

APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1: LINE ITEM DETAIL

2014 PA 252
FY 2014-15
Year-to-Date

Sec. 101. APPROPRIATION SUMMARY

1.	<u>Unclassified full-time equated (FTE) positions</u> - Positions that are exempted from the classified State civil service pursuant to Article XI, Section 5 of the Michigan Constitution. These positions include elected officials, heads of principal departments, a limited number of policy-making positions in departments, members of boards and commissions, employees of State institutions of higher education, employees of the Judiciary, and employees of the Legislature.	889.5
2.	<u>Classified FTE positions</u> - All positions in State service unless exempted by Article XI, Section 5 of the Michigan Constitution. One FTE position equals 2,080 hours.	9.0
3.	<u>GROSS APPROPRIATION</u> - Total appropriations	\$166,943,700
4.	<u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the department that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations.	100,000
5.	<u>ADJUSTED GROSS APPROPRIATION</u> - Gross appropriations less IDGs.	166,843,700
6.	<u>Federal revenue</u> - Funding allocated to the State by the Federal government.	90,362,800
7.	<u>Local revenue</u> - Funds paid by local units of government that support State services and programs.	1,500,000
8.	<u>Private revenue</u> - Available appropriated funds from private sources, including funding from non-governmental agencies.	740,700
9.	<u>State restricted revenue</u> - Revenue earmarked for a specific purpose by the State Constitution, statute, or appropriation bill. Restricted revenue also includes general fund/special purpose funds, such as fee revenue used to support licensing programs.	25,086,400
10.	<u>State general fund/general purpose</u> - Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of the general fund/general purpose (GF/GP) revenue is derived from the income, single business, insurance, sales, and use taxes.	49,154,500
11.	<u>Payments to locals</u> - State appropriations from GF/GP or State restricted revenues that will be allocated to local units of government.	100,000

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Sec. 102. MILITARY

1. Unclassified positions \$1,370,100

Unclassified FTE positions 9.0

This line pays the salaries of the Adjutant General (department Director), and Deputy Directors for Army National Guard, Air National Guard, Michigan Veterans Affairs Agency, installations, senior policy executive, state operations, strategy and policy, and the public safety group.

2. Departmental and national guard operations 163,046,400

Classified FTE positions 324.0

Provides for the general administration of the Michigan National Guard and many of the department's military-oriented functions, including Support Services (\$1,909,400), Armories and Joint Force Readiness (\$16,136,500), National Guard Training Facilities and Air Bases (\$32,050,600), Michigan Youth Challenge Academy (\$4,549,200), Military Family Relief Program (\$600,000), Starbase Grant (\$2,322,000), National Guard Tuition Assistance Program (\$4,342,100) and Information Technology Services and Projects (\$1,136,600). Among the programs within the aforementioned department core services include:

Departmentwide accounts

Provides support for departmentwide expenditures for equipment, worker's compensation, rent, training, travel and safety supplies.

Military training sites and support facilities

Provides for the operation and maintenance of the state's training and support facilities for the Michigan National Guard, including Army National Guard facilities at Camp Grayling and Fort Custer and Air National Guard facilities at Selfridge and Battle Creek National Guard Air Bases. Training Facilities' operation and maintenance costs are funded wholly by the U.S. Department of Defense. The Department of Defense also supports 75% of the costs associated with logistical support facilities.

Military training sites and support facilities test facilities

Provides for receipt and expenditure of funds received from defense companies for equipment testing at Camp Grayling.

Military appeals tribunal

The Military Appeals Tribunal is a five-member body which has jurisdiction over court martial decisions under the Michigan Code of Military Justice.

Michigan emergency volunteers

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A voluntary organization which would be activated for state service during an emergency should the Michigan National Guard be activated for service elsewhere.

State active duty

Funding which would provide pay for Guard personnel called up for state duty to engage in special administrative or maintenance duties.

Challenge program

A voluntary educational and self-discipline building program for 16 to 18-year-old high school dropouts. The program, consisting of two 22-week residential sessions held annually at the U.S. Veterans Administration facility at Battle Creek, includes a 12-month post-residential monitoring phase for graduates. The program is funded by 60% Federal and 40% state school aid funds.

