

SENATE FISCAL AGENCY  
MEMORANDUM



**DATE:** October 14, 2025  
**TO:** Members of the Senate Appropriations Committee  
**FROM:** Cory Savino, Transfer Coordinator  
**RE:** Fiscal Year 2024-25 Legislative Transfer Request 2025-7

The Management and Budget Act (Public Act 431 of 1984) provides for two types of transfers: administrative and legislative. Administrative transfers allow adjustments for cost and price, certain fund sources, and for court judgments. Administrative transfers go into effect 30 days following the request unless rejected by the Senate or the House Appropriations Committee. Legislative transfers are transfers within departments that are more substantive than the cost and price variations that are allowed under administrative transfers. Additionally, there are two kinds of legislative transfers: "standard" and "contingency fund". Standard legislative transfers shift line-item authorization between existing line items in a department to reflect changes in either expenditures or funding sources, and do not change the total appropriation for the department.

The second type of legislative transfer is a contingency fund transfer authorized in the boilerplate of individual departments' annual appropriation bills. A contingency fund transfer moves authorization from the boilerplate section of an appropriation bill to the line-item section in Part 1 of the bill to realize additional Federal, private, local, or State restricted revenue that has become available since the initial enactment of the budget. Contingency fund transfers increase the total appropriation and funding source for a department and are capped in the boilerplate for each fund source. The additional funds may not be spent until they are available and have been transferred to a Part 1 line-item using the legislative transfer process created under Section 393(2) of the Management and Budget Act.

You should have received **Legislative Transfer Request 2025-7**, dated September 11, 2025, from the State Budget Office. The requested transfers will require approval of identical amounts by both the House and Senate Appropriations Committees before taking effect. The requested transfers would affect the following budget areas:

<u>Department/Budget Area</u>	<u>Amount</u>	<u>Fiscal Analyst</u>
Attorney General	\$175,000	Micheal Siracuse
Corrections	10,000,000	Joe Carrasco
Health and Humans Services	26,640,000	Ellyn Ackerman, Jaymie Tibbits, and John Maxwell
Military And Veterans Affairs	2,100,000	Bruce Baker
<b>Total</b>	<b>\$38,915,000</b>	

If you have questions on this transfer package, please contact me at 373-2768 or [CSavino@senate.michigan.gov](mailto:CSavino@senate.michigan.gov)

/nlf

Attachment

c: Scott Jones, Senate Appropriations Committee Clerk  
Lori Dey, Senate Democratic Policy Office  
Tom Davis, Senate Republican Policy Office  
Robin Risko, House Fiscal Agency



**FY 2024-25 LEGISLATIVE TRANSFER PACKAGE**

<b>FY 2024-25</b>					
<b>Department/Budget Area</b>	<b>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>
Attorney General	\$129,745,700	\$175,000	\$0	\$175,000	1
Corrections	2,147,379,000	0	10,000,000	10,000,000	2
Health and Humans Services	37,646,231,100	2,500,000	24,140,000	26,640,000	3
Military And Veterans Affairs	275,904,100	2,100,000	0	2,100,000	9
<b>Total .....</b>	<b>\$40,199,259,900</b>	<b>\$4,775,000</b>	<b>\$34,140,000</b>	<b>\$38,915,000</b>	

**FY 2024-25 CONTINGENCY TRANSFER FUND SOURCES**

<b>Department/Budget Area</b>	<b>Federal</b>	<b>Local/ Private</b>	<b>State Restricted</b>	<b>Total Contingency Transfer Amount</b>	<b>Percent Increase of Y-T-D Gross</b>
Attorney General	\$175,000	\$0	\$0	\$175,000	0.13%
Corrections	0	0	0	0	0.00%
Health and Humans Services	2,500,000	0	0	2,500,000	0.01%
Military And Veterans Affairs	2,100,000	0	0	2,100,000	0.76%
<b>Total .....</b>	<b>\$4,775,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,775,000</b>	<b>0.01%</b>

**FY 2024-25 STANDARD TRANSFER FUND SOURCES**

<b>Department/Budget Area</b>	<b>Federal</b>	<b>Local/ Private</b>	<b>State Restricted</b>	<b>GF/GP</b>	<b>Total Standard Transfer Amount</b>
Attorney General	\$0	\$0	\$0	\$0	\$0
Corrections	0	0	0	10,000,000	10,000,000
Health and Humans Services	8,500,000	0	0	15,640,000	24,140,000
Military And Veterans Affairs	0	0	0	0	0
<b>Total .....</b>	<b>\$8,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,640,000</b>	<b>\$34,140,000</b>

YTD as of October 1, 2024

State Budget Office Request 2025-7, September 11, 2025

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: ATTORNEY GENERAL

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$175,000</b>				
<b>FROM: BOILERPLATE APPROPRIATIONS</b>				
Contingency funds	750,000		(175,000)	
Federal contingency revenues	750,000		(175,000)	
<b>TO: ATTORNEY GENERAL OPERATIONS</b>				
Operations	115,988,100		175,000	
Federal funds	7,269,700		175,000	

This transfer request would increase Federal authorization in the Operations line item to align authorization with an available Federal grant award to support the investigation and prosecution of cases involving sexual assault, domestic violence, or stalking. Spending authority is available from Federal contingency fund authorization in accordance with Public Act 121 of 2024, Article 5, Section 301(1).

