

SUBSTITUTE FOR

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2015; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this part,
4 the amounts listed in this part for the department of military and
5 veterans affairs are appropriated for the fiscal year ending
6 September 30, 2015 from the funds indicated in this part. The
7 following is a summary of the appropriations in this part:

8 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

9 APPROPRIATION SUMMARY

1	Full-time equated unclassified positions.....	9.0	
2	Full-time equated classified positions.....	889.5	
3	GROSS APPROPRIATION.....		\$ 167,201,600
4	Total interdepartmental grants and intradepartmental		
5	transfers		100,000
6	Schedule of interdepartmental grant revenue sources:		
7	IDG, state police	100,000	
8	ADJUSTED GROSS APPROPRIATION.....		\$ 167,101,600
9	Total federal revenues.....		90,362,800
10	Schedule of federal revenue sources:		
11	DOD-DOA-NGB	60,025,300	
12	DVA-VHA	27,235,700	
13	HHS-HCFA, Medicare, hospital insurance.....	2,963,500	
14	HHS-HCFA, title XIX, Medicaid.....	88,300	
15	Federal counter narcotics revenues.....	50,000	
16	Total local revenues.....		1,500,000
17	Schedule of local revenue sources:		
18	Local - school aid fund	1,500,000	
19	Total private revenues.....		740,000
20	Schedule of private revenue sources:		
21	Private - veterans' home post and posthumous		
22	funds	540,000	
23	Private donations	200,000	
24	Total other state restricted revenues.....		25,086,400
25	Schedule of restricted revenue sources:		
26	Rental fees	346,400	
27	Mackinac Bridge authority	70,000	

1	Test project fees	100,000	
2	Income and assessments	17,356,100	
3	Lease revenue	12,200	
4	Michigan veterans trust fund	5,201,700	
5	Michigan national guard construction fund..	1,000,000	
6	Military family relief fund	1,000,000	
7	State general fund/general purpose	\$	49,412,400
8	State general fund/general purpose schedule:		
9	Ongoing state general fund/general		
10	purpose	46,412,400	
11	One-time state general fund/general		
12	purpose	3,000,000	
13	Sec. 102. MILITARY		
14	Full-time equated unclassified positions.....	9.0	
15	Full-time equated classified positions.....	324.0	
16	Unclassified positions	\$	1,370,100
17	Military.....		<u>63,704,300</u>
18	GROSS APPROPRIATION.....	\$	65,074,400
19	Appropriated from:		
20	Interdepartmental grant revenues		100,000
21	Federal revenues		45,489,000
22	Local revenues		1,500,000
23	Private revenues		200,000
24	State restricted revenues		1,523,600
25	State general fund/general purpose	\$	16,261,800
26	Schedule of programs:		
27	Support services	1,909,400	

1	Armories and joint force readiness.....	16,136,500	
2	Maintenance and operations of national		
3	guard training facilities and air bases .	32,050,600	
4	ChalleNGe program	4,549,200	
5	Military family relief fund	600,000	
6	Starbase grant	2,322,000	
7	National guard tuition assistance program..	5,000,000	
8	Information technology services and		
9	projects	1,136,600	
10	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
11	Full-time equated classified positions.....	565.5	
12	Michigan veterans affairs agency.....	\$	16,059,300
13	Homes.....		<u>66,567,900</u>
14	GROSS APPROPRIATION.....	\$	82,627,200
15	Appropriated from:		
16	Federal revenues.....		29,873,800
17	Private revenues.....		540,000
18	State restricted revenues.....		22,562,800
19	State general fund/general purpose.....	\$	29,650,600
20	Schedule of programs:		
21	Veterans affairs agency administration.....	7,045,100	
22	General legal services/federal		
23	representation	50,000	
24	Veterans advice, advocacy, and assistance		
25	grants	3,762,500	
26	Veterans' trust fund administration.....	1,455,200	
27	Veterans' trust fund grants	3,746,500	

1	Grand Rapids veterans' home	46,012,600	
2	Board of managers (Grand Rapids home)	665,000	
3	D.J. Jacobetti veterans' home	19,615,300	
4	Board of managers (Jacobetti home)	275,000	
5	Sec. 104. CAPITAL OUTLAY		
6	Special maintenance - military training sites		
7	and support facilities	\$	15,000,000
8	Special maintenance - veterans' homes		500,000
9	Land acquisitions and appraisals		<u>1,000,000</u>
10	GROSS APPROPRIATION	\$	16,500,000
11	Appropriated from:		
12	Federal revenues		15,000,000
13	State restricted revenues		1,000,000
14	State general fund/general purpose	\$	500,000
15	Sec. 105. ONE-TIME APPROPRIATIONS		
16	Special maintenance - veterans' homes	\$	<u>3,000,000</u>
17	GROSS APPROPRIATION	\$	3,000,000
18	Appropriated from:		
19	State general fund/general purpose	\$	3,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources

under part 1 for fiscal year 2014-2015 is \$74,498,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military.....	\$	50,000
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Schedule of programs:

Payments in lieu of taxes	50,000
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Veterans affairs agency administration.....	\$	<u>50,000</u>
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Schedule of programs:

County counselor education and training expenses	50,000
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TOTAL.....	\$	100,000
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Sec. 202. The appropriations authorized under this part are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part:

(a) "Agency" means the Michigan veterans affairs agency.

