SUBSTITUTE FOR HOUSE BILL NO. 4248

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2024; 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. There is appropriated for the department of military
4	and veterans affairs for the fiscal year ending September 30, 2024,
5	from the following funds:
6	DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
7	APPROPRIATION SUMMARY
8	Full-time equated unclassified positions 9.0
9	Full-time equated classified positions 1,049.0





GROSS APPROPRIATION		\$ 235,254,100
Interdepartmental grant revenues:		
Total interdepartmental grants and		
intradepartmental transfers		101,800
ADJUSTED GROSS APPROPRIATION		\$ 235,152,300
Federal revenues:		
Total federal revenues		134,445,40
Special revenue funds:		
Total local revenues		
Total private revenues		100,00
Total other state restricted revenues		14,213,40
State general fund/general purpose		\$ 86,393,50
ec. 102. MILITARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	417.5	
Unclassified salariesFTEs	9.0	\$ 1,736,60
Headquarters and armoriesFTEs	103.0	21,881,00
	68.0	10,145,40
Michigan youth challeNGe academyFTEs		150,00
Michigan youth challeNGe academyFTEs Military family relief fund		
		1,351,00
Military family relief fund		1,351,00
Military family relief fund Military retirement	244.0	
Military family relief fund Military retirement Military training sites and support facilities-	244.0	44,500,90
Military family relief fund Military retirement Military training sites and support facilitiesFTEs	244.0	1,351,00 44,500,90 300,50 6,520,70
Military family relief fund Military retirement Military training sites and support facilitiesFTEs National Guard operations		44,500,90 300,50
Military family relief fund Military retirement Military training sites and support facilitiesFTEs National Guard operations National guard tuition assistance fundFTEs		\$ 44,500,9 300,5 6,520,7



		50,00
		3,664,40
		10,00
	\$	21,530,20
		2,500,00
8.0		1,164,40
		4,250,00
50.0		9,365,80
2.0	\$	4,250,00
60.0		
	\$	24,427,80
		100,00
		187,30
		100,00
		150,00
		1,377,00
		90,00
		100,00
		62,274,20
	60.0 2.0 50.0	2.0 \$ 50.0



Full-time equated classified positions	571.5	
Chesterfield Township home for veteransFTEs	115.0	\$ 26,856,500
D.J. Jacobetti home for veteransFTEs	200.0	23,347,200
Grand Rapids home for veteransFTEs	238.0	28,175,400
Information technology services and projects		1,687,90
Michigan veteran homes administrationFTEs	18.0	3,581,30
Veterans cemeteryFTEs	0.5	84,80
GROSS APPROPRIATION		\$ 83,733,10
Appropriated from:		
Federal revenues:		
USDVA - VHA		31,700,10
HHS-HCFA, Medicare, hospital insurance		1,409,20
HHS-HCFA, title XIX, Medicaid		8,808,20
Special revenue funds:		
Income and assessments		7,572,70
Lease revenue		12,00
State general fund/general purpose		\$ 34,230,90
Sec. 105. CAPITAL OUTLAY		
Armory maintenance		\$ 1,000,00
Land and acquisitions		1,000,00
Special maintenance - National Guard		30,000,00
Special maintenance - veterans' facilities		500,00
GROSS APPROPRIATION		\$ 32,500,00
Appropriated from:		
Federal revenues:		
reactar revenues.		
DOD - DOA - NGB		30,000,00
		30,000,00



State general fund/general purpose	\$ 1,500,000
Sec. 106. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 582,700
GROSS APPROPRIATION	\$ 582,700
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	153,700
State general fund/general purpose	\$ 429,000
Sec. 107. ONE-TIME APPROPRIATIONS	
Eliminating veteran homelessness grants	\$ 5,000,000
GRHV facilities transition funding	3,000,000
GROSS APPROPRIATION	\$ 8,000,000
Appropriated from:	
State general fund/general purpose	\$ 8,000,000

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

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Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2024 is \$100,606,900.00 and state spending from state sources to be paid to local units of government for fiscal year ending September 30, 2024 is \$4,178,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS



3	Michigan veterans affairs agency administration Military training sites and support facilities	90,000
4	TOTAL	 4,178,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- 9 (a) "CMS" means the United States Department of Health and10 Human Services, Centers for Medicare and Medicaid Services.
- 11 (b) "Department" means the department of military and veterans
 12 affairs.
- 13 (c) "DHHS" means the department of health and human services.
- 14 (d) "Director" means the director of the department.
- (e) "FTE" means full-time equated.
- 16 (f) "IDG" means interdepartmental grant.
- 17 (g) "MVAA" means the Michigan veterans affairs agency created 18 by Executive Reorganization Order No. 2013-2, MCL 32.92.
 - (h) "MVFA" means the Michigan veterans' facility authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.
 - (i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.
 - (j) "MYCA" means the Michigan youth challenGe academy.
- (k) "USDVA" means the United States Department of VeteransAffairs.
- 28 (l) "USDVA-VHA" means the USDVA Veterans Health Administration.
- 29 (m) "VSO" means veterans service organization.

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- (n) "Veterans' facility" means that term as defined in section
 2 of the Michigan veterans' facility authority act, 2016 PA 560,
 MCL 36.102.
 - (o) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.
- Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.
- 14 Sec. 205. Except as otherwise provided in this part, all 15 reports required under this part must be submitted to each of the 16 following recipients:
- 17 (a) The senate and house appropriations subcommittees on18 military and veterans affairs and state police.
 - (b) The senate and house fiscal agencies.
 - (c) The senate and house policy offices.
- 21 (d) The state budget office.
- Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:
 - (a) Funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- 29 (b) Preference must be given to goods or services, or both,

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manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The travel report must be submitted to the recipients required under section 205 of this part and the senate and house appropriations committees. The travel report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues,

and the proportion funded with other revenues.

Sec. 209. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be submitted to the recipients required under section 205 of this part and to the chairpersons of the senate and house appropriations committees.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$12,000,000.00 for federal contingency authorization. Authorized funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

- appropriated an amount not to exceed \$500,000.00 for local contingency authorization. Authorized funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
 - (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency authorization. Authorized funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
 - Sec. 212. From the funds appropriated in part 1, the department shall provide to the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:
 - (a) Fiscal year-to-date expenditures by category.
 - (b) Fiscal year-to-date expenditures by appropriation unit.
 - (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
 - (d) The number of active department employees by job classification.
 - (e) Job specifications and wage rates.
 - Sec. 213. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide and submit an annual report on estimated state restricted fund balances, state

restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years to the recipients required under section 205 of this part and to the chairpersons of the senate and house appropriations committees.

Sec. 214. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined by Executive Directive 2019-08.

Sec. 216. On a quarterly basis, the department shall provide to the recipients required under section 205 of this part and to the senate and house appropriations committees a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 217. It is the intent of the legislature that the department maximize the efficiency of the its workforce and, if possible, prioritize in-person work. Each department, agency, board, or authority that receives funding under part 1 shall post its in-person, remote, or hybrid work policy on its website.

Sec. 218. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the recipients required under section 205 of this part and to the senate and house appropriations committees and the joint committee on administrative rules.

Sec. 220. (1) From the funds appropriated in part 1, the department shall do all of the following:

- (a) Report, to the recipients required under section 205 of this part and to the senate and house appropriations committees, any amount of severance pay for a department or agency director, deputy director, or other high-ranking department or agency official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.
- (b) By February 1, report to the recipients required under section 205 of this part and to the senate and house appropriations committees on the total amount of severance pay remitted to former department or agency employees during the prior fiscal year and the total number of former department or agency employees that were remitted severance pay during the prior fiscal year.
- (2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of

employment and in addition to either wages or benefits earned
during the course of employment or generally applicable retirement
benefits.

Sec. 221. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 222. Money appropriated in part 1 must not be used to restrict or interfere with actions related to diversity, equity, and inclusion; to restrict or impede a marginalized community's access to governmental resources, programs, or facilities; or to diminish, interfere with, or restrict an individual's ability to exercise the right to reproductive freedom.

Sec. 223. 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.

Sec. 224. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the recipients required in section 205 of this part.

Sec. 225. The department shall report tentative plans for the required payment of any court judgment against the department, as soon as those plans are developed. The report must include, but is not limited to, all of the following information:

- (a) A listing of all known court judgments that would result in a financial obligation for the department.
- (b) The amount of time in which each of those financial obligations must be met.
- 29 (c) The proposed budget line items from which a payment for a

court judgment of \$100,000.00 or more would be made.

