

**Summary: House Subcommittee Recommendation
Fiscal Year 2011-12
HB 4278: DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**



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	FY 2010-11	FY 2011-12	Difference: FY 2011-12 Vs. FY 2010-11		FY 2011-12	Difference: House Subcommittee vs. Exec. Rec.	
	Year-to-Date as of 2/17/11		Executive	Amount	%	House Subcommittee	Amount
IDG/IDT	1,152,900	1,152,800	0	0.0	1,152,800	0	0.0
Federal	82,203,800	87,678,000	5,474,200	6.7	87,678,000	0	0.0
Local	645,400	644,800	(600)	(0.1)	644,800	0	0.0
Private	1,382,700	1,423,300	40,600	2.9	1,423,300	0	0.0
Restricted	28,233,400	28,439,700	206,300	0.7	28,439,700	0	0.0
GF/GP	36,424,700	33,044,900	(3,379,800)	(9.3)	33,044,900	0	0.0
Gross	\$150,042,900	\$152,383,500	\$2,340,600	1.6	\$152,383,500	\$0	0.0
FTEs	970.0	819.0	(151.0)	(15.6)	819.0	0.0	0.0

Notes: FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.

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 National Guard-related programs such as the Challenge 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.

		Executive		House Subcommittee
	FY 2010-11 YTD (as of 2/17/11)			
Major Budget Changes From FY 2010-11 YTD Appropriations				
1. Military Training Sites Firefighters	FTEs	181.0	24.0	24.0
Exec. Rec. increases \$2.5 million in federal funds for FY 2011-12 for 18 additional firefighters at the Alpena Air National Guard Base and 6 additional firefighters at Fort Custer in Battle Creek. No changes recommended for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	Gross	\$25,358,500	\$2,500,000	\$2,500,000
	Federal	\$23,988,400	\$2,500,000	\$2,500,000
	GF/GP	\$1,370,100	\$0	\$0
2. Capital Outlay - Camp Grayling Light Demolition Range	Gross	\$0	\$1,700,000	\$1,700,000
Exec. Rec. increases \$1.7 million in federal funds for FY 2011-12 for construction of a light demolition range at Camp Grayling. Also removes these funds for the FY 2012-13 budget after the construction is complete. House Subcommittee concurs with the Exec. Rec.	Federal	\$0	\$1,700,000	\$1,700,000
3. Military Retirement	Gross	\$3,584,100	\$200,000	\$200,000
Exec. Rec. increases \$200,000 GF/GP for FY 2011-12 for increased retirement costs as mandated in the Michigan Military Act. No changes recommended for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	GF/GP	\$3,584,100	\$200,000	\$200,000
4. Capital Outlay - Land Acquisitions and Appraisals	Gross	\$500,000	(\$500,000)	(\$500,000)
Exec. Rec. decreases \$500,000 in restricted funds for FY 2011-12 for land acquisitions and appraisals at Camp Grayling that was included in FY 2010-11. No changes recommended for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	Restricted	\$500,000	(\$500,000)	(\$500,000)

<u>Major Budget Changes From FY 2010-11 YTD Appropriations</u>	FY 2010-11 YTD (as of 2/17/11)		Executive	House Subcommittee
5. Grand Rapids Veterans' Home Resident Care Aides	Gross	\$50,891,300	(\$4,200,000)	(\$4,200,000)
Exec. Rec. decreases \$4.2 million GF/GP for FY 2011-12 as savings for moving to competitive bidding for Resident Care Aide positions at the Grand Rapids Veterans' Home. No changes recommended for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	Federal	\$20,335,400	\$0	\$0
	Restricted	\$15,701,500	\$0	\$0
	GF/GP	\$14,854,400	(\$4,200,000)	(\$4,200,000)
6. Early Retirement Savings	Gross	NA	(\$204,000)	(\$204,000)
Exec. Rec. decreases \$204,000 GF/GP across several lines as savings associated with the FY 2010-11 retirements. Also includes Information Technology related employee retirements. No changes recommended for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	GF/GP	NA	(\$204,000)	(\$204,000)
7. Economics	Gross	NA	\$2,844,600	\$2,844,600
Exec. Rec. increases \$824,200 GF/GP and \$2.8 million gross for FY 2011-12 for department economics (adjustments for insurance, pension, retiree health care, building occupancy charges, worker's compensation, food, and fuel). Also increases \$647,300 GF/GP and \$2.8 million gross for FY 2012-13. House Subcommittee concurs with the Exec. Rec.	IDG	NA	(\$100)	(\$100)
	Federal	NA	\$1,274,200	\$1,274,200
	Restricted	NA	\$706,300	\$706,300
	Private	NA	\$40,600	\$40,600
	Local	NA	(\$600)	(\$600)
	GF/GP	NA	\$824,200	\$824,200

Major Boilerplate Changes From FY 2010-11

NOTE: Unless otherwise noted, all FY 2011-12 boilerplate items would also apply to the FY 2012-13 budget.

Sec. 207. Expenditures Posted On A Publicly Accessible Website - NEW

House Subcommittee adds new language requiring the department to develop a publicly accessible website and to post each expenditure made by the department.

Sec. 202. Appropriations Subject To The Management and Budget Act - MAINTAINED

Exec. Rec. deletes appropriations under this act to be subject to the Management and Budget Act. House Subcommittee maintains current year language.

Sec. 203. Definitions - MAINTAINED

Exec. Rec. deletes several standard definition acronyms and terms. House Subcommittee maintains current year language.

Sec. 204. Civil Service 1% Charge - MAINTAINED

Exec. Rec. deletes authorizing Civil Service to charge departments 1% for administrative purposes. House Subcommittee maintains current year language.