(b) "Department" means the department of military and veterans affairs.

(c) "DOD" means the United States department of defense.

(d) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.

(e) "DVA" means the United States department of veterans affairs.

(f) "DVA-VHA" means the DVA veterans health administration.

1 (g) "FTE" means full-time equated.

2 (h) "HHS" means the United States department of health and
3 human services.

4 (i) "IDG" means interdepartmental grant.

5 (j) "Large veterans service organization" means a VSO that can
6 certify that its membership exceeds 30,000 individuals.

7 (k) "Medium veterans service organization" means a VSO that
8 can certify that its membership is between 2,500 and 30,000
9 individuals.

10 (l) "Small veterans service organization" means a VSO that can
11 certify that its membership is between 1,000 and 2,499 individuals.

12 (m) "Subcommittees" means all members of the subcommittees of
13 the senate and house appropriations committees with jurisdiction
14 over the budget of the department.

15 (n) "VSO" means veterans service organization.

16 (o) "Work project" means a group of activities featuring a
17 fixed duration, budget, and scope that is expected to cause a
18 measurable change in the delivery, efficiency, or effectiveness of
19 1 or more operations.

20 Sec. 204. The appropriations from part 1 for interdepartmental
21 grant funds received by the department from sources outside the
22 department consist of \$100,000.00 from the department of state
23 police.

24 Sec. 206. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$10,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in this part under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

3 (2) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$2,000,000.00 for state
5 restricted contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in this part under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393.

9 (3) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$100,000.00 for local
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in this part
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

15 (4) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$100,000.00 for private
17 contingency funds. These funds are not available for expenditure
18 until they have been transferred to another line item in this part
19 under section 393(2) of the management and budget act, 1984 PA 431,
20 MCL 18.1393.

21 Sec. 207. The department shall cooperate with the department
22 of technology, management, and budget to maintain a searchable
23 website that is accessible by the public at no cost that includes,
24 but is not limited to, all of the following:

- 25 (a) Fiscal year-to-date expenditures by category.
- 26 (b) Fiscal year-to-date expenditures by appropriation unit.
- 27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and
2 payment description.

3 (d) The number of active department employees by job
4 classification.

5 (e) Job specifications and wage rates.

6 Sec. 208. The departments and agencies receiving
7 appropriations in part 1 shall use the Internet to fulfill the
8 reporting requirements of this part. This requirement may include
9 transmission of reports via electronic mail to the recipients
10 identified for each reporting requirement, or it may include
11 placement of reports on an Internet or Intranet site.

12 Sec. 209. Funds appropriated in part 1 shall not be used for
13 the purchase of foreign goods or services, or both, if
14 competitively priced and of comparable quality American goods or
15 services, or both, are available. Preference shall be given to
16 goods or services, or both, manufactured or provided by Michigan
17 businesses, if they are competitively priced and of comparable
18 quality. In addition, preference shall be given to goods or
19 services, or both, that are manufactured or provided by Michigan
20 businesses owned and operated by veterans, if they are
21 competitively priced and of comparable quality. In addition,
22 preference shall be given to goods or services, or both, that are
23 manufactured or provided by Michigan small businesses that have
24 veterans compose at least 35% of their total workforce. As used in
25 this section, "veteran" means that term as defined in section 261
26 of the management and budget act, 1984 PA 431, MCL 18.1261. As used
27 in this section, "small business" means that term as defined in

1 section 7a of the administrative procedures act of 1969, 1969 PA
2 306, MCL 24.207a.

3 Sec. 210. The department shall take all reasonable steps to
4 ensure businesses in deprived and depressed communities compete for
5 and perform contracts to provide services or supplies, or both. The
6 director of the department shall strongly encourage firms with
7 which the department contracts to subcontract with certified
8 businesses in depressed and deprived communities for services,
9 supplies, or both.

10 Sec. 212. The departments and agencies receiving
11 appropriations in part 1 shall receive and retain copies of all
12 reports funded from appropriations in part 1. Federal and state
13 guidelines for short-term and long-term retention of records shall
14 be followed. The department may electronically retain copies of
15 reports unless otherwise required by federal and state guidelines.

16 Sec. 215. The department shall not take disciplinary action
17 against an employee for communicating with a member of the
18 legislature or his or her staff.

19 Sec. 216. (1) Notwithstanding any other provision of this
20 part, the schedule of programs in part 1 lists programs which may,
21 but are not required to be, funded under this part.

22 (2) Notwithstanding any other provisions of this part, the
23 schedule of revenue sources in part 1 may or may not be received
24 from the funding entities listed.

25 (3) Any funding required by statute is not subject to funding
26 flexibility and shall be funded in accordance with that statute.

27 Sec. 217. The department shall improve its budgetary

1 efficiency pertaining to the delivery of core services delineated
2 in section 222 by doing all of the following:

3 (a) Prioritizing personnel over buildings in budgetary
4 efficiency considerations.

5 (b) Pursuing the physical or virtual consolidation of support
6 service functions such as information technology, human resources,
7 and accounting as a means of improving standardization and
8 efficiency.

9 (c) Seeking expenditure reductions whenever possible through
10 the streamlining of existing service delivery activities.

11 (d) Identifying efficiencies that can be gained via the
12 reduction or elimination of programs, policies, and practices which
13 have outlived their usefulness.

