

**Summary: Executive Budget Recommendation  
for Fiscal Years 2011-12 and 2012-13  
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**



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	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		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	87,600,400	(77,600)	(0.1)
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	28,960,500	520,800	1.8
GF/GP	36,424,700	33,044,900	(3,379,800)	(9.3)	33,692,200	647,300	2.0
<b>Gross</b>	<b>\$150,042,900</b>	<b>\$152,383,500</b>	<b>\$2,340,600</b>	<b>1.6</b>	<b>\$153,474,000</b>	<b>\$1,090,500</b>	<b>0.7</b>
FTEs	970.0	819.0	(151.0)	(15.6)	819.0	0.0	0.0

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.

(2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.

(3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

**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.

<u>Major Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
<b>1. Military Training Sites Firefighters</b>	FTEs	181.0	24.0	0.0
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.	<b>Gross</b>	<b>\$25,358,500</b>	<b>\$2,500,000</b>	<b>\$0</b>
	Federal	\$23,988,400	\$2,500,000	\$0
	GF/GP	\$1,370,100	\$0	\$0
<b>2. Capital Outlay - Camp Grayling Light Demolition Range</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,700,000</b>	<b>(\$1,700,000)</b>
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.	Federal	\$0	\$1,700,000	(\$1,700,000)
<b>3. Military Retirement</b>	<b>Gross</b>	<b>\$3,584,100</b>	<b>\$200,000</b>	<b>\$0</b>
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.	GF/GP	\$3,584,100	\$200,000	\$0
<b>4. Capital Outlay - Land Acquisitions and Appraisals</b>	<b>Gross</b>	<b>\$500,000</b>	<b>(\$500,000)</b>	<b>\$0</b>
Decreases \$500,000 in restricted funds for FY 2011-12 for land acquisitions and appraisals at Camp Grayling that were included in FY 2010-11. No changes recommended for FY 2012-13.	Restricted	\$500,000	(\$500,000)	\$0

<u>Major Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
<b>5. Grand Rapids Veterans' Home Resident Care Aides</b>	<b>Gross</b>	<b>\$50,891,300</b>	<b>(\$4,200,000)</b>	<b>\$0</b>
Decreases \$4.2 million GF/GP for FY 2011-12 as projected savings for moving to competitive bidding for Resident Care Aide positions at the Grand Rapids Veterans' Home. No changes recommended for FY 2012-13.	Federal	\$20,335,400	\$0	\$0
	Restricted	\$15,701,500	\$0	\$0
	GF/GP	\$14,854,400	(\$4,200,000)	\$0
<b>6. Early Retirement Savings</b>	<b>Gross</b>	<b>NA</b>	<b>(\$204,000)</b>	<b>\$0</b>
Decreases \$204,000 GF/GP across several lines as savings associated with the early retirements. Also includes Information Technology related employee retirements. No changes recommended for FY 2012-13.	GF/GP	NA	(\$204,000)	\$0
<b>7. Economics</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,844,600</b>	<b>\$2,790,500</b>
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.	IDG	NA	(\$100)	\$0
	Federal	NA	\$1,274,200	\$1,622,400
	Restricted	NA	\$706,300	\$520,800
	Private	NA	\$40,600	\$0
	Local	NA	(\$600)	\$0
	GF/GP	NA	\$824,200	\$647,300

**Major Boilerplate Changes From FY 2010-11**

**NOTE:** (1) No boilerplate language is proposed for FY 2012-13.

(2) In general, the Executive Budget deletes a large majority of boilerplate language included in the FY 2010-11 budget. This includes many legislative reporting requirements, sections providing guidance and placing conditions on appropriations, and earmarks of funding for specific purposes. The list below includes major changes to boilerplate, but is not a comprehensive list of all sections deleted.

**Sec. 213. Armory Closures and Consolidations - DELETED**

Deletes requirement for the Department to consult with the appropriations subcommittees for armory closures and consolidations.

**Sec. 235. Partnerships With Armed Forces Reserve Units – DELETED**

Deletes requirement for increased partnerships with reserve units concerning the use of facilities and other activities.

**Sec. 301. Armory Rental Fees - DELETED**

Deletes allowing the Department to charge rental fees for armory rentals.

**Sec. 501. Veterans Service Organizations – MODIFIED**

Deletes various sections requiring veterans counseling programs and reporting requirements.

**Sec. 601. Veterans' Home Appropriations - DELETED**

Deletes mandating that funds appropriated for the two veterans' home only be used for veterans and their families.

**Sec. 602. Veterans' Home Reporting Requirements - DELETED**

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.

**Sec. 605. Board of Managers Post and Posthumous Funds - DELETED**

Deletes the reporting requirement for the Department to notify the appropriations subcommittees 30 days prior to altering the Post and Posthumous funds spending plans.

**Sec. 703. Veterans' Trust Fund Report - DELETED**

Deletes reporting requirement providing grant distribution and other expenditures from the Veterans' Trust Fund.

**Sec. 704. County Veterans Counselors Training - DELETED**

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.

**Sec. 705. Funding County Veterans' Counselors - DELETED**

Deletes legislative intent for the Department providing incentives for each county to fund at least one full-time county veterans counselor.

**Major Boilerplate Changes From FY 2010-11**

***Sec. 801. Capital Outlay Projects - DELETED***

Deletes language specifying that the Department's design and construction projects are contingent upon the availability of federal and state restricted funds.