



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

JENNIFER L. FLOOD  
DIRECTOR

November 7, 2024

The Honorable Sarah Anthony, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Angela Witwer, Chair  
House Appropriations Committee  
Michigan House of Representatives  
State Capitol  
Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Administrative Transfer Request 2024-13

The attached administrative transfers for fiscal year 2024 are in accordance with section 393(1) of Act No. 431, P.A. 1984, as amended. The act provides that transfers may be effective 30 days after notifying the Senate and House Appropriations committees.

The following information summarizes the transfer:

<b><u>Department</u></b>	<b><u>Transfer Amount</u></b>
Insurance and Financial Services	\$3,807,000
Licensing and Regulatory Affairs	\$3,399,800
<b>Total</b>	<b>\$7,206,800</b>

If you have any questions regarding this request, please contact my office at (517) 335-3420.

Sincerely,

Jennifer L. Flood  
State Budget Director

Senator Sarah Anthony  
Representative Angela Witwer  
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Attachment

cc: Winnie Brinks, Senate Majority Leader  
Joe Tate, Speaker of the House  
Aric Nesbitt, Senate Minority Leader  
Matt Hall, House Minority Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Departments  
JoAnne Huls, Chief of Staff  
Tricia Foster, Chief Operating Officer  
Zack Pohl, Deputy Chief of Staff  
Patti Tremblay, Director of Legislative Affairs  
Kyle Guerrant, Deputy State Budget Director  
Heather Boyd, Office of Financial Management  
Internal State Budget Office

**Report ID:** BUD-TRNLET-0046**SIGMA****Run Date:** 10/24/2024**Transfer Letter Detail****Run Time:** 8:39:55 AM**Administrative Transfer****Letter # 2024-13****Insurance and Financial Services****FROM: DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Executive director programs	11030		(80,000)
Credit union fees	1248	STRS	(50,000)
MBLSLA fund	1535	STRS	(30,000)

**TO: DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Executive director programs	11030		80,000
Insurance licensing and regulation fees	1308	STRS	80,000

This administrative transfer shifts \$80,000 of state restricted authorization in the Executive Director Programs line item between financing sources to align budget authority with projected year-end expenditures. Excess authorization is available due to expenditures for MBLSLA Fund and Credit Union Fees being lower than anticipated.

**FROM: INFORMATION TECHNOLOGY**

Information technology services and projects	16020		(920,000)
Bank fees	1217	STRS	(30,000)
Insurance licensing and regulation fees	1308	STRS	(890,000)

**TO: INFORMATION TECHNOLOGY**

Information technology services and projects	16020		920,000
Captive insurance regulatory and supervision fund	1223	STRS	95,000
Consumer finance fees	1240	STRS	100,000
Credit union fees	1248	STRS	35,000
Deferred presentment service transaction fees	1251	STRS	660,000
MBLSLA fund	1535	STRS	30,000

This administrative transfer shifts \$920,000 of state restricted authorization in the Information Technology Services and Projects line item between financing sources to align budget authority with projected year-end revenues and expenditures. Excess authorization is available due to expenditures for the Insurance Licensing and Regulation Fees and Bank Fees being lower than anticipated.

**FROM: INSURANCE AND FINANCIAL SERVICES REGULATION**

Consumer services and protection	37650		(752,000)
Bank fees	1217	STRS	(200,000)
Credit union fees	1248	STRS	(400,000)
Insurance continuing education fees	1307	STRS	(90,000)
Insurance licensing and regulation fees	1308	STRS	(62,000)

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Consumer services and protection	37650		752,000
Consumer finance fees	1240	STRS	300,000
Insurance bureau fund	1306	STRS	390,000
MBLSLA fund	1535	STRS	62,000

This administrative transfer shifts \$752,000 of state restricted authorization in the Consumer Services and Protection line item between financing sources to align budget authority with projected year-end expenditures. Excess authorization is available due to expenditures for Credit Union Fees, Bank Fees, Insurance Continuing Education Fees, and Insurance Licensing and Regulation Fees being lower than anticipated.

**FROM: INSURANCE AND FINANCIAL SERVICES REGULATION**

Financial institutions evaluation	44250		(815,000)
Credit union fees	1248	STRS	(265,000)
MBLSLA fund	1535	STRS	(550,000)

**TO: INSURANCE AND FINANCIAL SERVICES REGULATION**

Financial institutions evaluation	44250		815,000
Bank fees	1217	STRS	550,000
Deferred presentment service transaction fees	1251	STRS	265,000

This administrative transfer shifts \$815,000 of state restricted authorization in the Financial Institutions Evaluation line between financing sources to align budget authority with projected year-end expenditures. Excess authorization is available due to expenditures for MBLSLA Fund and Credit Union Fees being lower than anticipated.

**FROM: INSURANCE AND FINANCIAL SERVICES REGULATION**

Insurance evaluation	49300		(1,240,000)
Insurance licensing and regulation fees	1308	STRS	(1,240,000)

**TO: INSURANCE AND FINANCIAL SERVICES REGULATION**

Insurance evaluation	49300		1,240,000
Insurance bureau fund	1306	STRS	1,240,000

This administrative transfer shifts state restricted authorization for the Insurance Evaluation line item between two financing sources to align budget authority with projected year-end revenues and expenditures. A total of \$1.24 million from Insurance Licensing and Regulation Fees is being transferred to the Insurance Bureau Fund to support the alignment of Insurance Evaluation program activities. Excess authorization from Insurance Licensing and Regulation Fees is available due to expenditures being lower than anticipated for the program.