(d) The estimated impact of the loss of revenue on the programs funded by the line items from which payments would be made.

MILITARY

- Sec. 301. (1) The department shall report by September 30 a list of the current unclassified positions, which shall include the official titles and responsibilities of each position.
- (2) Upon the department being granted a request for an additional unclassified employee position from the civil service commission, or for any substantive changes to the duties of an existing unclassified employee position, the department shall report on these changes within 15 days.
- 15 Sec. 302. (1) The department shall operate and maintain 16 National Guard armories and implement a system to measure the 17 condition and adequacy of those armories.
 - (2) The department shall evaluate armories and submit a report annually, on the status of the armories.
 - (3) By December 1, the department shall report the following information:
 - (a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.
 - (b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

- (c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.
- (d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.
- (e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.
- (f) A review of the status of construction activities and expenditures of the armory modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of 2022 PA 194.
- Sec. 303. (1) The department shall maintain the MYCA to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.
- (2) The department shall take steps to recruit candidates to the MYCA from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.
- (3) The department shall partner with the DHHS to identify youth who may be eligible for MYCA from those youth served by DHHS services programs. These eligible youth shall be given priority for enrollment.
- (4) The department shall maintain the MYCA to graduate at least the target number of graduates consistent with the state's cooperative agreement with the National Guard Bureau regarding program operations.
- (5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit

recovery or by the improvement of tests of adult basic education 1 scores, or both.

- (6) Any unexpended and unencumbered private donations to support the MYCA at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.
- Sec. 304. From the funds appropriated in part 1, the department shall provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty on the availability of assistance through the military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.
- Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.
- (2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.
 - (3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.
- (4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.
- (5) The department shall provide the following information annually:
- 27 (a) The apportioned and assigned strength of the Michigan Army National Guard. 28
- 29 (b) The apportioned and assigned strength of the Michigan Air

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National Guard.

- (c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.
- (d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report by December 15 of operations and expenditures regarding the billeting fund account for the prior fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program under the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.431 to 32.433.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the

ability of the Michigan Army and Air National Guard to compete for guard members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

- of guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.
- (4) Not later than March 1, the department shall provide a report on the Michigan National Guard tuition assistance program. The report shall include the following information for the prior fiscal year:
 - (a) The number of quard members receiving tuition assistance.
 - (b) The educational institution from which those guard members received education or training under the program.
 - (c) The total amount of financial assistance received by each educational institution.
 - (d) The total funds expended on the program for financial assistance.
 - (e) The total funds expended on the program for administrative costs of the department.
- 29 (f) The total number of applications for tuition assistance

1 denied.

- (g) A list of any educational institutions and training programs removed from eligibility and the rationale for their removal.
- (h) An explanation of any identified barriers to the successful utilization of the program, or other unmet needs of the program and applicable proposals for legislative action to address those barriers and needs.
- (5) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited into the restricted Michigan national guard tuition assistance fund created in section 4 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan national guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 309. There is created and established under the jurisdiction and control of the department a revolving account to be known as the test project fees account. All of the fees and other revenues generated from the operation of the test project program shall be deposited in the test project fees fund account. Funds in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money

remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 310. The morale, welfare, and recreation fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The department shall be the administrator of the fund for auditing purposes. All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program shall be deposited in the morale, welfare, and recreation fund account. Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the fund at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 311. There is created and established under the jurisdiction and control of the department a revolving account to be known as the rental fees account. All of the fees and other revenues generated from the operation of the rental fees program shall be deposited in the rental fees fund account. Money in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 312. (1) The department shall maintain the guidelines established under section 251(5) of the Michigan military act, 1967 PA 150, MCL 32.651, for membership goals in the Michigan volunteer defense force and take all steps necessary to carry out and implement those guidelines.

(2) The department shall provide annually by February 1 the report required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

Sec. 313. The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 404. (1) Money privately donated to the department for the MVAA in excess of the appropriation in part 1 is appropriated and is available for expenditure for the benefit and life enrichment of veterans and for the purpose designated by the private source, if specified and in compliance with this section.