14 Sec. 218. The departments and agencies receiving
15 appropriations in part 1 shall prepare a report on out-of-state
16 travel expenses not later than January 1 of each year. The travel
17 report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately
19 preceding fiscal year that was funded in whole or in part with
20 funds appropriated in the department's budget. The report shall be
21 submitted to the senate and house appropriations committees, the
22 house and senate fiscal agencies, and the state budget director.
23 The report shall include the following information:

24 (a) The dates of each travel occurrence.

25 (b) The total transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state

1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 219. (1) The department shall provide quarterly reports,
4 beginning October 1, to the subcommittees and the senate and house
5 fiscal agencies, which provide the following data:

6 (a) A list of all major work projects, including a status
7 report of each project.

8 (b) The department's financial status, featuring a report of
9 budgeted versus actual expenditures by part 1 line item including a
10 year-end projection of budget requirements. If projected department
11 budget requirements exceed the allocated budget, the report shall
12 include a plan to reduce overall expenses while still satisfying
13 specified service level requirements.

14 (c) Evidence of efficiencies and management of funds within
15 established appropriations, documented through the DTMB monthly
16 expenditure report as described in section 301(3) of this part.

17 (d) A list of armory closings and projected closings.

18 (e) A list of property sales as described in section 223 of
19 this part.

20 (f) A report on the status of performance metrics cited in
21 this article.

22 (g) A list of the performance measures, outcomes, and
23 initiatives developed by the agency in the strategic plan required
24 by section 501 of 2013 PA 9.

25 (h) The number of active employees at the close of the fiscal
26 quarter by job classification and program.

27 (2) The department shall provide a corrective action plan

1 within 30 days of a quarterly report under this section for any
2 requirements of this part that have not been achieved. The
3 department shall provide a monthly status of corrective action
4 plans.

5 (3) The department shall provide a summary of fund shifts,
6 that have been approved by the state budget office, that have
7 occurred between items listed in the schedule of programs mentioned
8 in part 1 on a quarterly basis to the subcommittees and the senate
9 and house fiscal agencies.

10 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall
11 provide to the subcommittees the results of the veterans' homes
12 annual veterans' affairs inspection and their corrective action
13 plans.

14 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall
15 provide a list of maintenance projects, and their respective costs,
16 funded from the special maintenance appropriations in part 1.

17 Sec. 220. The department shall provide the following data to
18 the subcommittees and the senate and house fiscal agencies on an
19 annual basis:

20 (a) Using information received from the grant recipients in
21 section 401 of this part, a progress report on metric requirements,
22 copies of certified financial audits and tax reports of grant
23 recipients, a listing from grant recipients of expenditures by
24 spending category, including a listing of individual salaries of
25 each officer and administrative staff, a listing of volunteer hours
26 including the hours, series, and donations provided to residents of
27 the Grand Rapids veterans' home and the D.J. Jacobetti veterans'

1 home. The department shall provide within the report a specific
2 notification whether any veterans grant recipients failed to comply
3 with established reporting requirements.

4 (b) The Grand Rapids veterans' home and the D.J. Jacobetti
5 veterans' home shall produce a report including an accounting of
6 member populations and bed space available, a description and
7 accounting of services and activities provided to members,
8 financial information, and current state nursing home licensure
9 status.

10 (c) A detailed report of the Michigan veterans' trust fund
11 that includes information on grants provided from the emergency
12 grant program, including details concerning the methodology of
13 allocations, the selection of emergency grant program authorized
14 agents, a description of how the emergency grant program is
15 administered in each county, and a detailed breakdown of trust fund
16 expenditures for that year, including the amount distributed to
17 each county for administrative costs and emergency grants. The
18 report shall also provide an update on the department's efforts to
19 reduce program administrative costs and maintain the Michigan
20 veterans' trust fund corpus to its original amount of at least
21 \$50,000,000.00.

22 Sec. 222. The appropriations in part 1 are for the core
23 services, support services, and work projects of the department,
24 including, but not limited to, the following core services:
25 armories and joint forces readiness; maintenance and operation of
26 army national guard training facilities and air bases; veterans
27 affairs agency administration; veterans' trust fund administration;

1 veterans advice, advocacy, and assistance grants; the military
2 family relief fund; the challenge program; and the Grand Rapids
3 veterans' home and the D.J. Jacobetti veterans' home. As used in
4 this section, "core services" means that phrase as defined in
5 section 373 of the management and budget act, 1984 PA 431, MCL
6 18.1373.

7 Sec. 223. Sixty days prior to the public announcement of the
8 intention to sell any department property, the department shall
9 submit notification of that intent to the subcommittees and the
10 senate and house fiscal agencies.

11 Sec. 225. Funds appropriated in part 1 shall not be used by
12 the department to hire a person to provide legal services that are
13 the responsibility of the attorney general. This prohibition does
14 not apply to legal services for bonding activities and for those
15 activities that the attorney general authorizes.

16 Sec. 227. The department shall not exclude public employee
17 unions from the bid process.

18 Sec. 228. Not later than November 30, the state budget office
19 shall prepare and transmit a report that provides for estimates of
20 the total general fund/general purpose appropriations lapses at the
21 close of the fiscal year. This report shall summarize the projected
22 year-end general fund/general purpose appropriations lapses by
23 major departmental program or program areas. The report shall be
24 transmitted to the office of the state budget, the chairpersons of
25 the senate and house standing committees on appropriations, the
26 subcommittees, and the senate and house fiscal agencies.

