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**Laura Cox**

STATE REPRESENTATIVE  
APPROPRIATIONS CHAIR

September 26, 2018

Mr. John J. Walsh  
Office of the State Budget  
Department of Management and Budget  
6th Floor Romney Building  
Lansing, MI 48090

Dear Director Walsh,

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

The transfer approved is from the Office of the State Budget letter dated September 14, 2018, Legislative Transfer Request 2018-8. The transfers are for the departments of Agriculture and Rural Development, Corrections, Health and Human Services, Military and Veterans Affairs, Natural Resources, School Aid, State, and Treasury.


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

Sincerely,

Laura Cox, Chair  
House Appropriations Committee

Dave Hildenbrand, Chair  
Senate Appropriations Committee

# FINAL LEGISLATIVE TRANSFER PACKAGE

 <p>Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant</p>	<p><b>Summary Sheet</b></p> <p>SBO LETTER: 2018-8 September 14, 2018</p>	
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Department	Analyst	Page	Total Transfer
Agriculture and Rural Development	William E. Hamilton	1	\$100,000
Corrections	Robin Risko	2-3	6,050,000
Health and Human Services	Sue Frey Kevin Koorstra Viola Bay Wild Kent Dell	4-13	238,734,200
		14-19	
Military and Veterans Affairs	Kent Dell		9,973,300
		20	
Natural Resources	Austin Scott		200,000
School Aid	Bethany Wicksall Sam Christensen Jacqueline Mullen	21	91,000
State	Mike Cnossen	22-23	2,500,000
Treasury	Ben Gielczyk	24-26	1,019,410
<b>Total</b>			<b>\$ 258,667,910</b>

**FY 2017-18 Legislative Transfers: Requests 2018-8**

With DHHS IT 1.7 M removed

<b>Budget</b>	<b>Year-to-Date Total Approps</b>	<b>Standard Transfers (Within Existing Budget)</b>						<b>% of Budget</b>	
		<b>IDG</b>	<b>Federal</b>	<b>Local</b>	<b>Private</b>	<b>Restricted</b>	<b>GF/GP</b>	<b>TOTAL</b>	<b>Shifted</b>
Agricultural and Rural Development	115,328,600						100,000	100,000	0.09%
Corrections	2,003,669,200						6,050,000	6,050,000	0.30%
Health and Human Services	24,855,339,300		134,850,000	200,000		5,641,000	60,475,000	201,166,000	0.81%
Military and Veterans Affairs	183,271,100						1,100,000	1,100,000	0.60%
Natural Resources	422,742,200					200,000		200,000	0.05%
School Aid	14,582,670,800						91,000	91,000	0.00%
Treasury- Revenue Sharing	1,278,215,000					219,410		219,410	0.02%
<b>TOTAL*</b>	<b>\$56,361,972,400</b>	<b>\$0</b>	<b>\$134,850,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$6,060,410</b>	<b>\$67,816,000</b>	<b>\$208,926,410</b>	<b>0.37%</b>

<b>Budget</b>	<b>Year-to-Date Total Approps</b>	<b>Contingency Fund Transfers (Increases Budget)</b>						<b>% Budget</b>	
		<b>IDG</b>	<b>Federal</b>	<b>Local</b>	<b>Private</b>	<b>Restricted</b>	<b>GF/GP</b>	<b>TOTAL</b>	<b>Increased</b>
Health and Human Services	24,855,339,300			749,100	229,100	36,590,000		37,568,200	0.15%
Military and Veterans Affairs	183,271,100		8,600,000	233,300		40,000		8,873,300	4.84%
State	271,450,900		2,000,000			500,000		2,500,000	0.92%
Treasury- Operations	524,828,400					800,000		800,000	0.15%
<b>TOTAL*</b>	<b>\$56,361,972,400</b>	<b>\$0</b>	<b>\$10,600,000</b>	<b>\$982,400</b>	<b>\$229,100</b>	<b>\$37,930,000</b>	<b>\$0</b>	<b>\$49,741,500</b>	<b>0.09%</b>

\*Including budget areas not affected by transfers.

## LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$100,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 105. ANIMAL INDUSTRY</b>						
Animal disease prevention and response	9,267,300	7,626,774	1,640,526	(100,000)	(100,000)	(100,000)
Funding source:						
State general fund/general purpose	8,357,800	7,339,750	1,018,050	(100,000)	(100,000)	(100,000)
<b>TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>						
Emergency management	1,079,600	936,870	142,730	100,000	100,000	100,000
Funding source:						
State general fund/general purpose	645,200	553,623	91,577	100,000	100,000	100,000

This request transfers GF/GP authorization from the Animal Disease Prevention and Response line item to the Emergency Management line item to support the department's role in statewide PFAS response activities. The department indicates that it had reassigned one person to provide agency-wide coordination, research review, updates to department management, and attendance at community meetings related to statewide PFAS contamination issues. The department indicates it is assessing on-going and future needs for FY 2018-19 and beyond. This transfer will help to cover the FY 2017-18 personnel and travel costs incurred for this effort. Spending authority is available from the Animal Disease Prevention and Response line item due to vacancy savings from higher than average staff attrition. The department requests approval of this transfer by September 30, 2018.

