

MEMORANDUM



DATE: June 22, 2021
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Packages 2021-2, 2021-3, and 2021-4(Combined)

Attached are legislative transfers proposed by the State Budget Office in letters dated February 11, 2021, March 15, 2021, and June 1, 2021. Pursuant to section 393 of the Management and Budget Act, a legislative transfer must be approved by a majority of both the House and Senate Appropriations Committees, with identical funding sources and dollar amounts, in order to become effective. This transfer package may be considered by the House Appropriations Committee on Wednesday, June 23, 2021.

There are two basic types of legislative transfers, which have different effects on the overall level of appropriations in the state budget.

A **standard legislative transfer** shifts existing spending authorization between line items in a particular budget area, with no net change in total appropriations. Generally, such transfers are proposed when expenditures are higher than originally anticipated in one line item and lower than anticipated in another. These transfers can represent a shift of GF/GP funding between two line items, or merely a shift of spending authorization from same broad category of funding (federal, restricted, etc.) between the line items.

As shown in the attached table, standard transfers in this package total \$66.6 million, which will shift 0.10% of total appropriations within the existing FY 2020-21 year-to-date state budget.

A **contingency fund transfer** increases total line item appropriations in a budget area by moving contingency spending authorization from the boilerplate section of a budget act to a specific line item in order to recognize additional federal, private, local, or state restricted revenue that has become available since the original enactment of the budget. Absent the contingency fund transfer mechanism, this type of budget adjustment would be made through a supplemental appropriation bill.

As shown in the attached table, contingency fund transfers in this package total \$21.6 million, which will increase the FY 2020-21 year-to-date state budget by 0.03%.

If you have questions about the transfers generally, please contact me. If you have questions about an individual transfer, please contact the HFA analyst assigned to that budget area. We can be reached at 373-8080.

Attachment

LEGISLATIVE TRANSFER PACKAGE



Mary Ann Cleary, Director
Viola Bay Wild, Transfer Coordinator
Compiled by Tumai Burris, Budget Assistant

Summary Sheet

SBO LETTER: 2021-2
February 11, 2021
SBO LETTER: 2021-3
March 15, 2021
SBO LETTER: 2021-4
June 1, 2021

Department	Analyst	Page	Total Transfer
Agriculture and Rural Development	William E. Hamilton	1	\$500,000
Health and Human Services	Susan Frey Kevin Koorstra Viola Wild Kent Dell	2-7	68,537,400
Licensing and Regulatory Affairs	Marcus Coffin	7-8	9,297,400
Military and Veterans Affairs	Mike Cnossen	9-13	5,351,000
State Police	Marcus Coffin	14-19	3,698,700
Transportation	William E. Hamilton	20	774,500
Treasury	Ben Gielczyk	21	70,000
Total			\$88,229,000

FY 2020-21 Legislative Transfers: 2021-2, 2021-3 and 2021-4

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Health and Human Services	29,828,870,700		53,493,200				53,493,200	0.18%	
Licensing and Regulatory Affairs	484,389,600		8,648,000				649,400	1.92%	
State Police	766,519,500	577,000	1,184,800				1,184,800	0.38%	
Transportation	5,107,470,600					774,500	774,500	0.02%	
Treasury (Operational)	780,483,500						70,000	0.01%	
TOTAL*	\$65,544,697,500	\$577,000	\$63,326,000	\$0	\$0	\$774,500	\$1,904,200	\$66,581,700	0.10%