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: CORRECTIONS

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$10,000,000</b>				
<b>FROM: FIELD OPERATIONS ADMINISTRATION</b>				
Field operations	233,525,600	(10,000,000)		
State general fund/general purpose	226,610,100	(10,000,000)		
<b>TO: FIELD OPERATIONS ADMINISTRATION</b>				
Charles E. Egeler Correctional Facility - Jackson	50,267,800	5,000,000		
State general fund/general purpose	49,233,000	5,000,000		
Parnall Correctional Facility - Jackson	33,090,000	5,000,000		
State general fund/general purpose	33,090,000	5,000,000		

This transfer request would support costs to provide additional safety railings at the Egeler and Parnall Correctional Facilities to enhance the safety and security of prisoners and staff at each facility. Funds are available in the Field Operations line due to reduced parole and probation populations in fiscal year 2024-25.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$600,000</b>				
<b>FROM: CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>				
Family preservation programs	65,523,700		(600,000)	
Social security act, temporary assistance for needy families (TANF)	51,728,500		(600,000)	
<b>TO: BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS</b>				
Family support subsidy	15,670,900		600,000	
Social security act, temporary assistance for needy families	15,670,900		600,000	

This transfer request would shift \$600,000 in TANF authorization from the Family Preservation Programs line item to the Family Support Subsidy line item. The Family Support Subsidy program provides a monthly payment of \$300.36 to families with children under 18 living at home who are developmentally disabled. The payment is used to defray the cost of special needs that occur as a result of caring for a child with a severe disability at home. Funding is needed in the Family Support Subsidy line item to cover the projected number of payments made in fiscal year (FY) 2024-25, which are up by approximately 125 payments per month.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$2,800,000</b>				
<b>FROM: BEHAVIORAL HEALTH SERVICES</b>				
Health homes	53,418,500	(2,800,000)		
Total other Federal revenues	39,527,000	(1,900,000)		
State general fund/general purpose	13,152,800	(900,000)		
<b>TO: BEHAVIORAL HEALTH SERVICES</b>				
Nursing home PAS/ARR-OBRA	15,213,600	2,800,000		
Total other Federal revenues	11,424,200	1,900,000		
State general fund/general purpose	3,789,400	900,000		

The transfer request would shift \$1.9 million in Federal authorization and \$900,000 in General Fund/General Purpose (GF/GP) authorization from the Health Homes line item to the Nursing Home PAS/ARR-OBRA line item to reflect increased costs of providing pre-admission screenings and evaluations services to seriously mentally ill individuals seeking admission to nursing home facilities. The Department states in its request that supplemental authorization requested in supplemental request 2024-8 accounted for known growth in contractual costs at the time, but contractual costs continue to escalate, and the Department of Health and Human Services (DHHS) projects costs to come in higher than in previous years. The Department has previously indicated that the Nursing Home PAS/ARR-OBRA appropriation is intended to help the State comply with Federal requirements concerning nursing home care usage. This funding supports services such as pre-admission screenings, annual reviews of nursing home residents, and alternative services for individuals determined to be placed inappropriately.

There is excess authorization in the Health Homes line item because actual expenditures are below those included in the FY 2024-25 appropriation. As of the week of September 15, 2025, the Health Homes line-item has spent \$25.6 million of the \$53.4 million appropriation.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$2,500,000</b>				
<b>FROM: BOILERPLATE APPROPRIATIONS</b>				
Contingency funds	100,000,000	(2,500,000)		
Federal contingency revenues	100,000,000	(2,500,000)		
<b>TO: BEHAVIORAL HEALTH SERVICES</b>				
Federal mental health block grant	24,471,700	2,500,000		
Total other Federal revenues	24,471,700	2,500,000		

The transfer request would increase Federal authorization in the Federal Mental Health Block Grant (FMHBG) line item by \$2.5 million. The DHHS has previously stated there are two grant award years of FMHBG available for expenditures each fiscal year as this grant is awarded each fiscal year but allowed two fiscal years for expenditure. The Department has stated that each year, the State spends around 55-60% of available grant revenue, and this additional authorization is needed to cover the costs incurred from service contracts. The remaining unspent balance in the FMHBG line item is \$4.6 million as of the week of September 15, 2025.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$20,000,000</b>				
<b>FROM: BEHAVIORAL HEALTH SERVICES</b>				
Behavioral health community supports and services	44,977,700	(6,000,000)		
State general fund/general purpose	36,387,600	(6,000,000)		
<b>STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>				
Kalamazoo Psychiatric Hospital – adult	72,573,300	(2,000,000)		
State general fund/general purpose	59,665,400	(2,000,000)		
Walter P. Reuther Psychiatric Hospital – adult, children, and adolescents	123,069,900	(12,000,000)		
Total other Federal revenues	29,765,600	(6,000,000)		
State general fund/general purpose	81,757,800	(6,000,000)		
<b>TO: STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>				
Caro Regional Mental Health Center – psychiatric hospital – adult	61,299,100	2,000,000		
State general fund/general purpose	51,308,400	2,000,000		
Center for forensic psychiatry	102,649,400	18,000,000		
Total other Federal revenues	5,095,800	6,000,000		
State general fund/general purpose	87,245,800	12,000,000		