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$1,750,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 107. CORRECTIONAL FACILITIES</b>						
Earnest C. Brooks Correctional Facility - Muskegon	50,892,500	37,171,010	13,721,490	(1,750,000)	(1,750,000)	(1,750,000)
Funding source:						
State general fund/general purpose	50,892,500	37,171,010	13,721,490	(1,750,000)	(1,750,000)	(1,750,000)
<b>TO: SEC. 105. CORRECTIONAL FACILITIES ADMINISTRATION</b>						
Transportation	26,470,300	26,236,237	234,063	1,750,000	1,750,000	1,750,000
Funding source:						
State general fund/general purpose	25,899,400	25,910,336	(10,936)	1,750,000	1,750,000	1,750,000

This transfer to the Transportation line item is necessary to support increased prisoner transportation costs related to the increased movement of prisoners. Transport of prisoners from the closed West Shoreline Correctional Facility to other facilities, transport of prisoners between facilities in order to provide them with access to necessary services and programming, an increase in medical runs, and an increase in court runs have all contributed to the increase in prisoner transportation costs. Funding is available in the Earnest C. Brooks Correctional Facility line item as a result of the closure of the West Shoreline Correctional Facility, which was funded out of the Earnest C. Brooks Correctional Facility line. This transfer is requested by September 30, 2018.

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$4,300,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Robin Risko**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 107. CORRECTIONAL FACILITIES</b>						
Earnest C. Brooks Correctional Facility - Muskegon	50,892,500	37,171,010	13,721,490	(4,300,000)	(4,300,000)	(4,300,000)
Funding source:						
State general fund/general purpose	50,892,500	37,171,010	13,721,490	(4,300,000)	(4,300,000)	(4,300,000)
<b>TO: SEC. 105. CORRECTIONAL FACILITIES ADMINISTRATION</b>						
Prison food service	57,163,500	49,742,138	7,421,362	4,300,000	4,300,000	4,300,000
Funding source:						
State general fund/general purpose	57,163,500	49,742,138	7,421,362	4,300,000	4,300,000	4,300,000

This transfer to the Prison Food Service line item is necessary to support the partial-year transition of prison food service from a contracted service provider to state employees as of July 31, 2018. Funding will cover the difference in cost of state employee payroll, including legacy costs, state purchase of commodities, existing Trinity food inventory, and food service equipment costs. Funding is available in the Earnest C. Brooks Correctional Facility line item as a result of the closure of the West Shoreline Correctional Facility, which was funded out of the Earnest C. Brooks Correctional Facility line item. This transfer is requested by September 30, 2018.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$181,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 of 2017 ARTICLE X, SEC. 210(2)</b>						
Contingency funds	36,590,000	NA	NA	(181,000)	(181,000)	(181,000)
Funding source:						
Total other state restricted revenues	36,590,000	NA	NA	(181,000)	(181,000)	(181,000)
<b>TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>						
Departmental administration and management	109,218,800	77,079,600	32,139,200	60,000	60,000	60,000
Funding source:						
Total other state restricted revenues	495,100	572,000	(76,900)	60,000	60,000	60,000
Property management	64,339,500	58,629,000	5,710,500	120,000	120,000	120,000
Funding source:						
Total other state restricted revenues	273,600	361,500	(87,900)	120,000	120,000	120,000
Terminal leave payments	7,250,000	887,300	6,362,700	1,000	1,000	1,000
Funding source:						
Total other state restricted revenues	1,700	2,300	(600)	1,000	1,000	1,000

This transfer request allocates state restricted contingency fund authorization in the Departmental Administration and Support appropriation unit's line items in order to cover projected fund sourcing shortfalls. SBO indicates that additional state restricted fund revenues are available from a number of sources including, but not limited to, Certificate of Need Fees, Newborn Screening Fees, Crime Victim's Rights Fund, and other fees and collections. Spending authority is available from state restricted contingency fund authorization in accordance with 2017 PA 107, Article X, Section 210(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$749,100**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(3)</b>						
Contingency funds	40,000,000	NA	NA	(749,100)	(749,100)	(749,100)
Funding source:						
Total other local revenues	40,000,000	NA	NA	(749,100)	(749,100)	(749,100)
<b>TO: SEC. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>						
Foster care payments	214,712,000	204,608,665	10,103,335	749,100	749,100	749,100
Funding source:						
Local funds - county chargeback	16,927,400	14,155,842	2,771,558	749,100	749,100	749,100

This request would increase local funding authorization in the Foster Care Payments line item by transferring local contingency revenue authorization to the line item. This transfer would provide sufficient authorization to recognize a projected increase in local chargeback revenue. Spending authority is available from local contingency authorization in accordance with PA 107 of 2017, Article X, Section 210(3).



## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$229,100**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(4)</b>						
Contingency funds	59,750,000	NA	NA	(229,100)	(229,100)	(229,100)
Funding source:						
Total private revenues	59,750,000	NA	NA	(229,100)	(229,100)	(229,100)
<b>TO: SEC. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>						
Foster care payments	214,712,000	204,608,665	10,103,335	229,100	229,100	229,100
Funding source:						
Private - collections	1,770,700	1,566,576	204,124	229,100	229,100	229,100

This request would increase spending authorization in the Foster Care Payments line item by transferring private contingency revenue authorization to the line item. This transfer would provide sufficient authorization to recognize a projected increase in private collections revenue. Spending authority is available from private contingency authorization in accordance with PA 107 of 2017, Article X, Section 210(4).

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$4,000,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Viola Wild**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 122. MEDICAL SERVICES</b>						
Pharmaceutical services	310,497,100	179,258,969	131,238,131	(4,000,000)	(4,000,000)	(4,000,000)
Funding source:						
State general fund/general purpose	114,570,300	21,920,920	92,649,380	(4,000,000)	(4,000,000)	(4,000,000)
<b>TO: SEC. 105. CHILDREN'S SERVICES</b>						
<b>AGENCY - CHILD WELFARE</b>						
Foster care payments	214,712,000	204,608,665	10,103,335	4,000,000	4,000,000	4,000,000
Funding source:						
State general fund/general purpose	86,487,700	86,469,781	17,919	4,000,000	4,000,000	4,000,000

This request transfers GF/GP funding from the Pharmaceutical Services line item to the Foster Care Payments line item. Based on the department's caseload estimates and cost allocation plan, increased GF/GP authorization is needed to meet foster care obligations and make the projected level of payments through the end of the fiscal year. Sufficient spending authority is available in the Pharmaceutical Services line item due to lower than anticipated drug costs coupled with steady pharmacy rebate claims.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$3,500,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 111. BEHAVIORAL HEALTH SERVICES</b>						
Medicaid mental health services	2,330,225,500	2,119,667,746	210,557,754	(3,500,000)	(3,500,000)	(3,500,000)
Funding sources:						
Total other federal revenues	1,520,966,600	1,380,870,652	140,095,948	(1,750,000)	(1,750,000)	(1,750,000)
State general fund/general purpose	763,496,700	698,098,852	65,397,848	(1,750,000)	(1,750,000)	(1,750,000)
<b>TO: SEC. 111. BEHAVIORAL HEALTH SERVICES</b>						
Medicaid substance use disorder services	62,520,300	56,812,715	5,707,585	3,500,000	3,500,000	3,500,000
Funding sources:						
Total other federal revenues	40,841,800	36,973,327	3,868,473	1,750,000	1,750,000	1,750,000
State general fund/general purpose	21,678,500	19,839,388	1,839,112	1,750,000	1,750,000	1,750,000

This transfer would shift GF/GP and federal funding from the Medicaid Mental Health Services line item to the Medicaid Substance Use Disorder Services line item. Additional funding is necessary for the Medicaid Substance Use Disorder Services line item due to program costs being greater than what was estimated as part of the May consensus expenditure estimates for the Medicaid program. Funding is available in the Medicaid Mental Health Services line item due to program costs being less than what was estimated as part of the May consensus expenditure estimates for the Medicaid program.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$230,075,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE X, SEC. 210(2)</b>						
Contingency funds	36,590,000	NA	NA	(36,409,000)	(36,409,000)	(36,409,000)
Funding source:						
Total other state restricted revenues	36,590,000	NA	NA	(36,409,000)	(36,409,000)	(36,409,000)
<b>SEC. 122. MEDICAL SERVICES</b>						
Ambulance services	9,990,300	6,268,914	3,721,386	(375,000)	(375,000)	(375,000)
Funding source:						
State general fund/general purpose	3,354,800	2,169,045	1,185,755	(375,000)	(375,000)	(375,000)
Dental services	307,032,500	264,059,993	42,972,507	(9,500,000)	(9,500,000)	(9,500,000)
Funding source:						
Total other federal revenues	213,011,300	179,909,785	33,101,515	(9,500,000)	(9,500,000)	(9,500,000)
Health plan services	4,939,177,100	4,286,565,461	652,611,639	(26,400,000)	(26,400,000)	(26,400,000)
Funding sources:						
Total local revenues	15,152,500	12,918,242	2,234,258	(200,000)	(200,000)	(200,000)
State general fund/general purpose	110,718,500	113,391,119	(2,672,619)	(26,200,000)	(26,200,000)	(26,200,000)
Healthy Michigan plan	3,707,518,200	3,201,765,543	505,752,657	(108,600,000)	(108,600,000)	(108,600,000)
Funding source:						
Total other federal revenues	3,490,899,800	3,017,032,876	473,866,924	(108,600,000)	(108,600,000)	(108,600,000)
Hospital services and therapy	686,966,800	517,095,170	169,871,630	(5,641,000)	(5,641,000)	(5,641,000)
Funding source:						
Total other state restricted revenues	246,635,400	177,005,286	69,630,114	(5,641,000)	(5,641,000)	(5,641,000)

