

# FY 2025-26 MILITARY AND VETERANS AFFAIRS BUDGET

H.B. 4706 (P.A. 22 of 2025): INITIAL APPROPRIATIONS

Article 12

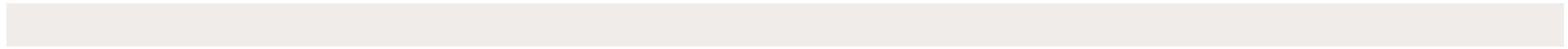


FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2024-25 YEAR-TO-DATE*	FY 2025-26 INITIAL APPROPRIATIONS	CHANGES FROM FY 2024-25 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	1,051.0	967.0	(84.0)	(8.0)
<b>GROSS .....</b>	<b>275,904,100</b>	<b>290,166,300</b>	<b>14,262,200</b>	<b>5.2</b>
Less:				
Interdepartmental Grants Received .....	101,800	101,800	0	0.0
<b>ADJUSTED GROSS .....</b>	<b>275,802,300</b>	<b>290,064,500</b>	<b>14,262,200</b>	<b>5.2</b>
Less:				
Federal Funds .....	144,786,800	148,840,000	4,053,200	2.8
Local and Private.....	100,000	100,000	0	0.0
<b>TOTAL STATE SPENDING.....</b>	<b>130,915,500</b>	<b>141,124,500</b>	<b>10,209,000</b>	<b>7.8</b>
Less:				
Other State Restricted Funds.....	13,221,400	12,953,500	(267,900)	(2.0)
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>117,694,100</b>	<b>128,171,000</b>	<b>10,476,900</b>	<b>8.9</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>4,174,700</b>	<b>4,178,000</b>	<b>3,300</b>	<b>0.1</b>

\*As of October 7, 2025.

## Major Boilerplate Changes from FY 2024-25 Year-to-Date:

1. **Conference included the continuation of most sections of FY 2024-25 boilerplate** and included language prohibiting employee discipline for communicating with legislature (Sec. **206**), requiring restricted fund report (Sec. **212**), prohibiting impeding a marginalized community’s access to services (Sec. **213**), legislative response to State administrative board actions (Sec. **214**), retention of reports (Sec. **219**), costs of policy changes (Sec. **220**), priority on spending down of work projects (Sec. **222**), report on intent to sell property (Sec. **224**), submission of updated strategic plan -amended- (Sec. **229**), prohibiting expending GF/GP if Federal or private funds are available (Sec. **231**), prioritizing in-person workforce (Sec. **233**), contractual requirements/use of E-Verify (Sec. **234**), report on legacy cost (Sec. **236**), report on receipt of private and other third party funds (Sec. **237**), report on Federal policy changes (Sec. **239**), report on court settlements (Sec. **240**), Pharmaceutical research on suicide prevention (Sec. **416**), and requiring board certified psychiatric care for veteran homes (Sec. **505**). The bill included updated tuition benefit language to expand the program into a broader benefit program that would include childcare and health insurance benefits, funded by a new “National Guard member Benefit fund” (Sec. **307, 314, 315,316**), allows for realignment of Federal revenues for the MVFA without legislative action (Sec. **511**). Guidelines for Selfridge (Sec.**701**), and Veterans nonprofit improvement grants (Sec. **702**).



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FY 2024-25 Year-to-Date Appropriation .....	\$275,904,100	\$117,694,100		
	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>				
<b>1. Military Retirement.</b> Conference included a reduction of \$185,000 GF/GP to reflect an actuarially required contribution for State Military Retirement benefit payments.	(185,000)	(185,000)	2,585,600	2,585,600
<b>2. Michigan Veterans' Facility Authority - Align Authorization with Expected Revenues.</b> Conference included a fund-source adjustment to reflect changing revenue levels for State veterans homes for FY 2025-26, including a reduction of \$279,400 Restricted, and an increase of \$3,054,400 Federal.	2,775,000	0	107,598,900	47,858,800
<b>3. Elimination of FY 2024-25 One-time Appropriations.</b> Conference included the elimination of One-Time appropriations from FY 2024-25, including \$15.0 million GF/GP for Selfridge Air National Guard Base, \$2.5 million GF/GP for Veteran Homelessness Elimination Grants, and \$1.5 million GF/GP for VFW National Home.	(19,000,000)	(19,000,000)	0	0
<b>4. Adjustment for FY 2024-25 Appropriations Supplemental.</b> An adjustment is made to reflect the passage of FY 2024-25 supplemental appropriations that provides an increase for Michigan Veterans Facility Authority – Land and Acquisitions of \$4,547,300 GF/GP and a reduction for the National Guard Tuition Assistance Fund of \$4,547,300 GF/GP.	0	0	n/a	n/a
<b>5. Economic Adjustments. Conference</b> included \$2,411,000 Gross and \$1,400,700 GF/GP for total economic adjustments.	2,411,000	1,400,700	n/a	n/a
<b><u>New Programs/Program Increases</u></b>				
<b>6. Michigan National Guard Member Benefits Program.</b> Conference included a restructuring of the Michigan National Guard State Tuition Assistance Program (MINGSTAP) to broaden the purpose of the current general fund appropriation for the program to cover MINGSTAP costs and two new guard member assistance programs, a child care assistance program and a Tri-Care health assistance program. There would be no net funding change. The estimated annual cost of the child care program is \$2.3 million, the Tri-Care program \$1.6 million, and the tuition program \$6.5 million. The \$11,244,800 GF/GP appropriated would cover the benefit programs and associated staff costs to administer the programs	0	0	11,244,800	11,244,800

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	CHANGE FROM FY 2024-25 Y-T-D		FY 2025-26 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
which includes the addition of 4.0 FTEs. To effectuate the restructuring of the program, amendments to statute will be necessary (potentially under SB 540-542) to create the new programs and require that the current balance of the tuition fund be transferred to the new member benefit fund.				
<b><u>Eliminations/Reductions</u></b>				
<b>7. Michigan Veterans Affairs Agency Administration.</b> Conference included a reduction of \$1.7 million to the administration budget line for the Michigan Veterans Affairs Agency.	(1,738,800)	(1,738,800)	8,381,300	7,601,800
<b>8. Removal of Authorization for Unfunded FTE Positions.</b> Conference removed unfunded FTE positions previously authorized for the Grand Rapids Veterans Home for Veterans (62,0 FTEs), The D.J. Jacobetti Veterans Home for Veterans (21.0 FTEs) and the Chesterfield Township Home for Veterans (5.0 FTE)	0	0	0	0
<b><u>One-Time Appropriations</u></b>				
<b>9. Selfridge Air National Guard Base.</b> Conference included additional one-time \$26.0 million GF/GP to support the National Guard's efforts to comply with applicable air installation use zone program recommendations, by making capital improvements to shift the runway to the north and necessary related airfield and non-airfield improvements.	26,000,000	26,000,000	26,000,000	26,000,000
<b>10. Veterans Nonprofit Improvement Grants.</b> Conference included \$4.0 million GF/GP for a competitive grant program to assist efforts to improve or upgrade facilities that are owned by nonprofit organizations that provide services to veterans.	4,000,000	4,000,000	4,000,000	4,000,000
<b>Total Changes</b> .....	<b>\$14,262,200</b>	<b>\$10,476,900</b>		
<b>FY 2025-26 INITIAL APPROPRIATIONS</b> .....	<b>\$290,166,300</b>	<b>\$128,171,000</b>		

Date Completed: 10-7-25

Fiscal Analyst: Bruce R. Baker