*Includes budget areas not affected by transfers

Budget	Year-to-Date Total Approps	Contingency Fund Transfers (Increases Budget)						TOTAL	% Budget Increased
		IDG	Federal	Local	Private	Restricted	GF/GP		
Agriculture and Rural Development	121,295,000		500,000				500,000	0.41%	
Health and Human Services	29,828,870,700		14,828,700		215,500		15,044,200	0.05%	
Military and Veterans Affairs	229,061,500		4,466,000		10,000	875,000	5,351,000	2.34%	
State Police	766,519,500					752,100	752,100	0.10%	
TOTAL*	\$65,544,697,500	\$0	\$19,794,700	\$0	\$225,500	\$1,627,100	\$0	\$21,647,300	0.03%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **AGRICULTURE AND RURAL DEVELOPMENT**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$500,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/19/21	BALANCE AVAILABLE AS OF 3/19/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 1 SEC. 210(1)						
Contingency funds	3,000,000	0	3,000,000	(500,000)		(500,000)
Funding source:						
Total federal revenues	3,000,000	0	3,000,000	(500,000)		(500,000)
TO: SEC. 108. LABORATORY PROGRAM						
Laboratory services	7,650,100	2,619,400	5,030,700	500,000		500,000
Funding source:						
HHS, Multiple Grants	951,900	517,600	434,300	500,000		500,000

This request transfers \$500,000 in spending authority from the boilerplate "contingency" appropriation of federal funds in the FY 2020-21 Michigan Department of Agriculture and Rural Development (MDARD) budget [Article 1, 2020 PA 166, Sec. 210 (1)]. The transfer would increase federal spending authority in the Laboratory Services line item by a like amount. The transfer is needed to recognize additional federal Food and Drug Administration (FDA) funding for enhancements to MDARD's William C. Geagley Laboratory.

The Geagley Laboratory was one of 55 state and university-based human and animal food testing laboratories to receive awards under an FDA initiative, the Laboratory Flexible Funding Model (LFFM) to enhance food safety testing capacity and capabilities at laboratories across the country – part of a larger effort to build out a nationally integrated food safety system required under the federal Food Safety Modernization Act (FSMA), enacted in 2011. The FDA awarded a total of \$31.7 million in LFFM funding to state and university-based laboratories in FY 2019-20.

The FDA LFFM award to MDARD is \$960,000 for the first year of the award, and \$1.1 million per year for an additional 4 years. The transfer would provide enough additional FY 2020-21 federal spending authority in the Laboratory Service line item to recognize the federal award. The Governor's FY 2021-22, budget recommendation, also includes an additional \$600,000 in federal support in the Laboratory Services line item, as compared to the current year baseline appropriation, to recognize this award.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$10,600,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Kent Dell**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17/21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 6 SEC. 210(1)						
Contingency funds	20,000,000	NA	NA	(10,600,000)		(10,600,000)
Funding source:						
Total other federal revenues	20,000,000	NA	NA	(10,600,000)		(10,600,000)
TO: SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES						
Electronic benefit transfer (EBT)	7,989,000	8,356,100	(367,100)	10,600,000		10,600,000
Funding source:						
Total other federal revenues	2,129,100	2,649,800	(520,700)	10,600,000		10,600,000

This request would transfer \$10.6 million federal contingency authorization to the Electronic Benefit Transfer (EBT) line item, in order to realize increased administrative costs related to the Pandemic Electronic Benefit Transfer (P-EBT) program under the Families First Coronavirus Response Act. Administrative costs include the production of additional Bridge Cards and contractual payments to the vendor (Conduent Business Services, LLC), which is responsible for Bridge Card payment processing and answering client telephone inquiries on balances/reported problems. States may claim 100% federal reimbursement for P-EBT administrative expenses. Federal contingency funds are available in accordance with 2020 PA 166, Article 6, Sec. 210 (1).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$2,868,700**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Kent Dell and Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17/21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 6 SEC. 210(1)						
Contingency funds	20,000,000	NA	NA	(2,868,700)		(2,868,700)
Funding source:						
Total other federal revenues	20,000,000	NA	NA	(2,868,700)		(2,868,700)
TO: SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES						
Adult services field staff	61,338,200	25,541,200	35,797,000	2,582,600		2,582,600
Funding source:						
Total other federal revenues	18,668,900	3,821,000	14,847,900	2,582,600		2,582,600
SEC. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY						
Aging and adult services administration	9,339,900	2,293,100	7,046,800	286,100		286,100
Funding source:						
Total other federal revenues	3,956,800	1,178,900	2,777,900	286,100		286,100