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$230,075,000 (continued)**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 122. MEDICAL SERVICES</b>						
Long-term care services	1,808,300,600	1,619,262,371	189,038,229	(10,750,000)	(10,750,000)	(10,750,000)
Funding source:						
State general fund/general purpose	297,883,900	247,212,449	50,671,451	(10,750,000)	(10,750,000)	(10,750,000)
Medicare premium payments	578,606,700	522,806,350	55,800,350	(8,750,000)	(8,750,000)	(8,750,000)
Funding source:						
State general fund/general purpose	131,094,600	106,440,924	24,653,676	(8,750,000)	(8,750,000)	(8,750,000)
Pharmaceutical services	310,497,100	179,258,969	131,238,131	(7,000,000)	(7,000,000)	(7,000,000)
Funding source:						
State general fund/general purpose	114,570,300	21,920,920	92,649,380	(7,000,000)	(7,000,000)	(7,000,000)
Program of all-inclusive care for the elderly	100,365,600	89,038,022	11,327,578	(400,000)	(400,000)	(400,000)
Funding source:						
State general fund/general purpose	35,348,700	31,359,191	3,989,509	(400,000)	(400,000)	(400,000)
School-based services	114,937,200	104,880,360	10,056,840	(3,500,000)	(3,500,000)	(3,500,000)
Funding source:						
Total other federal revenues	114,937,200	104,880,360	10,056,840	(3,500,000)	(3,500,000)	(3,500,000)
Special Medicaid reimbursement	309,777,400	27,600,566	282,176,834	(11,500,000)	(11,500,000)	(11,500,000)
Funding source:						
Total other federal revenues	202,247,100	22,368,743	179,878,357	(11,500,000)	(11,500,000)	(11,500,000)
Transportation	22,057,200	18,843,437	3,213,763	(1,250,000)	(1,250,000)	(1,250,000)
Funding source:						
State general fund/general purpose	9,219,700	7,022,798	2,196,902	(1,250,000)	(1,250,000)	(1,250,000)

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$230,075,000 (continued)**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>TO: SEC. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>						
Medical care and treatment	211,799,700	182,848,325	28,951,375	300,000	300,000	300,000
Funding source:						
Total other federal revenues	116,342,200	101,322,992	15,019,208	300,000	300,000	300,000
<b>SEC. 122. MEDICAL SERVICES</b>						
Adult home help services	326,714,900	308,520,826	18,194,074	5,100,000	5,100,000	5,100,000
Funding sources:						
Total other federal revenues	212,469,100	199,335,817	13,133,283	2,000,000	2,000,000	2,000,000
State general fund/general purpose	114,245,800	109,185,008	5,060,792	3,100,000	3,100,000	3,100,000
Ambulance services	9,990,300	6,268,914	3,721,386	50,000	50,000	50,000
Funding source:						
Total other state restricted revenues	189,300	0	189,300	50,000	50,000	50,000
Federal Medicare pharmaceutical program	268,913,900	198,274,809	70,639,091	600,000	600,000	600,000
Funding source:						
State general fund/general purpose	268,913,900	198,274,809	70,639,091	600,000	600,000	600,000
Health plan services	4,939,177,100	4,286,565,461	652,611,639	49,000,000	49,000,000	49,000,000
Funding sources:						
Total other federal revenues	3,306,217,100	2,815,033,468	491,183,632	7,000,000	7,000,000	7,000,000
Total other state restricted revenues	1,507,089,000	1,345,222,633	161,866,367	42,000,000	42,000,000	42,000,000
Healthy Michigan plan	3,707,518,200	3,201,765,543	505,752,657	3,525,000	3,525,000	3,525,000
Funding sources:						
Total local revenues	531,400	445,548	85,852	200,000	200,000	200,000
State general fund/general purpose	150,895,600	132,649,886	18,245,714	3,325,000	3,325,000	3,325,000