Military family relief fund

This fund, created by PA 363 and 364 of 2004, and consisting of donations from Michigan taxpayers via a contribution designation on their tax returns, is used to assist the families of those in military service who may be in need.

Counternarcotic operations

Provides for receipt and expenditure of Federal funds associated with coordinated actions with Federal, state and local law enforcement toward countering the flow of illegal drugs in the state.

Starbase grant

Provides for a Federally-funded program for at-risk school-age youth designed to encourage interest in math and science skills.

National Guard tuition assistance program

New for FY 2014-15, this program is to provided up to \$4,500 per year in college tuition assistance to qualified Guard members to assist in the recruiting and retention of members, per 2014 PA 259.

Information technology service and projects

This function represents funds to be passed through as an IDG to the Department of Information Technology for technology services and projects for the department.

Unit Gross Appropriation	\$64,416,500
Interdepartmental grants	100,000
Federal revenues	45,489,000

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Private revenues	200,000
Local revenues	1,500,000
Total other state restricted revenues	1,523,600
State general fund/general purpose	15,603,900

Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY

1. <u>Michigan veterans affairs agency</u>	\$16,059,300
Classified FTE positions	565.0

Provides for the operation of the department's programs for veterans. The Michigan veterans affairs agency provides outreach services to Michigan veterans that advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The agency oversees the fulfillment of a number of departmental core functions, including (Michigan Veterans Affairs Agency Administration (\$7,095,100), Veterans Service Grants (\$3,762,500), Veterans Trust Fund Administration (\$1,455,200) and Veterans Trust Fund Grants, from a \$50 million trust established by PA 4 of 1943 and PA 9 of 1945, (\$3,746,500). The agency is to maintain the staffing, partnerships and other resources necessary to develop and operate an outreach program that will communicate benefit eligibility information to at least 50% of the 680,417 Michigan veterans with a goal of reaching 100% and enable 100% to access benefit information online.

2. <u>Veterans' Homes</u>	66,567,900
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Provides for the administration and operations of the state's two veterans homes, the Grand Rapids Veterans' Home and the D.J. Jacobetti Veteran's Home. The homes are under the administrative responsibility of the Michigan Veterans Affairs Agency and include the following core functions: Grand Rapids Veterans' Home (\$46,012,600), the Grand Rapids Veterans' Home Board of Managers (\$665,000), the D.J. Jacobetti Veterans' Home (\$19,615,300) and the D.J. Jacobetti Veterans' Home Board of Managers (\$275,000). The Michigan Veterans Affairs Agency and the board of managers are to provide compassionate and quality nursing and domiciliary care services at the veterans' home so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

Grand Rapids veterans' home

The Grand Rapids Veterans' Home is a 755 bed- capacity facility which has been in continuous operation since 1886 (created by PA 152 of 1885). The home provides long term care, skilled nursing services, including serving the special needs of Alzheimer's victims, to Michigan Veterans and their dependents.

D.J. Jacobetti veterans home

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The D.J. Jacobetti Veterans' Home is in Marquette, a 241 bed- capacity facility which has been in operation since 1981. The home provides long term care, skilled nursing services, and special needs services to Michigan Veterans and their dependents

Board of Managers (a single board serves both homes)

The Michigan Veterans' Home Board of Managers consists of a seven-member board which serves as the governing body of the homes.

Unit Gross Appropriation	\$82,627,200
Federal revenues	29,873,800
Private revenues	540,000
Total other state restricted revenues	22,562,800
State general fund/general purpose	29,650,600

Sec. 104. CAPITAL OUTLAY

1. <u>Capital outlay</u>	\$16,500,000
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Provides support for capital outlay projects, including the renovation and repair of department facilities and the acquisition of new property and facilities. For FY 2014-15, core functions for this purpose include Special Maintenance – National Guard (\$15.0 million), Special Maintenance – Veterans Home (\$500,000) and Land and Acquisitions (\$1.0 million). The program includes maintenance and repair of the state's training and support facilities for the Michigan National Guard, including Army National Guard facilities at Camp Grayling and Fort Custer and Air National Guard facilities at Selfridge and Battle Creek National Guard Air Bases. Training facilities' maintenance costs are funded wholly by the U.S. Department of Defense. The Department of Defense also supports 75% of the costs associated with logistical support facilities.