27 Sec. 229. Within 14 days after the release of the executive

1 budget recommendation, the department shall cooperate with the
2 state budget office to provide the senate and house appropriations
3 chairs, the subcommittees, and the senate and house fiscal agencies
4 with an annual report on estimated state restricted fund balances,
5 state restricted fund projected revenues, and state restricted fund
6 expenditures for the fiscal years ending September 30, 2014 and
7 September 30, 2015.

8 Sec. 230. The department shall maintain, on a publicly
9 accessible website, a department scorecard that identifies, tracks,
10 and regularly updates key metrics that are used to monitor and
11 improve the agency's performance.

12 Sec. 231. Total authorized appropriations from all sources
13 under part 1 for legacy costs for the fiscal year ending September
14 30, 2015 is \$20,013,100.00. From this amount, total agency
15 appropriations for pension-related legacy costs are estimated at
16 \$11,180,100.00. Total agency appropriations for retiree health care
17 legacy costs are estimated at \$8,833,000.00.

18 **MILITARY**

19 **UNCLASSIFIED POSITIONS**

20 Sec. 300. (1) From the funds appropriated in part 1, there is
21 funding to support unclassified employee positions as authorized by
22 section 5 of article XI of the state constitution of 1963. These
23 positions include the following: department director - the adjutant
24 general for Michigan; assistant adjutant general - army; assistant
25 adjutant general - installations; assistant adjutant general - air;
26 senior policy executive - Michigan veterans affairs agency; senior

1 deputy director - state operations; director - strategy and policy;
2 advisor - public safety group; and director - Michigan veterans
3 affairs agency.

4 (2) Not less than 30 days prior to the department submitting a
5 request for an additional unclassified employee position from the
6 civil service commission, or for any substantive change to the
7 duties of an existing unclassified employee position, the
8 department shall notify the subcommittees and the senate and house
9 fiscal agencies.

10 **SUPPORT SERVICES**

11 Sec. 301. (1) The department shall provide administrative
12 support for department operations.

13 (2) The department shall maintain the staffing and resources
14 necessary to ensure proper accountability of state funds.

15 (3) The department shall maintain the staffing and resources
16 necessary to adhere to the state of Michigan financial management
17 guide for accounting, contracting, purchasing, budgeting, and
18 financial reporting and the administrative guide to state
19 government.

20 (4) The department shall ensure fiscal controls relating to
21 procurement of goods and services and other expenditures.

22 **ARMORIES AND JOINT FORCE READINESS**

23 Sec. 302. (1) From the funds appropriated in part 1 for
24 military operations, effective and efficient executive direction
25 and administrative leadership shall be provided to the department.

26 (2) The department shall operate and maintain national guard
27 armories.

1 (3) The department shall provide resources necessary to ensure
2 that armories are maintained in accordance with army regulations.

3 (4) The department shall evaluate armories for consolidation,
4 energy, and utility efficiency and identify work projects that
5 would improve this efficiency and submit a quarterly report on the
6 status and activities of the armories as provided in section 219,
7 including a list of maintenance projects and their respective
8 costs, funded from the special maintenance projects in part 1.

9 (5) The department shall establish a system that measures the
10 condition and adequacy of armory facilities using both quality and
11 functionality criteria based off the installation status report-
12 infrastructure inspections that are conducted annually as a
13 requirement set forth by the national guard.

14 **MAINTENANCE AND OPERATIONS OF NATIONAL GUARD TRAINING FACILITIES**
15 **AND AIR BASES**

16 Sec. 304. (1) The department shall provide army and air
17 national guard forces, when directed, for state and local
18 emergencies and in support of national military requirements.

19 (2) The department shall operate and maintain army national
20 guard training facilities, including Fort Custer and Camp Grayling.

21 (3) The department shall maintain a system that measures the
22 condition and adequacy of air facilities using both quality and
23 functionality criteria.

24 (4) The department shall operate and maintain air national
25 guard air bases, including Selfridge air national guard base,
26 Battle Creek air national guard base, and Alpena combat readiness
27 training center.

1 CHALLENGE PROGRAM

2 Sec. 307. (1) The department shall maintain the Michigan youth
3 challenge academy to provide values, skills, education, and self-
4 discipline instruction for at-risk youth.

5 (2) The department shall provide the staffing and resources
6 necessary to train 144 cadets simultaneously at the Michigan youth
7 challenge academy.

8 (3) The department shall ensure that the average grade level
9 increase for Michigan youth challenge academy graduates is 2 years
10 as measured with the test adult basic education (TABE) metrics.

11 (4) The department shall take steps to recruit candidates to
12 the challenge program from economically disadvantaged areas,
13 including those with low-income and high-unemployment backgrounds.

14 (5) The department shall partner with the department of human
15 services to identify youth who may be eligible for the challenge
16 program from those youth served by department of human services
17 programs. These eligible youth shall be given priority for
18 enrollment in the program.

19 MILITARY FAMILY RELIEF FUND

20 Sec. 308. (1) The department shall provide grants for
21 disbursement from the military family relief fund.

22 (2) The department shall provide quarterly reports to the
23 subcommittees on the revenues, expenditures, and fund balance of
24 the Michigan military family relief fund.