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$230,075,000 (continued)**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>TO: SEC. 122. MEDICAL SERVICES</b>						
Home health services	5,438,600	4,494,256	944,344	500,000	500,000	500,000
Funding sources:						
Total other federal revenues	3,524,000	2,912,529	611,471	400,000	400,000	400,000
State general fund/general purpose	1,914,600	1,581,727	332,873	100,000	100,000	100,000
 Hospice services	 123,316,500	 100,993,677	 22,322,823	 12,400,000	 12,400,000	 12,400,000
Funding sources:						
Total other federal revenues	77,734,700	63,804,892	13,929,808	8,000,000	8,000,000	8,000,000
State general fund/general purpose	45,581,800	37,188,786	8,393,014	4,400,000	4,400,000	4,400,000
 Hospital services and therapy	 686,966,800	 517,095,170	 169,871,630	 49,425,000	 49,425,000	 49,425,000
Funding sources:						
Total other federal revenues	416,010,300	331,329,114	84,681,186	42,000,000	42,000,000	42,000,000
State general fund/general purpose	24,321,100	8,760,770	15,560,330	7,425,000	7,425,000	7,425,000
 Integrated care organizations	 220,099,400	 218,778,854	 1,320,546	 55,300,000	 55,300,000	 55,300,000
Funding sources:						
Total other federal revenues	141,985,400	141,706,929	278,471	37,000,000	37,000,000	37,000,000
State general fund/general purpose	78,114,000	77,071,925	1,042,075	18,300,000	18,300,000	18,300,000
 Maternal and child health	 26,279,500	 10,923,089	 15,356,411	 2,500,000	 2,500,000	 2,500,000
Funding source:						
Total other federal revenues	26,279,500	10,923,089	15,356,411	2,500,000	2,500,000	2,500,000
 Medicaid home- and community-based services waiver	 344,563,300	 305,405,215	 39,158,085	 4,500,000	 4,500,000	 4,500,000
Funding sources:						
Total other federal revenues	224,612,200	197,542,532	27,069,668	1,100,000	1,100,000	1,100,000
State general fund/general purpose	119,951,100	107,862,683	12,088,417	3,400,000	3,400,000	3,400,000

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$230,075,000 (Continued)**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>TO: SEC. 122. MEDICAL SERVICES</b>						
Medicare premium payments	578,606,700	522,806,350	55,800,350	1,000,000	1,000,000	1,000,000
Funding source:						
Total other federal revenues	447,512,100	416,365,426	31,146,674	1,000,000	1,000,000	1,000,000
Personal care services	9,035,500	7,886,000	1,149,500	75,000	75,000	75,000
Funding source:						
State general fund/general purpose	3,182,300	2,840,797	341,503	75,000	75,000	75,000
Pharmaceutical services	310,497,100	179,258,969	131,238,131	1,500,000	1,500,000	1,500,000
Funding source:						
Total other federal revenues	195,926,800	157,338,049	38,588,751	1,500,000	1,500,000	1,500,000
Physicians services	264,724,200	239,933,801	24,790,399	44,000,000	44,000,000	44,000,000
Funding sources:						
Total other federal revenues	176,161,500	158,889,641	17,271,859	30,000,000	30,000,000	30,000,000
State general fund/general purpose	88,562,700	81,044,160	7,518,540	14,000,000	14,000,000	14,000,000
Transportation	22,057,200	18,843,437	3,213,763	300,000	300,000	300,000
Funding source:						
Total other federal revenues	12,837,500	11,820,639	1,016,861	300,000	300,000	300,000

This transfer reflects a number of adjustments within lines that are revised as part of the May consensus expenditure estimates for the Medicaid program. A number of these transfers are due to line item program costs being greater, or lower, than what was estimated as part of May consensus, while others are adjustments related to supplemental Medicaid payments (e.g. Health Plan Services), actuarially determined rate adjustments (e.g. Integrated Care Organizations), look back payment costs (e.g. Physical Services), and fund sourcing corrections (e.g. Healthy Michigan Plan) that were identified after the May consensus.



## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$233,300**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE XIV SEC. 210(3)</b>						
Contingency funds	500,000	NA	NA	(233,300)	(233,300)	(233,300)
Funding source:						
Total local revenues	500,000	NA	NA	(233,300)	(233,300)	(233,300)
<b>TO: SEC. 102. MILITARY</b>						
Michigan youth challeNGe academy	5,259,100	5,457,200	(198,100)	233,300	233,300	233,300
Funding source:						
Local revenues	1,528,400	1,547,300	(18,900)	233,300	233,300	233,300

This transfer request allocates local contingency fund authorization to the Michigan Youth ChalleNGe Academy line item in order to align authorization with available School Aid Fund revenue from Marshall Public Schools. Carry forward revenue is available as a result of misalignment between the state fiscal year and the academy's academic program year, which follows the calendar year. Local contingency funds are available in accordance with 2017 PA 107, Article XIV, Section 210(3).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$8,600,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE XIV SEC. 210(1)</b>						
Contingency funds	10,000,000	NA	NA	(8,600,000)	(8,600,000)	(8,600,000)
Funding source:						
Total federal revenues	10,000,000	NA	NA	(8,600,000)	(8,600,000)	(8,600,000)
<b>TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
D.J. Jacobetti home for veterans	23,542,200	22,730,100	812,100	600,000	600,000	600,000
Funding source:						
Other federal revenues	8,396,100	7,917,400	478,700	600,000	600,000	600,000
<b>SEC. 102. MILITARY</b>						
Departmentwide	1,853,100	1,686,300	166,800	1,500,000	1,500,000	1,500,000
Funding source:						
Other federal revenues	1,544,200	1,375,100	169,100	1,500,000	1,500,000	1,500,000
Headquarters and armories	17,317,800	20,128,900	(2,811,100)	3,000,000	3,000,000	3,000,000
Funding source:						
Other federal revenues	9,560,000	12,514,700	(2,954,700)	3,000,000	3,000,000	3,000,000

