




Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 277 (S-1, Draft 1 as reported)

Committee: Appropriations

FY 2004-05 Year-to-Date Gross Appropriation	\$113,114,300
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Changes from FY 2004-05 Year-to-Date:

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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 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 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. Mackinac Bridge Walk. The Governor recommends increased authorization from the Mackinac Bridge Authority for expenditures of Guard members used for security purposes during the Labor Day Mackinac Bridge Walk. | 15,000 |
| 11. HR Optimization. The Governor recommends an additional \$14,700 to reflect HR optimization efforts. | 14,700 |
| 12. Armories. The Senate reduced CSS & M to armories by \$642,200. | (642,200) |
| 13. Other Adjustments. Adjustment for Executive Order 2005-7 which cut \$714,100 and supplemental appropriations contained in P.A. 11 of 2005 which added \$3,115,900. | (2,400,900) |
| 14. Economic Adjustments. Restores FY 2004-05 employee concessions and applies standard economic adjustments to all but employee-related FY 2005-06 salary increases.. | 3,555,900 |
| 15. Comparison to Governor's Recommendation. The Senate bill totals \$642,200 GF/GP less than the Governor's recommendation. | |

Total Changes	\$4,502,000
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FY 2005-06 Senate Appropriations Subcommittee Gross Appropriation	\$117,616,300
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Changes from FY 2004-05 Year to Date:**Amended Boilerplate Sections**

1. **National Guard Tuition Program.** The Governor changed the maximum amount of permissible expenditure from \$1.3 to \$1.1 million. (Sec. 213-Gov)
2. **Veteran Service Organizations.** The Senate added language which would replace current Sec. 501 with a requirement that the Department 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. (Sec. 501)
3. **Veterans Homes.** The Senate added language to current year Section 602, requiring the Department to include a feasibility study in its annual report on how privatization of employees might reduce the home's operating costs. (Sec. 602)

New Boilerplate Sections

4. **Sale of Property.** The Senate added 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)
5. **Employee Discipline.** The Senate added 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)

Date Completed: 5-4-05

Fiscal Analyst: Bruce Baker