21
TOTAL TRANSFER REQUEST: \$1,961,000				
FROM: SCHOOL AID				
Sec. 22b - Discretionary payment	4,558,000,000	(696,000)	(696,000)	(696,000)
School aid fund	4,474,002,400	(691,000)	(691,000)	(691,000)
State general fund/general purpose	4,197,600	(5,000)	(5,000)	(5,000)
Sec. 31f - School breakfast program	11,900,000	(680,000)	(680,000)	(680,000)
School aid fund	11,900,000	(680,000)	(680,000)	(680,000)
Sec. 51a(2) - Special education foundations (ISDs)	319,000,000	(585,000)	(585,000)	(585,000)
School aid fund	319,000,000	(585,000)	(585,000)	(585,000)
TO: SCHOOL AID				
Sec. 147e - MPSERS reforms, defined contribution	33,800,000	470,000	470,000	470,000
School aid fund	33,800,000	470,000	470,000	470,000
Sec. 147a(2) - MPSERS normal cost offset	190,500,000	226,000	226,000	226,000
School aid fund	190,430,000	221,000	221,000	221,000
State general fund/general purpose	70,000	5,000	5,000	5,000
Sec. 31d - School lunch programs	939,810,000	680,000	680,000	680,000
School aid fund	23,838,400	680,000	680,000	680,000
Sec. 51a(11) - Special education non-section 52 to ISDs	2,400,000	585,000	585,000	585,000
School aid fund	2,400,000	585,000	585,000	585,000

This request provides necessary fiscal year 2020-21 transfers to fully fund projected payments under Sec. 31d - school lunch; Sec. 51a(11) - special education non-section 52 payments to intermediate school districts (ISDs); Sec. 147a(2) - MPSERS normal cost offset; and Sec. 147e - MPSERS defined contribution payments. Amounts appropriated in the State Aid Act were estimates made when the initial budget was enacted; actual costs exceeded these estimates. To offset these costs, excess authorization exists in the following sections (which also were estimates, but actual costs came in lower than estimated): Sec. 31f - school breakfast, Sec. 51a(2) - special education foundation payments to ISDs; and Sec. 22b - discretionary foundation allowance payments.