This transfer request would shift \$6.0 million in Federal authorization from the Walter P. Reuther Psychiatric Hospital line item to the Center for Forensic Psychiatry line item. Additionally, this transfer would shift \$14.0 million in GF/GP authorization from the Behavioral Health Community Supports and Services line item (\$6.0 million), the Kalamazoo Psychiatric Hospital line item (\$2.0 million), and the Walter P. Reuther Psychiatric Hospital line item (\$6.0 million) to the Care Regional Mental Health Center line item (\$2.0 million) and the Center for Forensic Psychiatry (\$12.0 million) line item. This transfer is needed to cover increased costs resulting from higher staffing levels, higher overtime levels, increased food costs, increased medical supply costs, increased medication costs, and greater patient acuity needs.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$600,000</b>				
<b>FROM: PUBLIC ASSISTANCE</b>				
Indigent burial	4,369,100		(600,000)	
State general fund/general purpose	4,069,100		(600,000)	
<b>TO: PUBLIC ASSISTANCE</b>				
State supplementation	53,522,600		600,000	
State general fund/general purpose	53,522,600		600,000	

This transfer request would shift GF/GP authorization between lines in the Public Assistance appropriation unit to reflect actual FY 2024-25 spending. The Indigent Burial line item is not a caseload line; however, the State supplementation line item is and was adjusted during the May 2025 Consensus Revenue Estimating Conference (CREC) process. The average monthly caseload is higher than projected. During the May 2025 CREC process, the FY 2024-25 spending was adjusted downward to \$53,115,700. The DHHS is requesting to adjust this line item to \$54,122,600, which is \$1,006,900 above the amount agreed to during the May 2025 CREC. The year-to-date expenditures in the Indigent Burial line item are approximately 46% of the \$4.4 million appropriated as of the week of September 15, 2025. The remaining unspent balance in the State Supplementation line item is \$1.051 million as of the week of September 15, 2025.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: HEALTH AND HUMAN SERVICES

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$140,000</b>				
<b>FROM: PUBLIC ASSISTANCE</b>				
Indigent burial	4,369,100		(140,000)	
State general fund/general purpose	4,069,100		(140,000)	
<b>TO: PUBLIC ASSISTANCE</b>				
State supplementation administration	1,806,100		140,000	
State general fund/general purpose	1,806,100		140,000	

This transfer request would shift \$140,000 in GF/GP authorization between lines in the Public Assistance appropriation unit to reflect actual FY 2024-25 spending. Neither the Indigent Burial line item nor the State Supplementation Administration line item are caseloads lines. The DHHS is requesting this GF/GP transfer due to “cost of living adjustment expenditures” that are passed along to the State by the Federal government. The year-to-date expenditures in the Indigent burial line item are approximately 46% of the \$4.4 million appropriated as of the week of September 15, 2025. The remaining unspent balance in the State Supplementation line item is a negative \$119,100 as of the week of September 15, 2025.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$1,000,000</b>				
<b>FROM: BOILERPLATE APPROPRIATIONS</b>				
Contingency funds	8,500,000	(1,000,000)		
Federal contingency revenues	8,500,000	(1,000,000)		
<b>TO: MILITARY</b>				
Michigan youth challenge academy	10,340,500	1,000,000		
DOD-DOA-NGB	6,897,500	1,000,000		

This contingency transfer request would increase Federal Department of Defense-National Guard Bureau spending authorization for the Michigan Youth Challenge Academy to align with higher-than-anticipated available Federal revenue.

# LEGISLATIVE TRANSFER

S.B.O. REQUEST NO: 2025-7

BUDGET AREA: MILITARY AND VETERANS AFFAIRS

FISCAL YEAR: 2024-25

TRANSFER ITEMS	Y-T-D GROSS APPROP.	TRANSFER AMOUNT		
		GOV.'S REC.	SENATE ACTION	HOUSE ACTION
<b>TOTAL TRANSFER REQUEST: \$1,100,000</b>				
<b>FROM: BOILERPLATE APPROPRIATIONS</b>				
Contingency funds	8,500,000	(1,100,000)		
Federal contingency revenues	8,500,000	(1,100,000)		
<b>TO: MICHIGAN VETERANS' FACILITY AUTHORITY</b>				
Chesterfield Township home for veterans	32,511,400	900,000		
USDVA-VHA	15,770,400	900,000		
Grand Rapids home for veterans	38,827,500	200,000		
USDVA-VHA	11,309,200	200,000		

This transfer request would align Federal authorization for the Chesterfield and Grand Rapids state veterans' homes line items with projected revenue and expenditures. This includes a contingency transfer of \$1.1 million to fully spend US Department of Veterans Affairs-Veterans Health Administration revenue at each home.