This request would transfer \$2.9 million in federal contingency authorization to the Aging and Adult Services Administration and Adult Services Field Staff line items. This additional authorization recognizes a new formula grant provided to states to enhance Adult Protective Services in response to COVID-19. The funding is provided by the Administration for Community Living through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021. Federal contingency funds are available in accordance with 2020 PA 166, Article 6, Sec. 210 (1).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$215,500**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17/21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 6 SEC. 210(4)						
Contingency funds	2,000,000	NA	NA	(215,500)		(215,500)
Funding source:						
Total private revenues	2,000,000	NA	NA	(215,000)		(215,000)
TO: SEC. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Behavioral health program administration	50,020,000	17,042,758	32,977,242	215,500		215,500
Funding source:						
Total private revenues	1,004,700	172,294	832,406	215,000		215,000

This transfer request provides \$215,500 in private contingency authorization to the Behavioral Health Program Administration line item. In January 2021, DHHS was awarded \$215,439 from Vibrant Emotional Health's National Suicide Prevention Lifeline 9-8-8 State Planning Grant Initiative. Funds will be used to complete a final 9-8-8 implementation plan, as 9-8-8 will be the new universal national suicide hotline number by July 2022. In preparing this plan, DHHS will work with Michigan's current Lifeline affiliates, local suicide prevention groups, Families Against Narcotics, Prepaid Inpatient Health Plans, and Community Mental Services Programs to create a blueprint for coordination between 9-8-8, the Michigan Crisis and Access Line (MiCAL), and other crisis services providers. The 9-8-8 implementation plan is due by December 31, 2021. While private authority has lapsed in this line item in prior years, private authority is anticipated to be fully expended in FY 2020-21 owing to Michigan Health Endowment Fund grant awards. Private contingency funds are available in accordance with 2020 PA 166, Article 6, Sec. 210 (4).

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$1,360,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17/21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 6 SEC. 210(1)						
Contingency funds	20,000,000	NA	NA	(1,360,000)		(1,360,000)
Funding source:						
Total other federal revenues	20,000,000	NA	NA	(1,360,000)		(1,360,000)
TO: SEC. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY						
Epidemiology administration	27,580,700	7,758,648	19,822,052	475,000		475,000
Funding source:						
Total other federal revenues	15,913,200	4,996,958	10,916,242	475,000		475,000
Laboratory services	26,655,100	14,025,377	12,629,723	885,000		885,000
Funding source:						
Total other federal revenues	6,203,700	3,200,978	3,002,722	885,000		885,000

This transfer increases the federal funds authorization for the Epidemiology Administration line item and the Laboratory Services line item enabling the Department to expend available federal revenues by a total of \$1,360,000 in excess of the current authorizations. Increased laboratory and surveillance funding is available from federal COVID-19 pandemic response funds appropriated under Public Law 116-139, the Paycheck Protection Program and Health Care Enhancement Act. The funds are granted through the ongoing epidemiology and laboratory capacity grant program and are allocated for the following purposes:

- Epidemiology Administration line item: \$475,000 to support efforts to ensure safe travel by streamlining the collection and reporting of traveler-related health data, including data sharing among public health networks and the Centers for Disease Control and Prevention (CDC).
- Laboratory Services line item:
 - \$370,000 to enable DHHS to use new COVID-related Advanced Molecular Detection (AMD) genomic sequencing technologies, to aid in epidemiological surveillance of strains of SARS-CoV2 and other emerging disease pathogens
 - \$515,000 to strengthen and improve public health laboratory preparedness and response infrastructure

Federal contingency fund authorization is available for this transfer.

