

Act No. 119  
Public Acts of 1995  
Approved by the Governor  
June 28, 1995  
Filed with the Secretary of State  
June 29, 1995

**STATE OF MICHIGAN**  
**88TH LEGISLATURE**  
**REGULAR SESSION OF 1995**

Introduced by Senators Cisky and Steil

# ENROLLED SENATE BILL No. 303

AN ACT to make appropriations for the department of military affairs for the fiscal years ending September 30, 1995 and September 30, 1996; 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, 1996, from the funds identified as follows:

## DEPARTMENT OF MILITARY AFFAIRS

### APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	7.0		
Full-time equated classified positions .....	1,125.0		
GROSS APPROPRIATION .....		\$	85,872,500
Total interdepartmental grants and intradepartmental transfers .....			0
ADJUSTED GROSS APPROPRIATION .....		\$	85,872,500
Federal revenues:			
Total federal revenues .....			34,831,400
Special revenue funds:			
Total local revenues .....			100,000
Total private revenues .....			475,000
Total other state restricted revenues .....			14,041,000
State general fund/general purpose .....		\$	36,425,100

## HEADQUARTERS AND ARMORIES

Full-time equated unclassified positions .....	7.0		
Full-time equated classified positions .....	109.0		
Headquarters and armories—109.0 FTE positions .....		\$	7,422,700
Unclassified military personnel .....			532,100
Military appeals tribunal .....			900
Michigan emergency volunteers .....			5,000
State active duty .....			55,000
Federal initiatives .....			200,000
GROSS APPROPRIATION .....		\$	8,215,700

For Fiscal Year  
Ending Sept. 30,  
1996

Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....	\$	1,561,900
Special revenue funds:		
Armory rentals.....		350,000
Mackinac bridge authority .....		35,000
State general fund/general purpose .....	\$	6,268,800

#### MILITARY TRAINING SITES AND SUPPORT FACILITIES

Full-time equated classified positions.....	272.0	
Military training sites and support facilities—272.0 FTE positions .....	\$	11,550,800
Federal initiatives .....		200,000
Military training sites and support facilities test projects .....		100,000
GROSS APPROPRIATION.....	\$	11,850,800
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....		10,368,600
Special revenue funds:		
Test project fees .....		100,000
State general fund/general purpose .....	\$	1,382,200

#### DEPARTMENTWIDE APPROPRIATIONS

Departmentwide accounts.....	\$	7,378,800
Special maintenance-state .....		436,200
Special maintenance-federal .....		2,302,000
Equipment safety training.....		59,800
Military contingency fund .....		100
Military retirement .....		1,966,200
Counter narcotic operations .....		50,000
Starbase grant.....		500,000
GROSS APPROPRIATION.....	\$	12,693,100
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB.....		7,431,900
DOJ-DEA.....		50,000
State general fund/general purpose .....	\$	5,211,200

#### VETERANS SERVICE ORGANIZATIONS

American legion .....	\$	676,200
Disabled American veterans.....		614,000
Marine corps veterans .....		282,000
American veterans of World War II and Korea.....		389,600
Veterans of foreign wars.....		742,700
Michigan paralyzed veterans of America.....		138,900
Purple heart.....		132,300
Veterans of World War I.....		100
Polish legion of American veterans.....		34,700
Jewish veterans of America.....		34,700
State of Michigan council-Vietnam veterans of Michigan .....		46,400
Catholic war veterans .....		11,100
GROSS APPROPRIATION.....	\$	3,102,700
Appropriated from:		
State general fund/general purpose .....	\$	3,102,700

#### GRAND RAPIDS VETERANS' HOME

Full-time equated classified positions.....	569.0	
Grand Rapids veterans' home—569.0 FTE positions .....	\$	35,038,200

