

MILITARY AND VETERANS AFFAIRS

Summary: Conference Committee Recommendation

SB 235

FY 2007-08

Analyst: Jan Wisniewski

	FY 2006-07 YTD	FY 2007-08		FY 2007-08		Difference: Conference Committee From FY 2006-07 YTD	
		Executive	Senate Passed	House Appropriations Committee	Conference Committee	Amount	%
IDG/IDT	\$1,664,600	\$1,680,900	\$1,680,900	\$1,680,900	\$1,680,900	\$16,300	1.0
Federal	53,307,800	54,187,500	54,187,500	56,187,500	56,187,500	2,879,700	5.4
Local	1,253,100	1,283,900	1,283,900	1,283,900	1,283,900	30,800	2.5
Private	1,441,300	1,463,300	1,463,300	1,463,300	1,463,300	22,000	1.5
Restricted	26,796,000	28,428,600	28,428,600	28,428,600	28,428,600	1,632,600	6.1
GF/GP	39,299,200	40,817,500	39,955,500	40,934,800	40,386,500	1,087,300	2.8
Gross	\$123,762,000	\$127,861,700	\$126,999,700	\$129,979,000	\$129,430,700	\$5,668,700	4.6
FTEs	1,022.0	1,022.0	1,022.0	1,022.0	1,022.0	0.0	0.0

Note: FY 2006-07 figures include the results of supplementals and Executive Order (EO) actions through July 31, 2007.

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 2006-07 YTD Appropriations		FY 2006-07 Original Appropriation	Executive Change	Conference Committee Change
1. Military Training Sites and Support Facilities – Additional Federal Authorization House Appropriations Committee adds \$2.0 million in Federal funds recently authorized for use by the department for Military Training Sites and Support Facilities. <i>Conference Committee concurs.</i>	Gross	\$20,627,800	\$2,316,300	\$4,316,300
	Federal	\$18,011,000	\$735,600	\$2,735,600
	Restricted	\$0	\$1,500,000	\$1,500,000
	GF/GP	\$2,616,800	\$80,700	\$80,700
2. Veterans Service Organizations Executive recommended no funding changes for grant funding for the VSOs. House Subcommittee recommends a 3% GF/GP increase for the VSO totaling \$117,300. House Appropriations Committee concurs with House Subcommittee. <i>Conference Committee maintains current funding.</i>	Gross	\$3,912,300	\$0	\$0
	GF/GP	\$3,912,300	\$0	\$0

Major Budget Changes From FY 2006-07 YTD Appropriations		FY 2006-07 Original Appropriation	Executive Change	Conference Committee Change
3. Special Maintenance – State Fund Shift		Gross \$151,200	\$0	\$500,000
<i>Conference Committee shifted \$500,000 GF/GP from the National Guard Tuition Assistance Program in the Military Training Sites and Support Facilities line to the Special Maintenance – State line to match additional Federal funds available for armory maintenance, resulting in up to \$1.5 million in Federal funds.</i>		GF/GP \$151,200	\$0	\$500,000
4. Michigan Regional Training Institute		Gross \$0	\$1,500,000	\$1,500,000
<i>Authorization for charging fees for the use of the new Michigan Regional Training Institute at Fort Custer in Battle Creek. New boilerplate language establishes the MRTI and creates a fund for operations and maintenance of the MRTI facilities. Government agencies, educational institutions, and various clubs and organizations would pay a fee for use of the MRTI facilities. House Subcommittee concurs. House Appropriations Committee concurs. Conference Committee concurs.</i>		Restricted 0	1,500,000	1,500,000
5. Federal Revenue Increases – Various		Gross \$0	\$832,000	\$832,000
<i>Provides \$832,000 in funding increases from the Federal National Guard Bureau for communication and personnel costs, security contracts, and for expansion of the Starbase program to Fort Custer in Battle Creek. House Subcommittee concurs. House Appropriations Committee Concurs. Conference Committee Concurs.</i>		Federal 0	832,000	832,000
6. Grand Rapids Veterans' Home – Various Adjustments		Gross \$48,144,300	(\$414,500)	(\$673,500)
<i>Offsets \$163,600 GF/GP with Federal Veterans Health Administration funds; reduces \$21,700 GF/GP from early retirement sick leave payouts; reduces \$22,800 in lease revenue collections; offsets \$466,700 GF/GP with Federal Medicare/Medicaid adjustments; reduces \$370,000 GF/GP for contractual services, overtime, entertainment, and nurse on-call costs. House Subcommittee concurs. House Appropriations Committee concurs. Conference Committee reduces \$259,000 GF/GP to meet target number agreement. This reduction will not result in any layoffs.</i>		Federal 16,018,200	630,300	630,300
		Private 415,000	0	0
		Restricted 15,091,400	(22,800)	(22,800)
		GF/GP \$16,619,700	(\$1,022,000)	(\$1,281,000)
7. D. J. Jacobetti Veterans' Home – Various Adjustments		Gross \$15,490,600	(\$800)	(\$172,800)
<i>Reduces \$800 GF/GP from early retirement sick leave payouts; offsets \$190,700 in federal funds with restricted funds; offsets \$8,400 GF/GP with Federal Medicare/Medicaid adjustments; offsets \$269,000 GF/GP with restricted funds. House Subcommittee concurs. House Appropriations Committee concurs. Conference Committee reduces \$172,000 GF/GP to meet target number agreement. This reduction will not result in any layoffs.</i>		Federal 4,993,900	(182,300)	(182,300)
		Private 125,000	0	0
		Restricted 4,990,400	459,700	459,700
		GF/GP \$5,381,300	(\$278,200)	(\$450,200)

