

Act No. 363
Public Acts of 1996
Approved by the Governor
July 2, 1996
Filed with the Secretary of State
July 2, 1996

STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996

Introduced by Reps. McBryde, Middleton, LeTarte, Geiger, Bobier, Gilmer, Dolan, McNutt, Johnson and Jellema

Reps. Agee, Alley, Anthony, Baird, Bodem, Brackenridge, Brater, Bush, Byl, Crissman, Curtis, DeHart, DeMars, Dobb, Dobronski, Freeman, Gagliardi, Gnodtke, Goschka, Green, Hammerstrom, Harder, Hertel, Hill, Jersevic, Kelly, Kukuk, LaForge, Law, Llewellyn, London, Martinez, McManus, Middaugh, Murphy, Olshove, Owen, Oxender, Perricone, Profit, Prusi, Rhead, Rocca, Scott, Stallworth, Tesanovich, Varga, Vaughn, Voorhees, Wallace, Weeks and Wetters named co-sponsors

ENROLLED HOUSE BILL No. 5581

AN ACT to make appropriations for the department of military affairs for the fiscal year ending September 30, 1997; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for the department of military affairs, for the fiscal year ending September 30, 1997, from the funds identified as follows:

DEPARTMENT OF MILITARY AFFAIRS

Full-time equated unclassified positions	7.0		
Full-time equated classified positions	1,068.0		
GROSS APPROPRIATION		\$	85,020,700
Total interdepartmental grants and intradepartmental transfers		\$	0
ADJUSTED GROSS APPROPRIATION		\$	85,020,700
Total federal revenues			28,539,800
Total local revenues			0
Total private revenues			375,000
Total other state restricted revenues			18,802,500
State general fund/general purpose		\$	37,303,400

HEADQUARTERS AND ARMORIES

Full-time equated unclassified positions	7.0		
Full-time equated classified positions	109.0		
Headquarters and armories—109.0 FTE positions		\$	7,614,800
Unclassified military personnel			544,300
Military appeals tribunal			900
Michigan emergency volunteers			5,000

		For Fiscal Year Ending Sept. 30, 1997
State active duty.....		60,000
Federal initiatives		200,000
GROSS APPROPRIATION	\$	8,425,000
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....		1,581,200
Special revenue funds:		
Armory rentals.....		350,000
Mackinac Bridge Authority		40,000
State general fund/general purpose	\$	6,453,800
MILITARY TRAINING SITES AND SUPPORT FACILITIES		
Full-time equated classified positions.....	242.0	
Military training sites and support facilities—242.0 FTE positions	\$	11,264,000
Federal initiatives		200,000
Military training sites and support facilities test projects		100,000
GROSS APPROPRIATION	\$	11,564,000
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....		10,103,800
Special revenue funds:		
Test project fees		100,000
State general fund/general purpose	\$	1,360,200
DEPARTMENTWIDE APPROPRIATIONS		
Departmentwide accounts.....	\$	6,577,400
Special maintenance-state.....		436,200
Special maintenance-federal		2,302,000
Equipment safety training.....		59,800
Military contingency fund		100
Military retirement		2,034,000
Counter narcotic operations		50,000
Starbase grant.....		500,000
GROSS APPROPRIATION	\$	11,959,500
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....		6,926,200
DOJ-DEA.....		50,000
State general fund/general purpose	\$	4,983,300
VETERANS SERVICE ORGANIZATIONS		
American legion	\$	696,500
Disabled American veterans.....		632,400
Marine corps veterans		290,500
American veterans of World War II and Korea.....		401,300
Veterans of foreign wars.....		765,000
Michigan paralyzed veterans of America.....		143,100
Purple heart.....		136,300
Veterans of World War I		100
Polish legion of American veterans.....		35,700
Jewish veterans of America.....		35,700
State of Michigan council Vietnam veterans of Michigan.....		47,800
Catholic war veterans		11,400
Women in military service for America memorial foundation		25,000
GROSS APPROPRIATION	\$	3,220,800
Appropriated from:		
State general fund/general purpose	\$	3,220,800