- (2) Any unexpended and unencumbered private donations to support the MVAA at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.
- (3) The department must submit a report quarterly that provides the amount of private donations received by the department for the MVAA and the purpose for which the funds will be expended, if known. In addition to the quarterly report required under this subsection, if a donation described under this section is \$10,000.00 or greater, the department must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds will be expended, if known.

- Sec. 405. (1) The MVAA shall provide a report annually on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state operating and administrative expenses, and county administrative expenses.
- (2) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:
- (a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.
 - (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.
 - (c) R 35.1 to R 35.7 of the Michigan Administrative Code.
 - (d) R 35.621 to R 35.623 of the Michigan Administrative Code.
- (3) No later than February 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the emergency grant program, including the following:
- (a) Details concerning the methodology of allocations and the selection of emergency grant program authorized agents.
- (b) A description of how the emergency grant program is administered in each county.
- (c) A detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for operating costs, administrative costs and emergency grants.
- (d) The number of approved applications, by category of assistance, and the number of denied applications, by reason of denial.
- (e) A description of the MVAA's efforts to reduce programadministrative costs and maintain the Michigan veterans' trust fund

- 1 corpus at or above its original amount of \$50,000,000.00.
- 2 Sec. 406. (1) The MVAA shall provide outreach services to
- 3 Michigan veterans to advise them on the benefits to which they are
- 4 entitled, as provided under Executive Reorganization Order No.
- 5 2013-2, MCL 32.92.
- 6 (2) The MVAA shall also do the following:
- 7 (a) Develop and operate an outreach program that communicates
- 8 benefit eligibility information to at least 50% of Michigan's
- 9 population of veterans, as assessed by annual census estimates,
- with a goal of reaching 100% and enabling 100% to access benefit
- 11 information online.
- 12 (b) Communicate veteran benefit information pertaining to the
- 13 Michigan military family relief fund, Michigan veterans' trust
- 14 fund, and USDVA health, financial, and memorial benefits to which
- 15 veterans are entitled.
- 16 (c) Fulfill requests for military discharge certificates (DD-
- **17** 214) upon request.
- 18 (d) Provide a report annually providing, to the extent known,
- 19 data on the estimated number of homeless veterans, by county, in
- 20 this state.
- 21 (e) Provide a report annually on the percentage of Michigan
- 22 veterans contacted through its outreach programs, with a goal of
- 23 90%, and report that percentage biannually on the status of
- 24 outreach.
- 25 Sec. 408. From the funds appropriated in part 1, the MVAA
- 26 shall provide for the regional coordination of services, as
- 27 follows:
- 28 (a) The MVAA shall coordinate with veteran benefit counselors
- 29 throughout a specified region.

- (b) The MVAA shall coordinate services with the DHHS and the department of corrections.
- (c) The MVAA shall coordinate with regional workforce and economic development agencies.
- (d) The MVAA shall coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.
- (e) The MVAA may work with MVAA service officers, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.
- (f) The MVAA shall coordinate with the DHHS to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.
- (g) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.
- (h) The MVAA shall ensure that all MVAA service officers and VSO service officers receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

Sec. 410. (1) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall report annually on the number of benefit claims, by type, submitted to the USDVA by MVAA and maintain the staffing and resources necessary to process a minimum of 500 claims per year.

- (2) The MVAA shall develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans and shall report information annually on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.
- (3) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).
- Sec. 411. (1) From the funds appropriated in part 1 for veterans service grants, the MVAA shall establish, administer, and award competitive grants to 1 or more congressionally chartered VSOs or a coalition of VSOs. Grants shall be used to support efforts to connect veterans and their dependents with federal compensation and pension benefits and state veterans' benefits, including emergency grants through the Michigan veterans' trust fund and other local or nonproject assistance that may be available to veterans and their dependents. The competitive grant process shall include all of the following:
 - (a) Using a regional service delivery model to ensure that

