




Senate Fiscal Agency  
P. O. Box 30036  
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# BILL ANALYSIS

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Senate Bill 1093 (as introduced)

Committee: Appropriations

<b>FY 2005-06 Year-to-Date Gross Appropriation .....</b>	<b>\$117,699,400</b>
<b>Changes from FY 2005-06 Year-to-Date:</b>	
1. <b>Challenge Program.</b> 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 to provide for two 150 pupil classes for FY 2006-07, rather than two 100 pupil classes, as is the case in FY 2005-06.	500,000
2. <b>Military Retirement.</b> 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
3. <b>Grand Rapids Veterans Home.</b> A shift from restricted revenue (\$1,200,000) to GF/GP due to depletion of Home's Income and Assessments reserve funds.	0
4. <b>Human Resources Service Center Charges.</b> An adjustment to reflect projected FY 2006-07 Department of Management and Budget Human Resources Service Center charges.	31,400
5. <b>Human Resources Optimization.</b> A reduction to reflect projected Departmental human resources cost efficiencies.	(72,400)
6. <b>Economic Adjustments.</b> Adjustments include a GF/GP total of \$2,278,400.	3,992,400
Total Changes.....	\$4,618,200
<b>FY 2006-07 Governor's Recommendation.....</b>	<b>\$122,317,600</b>

**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)
11. **Michigan Veterans Trust Fund (MVTF).** States intent to find alternative fund source for Veterans Survivors Tuition Program and, in that event, requires the MVTF Board to only expend MVTF interest earnings and to pay back any MVTF corpus funds that may have been spent. (Sec. 705)

**Amended Boilerplate Sections**

12. **Hiring Freeze.** The Governor changed the interval of required hiring freeze reports to the Legislature from monthly to quarterly. (Sec 205-Gov)
13. **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-Gov)

**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. 212-Gov)
15. **Challenge Program.** Provides for two 150-pupil classes and utilization of funding from the School Aid Fund. (Sec. 303-Gov)

Date Completed: 2-17-06

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