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$8,600,000 (Continued)**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
Michigan youth challeNGe academy	5,259,100	5,457,200	(198,100)	1,500,000	1,500,000	1,500,000
Funding source:						
Other federal revenues	2,913,400	3,192,600	(279,200)	1,500,000	1,500,000	1,500,000
Military training sites and support facilities	33,956,100	32,129,200	1,826,900	2,000,000	2,000,000	2,000,000
Funding source:						
Other federal revenues	30,760,500	30,336,800	423,700	2,000,000	2,000,000	2,000,000

This transfer request allocates federal contingency fund authorization to multiple line items, which include: D.J. Jacobetti Home for Veterans, Military Training Sites and Support Facilities, Headquarters and Armories, Departmentwide, and Michigan Youth ChalleNGe Academy. This transfer aligns authorization with available federal revenues. Additional U.S. Department of Veterans Affairs – Veterans Health Administration are available as a result of higher than anticipated member census at the D.J. Jacobetti Home for Veterans. Additional revenues are available from the U.S. Department of Defense - National Guard Bureau, which will be used for furniture replacement at armories, firing range equipment, armory operating expenses, among other maintenance and improvements at National Guard training sites and facilities. Spending authority is available from federal contingency fund authorization in accordance with 2017 PA 107, Article XIV, Section 210(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$400,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>						
Michigan veterans affairs agency administration	7,061,200	5,941,500	1,119,700	(400,000)	(400,000)	(400,000)
Funding source:						
State general fund/general purpose	7,011,200	5,941,500	1,069,700	(400,000)	(400,000)	(400,000)
<b>TO: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b>						
Veterans home operations	9,007,800	10,765,400	(1,757,600)	400,000	400,000	400,000
Funding source:						
State general fund/general purpose	5,393,800	6,114,000	(720,200)	400,000	400,000	400,000

This transfer request shifts GF/GP authorization from the Michigan Veteran Affairs Agency Administration line item to the Veterans Home Operations line item, within the Grand Rapids Home for Veterans appropriation unit, to support higher than anticipated DTMB information technology user fees (user support/desktop fees). GF/GP authorization is available in the Michigan Veteran Affairs Agency Administration line item as a result of two positions that remained vacant throughout the fiscal year.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$700,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b>						
Salaries, wages, and fringe benefits	31,054,000	20,988,900	10,065,100	(700,000)	(700,000)	(700,000)
Funding source:						
State general fund/general purpose	12,939,400	11,165,000	1,774,400	(700,000)	(700,000)	(700,000)
<b>TO: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b>						
Veterans home operations	9,007,800	10,765,400	(1,757,600)	600,000	600,000	600,000
Funding source:						
State general fund/general purpose	5,393,800	6,114,000	(720,200)	600,000	600,000	600,000
Purchased services	10,342,700	11,035,600	(692,900)	100,000	100,000	100,000
Funding source:						
State general fund/general purpose	4,285,500	4,514,900	(229,400)	100,000	100,000	100,000

This transfer shifts GF/GP authorization from the Salaries, Wages, and Fringe Benefits line item to the Veterans Home Operations and Purchased Services line items, within the Grand Rapids Home for Veterans appropriation unit, in order to align authorization with operational needs at the Grand Rapids Home for Veterans. GF/GP revenue is available in the Salaries, Wages, and Fringe Benefits line item due to the redistribution of authorization as part of a technical restructuring of the Grand Rapids Home for Veterans appropriations during the FY 2016-17 budget process.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$40,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/17/18	BALANCE AVAILABLE AS OF 9/17/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE XIV SEC. 210(2)</b>						
Contingency funds	3,000,000	NA	NA	(40,000)	(40,000)	(40,000)
Funding source:						
Total other state restricted revenues	3,000,000	NA	NA	(40,000)	(40,000)	(40,000)
<b>TO: SEC. 104. GRAND RAPIDS HOME FOR VETERANS</b>						
Veterans home operations	9,007,800	10,765,400	(1,757,600)	40,000	40,000	40,000
Funding source:						
Other state restricted revenues	859,200	1,386,400	(527,200)	40,000	40,000	40,000

This transfer request allocates state restricted contingency fund authorization in the Veterans Home Operations line item, within the Grand Rapids Home for Veterans appropriation unit, in order to align authorization with higher than anticipated facility lease revenue. Spending authority is available from state restricted contingency authorization in accordance with 2017 PA 107, Article XIV, Section 210(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **NATURAL RESOURCES**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$200,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Austin Scott**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/20/18	BALANCE AVAILABLE AS OF 9/20/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 113 (b) CAPITAL OUTLAY WATERWAYS BOATING PROGRAM</b>						
State boating infrastructure maintenance (AY 2016)	2,435,000	1,199,953	1,235,047	(200,000)	(200,000)	(200,000)
Funding source:						
Michigan state waterways fund	1,560,000	324,953	1,235,047	(200,000)	(200,000)	(200,000)
<b>TO: SEC. 113 (b) CAPITAL OUTLAY WATERWAYS BOATING PROGRAM</b>						
East Tawas state harbor, Iosco County, harbor renovation, dock replacements, dredging, fueling station, new electrical/utilities, phase II (total authorized cost is increased from \$3,120,000 to \$4,320,000; federal share \$1,550,000; state share is increased from \$1,570,000 to \$2,770,000) (AY 2016)	1,300,000	498,473	801,527	200,000	200,000	200,000
Funding source:						
Michigan state waterways fund	1,200,000	398,472	801,527	200,000	200,000	200,000