		For Fiscal Year Ending Sept. 30, 1996
Board of managers .....		300,000
GROSS APPROPRIATION.....	\$	35,338,200
Appropriated from:		
Federal revenues:		
HHS-HCFA, medicare, hospital insurance.....		150,000
HHS-HCFA, grants to states for medicaid, medical assistance payments .....		2,300,000
DVA-VHA .....		7,196,300
Special revenue funds:		
Private-veterans' home post and posthumous funds .....		300,000
Income and assessments .....		9,875,000
State general fund/general purpose .....	\$	15,516,900
<b>D.J. JACOBETTI VETERANS' HOME</b>		
Full-time equated classified positions.....	175.0	
D.J. Jacobetti veterans' home—175.0 FTE positions .....	\$	12,597,000
Board of managers .....		75,000
GROSS APPROPRIATION.....	\$	12,672,000
Appropriated from:		
Federal revenues:		
HHS-HCFA, medicare, hospital insurance.....		230,200
HHS-HCFA, grants to states for medicaid, medical assistance payments .....		2,100,000
DVA-VHA .....		1,942,500
Special revenue funds:		
Private-veterans' home post and posthumous funds .....		75,000
Income and assessments .....		3,381,000
State general fund/general purpose .....	\$	4,943,300
<b>CONTINGENCY FUNDS</b>		
Federal contingency funds.....	\$	1,500,000
Local contingency funds .....		100,000
Private contingency funds.....		100,000
State restricted contingency funds.....		300,000
GROSS APPROPRIATION.....	\$	2,000,000
Appropriated from:		
Federal revenues:		
Federal contingency funds.....		1,500,000
Special revenue funds:		
Local contingency funds .....		100,000
Private contingency funds.....		100,000
State restricted contingency funds.....		300,000
State general fund/general purpose .....	\$	0

## **GENERAL SECTIONS**

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this bill is \$50,466,100.00 and state spending to units of local government is as follows:

Department of Military Affairs		
Payments in lieu of taxes .....	\$	67,500
Total .....	\$	67,500

(2) When it appears to the director that state spending to local units of government will be less than the amount that was projected to be expended for any quarter, the director 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 appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made 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. The amounts appropriated from 1 fund to another fund shall be authorized pursuant to annual appropriations within the departments responsible for each fund's appropriations.

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, 1995, 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. A branch of government, a principal executive department, or a state agency that is appropriated funds in section 101 shall not use any of the funds for the purchase of foreign goods or services if competitively priced American goods or services of comparable quality are available. By May 1, 1996, the department of military affairs shall submit report to the department of management and budget, the speaker and minority leader of the house, the majority and minority leaders of the senate, and the chairpersons of the house and senate appropriations committees on efforts to comply with this section.

Sec. 209. The funds appropriated in section 101 in the line items identified as "federal contingency funds", "state restricted contingency funds", "local contingency funds", and "private contingency 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.

## **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.

## **DEPARTMENTWIDE APPROPRIATIONS**

Sec. 401. 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. 402. 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. 403. 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. 501. (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, 1996 to the department by November 15, 1995 within the format as described by the department to be used in the development of the budget ending September 30, 1996. 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, 1995 to the department by January 31, 1996. 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. 502. 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. 601. Appropriations in section 101 for the veterans' homes shall not be used for any purpose other than for veterans and veterans' families.

Sec. 602. 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 military affairs an annual written report on the progress toward meeting the standards required for state nursing home licensure and the progress toward meeting standards necessary for medicaid certification. The report shall include detailed information as to institutional changes that have been made in efforts to meet these standards, evidence of a qualified third party evaluation as to the progress made toward those standards, a statement of what changes still need to be made, including a listing of any personnel, equipment, supplies, or budgetary increases required, and an estimate as to the likelihood of the homes receiving medicaid funds for the year and the impact on the adequacy of current funding should those funds be received or not received. The annual report shall be submitted to the subcommittees no later than April 1, 1996.

Sec. 603. 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. 604. 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.

Sec. 605. In addition to the amount appropriated in section 101 of Act No. 109 of the Public Acts of 1994, there is appropriated to the department of military affairs the revenue balance remaining at the end of fiscal year 1994, from the income and assessments collected by the D. J. Jacobetti veterans' home for the fiscal year ending September 30, 1995. This amount shall be expended only for the purposes of the D. J. Jacobetti veterans' home.

This act is ordered to take immediate effect.

-----  
Secretary of the Senate.

-----  
Clerk of the House of Representatives.

Approved -----

-----  
Governor.