

MILITARY AND VETERANS AFFAIRS

SB 250 (H-1)

Summary: FY 2009-10 House Passed Recommendation

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	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: House from Senate	
						Amount	%
IDG/IDT	\$1,681,200	\$1,686,500	\$1,686,500	\$1,686,500		0	0.0
Federal	109,988,200	77,347,300	77,347,300	77,347,300		0	0.0
Local	1,284,600	1,295,100	1,295,100	1,295,100		0	0.0
Private	1,463,700	1,471,200	1,471,200	1,471,200		0	0.0
Restricted	29,050,400	27,924,200	27,924,200	27,924,200		0	0.0
GF/GP	39,707,500	39,487,200	39,087,200	35,910,100		(3,177,100)	(8.1)
Gross	\$183,175,600	\$149,211,500	\$148,811,500	\$145,634,400		(3,177,100)	(2.1)
FTEs	992.0	992.0	992.0	992.0		0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Department of Military and Veterans Affairs is responsible for 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 Issues

<u>Major Budget Changes From FY 2008-09 YTD Appropriations</u>	<u>Executive Recommendation</u>	<u>Senate</u>	<u>House</u>
1. Capital Outlay Projects Reduction	Gross (\$38,400,000)	(\$38,400,000)	(\$38,400,000)
Exec. Rec. removes various capital outlay projects that were included in the Department's FY09 budget. The remaining \$15.0 million is federal funding for special maintenance, remodeling, and additions. Senate concurs. House concurs.	Federal (37,450,000)	(37,450,000)	(37,450,000)
	Restricted (500,000)	(500,000)	(500,000)
	GF/GP (\$450,000)	(\$450,000)	(\$450,000)
2. Military Retirement Cost of Living Increase	Gross \$190,300	\$190,300	\$190,300
Exec. Rec. provides GF/GP for federally-mandated cost of living increase. Senate concurs. House concurs.	GF/GP \$190,300	\$190,300	\$190,300
3. War Veteran's Memorial Rehabilitation - Remove	Gross (\$5,000)	(\$5,000)	(\$5,000)
Exec. Rec. removes line in Headquarters and Armories unit to fund one-time rehabilitation of War Veteran's Memorial on the state fairgrounds in Detroit. Also removes corresponding boilerplate language in Sec. 305. Senate concurs. House concurs.	GF/GP (\$5,000)	(\$5,000)	(\$5,000)
4. Headquarters and Armories	Gross \$500,000	\$500,000	\$500,000
Exec. Rec. increases federal revenue for communications and personnel costs. Senate concurs. House concurs.	Federal 500,000	500,000	500,000

Major Budget Changes From FY 2008-09 YTD Appropriations

		<u>Executive Recommendation</u>	<u>Senate</u>	<u>House</u>
5. Military Training Sites and Support Facilities	Gross	\$146,000	(\$254,000)	(\$954,000)
Exec. Rec. increases \$2.0 million in federal revenue for various maintenance and support projects; decreases \$1.5million in restricted funds by removing the Regional Training Institute Fund, which was the Department's fund for collecting rental fees for use of the Regional Training Institute in Battle Creek. Federal funds will now be used in place of these rental fees for maintenance of the Regional Training Institute. Also decreases \$350,000 GF/GP for the National Guard Education Assistance Program to reflect actual expenditures. Senate concurs and decreases an additional \$400,000 GF/GP for the National Guard Education Assistance Program. <i>House concurs but decreases \$1,100,000 GF/GP from the Exec. Rec. for administrative efficiencies.</i>	Federal	2,000,000	2,000,000	2,000,000
	Restricted	(1,504,000)	(1,504,000)	(1,504,000)
	GF/GP	(\$350,000)	(\$750,000)	(\$1,450,000)
6. Starbase Program	Gross	\$550,000	\$550,000	\$550,000
Exec. Rec. increases \$550,000 in federal funds for operations of the Department's Starbase programs. Senate concurs. <i>House concurs.</i>	Federal	\$550,000	\$550,000	\$550,000
7. Veterans' Homes Medicare Authorization Increase	Gross	\$900,000	\$900,000	\$900,000
Exec. Rec. increases \$900,000 in federal Medicare funds for the veterans' homes. The Grand Rapids home will receive \$850,000 and the D.J. Jacobetti home will receive \$50,000. Senate concurs. <i>House concurs.</i>	Federal	\$900,000	\$900,000	\$900,000
8. Economic Adjustments	Gross	\$1,873,300	\$1,873,300	\$1,873,300
Exec. Rec. provides funds for employee economic adjustments; includes economic adjustments for information technology. Senate concurs. <i>House concurs.</i>	IDG	5,300	5,300	5,300
	Federal	876,700	876,700	876,700
	Private	7,500	7,500	7,500
	Local	10,500	10,500	10,500
	Restricted	438,700	438,700	438,700
	GF/GP	\$534,600	\$534,600	\$534,600
9. Veterans Syndicate Offices At Public Universities	Gross	Not Included	\$100	Not Included
Senate adds new line with a \$100 placeholder. <i>House does not concur.</i>	GF/GP		\$100	
10. Headquarters and Armories	Gross	Not Included	Not Included	(\$1,100,000)
<i>House includes a \$1,100,000 GF/GP reduction for administrative efficiencies.</i>	GF/GP			(\$1,100,000)
11. Special Maintenance - State	Gross	\$0	\$100,000	(\$277,000)
Exec. Rec. maintains current year funding. Senate adds \$100,000 GF/GP above the Exec. Rec. <i>House decreases \$277,000 below the Exec. Rec.</i>	GF/GP	\$0	\$100,000	(\$277,000)
12. Veterans Service Organizations	Gross	\$0	\$0	(\$1,100,100)
Exec. Rec. maintains current year funding prior to a \$1.0 million GF/GP reduction from Executive Order 2009 - 22. Senate concurs with the Exec. Rec., but eliminates the individual line items for the VSOs and inserts funding into one new line titled Veterans Advice, Advocacy, and Assistance. <i>House retains individual line items for the VSOs, but decreases funding by 27%, a \$1,100,100 GF/GP total decrease, and eliminates the \$100 placeholder line for the Veterans of World War I.</i>	GF/GP	\$0	\$0	(\$1,100,100)

