MILITARY AND VETERANS AFFAIRS
SB 250
Summary: FY 2009-10 Conference Committee

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	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Conference Committee	*Difference: Conference Committee from YTD* *Amount*	*%*
IDG/IDT	$1,681,200	$1,686,500	$1,686,500	$1,686,500	$1,686,500	*$5,300*	*0.3*
Federal	121,533,800	77,347,300	77,347,300	77,347,300	77,347,300	*(44,186,500)*	*(36.4)*
Local	1,276,600	1,295,100	1,295,100	1,295,100	1,295,100	*18,500*	*1.4*
Private	1,463,700	1,471,200	1,471,200	1,471,200	1,471,200	*7,500*	*0.5*
Restricted	29,730,100	27,924,200	27,924,200	27,924,200	27,924,200	*(1,805,900)*	*(6.1)*
GF/GP	37,472,700	39,487,200	39,087,200	35,910,100	36,425,200	*(1,047,500)*	*(2.8)*
Gross	**$193,158,100**	**$149,211,500**	**$148,811,500**	**$145,634,400**	**$146,149,800**	***(47,008,300)***	***(24.3)***
FTEs	992.0	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 September 25, 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 Changes From FY 2008-09 YTD Appropriations		**Year To Date**	**Executive Recommendation**	**Conference Committee**
1. Capital Outlay Projects Reduction	**Gross**	**$62,274,000**	**($38,400,000)**	**($38,400,000)**
Exec. Rec. removes various capital outlay projects that were included in the Department's FY09 budget. The remaining $23.9 million is federal funding for special maintenance, remodeling, and additions. Conference Committee concurs.	Federal	61,450,000	(37,450,000)	(37,450,000)
	Restricted	500,000	(500,000)	(500,000)
	GF/GP	$324,000	($324,000)	($324,000)
2. Military Retirement Cost of Living Increase	**Gross**	**$3,317,500**	**$190,300**	**$190,300**
Exec. Rec. provides GF/GP for federally-mandated cost of living increase. Conference Committee concurs.	GF/GP	$3,317,500	$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. Conference Committee concurs.	GF/GP	$5,000	($5,000)	($5,000)
4. Headquarters and Armories	**Gross**	**$10,532,900**	**$500,000**	**$470,800**
Exec. Rec. increases $500,000 in federal revenue for communications and personnel costs. Conference Committee concurs and also decreases $29,200 GF/GP for administrative efficiencies.	Federal	3,842,700	500,000	500,000
	Restricted	350,000	0	0
	GF/GP	$6,340,200	$0	($29,200)

Major Budget Changes From FY 2008-09 YTD Appropriations		Year To Date	Executive Recommendation	Conference Committee
5. Military Training Sites and Support Facilities	**Gross**	**$146,000**	**($254,000)**	**($536,500)**
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. Conference Committee concurs but also decreases an additional $400,000 GF/GP for the elimination of the National Guard Education Assistance Program. National Guard members may qualify for additional federal assistance from the G.I. Bill to cover more of their educational costs.	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)	($1,032,500)
6. Starbase Program	**Gross**	**$1,772,000**	**$550,000**	**$550,000**
Exec. Rec. increases $550,000 in federal funds for operations of the Department's Starbase programs. Conference Committee concurs.	Federal	$1,772,000	$550,000	$550,000
7. 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. Conference Committee concurs.	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
8. Grand Rapids Veterans' Home	**Gross**	**$49,055,700**	**$850,000**	**($100,000)**
Exec. Rec. increases $850,000 in federal Medicare funds. Conference Committee concurs, but also decreases $950,000 GF/GP for expanded federal funding that will cover more of the cost of care of some veterans at the home.	Federal	18,486,200	850,000	850,000
	Restricted	14,985,200	0	0
	GF/GP	$15,584,300	$0	($950,000)
9. D. J. Jacobetti Veterans' Home	**Gross**	**$15,836,400**	**$50,000**	**($250,000)**
Exec. Rec. increases $50,000 in federal Medicare funds. Conference Committee concurs, but also decreases $300,000 GF/GP for expanded federal funding that will cover more of the cost of care of some veterans at the home.	Federal	5,296,900	50,000	50,000
	Restricted	5,776,300	0	0
	GF/GP	$4,736,200	$0	($300,000)
10. Veterans Service Organizations	**Gross**	**$3,029,600**	**$1,000,000**	**($1,100,100)**
Exec. Rec. maintains current year funding prior to a $1.0 million GF/GP reduction from Executive Order 2009 - 22. Conference Committee concurs with the $1.0 million decrease and provides six months of funding for the individual VSOs. The remaining funds will be distributed to the VSOs on a special grant basis determined by the department.	GF/GP	$3,029,600	$1,000,000	($1,100,100)
11. Information Technology	**Gross**	**$1,160,400**	**$47,400**	**($52,600)**
Exec. Rec. increases $70,900 for software upgrades and decreases $400 in restricted funds for an information technology reduction. Conference Committee concurs but also decreases $100,000 GF/GP for administrative efficiencies.	Federal	435,500	18,000	18,000
	Restricted	328,200	13,000	13,000
	GF/GP	$396,700	$16,400	($83,600)

Major Boilerplate Changes From FY 2008-09

Sec. 203. Definitions/Acronyms - *NEW*
Adds subsections (j), (k), (l), and (m) defining VSOs.

Sec. 212. **Michigan National Guard Education Assistance Program -*DELETED***
Eliminates this entire section allowing funding to be used for a National Guard Education Assistance Program. National Guard members can get expanded education cost coverage from the G.I. Bill and other federal sources.

Sec. 233. GF/GP Lapse Estimates - *NEW*
Requires the department to provide a report showing GF/GP lapse estimates at the close of the fiscal year.

Sec. 234. Unused GF/GP - *NEW*
Requires any lapsed GF/GP funds to be transferred to the Special Maintenance - State line item for repairing and maintaining armories.

Sec. 235. Partnerships with Armed Forces Reserve Units - *NEW*
Requires increased partnerships with reserve units concerning the use of facilities and other activities.

Sec. 501. Veterans Service Organizations - *MODIFIED*
Provides additional provisions for the VSOs and directs the department to distribute grant funding for the second half of the year on a specialized basis.

Sec. 606. Grand Rapids Veterans' Home Feasibility Study - *NEW*
Requires the department to prepare a feasibility study for increasing operational efficiencies.