- veterans and their dependents in this state, including those within
 tribal communities, are provided with services, advocacy, and
 outreach as close to the communities in which they live as
 possible.
 - (b) Ensure that grantees are providing adequate veteran services and advocacy, through in-person and virtual meetings, that enables the organization to meet performance goals established in the grant agreement.
 - (c) Foster innovative and transformative approaches and techniques for the grantee to use when providing services, advocacy, and outreach for veterans and their dependents.
 - (d) Require grantees to use an MVAA-designated internet-based claims data system to manage caseloads. License fees associated with the claims data system described in this subdivision are considered an allowable expenditure and may be reimbursed with grant funds.
 - (e) A provision that requires grantees, in coordination with the MVAA, to provide services to incarcerated veterans who are within 1 year of their earliest release date.
 - (f) Ensure that each grantee is issued performance goals.
 - (g) Ensure that each grantee expends grant awards as prescribed in the grant agreement.
 - (h) Require each grantee to report not less than quarterly on all of the following:
 - (i) An accounting for all grant fund expenditures.
- 26 (ii) The number and type of claims originated and submitted by the grantee to the USDVA.
- (iii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to

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- (iv) The services provided to veterans and their dependents.
- (v) Progress in achieving monthly performance benchmark goals.
- (i) Ensure that each grantee is issued monthly performance benchmark goals that each grantee must aim to achieve and require each grantee to report to the MVAA, in order to ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal year.
 - (2) The MVAA shall do all of the following:
- (a) Follow all generally accepted accounting principles in accordance with sections 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.
- (b) When establishing, modifying, or amending the competitive grant process described in subsection (1), consult and collaborate with congressionally chartered VSOs in the state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to providing services, advocacy, and outreach to veterans and their dependents.
- (c) Provide notice to current grantees of any MVAA-proposed modifications or amendments to the competitive grant process and provide those grantees with an opportunity to respond through written communication.
 - (d) Assess the accuracy rate of claims reported by grantees.
- (e) Review and audit grantees' expenditure of grant funds to ensure compliance with the grant agreement, as provided under section 470 of the management and budget act, 1984 PA 431, MCL 18.1470.
- (3) By March 1, the MVAA shall provide a report summarizing grant activities for the prior fiscal year, including the amount of

expenditures, number of service and advocacy hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

Sec. 412. (1) The department shall enter into an interagency agreement in cooperation with the DHHS in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance reporting requirements described in this section. The interagency agreement shall require the department to report all of the following items by January 1 for the current fiscal year:

- (a) The number of veterans identified by the DHHS through eligibility determinations.
 - (b) The number of veterans referred to the department.
- (c) The number of referrals made by the DHHS that were contacted by the department.
- (d) The number of referrals made to the department that were eligible for veterans health care benefits or other benefits.
- (e) The specific actions and efforts undertaken by the DHHS and the department to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.
- (2) By October 1 of the current fiscal year, the DHHS shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.
- (3) This section does not prohibit the department from entering into interagency agreements with any other public

- department or agency in this state in order to obtain the information detailed in subsection (1).
- Sec. 413. (1) The funds appropriated in part 1 for county veteran service grants must be deposited into the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund are appropriated and available for expenditure as provided by law.
 - (2) From the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a, \$208,500.00 shall be allocated to the MVAA to cover necessary administrative and implementation costs incurred by the MVAA.
 - (3) The MVAA shall provide a report by December 15 that includes the following information for the prior fiscal year:
- (a) A list of counties that received a grant under thissection.
- 17 (b) The total amount of grant funding each county received 18 including any amount of funding provided under the emergent need 19 relief program pursuant to section 3a(10) of 1953 PA 192, MCL 20 35.623a.
 - (c) A summary of each county's expenditures of grant funding.
 - (d) The amount of any unexpended grant funding disbursed to the counties that has been recovered and returned to the county veteran service fund.
 - (e) The balance of the county veteran service fund after the prior fiscal year-end book closing.
- 27 (f) A list of counties that have requested funds in the
 28 current fiscal year, the amount requested by each county, and the
 29 total of these amounts.

