

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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House Bill 5649 (S-1 reported)

Committee: Appropriations

FY 2001-02 Year-to-Date Gross Appropriation		\$100,267,975
Changes from FY 2001-02 Year-to-Date:		
1.	Veterans Service Organizations (VSO's) Grants. The Governor and House restored grant levels for VSO's to original FY 2001-02 amounts, prior to Executive Order 2001-9 reductions. The Senate concurred and added \$27,900 to the Catholic War Veterans Grant.	919,525
3.	Special Maintenance - Federal. The bill provided additional Federal funds for facilities maintenance.	1,998,000
4.	Military Retirement. The bill provides an increase based on projected costs of military retirements.	175,100
5.	Challenge Program. The bill provides increased authority for the program to receive Federal grant funds passed through from the Department of Community Health.	90,000
6.	Position Reductions. A vacant position (0.5 FTE) was eliminated to offset the cost of economic adjustments.	(21,400)
7.	Lump Sum Payments. The bill removes \$375 lump sum payments made to State employees in the current year.	(331,600)
8.	Early Retirement Payouts. The bill has reductions to reflect end of 1997 early retirement payouts.	(76,100)
9.	Information Technology. The bill transfers \$1,230,800 in funds for appropriation for information technology functions to a new unit and 10.0 FTEs to a new Department of Information Technology.	0
10.	Economic Adjustments.	1,115,700
11.	Other Changes. The budget also includes projected cost increases for the D.J. Jacobetti Home and increased donations for the Board of Managers appropriations.	128,100
12.	Comparison to Governor. The budget is \$3,572,100 GF/GP over the Governor's recommendation. The Senate rejected the Governor's plan to convert the Grand Rapids Veterans Home to Medicaid certification (which would have meant an increase of \$8.6 million in Federal funds and a decrease of \$5.0 million in GF/GP funds). The Senate also increased the grant to the Catholic War Veterans by \$27,900 GF/GP over the Governor's recommendation.	
Total Changes		\$3,997,325
FY 2002-03 Senate Appropriations Subcommittee Gross Appropriation		\$104,265,300



Changes from FY 2001-02 Year-to-Date:

1. **Construction Fund.** The bill eliminates language that declares funding available from the Michigan National Guard Armory construction fund from PA 307 of 1992 as appropriated for expenditure for purposes under the Act.
2. **World War I Veterans.** The bill eliminates language that states veteran service organizations shall provides services to World War I veterans.
3. **Board of Managers.** The bill removes language that designates veterans homes board of managers appropriation as a work project account and not subject to lapse to the General Fund.
4. **Review Hearing.** The bill eliminates language which requires that a veteran denied benefits under the MVTF due to misinformation is eligible for a review hearing.
5. **Michigan Vietnam Veterans Memorial.** The bill eliminates language referring to receipt of funds for the Michigan Veterans Memorial Park Commission and Vietnam Veterans Memorial Monument.
6. **Information Technology Payment.** The bill includes language requiring the Department to pay for information technology to new department via the transfer process. (Sec. 259)
7. **Information Technology Work Project.** This language would permit appropriation for information technology to be designated as a work project. (Sec. 260)
8. **Youth Challenge Program Outreach.** The section would require coordination with FIA to identify youth who may be eligible for the Department's Challenge Program. (Sec. 304)
9. **Challenge Program Funding.** The bill adds to language that a fee may be charged for program participation. (Sec. 302)
10. **Armory Notification.** The House and Senate added language requiring Department consultation with appropriation subcommittees regarding projected closing or consolidation of any National Guard Armory. (Sec. 213)
11. **Early Retirement.** The Governor and Senate added language which provides for procedures to transfer early retirement savings to early retirement savings line. (Sec. 261)

Date Completed: 4/30/02

Fiscal Analyst: Bruce Baker