Major Boilerplate Changes From FY 2008-09

Sec. 203. Definitions/Acronyms - New House Language

House adds a subsection (j) adding the VSO acronym.

Sec. 236. Department Expenditure Transparency - New House Language

House adds this new section allowing the department to use no more than \$10,000 to develop, post, and maintain expenditure information on a publicly accessible Internet site.

Sec. 236. FTE Report - New House Language

House adds this new section requiring the department to provide a report on the number of FTEs in pay status by civil service classification.

Sec. 501. Veterans Service Organizations - Modified House Language

Senate deletes this entire section. House retains Sec. 501 with additional provisions for the VSOs

Sec. 233. GF/GP Lapse Estimates - New Senate Language

Senate adds this new section requiring the department to provide a report showing GF/GP lapse estimates at the close of the fiscal year. House concurs.

Sec. 234. Unused GF/GP - New Senate Language

Senate adds this new section requiring any lapsed GF/GP funds to be transferred to the Special Maintenance - State line item for repairing and maintaining armories. House does not concur.

Sec. 604. Grand Rapids Veterans' Home Feasibility Study - New Senate Language

Senate adds this new section requiring the department to prepare a feasibility study for converting state employee resident care aid positions to contractual positions. House does not concur.

Sec. 707. Benefits Counseling - New Senate Language

Senate adds this new section for the department to develop and operate benefits counseling and representation for veterans. House does not concur.

Sec. 205. Hiring Freeze

Exec. Rec. deletes hiring freeze directive for all state agencies. Senate does not concur. House does not concur.

Sec. 207. Privatization

Exec. Rec. deletes privatization project plan requirement. Senate concurs. House does not concur.

Sec. 211. Reports and Records Retention

Exec. Rec. deletes reports and records retention requirements. Senate does not concur. House does not concur.

Sec. 212. Michigan National Guard Education Assistance Program - MODIFIED

Exec. Rec. changes the amount available for this program from \$1.1 million to \$750,000 to reflect actual expenditures. Senate eliminates this entire section. House retains current year language but changes amount to \$100 as a placeholder.

Sec. 213. Armory Closures

Exec. Rec. deletes requirement for the Department to consult with both appropriations subcommittees on planned closures of National Guard armories. Senate does not concur. House does not concur.

Sec. 214. Military Cemeteries

Exec. Rec. deletes legislative intent for funding state military cemeteries in Crawford and Dickinson counties. Senate does not concur. House does not concur.

Sec. 223. Information Technology Work Projects

Exec. Rec. deletes allowing information technology projects for work project designation. Senate does not concur. House does not concur.

Sec. 226. Employee Disciplinary Action

Exec. Rec. deletes requirement for the Department not to take disciplinary action for an employee that communicates with the Legislature or legislative staff. Senate does not concur. House does not concur.

Sec. 227. Sale of Department Property

Exec. Rec. deletes notification requirement for the sale of any Department property. Senate does not concur. House does not concur.

Secs. 229 and 230. Regional Training Institute

Exec. Rec. deletes these two sections for the Regional Training Institute and its revolving account. Senate concurs. House concurs.

Sec. 231. Policy Change Reporting Requirement

Exec. Rec. deletes requirement for the Department to report specific policy changes. Senate concurs. House concurs.

Sec. 232(1). Federal Contingency Funds

Exec. Rec. changes federal contingency amount from \$5.0 million to \$10.0 million. Senate concurs. House concurs.

Sec. 233. County Veteran's Counselor

Exec. Rec. deletes legislative intent for the Department to create incentives for counties to fund at least one veterans counselor. Senate does not concur but renumbers this to Sec. 705. House concurs.

Sec. 234. Federal Benefits Claims Status

Exec. Rec. deletes legislative intent for the Department to investigate methods for allowing veterans to check their federal benefits claims. Senate concurs. House concurs.

Sec. 237. Employee Travel Restrictions

Exec. Rec. deletes Department travel restrictions for employees. Senate concurs. *House concurs.*

Sec. 301. Armory Rental Fees

Exec. Rec. deletes allowing Department to charge rental and equipment usage fees for armories. Senate does not concur. *House does not concur.*

Sec. 601. Veterans Home Appropriations

Exec. Rec. deletes requirement for appropriations to both veterans' homes to be used only for veterans and their families. Senate does not concur. *House does not concur.*

Sec. 602. Annual Veterans' Homes Report

Exec. Rec. deletes requirement for an annual report on various information for the two veterans' homes. Senate does not concur. *House does not concur.*

Sec. 604. Post and Posthumous Funds Spending Plan

Exec. Rec. deletes reporting requirement for the Department prior to altering the spending plan for the post and posthumous funds. Senate concurs. *House does not concur.*

Sec. 704. County Veterans Counselors Training

Exec. Rec. deletes requirement for county veterans counselors to receive training. Senate does not concur. *House does not concur.*