

SENATE BILL NO. 657

July 3, 1997, Introduced by Senator YOUNG and referred to the Committee on Appropriations.

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 393 (MCL 18.1393), as amended by 1988 PA 504.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 393. (1) Administrative transfers of appropriations
2 within any department to adjust for current cost and price varia-
3 tions from the enacted budget items, or to adjust amounts between
4 federal sources of financing, may be made by the state budget
5 director not less than 30 days after notifying the senate and
6 house appropriations committees. Administrative transfers shall
7 not include adjustments that have policy implications or that
8 have the effect of creating, expanding, or reducing programs
9 within that department. Those transfers may be disapproved by

1 either appropriations committee within the 30 days and, if
2 disapproved within that time, shall not be effective.

3 (2) A TRANSFER OF APPROPRIATIONS WITHIN THE FAMILY INDEPEN-
4 DENCE AGENCY OR ITS SUCCESSOR AGENCY OR DEPARTMENT FOR REASONS
5 OTHER THAN COST AND PRICE VARIANCES FROM THOSE APPROPRIATIONS AS
6 ENACTED INTO LAW SHALL NOT BE MADE BY THE STATE BUDGET DIRECTOR
7 IF THE EFFECT OF THE TRANSFER IS TO TRANSFER MORE THAN 10% OF THE
8 APPROPRIATIONS FROM 1 PROGRAM, UNIT, OR DIVISION OF THE AGENCY TO
9 ANOTHER PROGRAM, UNIT, OR DIVISION OF THE AGENCY. A transfer of
10 appropriations within any department for reasons other than cost
11 and price variances from those appropriations as enacted into law
12 shall not be made by the state budget director unless approved by
13 both appropriations committees. If the budget director does not
14 approve transfers adopted by both appropriations committees under
15 this subsection, the budget director shall notify the appropria-
16 tions committees of his or her action within 15 days.

17 (3) A transfer approved by the appropriations committees
18 shall not be effective unless it is identical in terms of funding
19 sources and dollar amounts.

20 (4) A transfer approved pursuant to this section shall con-
21 stitute authorization to transfer the amount recommended and
22 approved. However, the amount shall be reduced by the state
23 budget director to be within the current unobligated amount of
24 the appropriation.

25 (5) A transfer approved by law shall not subsequently be
26 withdrawn or reversed in whole or in part.

1 (6) Transfers between capital outlay appropriations accounts
2 shall not be made except as provided in section 247.

3 (7) The state budget director may make transfers between
4 departments for federal and other restricted flow-through funds
5 when funds are appropriated in the budget of both departments.

6 (8) Transfers of appropriations shall not be made between
7 state operating funds except as provided in subsections (6) and
8 (7). Transfers shall not be allowed into or from an open-end
9 appropriation, nor shall a transfer create a new line expenditure
10 item appropriation. Transfers of appropriations for financing
11 sources shall be made concurrently with related transfers of
12 appropriations for line expenditure items.

13 (9) The state budget director shall not make transfers
14 between items appropriated except as provided in this section or
15 section 396(2).