25 (3) The department shall provide quarterly reports to the
26 subcommittees on the applications received for assistance from the
27 Michigan military family relief fund.

1 (4) The department shall provide sufficient staffing and other
2 resources to provide outreach to the Michigan families of members
3 of the reserve component of the armed forces called into active
4 duty and to support the processing and approval of at least 60
5 grant applications for fiscal year 2014-2015 under the Michigan
6 military relief fund and report those applications at quarterly
7 legislative hearings of the subcommittees.

8 **STARBASE GRANT**

9 Sec. 309. (1) The department shall maintain the starbase
10 program to improve the education of at-risk students in math,
11 science, and technology.

12 (2) The department shall use the appropriation in part 1 for
13 the starbase grant to fund the DOD starbase program as outlined in
14 10 USC 2193b. The purpose of the program is to improve the
15 knowledge, skills, and interest of students in kindergarten through
16 twelfth grade in math, science, and technology. The starbase
17 program is to specifically target minority and at-risk students for
18 participation.

19 (3) The starbase program shall maintain current program
20 offerings serving K-12 school districts in the state through
21 existing program sites which include starbase one, located at
22 Selfridge air national guard base, starbase Battle Creek, located
23 at Battle Creek air national guard base, and starbase Alpena,
24 located at Alpena combat readiness training center.

25 **NATIONAL GUARD TUITION ASSISTANCE PROGRAM**

26 Sec. 310. (1) The department shall establish and maintain a
27 national guard tuition assistance program for members of the

1 Michigan air and army national guard.

2 (2) The objective of the national guard tuition program is to
3 bolster military readiness by increasing recruitment and retention
4 of Michigan air and army national guard service members (and to
5 fill federally authorized strength levels for the state), improve
6 the Michigan air and army national guard's competitive draw from
7 other military enlistment options in the state, enhance the ability
8 of the Michigan air and army national guard to compete for members
9 and federal dollars with surrounding states, and increase the pool
10 of eligible candidates within the Michigan air and army national
11 guard to become commissioned officers.

12 (3) The national guard tuition program shall be designed after
13 the federal tuition assistance program model and shall cover 100%
14 of tuition and authorized fees, up to \$4,500.00 a year, for
15 Michigan air and army national guard members to pursue course work
16 in programs leading to a certificate, a first associate,
17 bachelor's, or master's degree. To be eligible for the program, a
18 Michigan air and army national guard member would have to be
19 qualified in a military occupational skill, remain in active
20 drilling status with a service contract, be a member in good
21 standing, meet yearly physical fitness and weight control
22 standards, and maintain a 2.0 GPA (on a 4.0 scale).

23 (4) The department shall make efforts to reach the number of
24 Michigan air and army national guard members participating in the
25 program to 1,000 during the third year of the program's existence.
26 To evaluate the effectiveness of the program, the department shall
27 monitor the number of new recruits and new reenlistments and the

1 percentage of those who become participants in the program and by
2 how competitively the percentage of authorized Michigan air and
3 army national guard strength obtained—and retained—compares to the
4 neighboring air and army national guards from the states of
5 Illinois, Indiana, Ohio, and Wisconsin.

6 **INFORMATION TECHNOLOGY SERVICES AND PROJECTS**

7 Sec.311. The funds appropriated in part 1 for information
8 technology services and projects shall be used as a pass through
9 via an IDG to the department of technology, management, and budget
10 for technology services, including maintenance and repair services,
11 and technology projects, to maximize the operational efficiency and
12 effectiveness of the department.

13 **MICHIGAN VETERANS AFFAIRS AGENCY**

14 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

15 Sec. 401. (1) The Michigan veterans affairs agency shall
16 provide outreach services to Michigan veterans that advise them on
17 the benefits to which they are entitled.

18 (2) The agency shall maintain the staffing partnerships and
19 other resources necessary to develop and operate an outreach
20 program that will communicate benefit eligibility information to at
21 least 50% of the 680,417 Michigan veterans with a goal of reaching
22 100% and enable 100% to access benefit information online.

23 (3) The agency shall communicate veteran benefit information
24 pertaining to the Michigan military family relief fund, Michigan
25 veterans' trust fund, and United States department of veterans
26 affairs health, financial, and memorial benefits to which they are

1 entitled.

2 (4) The agency shall provide sufficient staffing and other
3 resources to approve requests for military discharge certificates
4 (DD-214) for fiscal year 2014-2015 and report to the subcommittees
5 quarterly.

6 (5) From the funds appropriated in part 1, the department
7 shall continue the process to digitize all medical records and
8 military discharge documents which are currently on paper and
9 microfilm and report to the subcommittees quarterly on the progress
10 of these efforts.

11 (6) The agency shall provide claims processing services to
12 Michigan veterans in support of benefit claims submitted to the
13 United States department of veterans affairs for the health,
14 financial, and memorial benefits for which they are eligible.

15 (7) The agency shall maintain the staffing and resources
16 necessary to process a minimum of 500 claims per year.

17 (8) The agency shall ensure that a minimum of 40% of the
18 claims submitted by agency personnel are fully developed claims as
19 tracked by the United States department of veterans affairs and
20 report on this effort at quarterly legislative hearings of the
21 subcommittees.