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$53,493,200**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Sue Frey**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/2/21	BALANCE AVAILABLE AS OF 6/2/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: SEC. 102.(3) ONE-TIME APPROPRIATIONS						
Federal COVID immunization and vaccine grant reserve fund	110,239,800	12,263,137	97,976,663	(53,493,200)		(53,493,200)
Funding source:						
Total other federal revenues	110,239,800	12,263,137	97,976,663	(53,493,200)		(53,493,200)
TO: SEC. 102.(3) ONE-TIME APPROPRIATIONS						
Federal COVID immunization and vaccine grant reserve fund	110,239,800	12,263,137	97,976,663	53,493,200		53,493,200
Funding source:						
Total other federal revenues	110,239,800	12,263,137	97,976,663	53,493,200		53,493,200

This transfer provides authorization for expenditure of \$53.5 million of the \$110.2 million of federal funds appropriated in the one-time Federal COVID Immunization and Vaccine Grant Reserve Fund line item under supplemental appropriations Public Act 2 of 2021.

The Executive has submitted reporting along with this transfer as required by Act 2 (section 255) in order to authorize expenditure of the funds. The Act 2 requirements include that the funds appropriated for Coronavirus Vaccine Strategy under PA 257 of 2020 have been expended totaling \$51.3 million GF/GP, and that a report has been submitted describing how the requested transfer funds will be utilized. The report, submitted to the Legislature on June 9, indicates that the PA 257 funds are fully obligated (expended or encumbered) and that the transfer funds will be used for continued and expanded coronavirus vaccine infrastructure and administration efforts through local health department and other health care providers.

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$9,297,400

S.B.O. LETTER: 2/11/21
 S.B.O. REQUEST: 2021-2
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/22/21	BALANCE AVAILABLE AS OF 3/22/21	GOV'S REC. 2/11/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of community and health systems administration	13,365,700	1,394,064	11,971,636	(9,297,400)		(9,297,400)
Funding sources:						
HHS-Medicaid, certification of health care providers and suppliers	730,900	244,834	486,066	(289,600)		(289,600)
HHS-Medicare, certification of health care providers and suppliers	9,106,400	360,841	8,745,559	(8,358,400)		(8,358,400)
State general fund/general purpose	1,693,400	385,882	1,307,518	(649,400)		(649,400)
TO: SEC. 105. OCCUPATIONAL REGULATION						
Adult foster care and camps licensing and regulation	13,144,400	5,254,754	7,889,646	359,800		359,800
Funding source:						
State general fund/general purpose	12,526,500	5,254,754	7,271,746	359,800		359,800
Health facilities regulation	23,289,400	11,913,380	11,376,020	7,779,600		7,779,600
Funding source:						
HHS-Medicare, certification of health care providers and suppliers	4,991,200	4,666,165	325,035	7,779,600		7,779,600

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$9,297,400 (Continued)

S.B.O. LETTER: 2/11/21
 S.B.O. REQUEST: 2021-2
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/22/21	BALANCE AVAILABLE AS OF 3/22/21	GOV'S REC. 2/11/21	HOUSE ACTION	SENATE ACTION 6/9/21
TO: SEC. 105. OCCUPATIONAL REGULATION						
Nurse aide program	600,000	426,093	173,907	1,158,000		1,158,000
Funding sources:						
HHS-Medicaid, certification of health care providers and suppliers	0	0	0	289,600		289,600
HHS-Medicare, certification of health care providers and suppliers	0	0	0	578,800		578,800
State general fund/general purpose	0	0	0	289,600		289,600

This transfer request shifts funding between four line items and corresponding fund sources to properly align authorization with project expenditures for FY 2020-21 within the Bureau of Community Health Systems (BCHS) and its programs. These transfers net-to-zero by fund source.

