

**Summary: Conference Report  
MILITARY AND VETERANS AFFAIRS  
FY 2005-06 Senate Bill 277**



**Analyst: Jan Wisniewski**

	<b>FY 2004-05 YTD (as of 2/10/05)</b>	<b>Executive</b>	<b>Senate</b>	<b>House</b>	<b>Conference</b>
<b>IDG/IDT</b>	\$1,042,500	\$1,256,800	\$1,656,800	\$1,656,800	\$1,656,800
<b>Federal</b>	45,418,100	49,537,200	49,537,200	49,537,200	49,537,200
<b>Local</b>	0	0	0	0	0
<b>Private</b>	1,282,300	1,355,800	1,355,800	1,355,800	1,355,800
<b>Restricted</b>	25,599,800	26,610,500	27,360,500	27,360,500	27,360,500
<b>GF/GP</b>	37,370,700	38,348,200	37,980,500	38,248,200	37,789,100
<b>Gross</b>	<b>\$110,713,400</b>	<b>\$117,108,500</b>	<b>\$117,890,800</b>	<b>\$118,258,500</b>	<b>\$117,699,400</b>
<b>FTEs</b>	1,023.0	1,023.0	1,023.0	1,023.0	1,023.0

*Note: FY 2004-05 YTD figures do not include the results of any supplementals or Executive Order actions that occurred after February 10, 2005.*

**Overview**

The Department of Military and Veterans Affairs is charged with the training and administration of Army and Air National Guard forces, providing combat-ready military forces during times of national emergency, and performing civil relief operations under the command of the governor during state emergencies. The Department's budget includes administrative and maintenance costs associated with these responsibilities, as well as several National Guard-related programs such as the Challenge Program and the National Guard Education Assistance Program. The Department has oversight over the following veterans-related programs: state-licensed nursing care at veterans homes in Grand Rapids and Marquette, grant funding to veterans service organizations, and the Michigan Veterans Trust Fund.

**Major Budget Changes from FY 2004-05 YTD**

**Appropriations:**

		<b><u>Executive</u></b>	<b><u>Senate</u></b>	<b><u>House</u></b>	<b><u>Conference</u></b>
<b>1. D.J. Jacobetti Veterans' Home – Medicare and Medicaid</b>	<b>Gross</b>	<b>\$128,000</b>	<b>\$128,000</b>	<b>\$128,000</b>	<b>\$128,000</b>
	Federal	128,000	128,000	128,000	128,000
Increases federal revenue at D.J. Jacobetti Veterans' Home due to tightening criteria for providing free prescription drugs to some veterans at the home. Results in increased Medicare and Medicaid revenues.					
<b>2. D.J. Jacobetti Veterans' Home – Board of Managers</b>	<b>Gross</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>
	Restricted	0	75,000	75,000	75,000
Provides new restricted revenue from the Military Family Relief Fund to assist military families with emergency needs.					

## **Major Budget Changes from FY 2004-05 YTD**

### **Appropriations:**

		<b><u>Executive</u></b>	<b><u>Senate</u></b>	<b><u>House</u></b>	<b><u>Conference</u></b>
<b>3. Grand Rapids Veterans' Home – Board of Managers</b>					
	<b>Gross</b>	<b>\$40,000</b>	<b>\$115,000</b>	<b>\$115,000</b>	<b>\$115,000</b>
	Private	40,000	40,000	40,000	40,000
	Restricted	0	75,000	75,000	75,000
Increases authorization for private donations to the Home from the public, veterans' organizations, and corporations. Also includes new restricted revenue from the Military Family Relief Fund to assist military families with emergency needs.					
<b>4. Headquarters and Armories – Current Services Baseline Adjustment, Armory Closures, and Military Family Relief Fund</b>					
	<b>Gross</b>	<b>(\$30,000)</b>	<b>\$470,000</b>	<b>\$470,000</b>	<b>\$470,000</b>
	Federal	200,000	200,000	200,000	200,000
	Restricted	0	500,000	500,000	500,000
	GF/GP	(\$230,000)	(\$230,000)	(\$230,000)	(\$230,000)
a. Increases federal revenue (\$200,000) available for security contracts, engineering and environmental services, personnel costs, and telecommunication charges.					
b. Decreases GF/GP funding (\$230,000) for Homeland Security workgroup to close armories in Menominee, Manistique, Charlotte, Saginaw, Three Rivers, and the Lansing Maintenance Facility.					
c. Provides new restricted revenue from the Military Family Relief Fund to assist military families with emergency needs.					
<b>5. Military Training Sites – Various</b>					
	<b>Gross</b>	<b>\$1,730,000</b>	<b>\$1,730,000</b>	<b>\$1,730,000</b>	<b>\$1,730,000</b>
	Federal	2,000,000	2,000,000	2,000,000	2,000,000
	GF/GP	(\$270,000)	(\$270,000)	(\$270,000)	(\$270,000)
a. Increases federal revenue (\$2 million) available for security contracts, personnel costs, and maintenance costs.					
b. Decreases GF/GP funding (\$200,000) to the National Guard Tuition Assistance Program due to a federal match change.					
c. Decreases GF/GP funding (\$70,000) for Homeland Security workgroup to close armories in Menominee, Manistique, Charlotte, Saginaw, Three Rivers, and the Lansing Maintenance Facility.					
<b>6. Economic Adjustments</b>					
	<b>Gross</b>	<b>\$4,198,100</b>	<b>\$4,198,100</b>	<b>\$4,198,100</b>	<b>\$4,198,100</b>
	IDG	14,300	14,300	14,300	14,300
	Federal	1,803,400	1,803,400	1,803,400	1,803,400
	Private	33,500	33,500	33,500	33,500
	Restricted	991,700	991,700	991,700	991,700
	GF/GP	\$1,355,200	\$1,355,200	\$1,355,200	\$1,355,200
Includes total economic adjustments for restoration of FY05 concessions (\$2,198,500), retirement costs (\$1,360,600), insurance costs (\$1,141,300), workers compensation (negative \$565,000), DIT Economics					

**Major Budget Changes from FY 2004-05 YTD****Appropriations:**

(\$30,800), and restoration of FY05 DIT concessions (\$31,900).

***7. Homeland Security***

Increases pass-through grant funding received from Department of State Police for activities related to Homeland Security program.

**Gross**

IDG

**Executive****\$200,000**

200,000

**Senate****\$600,000**

600,000

**House****\$600,000**

600,000

**Conference****\$600,000**

600,000

***8. Military Retirement Payments***

Increases annual annuity paid to retired Michigan Army and Air National Guard personnel per Michigan Military Act, 1967 PA 150.

**Gross**

GF/GP

**\$131,000**

\$131,000

**\$131,000**

\$131,000

**\$131,000**

\$131,000

**\$131,000**

\$131,000

**Major Boilerplate Changes from FY 2004-05:****Sec. 501. Veterans Service Organizations – NEW**

Combines current Sec. 501 language with new language requiring greater coordination and oversight from the Department regarding veterans benefits counseling. Also requires the Department to provide a report with increase program and service recommendations by March 15, 2006.