GRAND RAPIDS VETERANS' HOME

Full-time equated classified positions	549.0		
Grand Rapids veterans' home—549.0 FTE positions		\$	32,468,300
Board of managers			300,000
GROSS APPROPRIATION		\$	32,768,300
Appropriated from:			
Federal revenues:			
DVA-VHA			7,025,900
HHS-HCFA, medicare, hospital insurance			200,000
Special revenue funds:			
Private-veterans' home post and posthumous funds			300,000
Income and assessments			10,131,100
State general fund/general purpose		\$	15,111,300

D.J. JACOBETTI VETERANS' HOME

Full-time equated classified positions	155.0		
D.J. Jacobetti veterans' home—155.0 FTE positions		\$	11,152,600
Board of managers			75,000
GROSS APPROPRIATION		\$	11,227,600
Appropriated from:			
Federal revenues:			
DVA-VHA			2,422,500
HHS-HCFA, medicare, hospital insurance			230,200
Special revenue funds:			
Private-veterans' home post and posthumous funds			75,000
Income and assessments			3,492,100
State general fund/general purpose		\$	5,007,800

MICHIGAN VETERANS' TRUST FUND

Full-time equated classified positions	13.0		
Administration—13.0 FTE positions		\$	942,800
Michigan veterans' trust fund			1,166,200
Veterans' trust fund grants			3,746,500
GROSS APPROPRIATION		\$	5,855,500
Appropriated from:			
Special revenue funds:			
Michigan veterans' trust fund			4,689,300
State general fund/general purpose		\$	1,166,200

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1996-97 is estimated at \$56,105,900.00 in this bill and state spending from state sources paid to local units of government for fiscal year 1996-97 is estimated at \$67,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF MILITARY AFFAIRS

GRANTS

Headquarters and armories-payments in lieu of taxes		\$	67,500
TOTAL		\$	67,500

(2) When it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 202. The expenditures and funding sources authorized under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. (1) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

(2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$1,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

(3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$200,000.00 for local and private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

Sec. 204. The department of civil service shall bill departments and/or agencies at the end of the first fiscal quarter for the 1% charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. As used in this act:

- (a) "Department" means the department of military affairs.
- (b) "Director" means the director of the department of military 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) "DOJ" means the United States department of justice.
- (f) "DOJ-DEA" means the DOJ drug enforcement agency.
- (g) "DVA" means the United States department of veterans' affairs.
- (h) "DVA-VHA" means the DVA veterans' health administration.
- (i) "FTE" means full-time equated.
- (j) "HHS" means the United States department of health and human services.
- (k) "HHS-HCFA" means the HHS health care financing administration.

Sec. 206. (1) Pursuant to the department provisions of civil service rules and regulations and applicable collective bargaining agreements, individuals seeking employment with the department shall submit to a controlled substance test administered by the department.

(2) Individuals seeking employment with the department who refuse to take a controlled substance test or who test positive for the illicit use of a controlled substance on such a test shall be denied employment by the department for a minimum of 1 year.

Sec. 207. (1) Beginning October 1, 1996, there is a hiring freeze imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and are prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers from 1 position to another within a department or to positions that are funded 80% or more from federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director of the department of management and budget believes that such a hiring freeze will result in rendering a state department or agency unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house appropriations committees the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Sec. 208. Money that is appropriated in section 101 shall not be used for the purchase of foreign goods or services if competitively priced American goods or services of comparable quality are available. By May 1, 1997, the department of military affairs shall submit a report to the department of management and budget, the speaker and minority leader of the house of representatives, the majority and minority leader of the senate, and the chairpersons of the house and senate appropriations committees on efforts to comply with this section.

Sec. 209. (1) The director shall take all reasonable steps to ensure that businesses in depressed and deprived communities compete for and perform contracts to provide services or supplies, or both, for the department.

(2) The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

HEADQUARTERS AND ARMORIES

Sec. 301. The department may charge a reasonable rental fee for renting an armory. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

MILITARY TRAINING SITES AND SUPPORT FACILITIES

Sec. 401. From the funds appropriated in section 101 for military training sites and support facilities, \$5,000.00 shall be allocated to the civil air patrol.

DEPARTMENTWIDE APPROPRIATIONS

Sec. 501. Money appropriated in section 101 for the military duty contingency fund shall be used to fund nonfederally supported missions of the national guard when called to state duty.