Transfers by line-item include:

- Nurse Aide Program: \$289,600 in federal Medicaid funding, \$578,800 in federal Medicare funding, and \$289,600 in GF/GP is shifted from the Bureau of Community and Health Systems Administration line item to the Nurse Aid Program line, as the program utilizes funding from Medicare (25%) and Medicaid (50%) and GF/GP to provide the required state match for the Medicare portion.
- Health Facilities Regulation: \$7,779,600 of federal Medicare funding is shifted from the Bureau of Community Health Systems Administration to provide authorization consistent with the necessary level of Medicare spending for the regulation activities of this program.
- Adult Foster Care and Camps Licensing and Regulation: \$359,800 GF/GP is shifted from the Bureau of Community and Health Systems Administration to support anticipated costs for the licensing and regulation activities estimated for the fiscal year.
- Bureau of Community and Health Systems Administration: \$289,600 of federal Medicaid funding, \$8,358,400 of federal Medicare funding, and \$649,400 of GF/GP is shifted to the other three lines in the amounts noted above.

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$10,000**

S.B.O. LETTER: **2/11/21**
 S.B.O. REQUEST: **2021-2**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/19/21	BALANCE AVAILABLE AS OF 3/19/21	GOV'S REC. 2/11/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 210(4)						
Contingency funds	100,000	NA	NA	(10,000)		(10,000)
Funding source:						
Total private revenues	100,000	NA	NA	(10,000)		(10,000)
TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY						
Michigan veterans affairs agency administration	7,458,200	2,571,950	4,886,250	10,000		10,000
Funding source:						
Private donations	0	0	0	10,000		10,000

This request would transfer private contingency fund authorization to the Michigan Veterans Affairs Agency Administration line item to authorize a donation from the health insurance company, Humana, Inc., that aims to address social determinants of physical and mental health for veterans to help identify veteran healthcare needs and to reduce veteran suicide rates. Funding will be used to support advertising for the "Ask the Question" Campaign which encourages state agencies to better engage with veterans' needs by asking, "Have you or a family member ever served in the military?" either in person or on written forms. The campaign is aimed at educating health care providers and their patients about resources available to service members, veterans, and their family members. Spending authority is available from PA 166 of 2020, Article 10, Section 210(4).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$25,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/19/21	BALANCE AVAILABLE AS OF 3/19/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 10 SEC. 210(1)						
Contingency funds	1,100,000	NA	NA	(25,000)		(25,000)
Funding source:						
Total state restricted revenues	1,100,000	NA	NA	(25,000)		(25,000)
TO: SEC. 102. MILITARY						
Military training sites and support facilities	41,056,700	18,707,434	22,349,266	25,000		25,000
Funding source:						
Rental fees	0	0	0	25,000		25,000

This would transfer state restricted contingency fund authorization to the Military Training Sites and Support Facilities line item for the department to receive and expend funds collected as rental fees for the new Commander's Cottage at Camp Grayling to be used for maintenance of the building. Fees are paid for by the Commander of Camp Grayling to live there as his residence. Spending authority is available from PA 166 of 2020, Article 10, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$4,000,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/19/21	BALANCE AVAILABLE AS OF 3/19/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020, ARTICLE 10 SEC. 210(1)						
Contingency funds	8,600,000	8,600,000	NA	(4,000,000)		(4,000,000)
Funding source:						
Total federal revenues	8,600,000	8,600,000	NA	(4,000,000)		(4,000,000)
TO: SEC. 104. MICHIGAN VETERANS FACILITY AUTHORITY						
D.J. Jacobetti home for veterans	24,684,700	24,684,700	12,945,121	4,000,000		4,000,000
Funding source:						
DVA - VHA	19,992,900	5,262,900	2,631,450	4,000,000		4,000,000

This request would transfer federal contingency fund authorization to the D.J. Jacobetti Home for Veterans line item in order to align authorization with higher than anticipated revenues from the U.S. Department of Veterans Affairs, Veterans Health Administration (VHA). VHA funding provides per diem payments to eligible veterans based on healthcare needs and service-connected disability rating. Spending authority is available from PA 166 of 2020, Article 10, Section 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$850,000**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/9/21	BALANCE AVAILABLE AS OF 6/9/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 210(2), ARTICLE 10						
Contingency funds	1,100,000	NA	NA	(850,000)		(850,000)
Funding source:						
Total state restricted revenues	1,100,000	NA	NA	(850,000)		(850,000)
TO: SEC. 103. MICHIGAN VETERANS AFFAIRS AGENCY						
Veterans' trust fund grants	1,480,000	1,309,203	170,797	850,000		850,000
Funding source:						
Michigan veterans' trust fund	1,480,000	1,309,203	170,797	850,000		850,000