Sec. 205. Civil Service Hiring Freeze - MAINTAINED

Exec. Rec. deletes hiring freeze requirement for agencies and departments. House Subcommittee maintains current year language.

Sec. 208. Reporting Requirements On The Internet - MAINTAINED

Exec. Rec. deletes requirement for the Department to post required reports on the Internet or a website. House Subcommittee maintains current year language.

Sec. 209. Purchase of Foreign Goods Or Services - MAINTAINED

Exec. Rec. deletes requirement that funds not be used for foreign goods or services if comparable American goods are services are available. House Subcommittee maintains current year language.

210. Deprived And Depressed Communities - MAINTAINED

Exec. Rec. deletes requiring departments to allow businesses in deprived and depressed communities to compete for contracts and other services. House Subcommittee maintains current year language.

Sec. 211. Report and Record Retention - MAINTAINED

Exec. Rec. deletes requirement for departments to retain copies of reports funded from appropriations in part 1. House Subcommittee maintains current year language.

Major Boilerplate Changes From FY 2010-11

Sec. 213. Armory Closures and Consolidations - MAINTAINED

Exec. Rec. deletes requirement for the Department to consult with the appropriations subcommittees for armory closures and consolidations. House Subcommittee maintains current year language.

Sec. 214. Military Cemeteries in Crawford and Dickinson Counties - DELETED

Exec. Rec. deletes legislative intent for appropriating funds for military cemeteries in Crawford and Dickinson counties if funds become available. House Subcommittee concurs with Exec. Rec.

Sec. 221. Department of Technology, Management, and Budget User Fees - MAINTAINED

Exec. Rec. deletes requiring departments to pay user fee to DTMB for technology services and projects. House Subcommittee maintains current year language.

Sec. 223. Information Technology Work Projects - MAINTAINED

Exec. Rec. deletes allowing information technology projects to be designated as work projects. House Subcommittee maintains current year language.

Sec. 225. Out Of State Travel - MAINTAINED

Exec. Rec. deletes limiting out of state travel for departments and reporting travel information for department employees. House Subcommittee maintains current year language.

Sec. 226. Disciplinary Action Against Department Employees - MAINTAINED

Exec. Rec. deletes prohibiting disciplinary actions against Department employees for communicating with the Legislature. House Subcommittee maintains current year language.

Sec. 227. Sale of Department Property - DELETED

Exec. Rec. deletes requirement for the Department to notify the appropriations subcommittees and the fiscal agencies 60 days prior to announcing the sale of Department property. House Subcommittee concurs with Exec. Rec.

Sec. 228. Attorney General Legal Services - MAINTAINED

Exec. Rec. deletes using funds to pay for legal services that are the responsibility of the Attorney General. House Subcommittee maintains current year language.

Sec. 233. GF/GP Lapse Estimates – MAINTAINED

Exec. Rec. deletes requirement for a report by the Department for GF/GP lapse estimates at the close of the fiscal year. House Subcommittee maintains current year language.

Sec. 234. Unused GF/GP – DELETED

Exec. Rec. deletes requirement for any lapsed GF/GP funds to be transferred to the Special Maintenance - State line item for repairing and maintaining armories. House Subcommittee concurs with Exec. Rec.

Sec. 235. Partnerships With Armed Forces Reserve Units – MAINTAINED

Exec. Rec. deletes requirement for increased partnerships with reserve units concerning the use of facilities and other activities. House Subcommittee maintains current year language.

Sec. 301. Armory Rental Fees - DELETED

Exec. Rec. deletes allowing the Department to charge rental fees for armory rentals. House Subcommittee concurs with Exec. Rec.

Sec. 302. And 304. Challenge Program - MAINTAINED

Exec. Rec. combines Secs. 302 and 304 concerning the Challenge Program into one section. House Subcommittee maintains current year language and separate sections.

Sec. 501. Veterans Service Organizations – MAINTAINED

Exec. Rec. deletes various sections requiring veterans counseling programs and reporting requirements. House Subcommittee maintains current year language.

Sec. 601. Veterans' Home Appropriations - MAINTAINED

Exec. Rec. deletes mandating that funds appropriated for the two veterans' home only be used for veterans and their families. House Subcommittee maintains current year language.

Sec. 602. Veterans' Home Reporting Requirements - MAINTAINED

Exec. Rec. deletes requirement for the Department and veterans' homes to provide a report to the appropriations subcommittees on various information involving the members of the two homes. House Subcommittee maintains current year language.

Major Boilerplate Changes From FY 2010-11

Sec. 605. Board of Managers Post and Posthumous Funds - MAINTAINED

Exec. Rec. deletes the reporting requirement for the Department to notify the appropriations subcommittees 30 days prior to altering the Post and Posthumous funds spending plans. House Subcommittee maintains current year language.

Sec. 703. Veterans' Trust Fund Report - MAINTAINED

Exec. Rec. deletes reporting requirement providing grant distribution information and other expenditures from the Veterans' Trust Fund. House Subcommittee maintains current year language.

Sec. 704. County Veterans Counselors Training - DELETED

Exec. Rec. deletes requirement for the veterans' affairs directorate and the Michigan Veterans Trust Fund administration to assist county veterans' counselors with receiving training to execute their duties. House Subcommittee concurs with Exec. Rec.

Sec. 705. Funding County Veterans' Counselors - DELETED

Exec. Rec. deletes legislative intent for the Department providing incentives for each county to fund at least one full-time county veterans counselor. House Subcommittee concurs with Exec. Rec.

Sec. 801. Capital Outlay Projects - DELETED

Exec. Rec. deletes language specifying that the Department's design and construction projects are contingent upon the availability of federal and state restricted funds. House Subcommittee concurs with Exec. Rec.