Unit Gross Appropriation	\$16,500,000
Federal revenues	15,000,000
Total other state restricted revenues	1,000,000
State general fund/general purpose	500,000

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Sec. 105. ONE-TIME APPROPRIATIONS

1. Special maintenance – veterans' home \$3,000,000

State-supported discretionary grants to veterans service organizations to support organizational activities to assist veterans in receiving U.S. Department of Veterans' and other benefits.

2. National guard tuition assistance program reserve 400,000

The one-time appropriation for the national guard tuition assistance program reserve is be expended after the department exhausts the appropriation for national guard tuition assistance program appropriated in section 102.

Unit Gross Appropriation **\$3,400,000**

State general fund/general purpose 3,400,000

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Section Number	Description and History
201(1)	<p><u>Total State Spending in Part 1.</u> Total State spending and payments to locals reporting section for appropriations made in Part 1.</p> <p>Background: This subsection states the total state spending from State resources contained in Part 1 of the bill. It also lists the total payment to local units of government in Part 1 by department. This is a standard boilerplate section contained in all appropriation bills pursuant to 1984 PA 431. The statutory reference is MCL 18.1367.</p>
201(2)	<p><u>Total Statewide State Spending.</u> Estimated total State spending and payments to locals for all appropriation acts.</p> <p>Background: Section 367 of 1984 PA 431 requires that one appropriation bill contain a statement of estimated state spending to be paid to local units of government, total state spending from state resources, and the state-local proportion derived from that data.</p>
201(3)	<p><u>Actual State Spending Reporting.</u> Reporting requirement regarding actual total State spending and payments to locals within 30 days of book closing.</p> <p>Background: First included in FY 1995-96. This information is also required under MCL 18.1386, which requires a Monthly Financial Report.</p>
202	<p><u>Management and Budget Act.</u> States that appropriations authorized under this Act are subject to the Management and Budget Act.</p> <p>Background: This is a standard section contained in all appropriation bills. The first version of this section was contained in the FY 1981-82 General Government Appropriation Bill. The former section provided that appropriations were subject to Act 18 of 1981. Act 18 was repealed by 1984 PA 431.</p>
203	<p><u>Definitions.</u> Definitions of acronyms contained in Act.</p> <p>Background: This is a standard section contained in all appropriation bills.</p>
204a	<p><u>Interdepartmental Grants (IDGs) Received.</u> Provides listing of IDGs received by the department.</p> <p>Background: First included in FY 2013-14.</p>
205a - d	<p><u>Federal Funds Received.</u> Provides list of the various federal funds received under the bill, with federal authority under which they are available.</p> <p>Background: New language for FY 2014-15.</p>
206	<p><u>Contingency Funds.</u> Provides for transfers of non-GF/GP revenue through the legislative transfer process which would increase gross funding.</p> <p>Background: This had been long-standing language until removed from all budgets in FY 2003-04. It returned in FY 2007-08 for all departments, although the amounts vary for each department.</p>