This transfer request would shift \$850,000 in restricted contingency fund authorization to the Veterans Trust Fund Grants line item to support increased emergency financial grant assistance to veterans through the Emergency Grant Program, to address hardships stemming from the COVID-19 pandemic, and to increase support and partnerships with other veteran service programs. Program support would go to providing food assistance to eligible veterans experiencing food insecurity issues stemming from the COVID-19 pandemic, entrepreneurship assistance, housing assistance, and financial counseling. Spending authority is available from state restricted contingency fund authorization in accordance with PA 166 of 2020, Article 10, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$466,000**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Michael Cnossen**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/9/21	BALANCE AVAILABLE AS OF 6/9/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 210(4), ARTICLE 10						
Contingency funds	8,600,000	NA	NA	(466,000)		(466,000)
Funding source:						
Total federal revenues	8,600,000	NA	NA	(466,000)		(466,000)
TO: SEC. 104. MICHIGAN VETERANS FACILITY AUTHORITY						
D.J. Jacobetti home for veterans	24,684,700	17,934,665	6,750,035	466,000		466,000
Funding source:						
HHS - HCFA, title XIX, Medicaid	1,812,500	0	1,812,500	466,000		466,000

This transfer request shifts \$466,000 in federal contingency fund authorization to the D.J. Jacobetti Home for Veterans line item to align authorization with higher than anticipated federal Medicaid revenues. Medicaid reimbursement revenue has increased as billings are updated to reflect additional Centers for Medicare and Medicaid Services certified beds and services at the home. Spending authority is available from federal contingency fund authorization in accordance with PA 166 of 2020, Article 10, Section 210(1).

LEGISLATIVE TRANSFER

BUDGET AREA: STATE POLICE
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$2,369,600

S.B.O. LETTER: 6/1/21
 S.B.O. REQUEST: 2021-4
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Department services	4,667,200	3,020,484	1,646,716	(85,200)		(85,200)
Funding source:						
Coronavirus relief fund	85,200	0	85,200	(85,200)		(85,200)
SEC. 105. FIELD SERVICES						
Investigative services	33,675,600	15,757,489	17,918,111	(443,000)		(443,000)
Funding source:						
Coronavirus relief fund	443,000	0	443,000	(443,000)		(443,000)
Post operations	335,222,900	203,619,469	131,603,431	(1,184,800)		(1,184,800)
Funding source:						
State general fund/general purpose	252,467,300	146,270,593	106,196,707	(1,184,800)		(1,184,800)
SEC. 103. LAW ENFORCEMENT SERVICES						
Forensic science	47,740,200	27,893,822	19,846,378	(340,800)		
Funding source:						
Coronavirus relief fund	340,800	0	340,800	(340,800)		
SEC. 106. SPECIALIZED SERVICES						
Emergency management and homeland security	16,126,500	10,571,455	5,555,045	(121,600)		(121,600)
Funding source:						
Coronavirus relief fund	121,600	0	121,600	(121,600)		(121,600)
Intelligence operations	27,640,900	16,839,479	10,801,421	(194,200)		(194,200)
Funding source:						
Coronavirus relief fund	194,200	0	194,200	(194,200)		(194,200)

LEGISLATIVE TRANSFER

BUDGET AREA: STATE POLICE
 FISCAL YEAR: 2020-21
 TRANSFER AMOUNT: \$2,369,600 (Continued)