22 (9) The agency shall provide training support for county
23 veterans counselors.

24 (10) The agency shall provide resources necessary to provide
25 county veterans counselors with training to ensure quality benefit
26 counseling services to veterans. From the funds appropriated in
27 part 1, \$50,000.00 shall be allocated for training support.

1 (11) The Michigan veterans affairs agency and the Michigan
2 veterans' trust fund administration shall take steps to assist the
3 county veterans counselors of this state to obtain training
4 necessary for the execution of their duties.

5 (12) The agency shall develop and implement a process to
6 ensure that all county counselors receive the training and
7 accreditation necessary to provide quality services to our
8 veterans.

9 (13) The agency shall provide the percentage of county
10 counselors trained by the department at quarterly legislative
11 hearings of the subcommittees.

12 (14) The agency shall provide the percentages of fully
13 developed claims submitted by county counselors trained by the
14 department with a goal of 40% at quarterly legislative hearings of
15 the subcommittees.

16 (15) The agency shall create a 5-member advisory board
17 consisting of presidents or commanders from 2 large veterans
18 service organizations, 2 medium veterans service organizations, and
19 1 small veterans service organization. The board shall meet no less
20 than twice a year, without reimbursement by the agency, and shall
21 assist the agency in developing plans, reviewing service delivery
22 initiatives, and identifying services and projects that assist in
23 meeting agency performance objectives.

24 **GENERAL LEGAL SERVICES/FEDERAL REPRESENTATION**

25 Sec. 402. The agency is authorized to hire legal services for
26 the amount specified in part 1 for general legal services/federal
27 representation to represent veterans benefit cases before federal

1 court in order to maintain accreditation under 38 CFR

2 14.628(d)(1)(iv).

3 **VETERANS ADVICE, ADVOCACY, AND ASSISTANCE GRANTS**

4 Sec. 403. (1) The agency shall manage the disbursement of
5 veterans advice, advocacy, and assistance grants to veterans
6 service organizations.

7 (2) The agency shall work to ensure that a minimum of 40% of
8 the claims submitted by the VSO on behalf of our veterans are fully
9 developed claims as tracked by the United States department of
10 veterans affairs and report on this effort at quarterly legislative
11 hearings of the subcommittees.

12 (3) The agency shall disburse VSO grants to assist them to
13 achieve agency goals and performance objectives in partnership with
14 the VSOs. Grants to VSOs will be disbursed to fund programs and
15 projects which are determined by the agency to meet agency
16 performance objectives.

17 (4) The agency shall ensure that each VSO that receives grants
18 is issued performance standards.

19 (5) The agency shall ensure that each VSO that receives grant
20 funds uses those funds for veterans advocacy and outreach.

21 (6) The agency shall monitor the performance of each VSO that
22 receives grants.

23 **VETERANS TRUST FUND ADMINISTRATION AND GRANTS**

24 Sec. 405. (1) The Michigan veterans' trust fund board together
25 with the agency shall provide emergency grants for disbursement
26 from the Michigan veterans' trust fund.

27 (2) The Michigan veterans' trust fund board together with the

1 agency shall maintain the staffing and resources necessary to
2 process a minimum of 2,000 applications for veterans' trust fund
3 emergency grants.

4 **GRAND RAPIDS VETERANS' HOME**

5 Sec. 501. (1) The department shall provide compassionate,
6 quality interdisciplinary care at the state's Grand Rapids
7 veterans' home so that members can achieve their highest potential
8 of wellness, independence, self-worth, and dignity.

9 (2) The department shall provide resources necessary to
10 provide adequate nursing care services to veterans in accordance
11 with federal standards, including the following:

12 (a) A licensed minimum number of 403 residents in skilled
13 nursing beds at the Grand Rapids veterans' home.

14 (b) A licensed minimum number of 72 residents in domiciliary
15 beds at the Grand Rapids veterans' home.

16 (3) The Grand Rapids veterans' home shall ensure that its
17 medical staffing is in accordance with United States department of
18 veterans affairs standards.

19 (4) The Grand Rapids veterans' home shall ensure that
20 transportation is assured for each resident for every medical
21 appointment outside the veterans' home.

22 (5) The Grand Rapids veterans' home shall ensure that each
23 member resident receives daily laundry service.

24 (6) The Grand Rapids veterans' home shall ensure that
25 maintenance and custodial services are provided for each home in
26 accordance with applicable local, state, and federal standards.

27 (7) The Grand Rapids veterans' home shall ensure that each

1 resident receives a medical and care assessment including a dietary
2 plan upon admission to the home, with meals and snacks provided in
3 accordance with the plan and R 325.20803 of the Michigan
4 administrative code.

5 (8) Appropriations in this article for the Grand Rapids
6 veterans' home shall not be used for any purpose other than for
7 veterans and veterans' families.

8 (9) Any contractor providing competency evaluated nursing
9 assistants (CENA) to the Grand Rapids veterans' home shall ensure
10 that each CENA has at least 8 hours of training on information
11 provided by the veterans' home.

12 (10) Any contractor providing competency evaluated nursing
13 assistants to the Grand Rapids veterans' home shall ensure that
14 each CENA has at least 1 eight-hour shift of shadowing at the
15 veterans' home.

