



Senate Fiscal Agency
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BILL ANALYSIS

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 CONFERENCE	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	889.5	888.5	(1.0)	(0.1)
GROSS	168,443,700	166,953,700	(1,490,000)	(0.9)
Less:				
Interdepartmental Grants Received	100,000	99,300	(700)	(0.7)
ADJUSTED GROSS.....	168,343,700	166,854,400	(1,489,300)	(0.9)
Less:				
Federal Funds.....	90,362,800	90,208,600	(154,200)	(0.2)
Local and Private	2,240,000	2,237,000	(3,000)	(0.1)
TOTAL STATE SPENDING.....	75,740,900	74,408,800	(1,332,100)	(1.8)
Less:				
Other State Restricted Funds.....	23,286,400	23,221,500	(64,900)	(0.3)
GENERAL FUND/GENERAL PURPOSE.....	52,454,500	51,187,300	(1,267,200)	(2.4)
PAYMENTS TO LOCALS	100,000	102,400	2,400	2.4

FY 2014-15 Year-to-Date Gross Appropriation	\$168,443,700
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Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

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| 1. Training Sites Billeting Fund. Governor, Senate, and House recommended \$1.5 million in restricted spending authority to accept charges on visitors who use lodging facilities at Camp Grayling or Fort Custer to pay for ongoing operational cost at those housing facilities. | 1,500,000 |
| 2. Veterans Home Funding Shortfall. Governor, Senate, and House recommended supplanting \$3.3 million in member assessment revenue, down due in part to declining member census, with \$3.3 million GF/GP to offset this projected loss and fully fund the homes' operations. | 0 |
| 3. Elimination of Analyst Position. Governor, Senate, and House recommended elimination of a vacant partnership analyst for a savings of \$117,000 GF/GP. | (117,300) |
| 4. Departmentwide Savings. Governor, Senate, and House recommended efficiencies of \$100,000 GF/GP within contractual services, supplies and maintenance. | (100,000) |
| 5. Training Site Fire Protection. Governor and Senate recommended a reduction of \$100,000 GF/GP in fire support for Fort Custer and Alpena to reflect Federal policies. | (100,000) |
| 6. FY 2014-15 One-Time Appropriations. Governor and Senate recommended eliminating FY 2014-15 one-time appropriations for National Guard Tuition Assistance Program Reserve (\$400,000 GF/GP) and Special Maintenance - Veterans Home (\$3.0 million GF/GP). | (3,400,000) |
| 7. Adjustment for FY 2014-15 Appropriations Actions. Includes \$1.5 million from P.A. 6 of 2015. | (1,500,000) |

FY 2015-16 MILITARY AND VETERANS AFFAIRS BUDGET

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| 8. Economic Adjustments. Includes a negative \$885,900 Gross and a negative \$252,200 GF/GP for OPEB and \$477,800 Gross and \$110,700 GF/GP for other economic adjustments. | (393,700) |
| 9. Other Changes. Governor, Senate, and House recommended a technical adjustment to reflect non-GF/GP revenue received. | 50,000 |

Conference Agreement on Items of Difference

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| 10. Veterans Coalition Grant for Veterans Outreach Services. Governor recommended reducing the amount available to the Michigan Veterans Coalition by \$429,000 GF/GP. Senate limited that reduction to \$79,000 by adding \$350,000 GF/GP over Governor's recommendation. House restored full current year appropriation. Conference included all by \$29,000 from FY 2014-15. | (29,000) |
| 11. Targeted Outreach. Senate including a placeholder line of \$100, shifted from MVAA funding, for targeted outreach to veterans. Conference included \$200,000. | 200,000 |
| 12. Armory Maintenance. Senate added \$250,000 GF/GP for armory maintenance projects. Conference included \$3.0 million. | 3,000,000 |
| 13. National Guard Tuition Assistance Program. Senate shifted FY 2015-16 projected surplus funding for the tuition program to be used for Veterans Coalition grants leaving the tuition program with an appropriation of \$3,941,300 GF/GP. Conference conferred with Senate but used funds for coalition grants and targeted outreach. | (600,000) |

Total Changes	(\$1,490,000)
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FY 2015-16 Conference Report Ongoing/One-Time Gross Appropriation	\$166,953,700
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Amount Over/(Under) GF/GP Target: \$0

