



Senate Fiscal Agency
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BILL ANALYSIS



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FY 2005-06 Year-to-Date Gross Appropriation \$120,175,000

Changes from FY 2005-06 Year-to-Date:

Items Included by the House and Senate

- 1. **Military Retirement.** GF/GP funds are added to pay for anticipated payments to retired Michigan Army and Air National Guard per P.A. 150 of 1967. 166,800
- 2. **Grand Rapids Veterans Home.** A shift from restricted revenue (\$1,200,000) to GF/GP due to depletion of Home's Income and Assessments reserve funds. 0
- 3. **Human Resources Service Center Charges.** An adjustment to reflect projected FY 2006-07 Department of Management and Budget Human Resources Service Center charges. 31,400
- 4. **Human Resources Optimization.** A reduction to reflect projected Departmental human resources cost efficiencies. (72,400)
- 5. **Supplemental Adjustment.** A reduction to reflect FY 2005-06 supplemental appropriations from P.A. 153 of 2006. (2,475,600)
- 6. **Economic Adjustments.** Adjustments include a GF/GP total of \$2,278,400. 3,992,400

Conference Agreement on Items of Difference

- 7. **Veterans Service Organizational Grants.** The Senate added a 3% \$117,300 GF/GP increase to grants. The Conference Committee included no increase. 0
- 8. **Challenge Program.** The Senate included local school aid funds of \$1,253,100 are added to the program to supplant existing GF/GP (\$753,100) and to increase overall funding. The House provided GF/GP instead of school aid revenue. The Conference Committee concurred with the Senate. 500,000
- 9. **Starbase Grant.** The Senate added \$260,000 in Federal funds to reflect FY2005-06 supplemental appropriations from P.A. 153 of 2006. The Conference Committee concurred. 260,000
- 10. **Grand Rapids Veterans Home.** The Senate added \$250,000 in restricted revenue to reflect expected revenue. The Conference Committee concurred. 250,000
- 11. **D. J. Jacobetti Veterans Home.** The Senate added \$75,000 in restricted revenue to reflect expected revenue. The Conference Committee concurred. 75,000

Total Changes..... \$2,727,600

FY 2006-07 Conference Report Gross Appropriation \$122,902,600

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2005-06 Year to Date:Conference Agreement on Items of Difference

1. **Budget Reduction Plan.** Requires a proposed GF/GP budget reduction (7.93%) plan by October 15, 2006, as a contingency should the K-16 Ballot Initiative be adopted. Senate. The Conference Committee did not include this language. (Sec. 228)
2. **Challenge Program.** New language provides for two 150-pupil classes and utilization of funding from the School Aid Fund. Senate. The Conference Committee did not include this language. (Sec. 303)
3. **Veterans Service Organizations.** Language added to existing report requirement that research into redundancy of veterans services to be studied. Senate. The Conference Committee concurred. (Sec. 501)
4. **Michigan Veterans Trust Fund.** Language added to existing report requirement that plans for corpus repayment is included. Senate. The Conference Committee concurred. (Sec. 703)

Date Completed: 7-14-06

Fiscal Analyst: Bruce Baker