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Section Number	Description and History
207	<p><u>Expenditure Report.</u> Requires a website to show Department expenditures.</p> <p>Background: This section was added in FY 2010-11.</p>
208	<p><u>Internet Reports.</u> Requires use of the Internet to fulfill reporting requirements unless otherwise specified.</p> <p>Background: First included in FY 1999-2000.</p>
209	<p><u>Buy American Intent Language.</u> Prohibits use of funds for purchase of foreign goods or services if competitively priced and comparable quality American goods or services are available.</p> <p>Background: A version of this section was first included in FY 1992-93.</p>
210	<p><u>Deprived and Depressed Communities.</u> Requires department directors to take all reasonable steps necessary to ensure businesses in deprived and depressed communities compete for and perform State contracts.</p> <p>Background: A version of this section was first included in FY 1991-92.</p>
212	<p><u>Retention of Reports.</u> Requires departments and agencies receiving appropriations under this Act to receive and retain copies of all reports funded in the Act. Federal and State guidelines for retention of records shall be followed.</p> <p>Background: First included in FY 1999-2000. This section was the result of an experience in which a specific report was not given to a Legislator.</p>
215	<p><u>Employee Disciplinary Action.</u> Prohibits the Department from taking disciplinary action against an employee for communicating truthfully and to the best of his or her knowledge with a member of the Legislature or his or her staff.</p> <p>Background: Standard section in all appropriations bills added in FY 2005-06.</p>
216	<p><u>Schedule of Programs.</u> Provides notice that schedule of programs listing in part 1 may or may not be funded in the amounts listed, or in the combination of fund sources listed.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
217	<p><u>Efficiencies.</u> Provides guidelines for achieving budgetary efficiencies.</p> <p>Background: First included in FY 2011-12 budget bill.</p>
218	<p><u>Out-of-state Travel.</u> Provides criteria by which state employees may engage in out-of-state travel and requires report of all such travel to the Legislature.</p> <p>Background: First included in FY 2004-05 budget bill.</p>

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Section Number	Description and History
219	<p><u>Quarterly Reports.</u> Requires quarterly report on financial status and performance metrics.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
222	<p><u>Core Services.</u> Provides a list of the core services of the department.</p> <p>Background: First included in FY 2011-12 budget bill.</p>
225	<p><u>Legal Services.</u> Prohibits the Department from hiring an individual to provide legal services which are the responsibility of the Attorney General. Provides an exemption for bonding activities and other activities authorized by the Attorney General.</p> <p>Background: This section was added in FY 2007-08.</p>
227	<p><u>Bid Process.</u> Prohibits the exclusion of public employee unions from bidding on department contracts.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
228	<p><u>GF/GP Lapse Report.</u> Requires the Department to notify the Legislature of estimates of GF/GP end-of-year lapses.</p> <p>Background: This section was added in FY 2010-11.</p>
229	<p><u>Restricted Fund Balances.</u> Requires the Department to provide a restricted fund balance report.</p> <p>Background: This section was added in FY 2012-13.</p>
230	<p><u>Scorecard.</u> Requires the Department to maintain a website that identifies and tracks key performance metrics.</p> <p>Background: Standard section in all appropriations bills added in FY 2013-14.</p>
231	<p><u>Legacy Cost.</u> Provides statement of pension-related legacy costs in part 1.</p> <p>Background: New language for FY 2014-15.</p>
232	<p><u>Capital Outlay Carry Forward.</u> Provides that appropriations for Capital Outlay be carried forward into the next fiscal year.</p> <p>Background: Long-standing language.</p>
233	<p><u>Selling of Property.</u> Requires 60 notice to the Legislature prior to the public announcement of the intent to sell state property.</p> <p>Background: First included in FY 2005-06 budget bill.</p>

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Section Number	Description and History
234	<p><u>Special Maintenance Carry Forward.</u> Provides that appropriations for Special Maintenance be carry forward into the next fiscal year.</p> <p>Background: New language for FY 2014-15.</p>
MILITARY	
300	<p><u>Unclassified Positions.</u> Provides a list of all department unclassified positions.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
301	<p><u>Support Services.</u> Requires administrative support for all operations.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
302	<p><u>Armories and Joint Force Readiness.</u> Requires administration of armories and joint force readiness, including the maintenance of facilities.</p> <p>Background: New language (predominately) for FY 2014-15.</p>
300	<p><u>Armory Closure or Consolidation.</u> Requires department to consult with appropriations subcommittees regarding the projected closure or consolidation of any National Guard armory.</p> <p>Background: First included in FY 2005-06 budget bill.</p>
304	<p><u>National Guard Training Facilities and Air Bases.</u> Requires that the department provide Army and Air Guard forces when necessary and to maintain National Guard army and air bases in the state.</p> <p>Background: New language (predominately) for FY 2014-15.</p>
307	<p><u>Michigan Youth Challenge Academy.</u> Provides a description, guidelines and performance measures for the program.</p> <p>Background: First included in FY 2012-13 budget bill.</p>
308	<p><u>Military Family Relief Fund.</u> Provides a description, guidelines and performance measures for the program.</p> <p>Background: First included in FY 2013-14.</p>
309	<p><u>Starbase Grant.</u> Provides a description, guidelines and performance measures for the program.</p> <p>Background: New language for FY 2014-15.</p>