This request transfers \$200,000 of Michigan State Waterways Fund authorization available from the FY 2015-16 State Boating Infrastructure Maintenance line item to the FY 2015-16 East Tawas State Harbor, Iosco County, Phase II line item. \* Costs associated with the dock replacement and mooring capacity upgrades have increased from the original estimates in FY 2015-16. The funding is available within the State Boating Infrastructure Maintenance line item as several projects were completed under budget. This transfer increases the total cost of the multi-year, multi-phase East Tawas project from \$6.7 million to \$6.9 million (\$1.7 million federal share; \$5.2 million state share).

\*Both AY 2016 line items involved in this transfer request are capital outlay projects with multi-year authorization (2015 PA 84, Article XV, Sec. 1103).

## LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$91,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**

ANALYST: **Bethany Wicksall/Samuel Christensen/Jacqueline Mullen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/21/18	BALANCE AVAILABLE AS OF 9/21/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 22b DISCRETIONARY PAYMENT</b>						
Discretionary payment	4,024,860,400	4,007,651,635	17,208,765	(91,000)	(91,000)	(91,000)
Funding source:						
State general fund/general purpose	5,099,900	5,008,900	91,000	(91,000)	(91,000)	(91,000)
<b>TO: SEC. 94 ADVANCED PLACEMENT INCENTIVE PROGRAM</b>						
Advanced placement incentive program	750,000	108,921	641,079	91,000	91,000	91,000
Funding source:						
State general fund/general purpose	750,000	108,921	641,079	91,000	91,000	91,000

The amount appropriated in the Advanced Placement (AP) Incentive Program line to subsidize AP and International Baccalaureate (IB) testing fees for low-income students is insufficient to cover the total remaining costs for billing by International Baccalaureate and the College Board. It is estimated that remaining costs total about \$841,000. After applying existing state appropriations of \$750,000, an additional \$91,000 is needed to continue to cover the costs. The appropriation has been increased to \$1.0 million for FY 2018-19. The foundation allowance Discretionary Payment line is expected to lapse funds and has a sufficient balance to support the transfer.



## LEGISLATIVE TRANSFER

BUDGET AREA: STATE  
 FISCAL YEAR: 2017-18  
 TRANSFER AMOUNT: \$2,000,000

S.B.O. LETTER: 9/14/18  
 S.B.O. REQUEST: 2018-8  
 ANALYST: Mike Cnossen

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/18/18	BALANCE AVAILABLE AS OF 9/18/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE VIII, SEC. 701(1)</b>						
Contingency funds	6,500,000	NA	NA	(2,000,000)	(2,000,000)	(2,000,000)
Funding source:						
Total federal revenues	6,500,000	NA	NA	(2,000,000)	(2,000,000)	(2,000,000)
<b>TO: SEC. 106.(5) ELECTION REGULATION</b>						
Election administration and services	11,209,800	7,904,085	3,305,715	2,000,000	2,000,000	2,000,000
Funding source:						
HAVA Title II	4,000,000	2,651,986	1,348,014	2,000,000	2,000,000	2,000,000

This transfer requests \$2.0 million in federal contingency fund authorization to the Elections Administration and Services line item to support on-going Qualified Voter File contractual services work. The \$2.0 million requested would allow the Qualified Voter File project to be completed and fully implemented in FY 2019-20. Department of Technology, Management, and Budget staff and contractors are staffing and managing the project. Funding is available from interest accrued on the remaining federal Help America Vote Act (HAVA) resources utilized to purchase voting equipment. Spending authority is available from federal contingency funds in accordance with PA 107 of 2018, Article VIII, Section 701(1).

## LEGISLATIVE TRANSFER

BUDGET AREA: STATE  
 FISCAL YEAR: 2017-18  
 TRANSFER AMOUNT: \$500,000

S.B.O. LETTER: 9/14/18  
 S.B.O. REQUEST: 2018-8  
 ANALYST: Mike Cnossen

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/18/18	BALANCE AVAILABLE AS OF 9/18/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 OF 2017 ARTICLE VIII, SEC. 701(2)</b>						
Contingency funds	6,500,000	NA	NA	(500,000)	(500,000)	(500,000)
Funding source:						
Total state restricted revenues	6,500,000	NA	NA	(500,000)	(500,000)	(500,000)
<b>TO: SEC. 106(4). CUSTOMER DELIVERY SERVICES</b>						
Branch operations	88,887,700	77,285,193	11,602,507	500,000	500,000	500,000
Funding source:						
Transportation administration collection fund	37,021,800	36,495,625	526,175	500,000	500,000	500,000