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- (g) A list of counties that did not request funds in the current fiscal year.
- (h) The amount of any funds recovered by the MVAA through the MVAA's finding of misused grant funds.
- (i) An explanation of any obstacles or reasons for counties not applying for or spending their eligible amount of grant funding.
- (j) The amount expended by the MVAA for grant administration and implementation costs.
- Sec. 414. By February 1, the department shall provide a report on the status of the construction, operations, and finances of the state veterans cemetery funded in article 10 of 2022 PA 166.
- Sec. 415. From the funds appropriated in part 1 for Michigan veterans affairs agency administration, the MVAA shall complete a study and submit a report to the recipients required in section 205 of this part by January 1, 2024. The MVAA may partner with any additional stakeholders the MVAA deems necessary for completing the study. The study and report shall include all of the following:
- (a) An analysis on the scope of homelessness among the state's veteran population.
 - (b) Challenges to securing housing for homeless veterans.
- (c) Recommendations for future long-term partnerships between the Michigan state housing development authority, the MVAA, municipalities, and nonprofit organizations that could assist in eliminating homelessness among veterans in this state.
- Recommendations under this subdivision must minimize additionalcosts to local units of government.

MICHIGAN VETERANS' FACILITY AUTHORITY



Sec. 451. (1) Money privately donated to the MVH, the MVFA, or a veterans' facility in excess of the appropriation in part 1 is appropriated and is available for expenditure for the benefit and life enrichment of resident members and for the purpose designated by the private source, if specified and in compliance with this section.

- (2) The MVH must submit a report quarterly that provides the amount of the private donations described under subsection (1) and the purpose for which the funds will be expended, if known. In addition to the quarterly report required under this subsection, if the MVH, the MVFA, or a veterans' facility receives a private donation that is \$10,000.00 or greater, the MVH must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds are to be expended, if known.
- Sec. 452. (1) The MVH and the MVFA shall provide compassionate and quality nursing care services at each veterans' facility in this state so that resident members can achieve their highest potential of wellness, independence, self-worth, and dignity.
 - (2) From the funds appropriated in part 1, the MVFA and the MVH shall provide nursing care services to veterans in accordance with federal standards and report the results of the annual USDVA and CMS surveys and certification as proof of compliance.
 - (3) Appropriations in part 1 for a veterans' facility shall not be used for any purpose other than expenses related to the operations of the veterans' facility, resident members, and their families.
- 28 Sec. 453. All contractors providing health care services at a veterans' facility shall provide services in a manner that complies

with applicable USDVA and CMS regulations for state veterans' homes
and skilled nursing facilities, any rules governing the operation
of nursing homes licensed in this state, and any training and
education requirements associated with staff licensure or
certification.

Sec. 456. (1) All complaints of abusive or neglectful care at a veterans' facility by a resident member, a resident member's family or legal guardian, or staff of the veterans' facility received by a supervisor shall be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the MVFA may specify a more frequent reporting period, to the home administrator, to the recipients required under section 205 of this part and to the MVFA and MVAA the following information:

- (a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at a veterans' facility.
- (b) Summary statistics on the number and general nature of complaints of abuse or neglect.
- (c) Summary statistics on the final disposition of complaints of abuse or neglect received.
- (2) The process by which visitors, resident members, and staff of the veterans' facility may register complaints shall be displayed in high-traffic areas throughout the veterans' facility.
- Sec. 458. The MVH shall do the following regarding member care:
- (a) Provide an on-site, board-certified psychiatrist for allresident members with mental health disorders in order to ensure

that those resident members receive needed services in a professional and timely manner.

- (b) Provide all resident members and staff a safe and secure environment.
- (c) Ensure that the veterans' facility effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and the veterans' facility's internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

Sec. 460. The MVH shall establish and implement internal controls regarding all of the following:

- (a) The use and management of food, maintenance, and pharmaceutical and medical supply inventories.
- (b) Calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle and ensure that all past due resident member maintenance assessments are addressed within 30 days.
 - (c) Monetary donations and donated goods.
- (d) The handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days after the death of that resident member.
 - (e) Financial reporting and accounting.
- Sec. 461. (1) The MVH shall post on its website the following:
- (a) All policies adopted by the MVFA and the veterans'facility related to the administrative operations of the veterans'

1 facility.