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Section Number	Description and History
310	<p><u>National Guard Tuition Assistance Program.</u> Provides a description, guidelines and performance measures for the program.</p> <p>Background: New language for FY 2014-15.</p>
311	<p><u>Information Technology Services and Projects.</u> Provides for appropriations for Information Technology Services and Projects to be used as a pass-through to the Department of Technology, Management and Budget for services rendered to the department.</p> <p>Background: New language for FY 2014-15.</p>
MICHIGAN VETERANS AFFAIRS AGENCY	
400	<p><u>Michigan Veterans Affairs Agency Administration.</u> States purpose, guidelines, requirements and performance metrics for the administration of the agency.</p> <p>Background: New language (predominately) for FY 2014-15.</p>
406	<p><u>Veterans Service Grants.</u> States purpose, guidelines, requirements and performance metrics for the grant program and the agency's responsibility to oversee its effectiveness.</p> <p>Background: New language (predominately) for FY 2014-15.</p>
407	<p><u>Veterans' Trust Fund Administration.</u> States purpose, guidelines and reporting requirements for the operation of the fund.</p> <p>Background: New language (in part) for FY 2014-15.</p>
408	<p><u>Veterans' Trust Fund Grants.</u> States guidelines, reporting requirements and a performance metric for the fund.</p> <p>Background: New language (in part) for FY 2014-15.</p>
501	<p><u>Grand Rapids Veterans' Home.</u> States purpose, guidelines, operational requirements. Reporting requirements and performance metrics for the home.</p> <p>Background: New language (in part) for FY 2014-15.</p>
502	<p><u>Board of Managers (Grand Rapids Veterans Home).</u> States purpose, guidelines and reporting requirements for the operation of the Board.</p> <p>Background: New language for FY 2014-15.</p>
503	<p><u>D.J. Jacobetti Veterans' Home.</u> States purpose, guidelines, operational requirements. Reporting requirements and performance metrics for the home.</p>

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Section Number **Description and History**

Background: New language (in part) for FY 2014-15.

504 **Board of Managers (D.J. Jacobetti Veterans Home).** States purpose, guidelines and reporting requirements for the operation of the Board.

Background: New language for FY 2014-15.

CAPITAL OUTLAY

601 **Special Maintenance – National Guard.** Provides a description of maintenance, a provision to designate the appropriation to be carried forward into the next fiscal year and a reporting requirement.

Background: New language for FY 2014-15.

603 **Special Maintenance – Veterans' Homes.** Provides a description of maintenance, a provision to designate the appropriation to be carried forward into the next fiscal year and a reporting requirement.

Background: New language for FY 2014-15.

604 **Land and Acquisitions.** Provides for the acquisition and disposition of National Guard facilities and lands in accordance with 1967 PA 150 and requires an activity report on such actions.

Background: New language for FY 2014-15.

ONE-TIME APPROPRIATIONS

701 **Special Maintenance – Veterans Homes.** Provides a description of one-time maintenance, a provision to designate the appropriation to be carried forward into the next fiscal year and a reporting requirement.

Background: New language for FY 2014-15.

702 **National Guard Tuition Assistance Program Reserve.** Requires that one-time appropriation for the National Guard Tuition Assistance Program be spent only after their department exhausts the appropriation for the program within part 1 of the bill (Sec. 102).

Background: New language for FY 2014-15.

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Section Number	Description and History
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APPROPRIATIONS FOR FY 2015-16

1201 **FY 2015-16.** Provides general guideline for FY 2015-16 appropriations.

Background: New language (in part) for FY 2014-15.

1202 **Veterans Outreach.** Requires a goal of the department to reach 100% of Michigan veterans with outreach services and report to the legislature on the percentage reached.

Background: New language (in part) for FY 2014-15.

1203 **Fully Developed Claims.** Requires the department to maintain a minimum 50% of fully developed veterans' claims.

Background: New language (in part) for FY 2014-15.