



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-2768

Fax: (517) 373-1986

Senate Bill 187 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is House Bill 4328.](#)

FY 2012-13 Year-to-Date Gross Appropriation	\$172,073,600
Changes from FY 2012-13 Year-to-Date:	
1. Veterans Service Delivery Enhancements — Veterans Affairs Agency. Governor recommended \$8.0 million GF/GP (\$4.0 on-going and \$4.0 million one-time for start-up costs) to provide for the establishment of a new Michigan Veterans Affairs Agency, created by Executive Order 2013-2.	8,000,000
2. State Veterans Service Officers. Governor recommended 5.0 FTEs and \$600,000 GF/GP to pay for costs of state employee who will become VA accredited to assist veterans and to train county veterans' service officers and counselors.	600,000
3. Veterans Homes Special Maintenance. Governor recommended \$500,000 GF/GP for on-going maintenance needs at the Grand Rapids and D.J. Jacobetti Veterans Homes.	500,000
4. Grand Rapids Veterans Home-Laundry Costs. Governor included \$60,000 GF/GP to reflect increased costs and expansion/upgrade of services.	60,000
5. Information Technology. Governor recommended adding \$26,000 Gross (\$3,800 GF/GP) to cover additional IT rates and services.	26,000
6. Flint Armory Replacement. Governor removed appropriations for one-time project.	(12,000,000)
7. One-Time Appropriations for FY 2013. The Governor removed one-time FY 2012-13 appropriations of \$6,607,900 Gross (\$6,055,900 GF/GP) for Employee Lump Sum Payments (\$707,900), Veterans Service Enhancements (\$434,000) County Counselor Accreditation (\$200,000), and Department Data Upgrades and Digitization of Records (\$750,000).	(6,607,900)
8. Federal and State Projects Adjustment. Governor adjusted special maintenance to Federal revenues available and land acquisitions and appraisals to support acquisitions and boundary buffers.	(2,250,000)
9. Reductions to Reflect Actual Restricted Revenues Received. The Governor recommended reductions across several budget lines to reflect actual anticipated Restricted/Federal revenue, \$1,175,300.	(1,175,300)
10. Economic Adjustments. Includes \$617,500 Gross and \$231,600 GF/GP for OPEB and \$2,764,100 Gross and \$808,400 GF/GP for other economic adjustments.	3,381,600
Total Changes.....	(\$9,465,600)
FY 2013-14 Governor's Recommendation	\$162,608,000

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Changes from FY 2012-13 Year-to-Date:

1. **Incoming IDGs.** Governor struck language listing all incoming IDGs to the DMVA budget. (Sec. 204)
2. **Reporting Requirements.** Governor struck section requiring use of Internet/Email to fulfill reporting requirements. (Sec. 208)
3. **Buy American.** Governor struck "buy American" goods and services requirement. (Sec. 209)
4. **Deprived and Depressed.** Governor removed language requiring business be offered to deprived and depressed communities. (Sec. 210)
5. **Retain Reports.** Governor eliminated requirement for all reports be kept and retained by DMVA. (Sec. 212)
6. **Disciplinary Action.** Gov. eliminated language prohibiting action against employee who communicates with Legislature. (Sec. 215)
7. **Efficiencies.** Governor removed language outlining priorities for finding DMVA budgetary efficiencies. (Sec. 217)
8. **Quarterly Reports.** Governor removed requirement for detailed DMVA quarterly reports. (Sec. 219)
9. **Annual Report.** Governor removed a subsection which calls for a report on efforts to reduce administrative costs for the Michigan Veterans Trust Fund (MVTF) program and to maintain a MVTF corpus at least \$50.0 million. (Sec. 220)
10. **Sale of Property.** Governor struck requirement to give 60-day notice prior to announcement to sell property. (Sec. 223)
11. **Co-Location of Facilities.** Governor struck requirement for DMVA to seek partnerships with U.S. Armed Forces Reserve Units for co-location of activities. (Sec. 226)
12. **Contractual Services Guidelines.** Governor struck language requiring bids for contractual services not exclude public employee unions from bid process. (Sec. 227)
13. **Scorecard.** Governor added NEW language requiring website display and track key performance metrics. (Sec. 230)
14. **Unclassified Positions.** Governor struck language listing unclassified employee positions and requiring the DMVA to give 30-day notice prior to requesting a new position from the Civil Service Commission. (Sec. 300)
15. **Administrative Support.** Governor struck language requiring administrative support for DMVA operations. (Sec. 301)
16. **Armory Maintenance.** Governor struck subsections which required a maintenance upgrade of 15 armories to yellow or green status and requiring the DMVA to consult with the Legislature prior to closing or consolidating armories. (Sec. 302)
17. **Army and Air Guard Objectives/Metrics.** Governor removed subsections requiring facility security comply with Federal regulations, that building maintenance meets Federal standards, and training and equipment be in accordance with U.S. Military requirements. (Sec. 304)
18. **Veterans and Community Outreach.** Governor added language to existing section, requiring DMVA to maintain resources necessary to assist veterans in securing professional assistance, advocacy, and counseling regarding claims management issues. (Sec. 401)
19. **MVTF Metrics.** Governor removed subsection requiring work to increase grant approval and receipt by 5% over FY 2010-11. (Sec. 402)
20. **Veterans Homes.** Governor removed several subsections, which required a minimum number of licensed beds, transportation for medical appointments, daily laundry service, maintenance and custodial services, prohibits appropriations other than for veterans and their families, requires 30-day prior notice of change in post funds spending plans, requires contractor providing any competency evaluated nursing assistants have at least 8 hours of training, at least one 8 hour shift of shadowing at the home, is competent in basic skills, have at least one year of experience in long-term care, and at least 12 hours of in-service training. (Sec. 601)
21. **Michigan Veterans Facility Ombudsman.** Governor removed language describing the duties and responsibilities of a Michigan Veterans Facility Ombudsman. (Sec. 602)
22. **Lump Sum Capital Outlay.** Governor removed language outlining lump sum payment process for capital outlay. (Sec. 701)
23. **Veterans Homes Maintenance/Remodeling.** Governor removed language providing for one-time maintenance and remodeling projects for veterans' homes. (Sec. 703)
24. **Veterans Service Enhancements.** Governor removed language providing guidelines for one-time appropriations for veterans' enhancements, including campus initiatives, internet data system, and a requirement for a report. (Sec. 704)
25. **County Counselors/Service Officers.** Governor removed language providing for a one-time appropriation to establish a grant process by which the number of county counselors/service officers who are accredited to interact with the VA on behalf of veterans is required to increase. (Sec. 705)
26. **Records Modernization.** Governor removed language for a one-time appropriation requiring the DMVA to digitize all medical records and discharge documents currently on paper or microfilm. (Sec. 706)
27. **FY 2013-14 Appropriations.** Governor removed provisions for FY 2013-14 appropriations. (Sec. 1201)

Date Completed: 2-14-13

Fiscal Analyst: Bruce Baker

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

himil_gr.docx