- 2 (b) The agenda and minutes of public meetings of the MVFA3 board.
 - (2) The MVH shall provide a report with copies of each veterans' facility's USDVA State Veteran Home quarterly report. These quarterly reports shall also be posted on the MVH website.
 - (3) The MVH shall provide bimonthly reports on the following:
 - (a) Census data for each veterans' facility, including information on level of care, service era of its resident members, payer source, and average income and assessment rate.
 - (b) Per patient daily care hours provided by each veterans' facility, by level of care.
 - (c) Financial status of each veterans' facility and central MVFA/MVH administration. Information shall include, but not be limited to, actual year-to-date and projected year-end revenues and expenditures, by fund source.
 - (4) The MVH shall provide a report on the results of any annual or for-cause survey conducted by any entity with oversight over the veterans' facility and any corresponding corrective action plan. This information shall also be made available publicly through the MVH website.
 - (5) In addition to the information required under section 12(1) of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.112, the MVFA shall provide a report detailing the strategies and actions taken to maximize revenues from non-general fund sources and cost savings strategies.
 - Sec. 462. The MVH shall ensure that the quality of care for resident members of each veterans' facility meets the quality of care for the full spectrum of health care services to meet the CMS

certification standards. The MVH shall provide a report biannually that contains evidence that the quality of care for the full spectrum of health care services has met CMS certification standards.

Sec. 463. In addition to the funds appropriated in part 1, private revenues held by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are appropriated to pay medical expenses, member assessments, and other expenses incurred by that resident member. Any unexpended or unencumbered private revenues held on a nonfiduciary basis by the MVH at the close of the fiscal year shall not lapse to the general fund but shall be carried forward into the subsequent year.

Sec. 464. By March 1, the MVFA shall provide a report on the construction, operation, and finances of the new Marquette veterans home funded in article 14 of 2022 PA 166.

CAPITAL OUTLAY

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions annually.

Sec. 502. (1) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

(2) The department shall provide an annual report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations for special maintenance - veterans' facility shall be expended in accordance with the requirements of section 452 of this part and shall be expended according to the maintenance priorities of the MVFA to repair and modernize the state's veterans' facility, which may include physical plant expansions, renovations, or enhancements, and other projects designed to enhance the quality of life and medical care of resident members.

(2) The MVH shall provide an annual report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at each veterans' facility funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 504. The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

ONE-TIME APPROPRIATIONS

Sec. 601. (1) From the funds appropriated in part 1 for eliminating veteran homelessness grants, the MVAA shall create and operate a grant program that provides grants of \$150,000.00 to

- Michigan-based nonprofit organizations that provide, or assist in 1 providing, housing for homeless veterans or their families, or 2 both. The grants must support efforts to reduce or eliminate 3 homelessness among veterans in this state by supporting costs of 4 housing veterans or their families, or both. The MVAA shall develop 5 6 criteria for determining grant eligibility in accordance with this 7 section. The MVAA shall not award more than 1 grant to any 1 8 nonprofit organization. A grant must be disbursed within 60 days after the date that the MVAA receives a completed and signed grant 9 10 agreement from the nonprofit organization requesting the grant. 11 Grant funding must be used to support costs related to housing or 12 other activities that assist homeless veterans and their families to avoid homelessness. 13
 - (2) The MVAA shall provide a report by September 30 summarizing grant activities for the fiscal year ending September 30, 2024, and shall include the following information for each grant issued under this grant program:
 - (a) The name of the nonprofit organization recipient.
 - (b) The location, city, and county of each grant recipient.
 - (c) The amount of the grant provided.
 - (d) A brief summary of each grant recipient's expenditures of grant funding.
 - (3) The unexpended funds appropriated in part 1 for eliminating veteran homelessness grants are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431,

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MCL 18.1451a:

- (a) The purpose of the project is to create and operate a grant program that provides grants to Michigan-based nonprofit organizations that provide, or assist in providing, shelter and housing for veterans or their families, or both. The grants must support efforts to reduce or eliminate homelessness among veterans in this state by supporting costs of sheltering and housing veterans or their families, or both.
 - (b) The project will be accomplished by state employees.
 - (c) The total estimated cost of the project is \$5,000,000.00.
 - (d) The tentative completion date is September 30, 2028.
 - (4) As used in this section:
- (a) "Veteran" means an individual who served in the United States Armed Forces, including the reserve components and National Guard, and was discharged or released under conditions other than dishonorable. Veteran includes an individual who died while on active duty in the United States Armed Forces.
- 18 (b) "Homeless" means that term as defined in section 103 of 19 the McKinney-Vento homeless assistance act of 2009, 42 USC 11302.