Boilerplate Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

1. **Federal DOD-DOA-NGB Support.** Governor, Senate, and House struck section stating various Federal DOD-DOA-NGB funding to be received by DMVA. (Sec. 205a)
2. **Federal DVA-VHA Support.** Governor, Senate, and House struck section stating various Federal DVA-VHA funding to be received by DMVA. (Sec. 205b)
3. **Federal HHS-HCFA, Medicare Support.** Governor, Senate, and House struck section stating various Federal HHS-HCFA, Medicare funding to be received by DMVA. (Sec. 205c)
4. **Federal HHS-HCFA, Title XIX, Medicaid Support.** Governor and Senate struck section stating various Federal HHS-HCFA, Title XIX, Medicaid funding to be received by DMVA. (Sec. 205d)
5. **Purchase of Goods.** Senate and House removed language requiring a preference be given to a small business with at least a workforce of 35% veterans. (Sec. 209)
6. **Retain Reports.** Governor, Senate, and House eliminated requirement for all reports be kept and retained by DMVA. (Sec. 212)
7. **Schedule of Programs.** Governor, Senate, and House struck subsection stating that schedule of programs listed in Part 1 may or may not receive funding from the unit sources listed. (Sec. 216)
8. **Efficiencies.** Governor, Senate, and House removed language outlining priorities for finding DMVA budgetary efficiencies. (Sec. 217)
9. **Quarterly Reports.** Governor, Senate, and House removed language which requires a corrective action plan within 30 days of a quarterly report when requirements are not achieved. (Sec. 219)

10. **Contractual Services Guidelines.** Governor, Senate, and House struck language requiring bids for contractual services not exclude public employee unions from bid process. (Sec. 227)
11. **Administrative Support.** Governor, Senate, and House removed section requiring administrative support for various DMVA functions. (Sec. 301)
12. **Michigan Veterans Affairs Agency (MVAA).** Governor, Senate, and House amended this section by adding a requirement that the MVAA report benefit claims submitted to the USVA by coalition partner veterans service officers and by striking a requirement that a five-member advisory board of VSO members be created. (Sec. 400)
13. **Veterans Service Grants.** Governor, Senate, and House amended language by striking some elaboratory language and altering a metric requirement that a minimum of 6,240 hours of service be provided in State correctional facilities. (Sec. 406)
14. **State Veterans Homes.** Senate and House amended language concerning the Grand Rapids and D.J. Jacobetti Veterans Homes by removing many legal citations, assurance of transportation, laundry, custodial services, a dietary plan, medical assessment and 2.5 patient care hours per day. (Secs. 501/503)
15. **FY 2014-15 One-Time Appropriations.** Governor, Senate, and House recommended removing language concerning FY 2014-15 one-time appropriations, including a section on Special Maintenance-Veterans Home (Sec. 701) and National Guard Tuition Assistance Program - Reserve. (Sec. 702) (Secs. 701 and 702)

Conference Agreement on Items of Difference

16. **New Program/Enhancement Metric.** Senate added new language requiring program metrics for each new program or program expansion in excess of \$500,000. Conference concurred with Senate. (Sec. 240)
17. **Armories and Joint Force Readiness.** Governor and Senate amended section by eliminating language which contained numerous legal citations and detailed reporting requirements with more general language requiring leadership over armory operations, a measurement system of armory conditions and a quarterly report on the status of armories. Senate retained language concerning creating a culture that is free of sexual assault. Conference concurred with Senate. (Sec. 302)
18. **Billeting Account.** Governor and Senate added language allowing for the creation of a revolving account to receive funds for lodging by outside groups at training facilities. Conference concurred with Senate. (Sec. 305)
19. **Starbase Educational Program.** Senate struck boilerplate subsection requiring program to maintain program offerings at Selfridge, Battle Creek, and Alpena Bases. Conference concurred with Senate. (Sec. 309)
20. **National Guard Tuition Assistance Program.** Governor and Senate amended section to remove language concerning program guidelines which are now in statutory law. Conference concurred with Senate. (Sec. 310)
21. **FY 2015-16 Appropriations.** Governor and Senate eliminated language requiring the MVAA to provide the percentage of veterans contacted, with a goal of 100% (Sec. 1202) and that the MVAA maintain a minimum 50% of fully developed claims of the veterans it serves. Conference continued these requirements to apply to FY 2016-17. (Sec. 1203) (Secs. 1202 and 1203)
22. **FY 2014-15 Supplemental Appropriations.** Conference included appropriations of \$4,995,700 for a jobs program for the Michigan Youth Challenge Program, as described within Sec. 2203. (Sec. 2203)

Date Completed: 5-28-15

Fiscal Analyst: Bruce Baker