




Senate Fiscal Agency
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BILL ANALYSIS

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FY 2004-05 Year-to-Date Gross Appropriation	\$116,547,600
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Changes from FY 2004-05 Year-to-Date:

Items Included by the Senate and House

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| 1. Armory Closures. The Governor recommends the closure of the Charlotte, Lansing Maintenance, Manistique, Menominee, Saginaw and Three Rivers Armories. | (300,000) |
| 2. Family Relief Fund. The Senate and House added restricted revenue funding to reflect a new program which assists families of those in military service. | 750,000 |
| 3. Federal Funds for Training Sites. The Governor recommends the appropriation of additional Federal revenue for Military Training sites (\$2.0 million) and for Headquarters and Armories (\$200,000). | 2,200,000 |
| 4. Homeland Security. The Governor provided additional Federal Homeland Security funds for training and equipment to be received via a pass-through grant from the Department of State Police. The Senate and House added another \$400,000. | 600,000 |
| 5. Military Retirement. The Governor recommends the inclusion of addition GF/GP to pay for anticipated payments to retired Michigan Army and Air National Guard per P.A. 150 of 1967. | 131,000 |
| 6. Veterans Homes. The Governor recommends additional Medicaid/Medicare revenue (\$128,000) for the D.J. Jacobetti Home and additional Private Fund donations (\$40,000) for the Grand Rapids Veterans Home. | 168,000 |
| 7. Starbase Grant. The Governor recommends additional Federal funds available for the 100% Federally-funded educational program for elementary school students. | 40,000 |
| 8. National Guard Tuition Program Adjustment. The Governor recommends a decrease in necessary GF/GP expenditures for the program due to a new Federal educational program that helps pay for Army Guard tuitions. | (200,000) |
| 9. Technology Adjustments. The Governor recommends a reduction of \$57,000 Federal to reflect technology cost distribution and a reduction of \$13,900 GF/GP to reflect changes in DIT rates to agencies. | (71,700) |
| 10. Adjustments. The Governor recommends an additional \$14,700 to reflect HR optimization efforts and \$15,000 in additional Mackinac Bridge Walk funding. | 29,700 |
| 11. Other Adjustments. Adjustment for Executive Order 2005-7 which cut \$714,100, supplemental appropriations contained in P.A. 11 of 2005 which added \$3,115,900 and supplemental appropriations in P.A. 109 of 2005 which added \$3,433,300. | (5,834,200) |
| 12. Economic Adjustments. Restores FY 2004-05 employee concessions and applies standard economic adjustments to all but employee-related FY 2005-06 salary increases. | 4,198,100 |

Conference Agreement on Items of Difference

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| 13. Senate Reductions. The Conference Committee rejected inclusion of Senate-passed GF/GP reductions of \$359,100 from the Grand Rapids Veterans Home and \$8,600 from DIT. | 0 |
| 14. Contract and Insurance Savings. The Conference Committee included reductions due to contract and insurance savings of \$559,100. | (559,100) |

Total Changes.....	\$1,151,800
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FY 2005-06 Enacted Gross Appropriation.....	\$117,699,400
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Changes from FY 2004-05 Year to Date:Items Included by the Senate and House

1. **National Guard Tuition Program.** The Governor changed the maximum amount of permissible expenditure from \$1.3 to \$1.1 million. The Conference Committee concurred. (Sec. 213)
2. **Sale of Property.** The Senate and House included new boilerplate which would require the Department to give 60 days prior notice to the Legislature of the sale of any department property. (Sec. 226)
3. **Employee Discipline.** The Senate and House included new language requiring the Department of not to take disciplinary action against an employee for communicating with a member of the Legislature or his or her staff. (Sec. 227)

Conference Agreement on Items of Difference

4. **Veteran Service Organizations (VSOs).** The Senate and House added language which would replace current Sec. 501 with a requirement that the Department, along with members of the Veterans Service Directors Committee, evaluate the State's veterans benefits counseling efforts and make recommendations to the Legislature for a plan that ensures that every veteran in the State is served. The House language included current-year language regarding VSO structure and grants. The Conference Committee included the House version. (Sec. 501)
5. **Veterans Homes.** The Senate added language requiring the Department to obtain bids for privatization of resident care aides' services at the homes and provided that any new privatization plan can only be employed if the Department is able to demonstrate a minimum savings of 5% over current year costs. The Conference Committee did not include this language.

Date Completed: 10-3-05

Fiscal Analyst: Bruce Baker