Major Budget Changes From FY 2006-07 YTD Appropriations			FY 2006-07 Original Appropriation	Executive Change	Conference Committee Change
8. Economic Adjustments	Gross	NA	\$3,295,700	\$3,295,700	\$3,295,700
Provides funding for employee economic adjustments.	IDG	NA	16,300	16,300	16,300
Also includes economic adjustments for Information Technology. House Subcommittee concurs. House Appropriations Committee concurs. <i>Conference Committee concurs.</i>	Federal	NA	1,463,700	1,463,700	1,463,700
	Private	NA	22,000	22,000	22,000
	Local	NA	30,800	30,800	30,800
	Restricted	NA	39,000	39,000	39,000
	GF/GP	NA	\$1,723,900	\$1,723,900	\$1,723,900
9. Headquarters and Armories – Vacancies	Gross	\$10,178,900	(\$300,000)	(\$300,000)	(\$300,000)
Elimination of four armory maintenance mechanic vacancies. House Subcommittee concurs. House Appropriations Committee concurs. <i>Conference Committee concurs.</i>	Federal	2,717,900	0	0	0
	Restricted	350,000	0	0	0
	GF/GP	\$7,111,000	(\$300,000)	(\$300,000)	(\$300,000)
10. Military Retirement – Cost of Living Increase	Gross	\$2,973,800	\$74,200	\$74,200	\$74,200
Provides \$74,200 GF/GP for a federal 3.3% cost of living increase. House Subcommittee concurs. House Appropriations Committee concurs. <i>Conference Committee concurs.</i>	GF/GP	\$2,973,800	\$74,200	\$74,200	\$74,200

Major Boilerplate Changes From FY 2006-07

Sec. 205. Hiring Freeze

Conference Committee concurred with new Senate language requiring additional provisions for a civil service hiring freeze.

Sec. 209. Buy American

Conference Committee concurred with new Senate language giving preference to state purchases made from businesses owned by veterans.

Sec. 228. Attorney General Legal Services

Conference Committee concurred with new Senate language prohibiting departmental spending for legal services that are the responsibility of the Attorney General.

Sec. 229. Regional Training Center Revolving Account

Conference Committee concurred with new Executive language creating a new revolving account from revenues generated from government agencies and various groups using the new Michigan Regional Training Center at Fort Custer in Battle Creek.

Sec. 230. Regional Training Center Availability

Conference Committee concurred with new Executive language specifying the availability of the Regional Training Center to military personnel, various government agencies, educational institutions, nonprofit corporations, community service clubs, and other organizations.

Sec. 231. Policy Change Report

Conference Committee added new language requiring the reporting of policy changes for implementing legislation to the Legislature.

Sec. 232. Contingency Funds

Conference Committee concurs with new Executive language appropriating \$5.0 million in federal contingency funds, \$2.0 million for state restricted contingency funds, \$100,000 for local contingency funds, and \$100,000 for private contingency funds.

Sec. 604. Post and Posthumous Funds Spending Plan Report

Conference Committee added new language requiring the department to report to the appropriations committees within 30 days any plans to alter the spending plan for the post and posthumous funds by the board of managers of the two state veterans homes.