S.B.O. LETTER: 6/1/21
 S.B.O. REQUEST: 2021-4
 ANALYST: Marcus Coffin

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Department services	4,667,200	3,020,484	1,646,716	85,200		85,200
Funding source:						
State general fund/general purpose	3,064,000	2,694,074	369,926	85,200		85,200
SEC. 105. FIELD SERVICES						
Investigative services	33,675,600	15,757,489	17,918,111	443,000		443,000
Funding source:						
State general fund/general purpose	7,682,500	4,557,353	3,125,147	443,000		443,000
Post operations	335,222,900	203,619,469	131,603,431	1,184,800		1,184,800
Funding source:						
Coronavirus relief fund	43,886,600	43,382,400	504,200	1,184,800		1,184,800
SEC. 103. LAW ENFORCEMENT SERVICES						
Forensic science	47,740,200	27,893,822	19,846,378	340,800		
Funding source:						
State general fund/general purpose	33,371,800	21,729,289	11,642,511	340,800		
SEC. 106. SPECIALIZED SERVICES						
Emergency management and homeland security	16,126,500	10,571,455	5,555,045	121,600		121,600
Funding source:						
State general fund/general purpose	3,761,200	2,448,900	1,312,300	121,600		121,600

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$2,369,600 (Continued)**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
TO: SEC. 106. SPECIALIZED SERVICES						
Intelligence operations	27,640,900	16,839,479	10,801,421	194,200		194,200
Funding source:						
State general fund/general purpose	25,214,900	15,724,314	9,490,586	194,200		194,200

This transfer request would shift GF/GP authorization from the Post Operations line item and replace it with federal Coronavirus Relief Fund authorization from various line items, in order to align Coronavirus Relief Fund authorization with eligible expenditures. Due to extension of the use period for Coronavirus Relief Fund through December 31, 2021, and a reduction in the number of department personnel engaged in Coronavirus Relief Fund eligible work, eligible expenses are now primarily being recognized in the Post Operations line item.

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$577,000**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION, 6/9/21
FROM: SEC. 105. FIELD SERVICES						
Investigative services	33,675,600	15,757,489	17,918,111	(577,000)		(577,000)
Funding source:						
IDG from department of treasury, casino gaming fees	5,197,000	2,675,344	2,521,656	(577,000)		(577,000)
TO: SEC. 106. SPECIALIZED SERVICES						
Commercial vehicle enforcement	31,400,200	17,582,115	13,818,085	577,000		577,000
Funding source:						
Intradepartmental transfers	1,998,300	1,110,791	887,509	577,000		577,000

This transfer request would shift interdepartmental grant authorization from the Investigative Service line item to the Commercial Vehicle Enforcement line item to align authorization with higher than anticipated Truck Safety Fund revenues. Funding supports efforts to assist in reducing commercial vehicle crashes, fatalities, and injuries through traffic enforcement and other safety efforts. Spending authority is available in the Investigative Service line item due to lower than anticipated Casino Gaming Fee revenue.

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$550,000**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 210(2), ARTICLE 12						
Contingency funds	4,000,000	NA	NA	(550,000)		(550,000)
Funding source:						
Total state restricted revenues	4,000,000	NA	NA	(550,000)		(550,000)
TO: SEC. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT						
Departmentwide	43,588,900	24,344,645	19,244,255	550,000		550,000
Funding source:						
Total other state restricted revenues	1,313,400	519,093	794,307	550,000		550,000

This transfer request would shift state restricted contingency fund authorization to the Departmentwide line item to align authorization with available vehicle sales revenue generated through the sale of surplus vehicles from the department's fleet. Revenue from vehicle sales will be used to support the department's ongoing fleet costs. Spending authority is available from state restricted contingency fund authorization in accordance with PA 166 of 2020, Article 12, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **STATE POLICE**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$202,100**

S.B.O. LETTER: **6/1/21**
 S.B.O. REQUEST: **2021-4**
 ANALYST: **Marcus Coffin**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 6/14/21	BALANCE AVAILABLE AS OF 6/14/21	GOV'S REC. 6/1/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: PUBLIC ACT 166 OF 2020 SEC. 210(2), ARTICLE 12						
Contingency funds	4,000,000	NA	NA	(202,100)		(202,100)
Funding source:						
Total state restricted revenues	4,000,000	NA	NA	(202,100)		(202,100)
TO: SEC. 105. FIELD SERVICES						
Investigative services	33,675,600	15,757,489	17,918,111	202,100		202,100
Funding source:						
Intradepartmental transfers	797,900	491,940	305,960	202,100		202,100