16 (11) Any contractor providing competency evaluated nursing
17 assistants to the Grand Rapids veterans' home shall ensure that
18 each CENA is competent in the basic skills needed to perform his or
19 her assigned duties at the veterans' home.

20 (12) Any contractor providing competency evaluated nursing
21 assistants to the Grand Rapids veterans' home shall ensure that
22 each CENA has at least 1 year of experience in long-term care.

23 (13) The Grand Rapids veterans' home shall provide each CENA
24 at least 12 hours of in-service training once that individual has
25 been assigned to the veterans' home.

26 (14) The Grand Rapids veterans' home shall ensure that care
27 services are provided to each resident of the veterans' home in

1 accordance with standards set by the United States department of
2 veterans affairs.

3 (15) All complaints of abuse or neglect at the Grand Rapids
4 veterans' home by a resident member, a resident member's family or
5 legal guardian, or staff of the veterans' home, received by a
6 supervisor shall be referred to the director of nursing within 10
7 days of receiving such complaint. The board of managers may
8 establish a policy that requires reports on allegations of abuse or
9 neglect to be reported to the director of nursing more frequently.
10 The director of nursing shall report on not less than a monthly
11 basis, except that the board of managers may specify a more
12 frequent reporting period, to the home administrator, board of
13 managers, agency, subcommittees, and the senate and house fiscal
14 agencies the following information:

15 (a) A description of the process by which resident members and
16 others may file complaints of alleged abuse or neglect at the Grand
17 Rapids veterans' home.

18 (b) Summary statistics on the number and general nature of
19 complaints of abuse or neglect.

20 (c) Summary statistics on the final disposition of complaints
21 of abuse or neglect received.

22 (16) The process by which visitors, residents, and employees
23 of the Grand Rapids veterans' home may register complaints shall be
24 displayed in high-traffic areas throughout the home.

25 (17) The Grand Rapids veterans' home shall provide an on-site,
26 board-certified psychiatrist for all resident members with mental
27 health disorders in order to ensure that those resident members

1 receive needed services in a professional and timely manner. The
2 Grand Rapids veterans' home shall provide all members and staff a
3 safe and secure environment.

4 (18) The Grand Rapids veterans' home shall ensure that it
5 effectively develops, executes, and monitors all comprehensive care
6 plans in accordance with federal regulations and its internal
7 policies, with a goal that a comprehensive care plan is fully
8 developed for all resident members.

9 (19) The Grand Rapids veterans' home shall implement controls
10 over its food, maintenance supplies, and medical supplies
11 inventories.

12 (20) The Grand Rapids veterans' home shall implement controls
13 over its pharmaceutical inventory.

14 (21) The Grand Rapids veterans' home shall establish
15 sufficient controls for calculating resident member maintenance
16 assessments in order to accurately calculate resident member
17 maintenance assessments for each billing cycle. The Grand Rapids
18 veterans' home shall establish sufficient controls to ensure that
19 all past due resident member maintenance assessments are addressed
20 within 30 days.

21 (22) The Grand Rapids veterans' home shall establish
22 sufficient controls over monetary donations and donated goods.

23 (23) The Grand Rapids veterans' home shall implement
24 sufficient controls over the handling of resident member funds to
25 ensure the release of funds within 3 business days upon the
26 resident member leaving the home and to ensure that a
27 representative of a resident member is provided a full accounting

1 of that resident member's funds within 10 business days of the
2 death of that resident member.

3 (24) The Grand Rapids veterans' home shall ensure that it
4 meets a minimum standard of 2.5 patient care hours per patient, per
5 day, each day, 7 days a week.

6 (25) Except as provided in subsection (15), the department
7 shall report its findings regarding the Grand Rapids veterans'
8 home's compliance with the requirements and standards under this
9 section at quarterly legislative hearings of the subcommittees. The
10 quarterly report shall include, but is not limited to, the
11 following information:

12 (a) The number of patient care hours and staffing levels
13 measured against the standard set forth in subsection (23).

14 (b) The number and dollar value of lost and discarded
15 prescriptions and the number of early prescription refills.

16 (c) The dollar value of monetary donations received, the
17 number of donated goods received, and the number of donated goods
18 disposed of.

19 (d) The number of resident member maintenance assessments
20 calculated each month.

21 **BOARD OF MANAGERS**

22 Sec. 502. The board of managers shall exercise certain
23 regulatory and governance authority regarding admission and member
24 affairs at the Grand Rapids veterans' homes. The board of managers
25 shall also work to represent the interest of the veterans'
26 community in both advisory and advocacy roles.

27 **D.J. JACOBETTI VETERANS' HOME**

1 Sec. 503. (1) The department shall provide compassionate,
2 quality interdisciplinary care at the state's D.J. Jacobetti
3 veterans' home so that members can achieve their highest potential
4 of wellness, independence, self-worth, and dignity.

5 (2) The department shall provide resources necessary to
6 provide adequate nursing care services to veterans in accordance
7 with federal standards, including the following:

8 (a) A licensed minimum number of 158 residents in skilled
9 nursing beds at the D.J. Jacobetti veterans' home.

10 (b) A licensed minimum number of 11 residents in domiciliary
11 beds at the D.J. Jacobetti veterans' home.

12 (3) The D.J. Jacobetti veterans' home shall ensure that its
13 medical staffing is in accordance with United States department of
14 veterans affairs standards.