**Report ID:** BUD-TRNLET-0046**Run Date:** 10/24/2024**Run Time:** 8:39:55 AM**SIGMA****Transfer Letter Detail****Administrative Transfer****Letter # 2024-13****Licensing and Regulatory Affairs****FROM: OCCUPATIONAL REGULATION**

Bureau of professional licensing	32930		(300,000)
Licensing and regulation fund	1322	STRS	(300,000)

**TO: OCCUPATIONAL REGULATION**

Bureau of professional licensing	32930		300,000
Real estate education fund	1394	STRS	300,000

This transfer shifts funding between two fund sources to properly align authorization with projected expenditures for Fiscal Year 2024 within the Bureau of Professional Licensing and its programs. This is a net-to-zero transfer at the line-item level. This transfer is necessary to align costs reflective of activities that are applicable to the Real Estate Education Fund, such as handling complaints related to real estate licensees and continuing education compliance. Sufficient excess authorization is available in the Real Estate Education Fund to support this transfer.

**FROM: CANNABIS REGULATORY AGENCY**

Cannabis regulatory agency	33210		(1,000,000)
Marihuana regulation fund	1555	STRS	(1,000,000)

**TO: CANNABIS REGULATORY AGENCY**

Cannabis regulatory agency	33210		1,000,000
Marihuana regulatory fund	1551	STRS	1,000,000

This transfer shifts funding between two restricted fund sources to properly align authorization with projected expenditures for Fiscal Year 2024 within the Cannabis Regulatory Agency (CRA) and its programs. This is a net-to-zero transfer within the CRA line-item reflects higher than anticipated needs related to the regulation of medical businesses (funded by the Marihuana Regulatory Fund) and utilizes authority available from the regulation of adult-use businesses (funded by the Marihuana Regulation Fund) to appropriately align expenditures between the programs.

**FROM: INFORMATION TECHNOLOGY**

Information technology services and projects	16020		(1,099,800)
Boiler inspection fund	1218	STRS	(95,000)
Construction code fund	1138	STRS	(213,000)
Elevator fees	1265	STRS	(35,000)
Health systems fees	1298	STRS	(95,000)
Licensing and regulation fund	1322	STRS	(425,000)
Marihuana registry fund	1342	STRS	(35,000)
Marihuana regulatory fund	1551	STRS	(45,000)
Michigan unarmed combat fund	1467	STRS	(6,800)

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Mobile home code fund	1350	STRS	(25,000)
PMECSEMA fund	1370	STRS	(18,000)
Public utility assessments	1388	STRS	(75,000)
Real estate appraiser education fund	1393	STRS	(1,000)
Survey and remonumentation fund	1453	STRS	(31,000)

**TO: INFORMATION TECHNOLOGY**

Information technology services and projects	16020		1,099,800
Accountancy enforcement fund	1204	STRS	5,100
Corporation fees	1242	STRS	132,000
Fire safety standard and enforcement fund	1280	STRS	12,000
Fire service fees	1281	STRS	24,000
Fireworks safety fund	1282	STRS	51,000
Health professions regulatory fund	1297	STRS	350,000
Liquor purchase revolving fund	2330	STRS	317,200
Real estate education fund	1394	STRS	5,000
Securities fees	1417	STRS	200,000
Securities investor education and training fund	1418	STRS	3,500

This transfer shifts funding totaling \$1.1 million across various restricted funding sources within the Information Technology Services and Projects line-item. This adjustment is necessary to align expenditures with various state restricted fund sources supporting ongoing information technology expenditures for Corporations, Securities, and Commercial Licensing, Michigan Liquor Control Commission, Bureau of Professional Licensing, and the Bureau of Fire Services. Specifically, there have been increased maintenance costs associated with the Michigan Professional License User System (MI-PLUS), which is eligible for support by the Health Professionals Regulatory Fund. Additionally, increased costs related to the Corporations Filing System and the Sales, Inventory, and Purchasing System (SIPS+) are supported by Corporation Fees and the Liquor Purchase Revolving Fund, respectively. Sufficient excess authority and revenues are available within all of the funds involved in this transfer.

**FROM: OCCUPATIONAL REGULATION**

Bureau of construction codes	32750		(1,000,000)
Boiler inspection fund	1218	STRS	(400,000)
Mobile home code fund	1350	STRS	(350,000)
Survey and remonumentation fund	1453	STRS	(250,000)

**TO: OCCUPATIONAL REGULATION**

Bureau of construction codes	32750		1,000,000
Elevator fees	1265	STRS	1,000,000

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**SIGMA**

**Run Date:** 10/24/2024

**Transfer Letter Detail**

**Run Time:** 8:39:55 AM

**Administrative Transfer**

**Letter # 2024-13**

This transfer shifts funding between four restricted fund sources to properly align authorization with projected expenditures for Fiscal Year 2024 within the Bureau of Construction Codes and its programs. This is a net-to-zero transfer within the Bureau of Construction Codes line-item. This transfer aligns expenditures with available revenue for Elevator Fees in support of regulatory activities of the Elevator Unit. Spending authorization and revenue is sufficient to effectively support this adjustment.