This transfer request would shift state restricted contingency fund authorization to the Investigative Services line item to align authorization with higher than anticipated Automobile Theft Prevention Authority grant revenue. Funding will be used to support auto theft prevention activities carried out by the department. Spending authority is available from state restricted contingency fund authorization in accordance with PA 166 of 2020, Article 12, Section 210(2).

LEGISLATIVE TRANSFER

BUDGET AREA: **TRANSPORTATION**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$774,500**

S.B.O. LETTER: **2/11/21**
 S.B.O. REQUEST: **2021-2**
 ANALYST: **William E. Hamilton**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17//21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 2/11/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: SEC. 112. AERONAUTICS SERVICES						
Air fleet operations and maintenance	\$1,774,500	384,300	1,390,200	(774,500)		(774,500)
Funding source:						
State aeronautics fund	\$1,774,500	384,300	1,390,200	(774,500)		(774,500)
TO: SEC. 112. AERONAUTICS SERVICES						
Aviation services	4,925,500	2,411,100	2,514,400	774,500		774,500
Funding source:						
State aeronautics fund	4,925,500	2,411,100	2,514,400	774,500		774,500

This transfer shifts \$774,500 of State Aeronautics Fund authorization from the Air Fleet Operations and Maintenance line item to Aviation Services to assist the department in mitigating the impacts of forecast State Aeronautics Fund revenue shortfall in FY 2020-21. The department indicates that the revised funding allocation between the two line items more accurately reflects funding levels necessary to support applicable program areas.

Airfleet Operations and Maintenance line item provides funding for aircraft, pilots, and maintenance services in support of airport inspection, safety and education programs, and airport development programs, as well as air transport services to state agencies and personnel. Aeronautics Services line item supports Office of Aeronautics administrative and regulatory functions, including administration and project management for federal-aid Airport Improvement Program projects.

LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**
 FISCAL YEAR: **2020-21**
 TRANSFER AMOUNT: **\$70,000**

S.B.O. LETTER: **3/15/21**
 S.B.O. REQUEST: **2021-3**
 ANALYST: **Ben Gielczyk**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 3/17/21	BALANCE AVAILABLE AS OF 3/17/21	GOV'S REC. 3/15/21	HOUSE ACTION	SENATE ACTION 6/9/21
FROM: SEC. 108(10) PAYMENTS IN LIEU OF TAXES						
Commercial forest reserve	3,368,100	2,895,390	472,710	(70,000)		(70,000)
Funding source:						
State general fund/general purpose	3,368,100	2,895,390	472,710	(70,000)		(70,000)
TO: SEC. 108(10) PAYMENTS IN LIEU OF TAXES						
Swamp and tax reverted lands	15,305,600	15,375,443	(69,843)	70,000		70,000
Funding source:						
State general fund/general purpose	15,305,600	15,375,443	(69,843)	70,000		70,000

This request transfers \$70,000 in available GF/GP authorization from the Commercial Forest Reserve line item to the Swamp and Tax Reverted Lands line item, which has exceeded its total FY 2020-21 budget authority. Per MCL 324.2150, swamp and tax reverted lands payments must be made in full by December 1 each year. These are payments to counties for tax reverted, recreation, forest, or other lands controlled by the state at the rate of \$4 per acre adjusted annually (starting in 2015) by 5% or the inflation rate, whichever is less. The Swamp and Tax Reverted PILT payment equals \$4.356 per acre in FY 2020-21. Payments are made to counties (40%), townships (40%), and schools (20%). Related adjustments have been included in the FY 2021-22 Executive Recommendation to account for future projected cost fluctuations.