



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 235 (as introduced)
Committee: Appropriations

FY 2006-07 Year-to-Date Gross Appropriation \$122,902,600

Changes from FY 2006-07 Year-to-Date:

<p>1. Regional Training Institute. The Governor recommended the operational funding of a new Regional Training Institute in Battle Creek using restricted (revolving) funds.</p> <p>2. Military Retirement/ Pay Increase. GF/GP funds are added to pay for anticipated payments to retired Michigan Army and Air National Guard per P.A.150 of 1967 (\$74,000) and a Special duty Officer pay increase as provided by the National Defense Authorization Act (\$4,700).</p> <p>3. Grand Rapids Veterans Home Administrative Reductions. The Governor recommended a GF/GP administrative reduction for the Grand Rapids home.</p> <p>4. Grand Rapids Veterans Home Fund Shifts. The Governor recommended a shift from GF/GP of \$630,000 to available federal funding.</p> <p>5. D.J. Jacobetti Veterans Home Fund Shift. The Governor recommended a shift from GF/GP of \$277,400 to available restricted and Federal funding.</p> <p>6. Armory Maintenance. The Governor recommended the elimination of four vacant armory maintenance mechanics for a GF/GP savings.</p> <p>7. Federal Support for Facilities. The Governor recommended available additional Federal support for Headquarters and Armories (\$600,000) and training sites and logistical facilities (\$175,000).</p> <p>8. Human Resources Optimization. The Governor recommended an adjustment to reflect increased user charges (\$1,700) and removal of capitalization of hardware and software costs added in FY 2005-06 (\$14,700).</p> <p>9. Sick Leave Payouts. The Governor recommended the inclusion of non-DIT GF/GP savings related to the five year payout of sick leave for FY 2001-02 early retirees.</p> <p>10. Economic Adjustments. Adjustments include a GF/GP total of \$1,723,900.</p> <p>11. Other Changes. The Governor recommended an increase for the Starbase program (\$57,000), the Mackinac Bridge walk security costs (\$5,000) and reductions for Information Technology (\$3,600) and lease revenue from the Grand Rapids Home (\$22,800).</p>	<p>1,500,000</p> <p>78,900</p> <p>(370,000)</p> <p>0</p> <p>0</p> <p>(300,000)</p> <p>775,000</p> <p>(13,000)</p> <p>(43,100)</p> <p>3,295,700</p> <p>35,600</p>
<p>Total Changes.....</p>	<p>\$4,959,100</p>
<p>FY 2006-07 Governor's Recommendation.....</p>	<p>\$127,861,700</p>

Changes from FY 2005-06 Year to Date:**Deleted Boilerplate Sections**

1. **Privatization.** Requires privatization plan notice. (Sec. 207)
2. **Report Requirements.** Requires Department to create and retain reports. (Sec. 211)
3. **Armory Closing or Consolidation.** Requires consultation with Legislature prior to armory closing or consolidation. (Sec. 213)
4. **State Cemeteries.** Requires Department to fund State military cemeteries in Crawford and Dickinson Counties should legislation and funding permit their construction (Sec. 214)
5. **Disciplinary Action.** Prohibits disciplinary action against employee for communicating with the Legislature. (Sec. 226)
6. **Sale of Property.** Requires 60-day notification prior to the sale of Department property. (Sec. 227)
7. **Armory Rental.** Allows for rental fees of Armories and equipment. (Sec. 301)
8. **Veterans Homes' Expenditures.** Prohibits expenditure for anything other than for veterans and veterans' families. (Sec. 601)
9. **Veterans Homes' Report.** Requires annual report of State veterans' homes. (Sec. 602)
10. **County Counselor Assistance.** Requires steps to assist county veterans' counselors to obtain training. (Sec. 704)

Amended Boilerplate Sections

11. **Hiring Freeze.** The Governor changed the interval of required hiring freeze reports to the Legislature from monthly to quarterly. (Sec 205)
12. **Challenge Program.** The Governor added a requirement that efforts be made to insure at least 75% of the program participants are from families at or below 200% of the Federal poverty level. (Sec. 302)
13. **Veterans Service Organization Grants.** The Governor deleted an efficiency report requirement. (Sec.501)

New Boilerplate Sections

14. **Contingency Funds.** The Governor included language allowing for the expenditure of certain funds listed in boilerplate by the transfer process. The list includes a total of \$5.0 million Federal, \$2.0 million restricted, \$100,000 local and \$100,000 in private funds. (Sec. 228)
15. **Regional Training Institute (RTI) Creation.** States creation and purpose of new training facility in Battle Creek with funding from a revolving account. Requires Legislative report. (Sec. 229)
16. **Regional Training Institute (RTI) Guidelines for Usage.** States availability for use by various entities of the RTI. (Sec. 230)

Date Completed: 2-16-07

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