15 (4) The D.J. Jacobetti veterans' home shall ensure that
16 transportation is assured for each resident for every medical
17 appointment outside the veterans' home.

18 (5) The D.J. Jacobetti veterans' home shall ensure that each
19 member resident receives daily laundry service.

20 (6) The D.J. Jacobetti veterans' home shall ensure that
21 maintenance and custodial services are provided for the home in
22 accordance with applicable local, state and federal standards.

23 (7) The D.J. Jacobetti veterans' home shall ensure that each
24 resident receives a medical and care assessment including a dietary
25 plan upon admission to the home, with meals and snacks provided in
26 accordance with the plan and R 325.20803 of the Michigan
27 administrative code.

1 (8) Appropriations in this article for the D.J. Jacobetti
2 veterans' home shall not be used for any purpose other than for
3 veterans and veterans' families.

4 (9) Any contractor providing competency evaluated nursing
5 assistants (CENA) to the D.J. Jacobetti veterans' home shall ensure
6 that each CENA has at least 8 hours of training on information
7 provided by the veterans' home.

8 (10) Any contractor providing competency evaluated nursing
9 assistants to the D.J. Jacobetti veterans' home shall ensure that
10 each CENA has at least 1 eight-hour shift of shadowing at the
11 veterans' home.

12 (11) Any contractor providing competency evaluated nursing
13 assistants to the D.J. Jacobetti veterans' home shall ensure that
14 each CENA is competent in the basic skills needed to perform his or
15 her assigned duties at the veterans' home.

16 (12) Any contractor providing competency evaluated nursing
17 assistants to the D.J. Jacobetti veterans' home shall ensure that
18 each CENA has at least 1 year of experience in long-term care.

19 (13) The D.J. Jacobetti veterans' home shall provide each CENA
20 at least 12 hours of in-service training once that individual has
21 been assigned to the veterans' home.

22 (14) The D.J. Jacobetti veterans' home shall ensure that care
23 services are provided to each resident of the veterans' home in
24 accordance with standards set by the United States department of
25 veterans affairs.

26 (15) All complaints of abuse or neglect at the D.J. Jacobetti
27 veterans' home by a resident member, a resident member's family or

1 legal guardian, or staff of the veterans' home, received by a
2 supervisor shall be referred to the director of nursing within 10
3 days of receiving such complaint. The board of managers may
4 establish a policy that requires reports on allegations of abuse or
5 neglect to be reported to the director of nursing more frequently.
6 The director of nursing shall report on not less than a monthly
7 basis, except that the board of managers may specify a more
8 frequent reporting period, to the home administrator, board of
9 managers, agency, subcommittees, and the senate and house fiscal
10 agencies the following information:

11 (a) A description of the process by which resident members and
12 others may file complaints of alleged abuse or neglect at the D.J.
13 Jacobetti veterans' home.

14 (b) Summary statistics on the number and the general nature of
15 complaints of abuse or neglect.

16 (c) Summary statistics on the final disposition of complaints
17 of abuse or neglect received.

18 (16) The process by which visitors, residents, and employees
19 of the D.J. Jacobetti veterans' home may register complaints shall
20 be displayed in high-traffic areas throughout the home.

21 **BOARD OF MANAGERS**

22 Sec. 504. The board of managers shall exercise certain
23 regulatory and governance authority regarding admission and member
24 affairs at the D.J. Jacobetti veterans' homes. The board of
25 managers shall also work to represent the interest of the veterans'
26 community in both advisory and advocacy roles.

CAPITAL OUTLAY

Sec. 601. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

SPECIAL MAINTENANCE - MILITARY TRAINING SITES AND SUPPORT FACILITIES

Sec. 602. The appropriations for special maintenance - military training sites and support facilities shall be expended in accordance with the requirements of section 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

SPECIAL MAINTENANCE - VETERANS' HOMES

Sec. 603. The appropriations for special maintenance - veterans' homes shall be expended in accordance with the requirements of sections 219, 501, and 503 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

ONE-TIME APPROPRIATIONS

1 Sec. 702. The 1-time appropriations for special maintenance -
2 veterans' homes shall be expended in accordance with the
3 requirements of sections 219, 501, and 503 of this part and shall
4 be expended according to the maintenance priorities of the
5 department to repair and modernize the state's veterans' homes,
6 which may include projects such as roof, HVAC, or boiler
7 replacement, interior renovations, facility expansion, improvements
8 to parking facilities, and other projects designed to enhance the
9 quality of life and medical care of members.

10 PART 2A

11 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

12 FOR FISCAL YEAR 2015-2016

13 GENERAL SECTIONS

14 Sec. 1201. It is the intent of the legislature to provide
15 appropriations for the fiscal year ending on September 30, 2015 for
16 the line items listed in part 1. The fiscal year 2015-2016
17 appropriations are anticipated to be the same as those for fiscal
18 year 2014-2015, excluding economic factors, and available revenue.
19 These adjustments will be determined after the January 2014
20 consensus revenue estimating conference.

21 Sec. 1203. The veterans affairs agency shall provide the
22 percentage of Michigan veterans contacted with a goal of 100% and
23 report upon those outreach findings at quarterly legislative
24 hearings to the subcommittees.

25 Sec. 1204. The veterans affairs agency shall maintain a

1 minimum 50% fully developed claims as determined by the DVA.