This transfer requests \$500,000 in state restricted contingency fund authorization to the Branch Operations line item. This request will be utilized to accommodate contractual rate increases associated with janitorial, security guard, and telecommunication services that were unknown during the FY 2017-18 budget development cycle. Specifically, rate increases include \$100,000 for janitorial services, \$220,000 for security guards, and \$180,000 for telecommunications. Funding is available from the Transportation Administration Collection Fund as revenues have exceeded projections. Spending authority is available from state restricted contingency funds in accordance with PA 107 of 2018, Article VIII, Section 701(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$300,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/18/18	BALANCE AVAILABLE AS OF 9/18/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 of 2017 ARTICLE VIII, SEC. 901(2)</b>						
Contingency funds	1,000,000	NA	NA	(300,000)	(300,000)	(300,000)
Funding source:						
Total state restricted revenues	1,000,000	NA	NA	(300,000)	(300,000)	(300,000)
<b>TO: SEC. 108(5). FINANCIAL PROGRAMS</b>						
Michigan finance authority – bond finance programs	25,962,900	19,340,264	6,622,636	300,000	300,000	300,000
Funding source:						
MFA, bond and loan program revenue	3,012,400	2,571,663	440,737	300,000	300,000	300,000

This transfer requests \$300,000 in state restricted contingency funds to the Michigan Finance Authority line item. The funding will support the purchase of a new information technology system to manage, administer, and track disbursements and loans for the Clean Water and Drinking Water State Revolving Fund programs. The new system will replace an existing legacy system handling program requirements today. While the programs are Department of Environmental Quality programs, the Department of Treasury handles the financing and management of the loans. There is sufficient restricted contingency fund authorization and Michigan Finance Authority revenue to accommodate this transfer. Spending authority is available from state restricted contingency funds in accordance with PA 107 of 2018, Article VIII, Section 901(2).

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$219,410**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/18/18	BALANCE AVAILABLE AS OF 9/18/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: SEC. 108(11). REVENUE SHARING</b>						
City, village, and township revenue sharing	243,040,000	242,651,260	388,740	(192,654)	(192,654)	(192,654)
Funding source:						
Sales tax	243,040,000	242,651,260	388,740	(192,654)	(192,654)	(192,654)
County incentive program	43,160,400	43,133,644	26,756	(26,756)	(26,756)	(26,756)
Funding source:						
Sales tax	43,160,400	43,133,644	26,756	(26,756)	(26,756)	(26,756)
<b>TO: SEC. 108(11). REVENUE SHARING</b>						
Financially distressed cities, villages, or townships	5,000,000	5,230,432	(230,432)	219,410	219,410	219,410
Funding source:						
Sales tax	5,000,000	5,230,432	(230,432)	219,410	219,410	219,410

Section 952(5) of Article VIII of PA 107 of 2017 states, "The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.139r." City, Village, and Township (CVT) Revenue Sharing funds are available due to 28 eligible units not qualifying for some or all of their CVT revenue sharing payment. County Incentive Program (CIP) funds are available due to one eligible county not qualifying for some or all of their CIP payment. The financially distressed cities, villages, or townships grant program supports grant funding to cities, villages, or townships with one or more conditions that indicate probable financial distress to pay for specific projects, services, or strategies that move a city, village, or township toward financial stability. This transfer is requested as part of FY 2017-18 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2017-18**  
 TRANSFER AMOUNT: **\$500,000**

S.B.O. LETTER: **9/14/18**  
 S.B.O. REQUEST: **2018-8**  
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/18/18	BALANCE AVAILABLE AS OF 9/18/18	GOV'S REC. 9/14/18	HOUSE ACTION 9/26/18	SENATE ACTION 9/26/18
<b>FROM: PUBLIC ACT 107 of 2017 ARTICLE VIII, SEC. 901(2)</b>						
Contingency funds	1,000,000	NA	NA	(500,000)	(500,000)	(500,000)
Funding source						
Total state restricted revenues	1,000,000	NA	NA	(500,000)	(500,000)	(500,000)
<b>TO: SEC. 108(15) ONE-TIME APPROPRIATIONS</b>						
Drinking water declaration of emergency	9,000,100	0	9,000,100	500,000	500,000	500,000
Funding source:						
Drinking water declaration of emergency reserve fund	9,000,100	0	9,000,100	500,000	500,000	500,000

This transfer request moves \$500,000 in state restricted contingency funds to the Drinking Water Declaration of Emergency line item. The funding will be used to pay for continued Integrity Monitoring Oversight of the City of Flint lead service line replacement effort via a Deloitte contractual agreement. There is sufficient restricted contingency fund authorization and Drinking Water Declaration of Emergency Reserve Fund balance to accommodate this transfer. Spending authority is available from the state restricted contingency funds in accordance with PA 107 of 2018, Article VIII, Section 901(2). The balance of the Drinking Water Declaration of Emergency Reserve Fund following the transfer of \$500,000 will be \$5,613,000.