Sec. 502. The Michigan veterans' memorial park commission may receive and expend gifts, contributions, and bequests from any person, public or private corporation, organization, foundation, governmental entity, or any other source for the purpose of establishing a veterans' memorial park as described in Executive Order No. 1992-12. Money contributed to the Michigan veterans' memorial park commission shall be deposited in the state treasury through the department and shall be available for expenditure. Project costs authorized by this act shall not exceed the gifts, contributions, and bequests received. Money under this section and any specific work orders or projects adopted by the Michigan veterans' memorial park commission in accordance with section 451(4) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1451 of the Michigan Compiled Laws, shall not lapse at the end of this fiscal year but shall be available for expenditure until September 30, 1997. Expenditures shall be in accordance with methods and procedures approved by the Michigan veterans' memorial park commission, the department, and appropriate state agencies.

Sec. 503. Money available from the Michigan national guard armory construction fund created in section 382a of the Michigan military act, Act No. 150 of the Public Acts of 1967, being section 32.782a of the Michigan Compiled Laws, is appropriated for expenditure for the purposes specified in section 382a of Act No. 150 of the Public Acts of 1967.

VETERANS SERVICE ORGANIZATIONS

Sec. 601. (1) Money appropriated in section 101 for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.

(2) To receive a grant from the money appropriated in section 101, a veterans service organization shall meet the following eligibility requirements:

(a) Be congressionally chartered by the United States congress.

(b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.

(c) Demonstrate the receipt of monetary or service support from its own organization.

(d) Comply with the department's and legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3).

(e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years prior to receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house fiscal agencies, and the senate and house subcommittees on military affairs on forms as described by the department.

(3) A veterans service organization receiving a grant from the money appropriated in section 101 shall file with the department a certified accounting of its expenditures within 120 days after the organization's fiscal year end. Each organization shall provide a detailed budget request for the fiscal year ending September 30, 1998 to the department by November 15, 1996 within the format as described by the department to be used in the development of the budget ending September 30, 1998. Each organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 1996 to the department by January 31, 1997. A veterans service organization receiving a grant from the money appropriated in section 101 shall use the forms recommended by the Michigan veterans organizations' rehabilitation and veterans service committee for filing reports required by this act. The department shall forward information required under this section to the senate and house fiscal agencies and to the senate and house appropriations subcommittees on military affairs.

Sec. 602. It is the intent of the legislature that money appropriated in section 101 for veterans service organizations shall include funding to provide services to veterans of World War I.

VETERANS' HOMES

Sec. 701. Appropriations in section 101 for the veterans' homes shall not be used for any purpose other than for veterans and veterans' families.

Sec. 702. The veterans' homes, together with the department and the department of management and budget, shall produce and deliver to the senate and house appropriations subcommittees on state police and military affairs an annual written report. That report shall include state nursing home licensure status; the steps required for medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward medicaid certification. The annual report shall be submitted to the subcommittees no later than February 1, 1997.

Sec. 703. The money appropriated in section 101 for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the veterans' homes.

Sec. 704. The money appropriated in section 101 for the boards of managers of veterans' homes shall be considered a work project account and unexpended money remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

VETERANS TRUST FUND

Sec. 801. In compliance with the various veterans' benefit programs funded by this state, a veteran who is denied benefits as a result of lack of properly disseminated information or due to misinformation relative to benefit eligibility shall be provided a review hearing by the veterans trust fund board.

Sec. 802. By April 1, 1997, the department shall submit a report to the military affairs subcommittees of the senate and house appropriations committees detailing the department's progress in reducing administrative costs paid by the veterans trust fund to counties.

Sec. 803. By December 31, 1996, the department shall provide to the military affairs subcommittees of the senate and house appropriations committees a report detailing the methodology of allocations by the veterans trust fund for the emergency grant program and the selection of authorized agents.

Sec. 804. The department may receive and expend revenue deposited to the Vietnam veterans monument fund created under section 3 of the Michigan Vietnam veterans memorial act, Act No. 234 of the Public Acts of 1988, being section 35.1053 of the Michigan Compiled Laws.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.