

MEMORANDUM



DATE: May 19, 2014
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Package 2014-5 – Department of Licensing and Regulatory Affairs

Attached are legislative transfers proposed by the State Budget Office in a letter dated March 13, 2014. 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 is scheduled to be considered by the House Appropriations Committee on Wednesday, May 21, 2014.

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 \$800,000, which will shift 0.00% of total appropriations within the existing FY 2013-14 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.

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 Margaret Alston, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant		Summary Sheet SBO LETTER: 2014-5 March 13, 2014		
Department	Analyst	Page	Total Transfer	
Licensing and Regulatory Affairs	Paul Holland	1	\$800,000*	
Total			\$800,000	

*The Senate Appropriations Committee would have to approve the revised legislative transfer request for the same amount as approved by the House Appropriations Committee for the transfer to be effective.

FY 2013-14 Legislative Transfer: Request 2014-5

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Licensing & Reg Affairs	505,818,700						800,000	800,000	0.16%
TOTAL*	\$50,919,677,900	\$0	\$0	\$0	\$0	\$0	\$800,000	\$800,000	0.00%

*Including budget areas not affected by transfers.

LEGISLATIVE TRANSFER

BUDGET AREA: LICENSING AND REGULATORY AFFAIRS
 FISCAL YEAR: 2013-14
 TRANSFER AMOUNT: \$800,000*

S.B.O. LETTER: 3/13/14
 S.B.O. REQUEST: 2014-5
 ANALYST: Paul Holland

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 5/17/14	BALANCE AVAILABLE AS OF 05/17/14	GOV'S REC. 3/13/14	SENATE ACTION 4/30/14	HOUSE ACTION PROPOSED
FROM: SEC. 111. ONE-TIME BASIS ONLY						
Nursing home survey IT system	2,140,300	0	2,140,300	(1,100,000)	(1,100,000)	(800,000)
Funding source:						
State general fund/general purpose	2,140,300	0	2,140,300	(1,100,000)	(1,100,000)	(800,000)
TO: SEC. 105. OCCUPATIONAL REGULATION						
Bureau of fire services	12,031,800	6,187,167	5,844,633	1,100,000	1,100,000	800,000
Funding source:						
State general fund/general purpose	593,400	341,282	252,118	1,100,000	1,100,000	800,000

This legislative transfer would provide LARA with authorization in the Bureau of Fire Services (BFS) line item to develop an electronic plan review and permitting information technology (IT) system for use by various programs, including fire services, health services, and construction codes. This IT project is an extension of the ongoing development of a fully automated permitting and inspection IT system (viz. Accela software and database) within the Bureau of Construction Codes (BCC), and once implemented, is intended to facilitate electronic submissions and digital archiving of plan review materials. Funding to support the transfer is available from the one-time Nursing Home Survey IT System line item. Estimates for this project are substantially lower than originally anticipated (\$1.0 million rather than \$2.1 million), allowing for a portion of the funds to be transferred in support of the electronic plan review and permitting system. Subsequent to the SBO request and Senate action, the House worked with LARA to reduce the amount required to fund the development and implementation of the IT project which is proposed under this revised legislative transfer request.