

**SUBSTITUTE FOR
SENATE BILL NO. 277**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans 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:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September

Senate Bill No. 277 as amended June 15, 2005

1 30, 2006, from the funds indicated in this part. The following is a
 2 summary of the appropriations in this part:

3 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

4 APPROPRIATION SUMMARY:

5	Full-time equated unclassified positions	7.0	
6	Full-time equated classified positions.....	1,016.0	
7	GROSS APPROPRIATION.....		\$ <<117,890,800>>
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers		1,656,800
11	ADJUSTED GROSS APPROPRIATION.....		\$ <<116,234,000>>
12	Federal revenues:		
13	Total federal revenues		49,537,200
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		1,355,800
17	Total other state restricted revenues		27,360,500
18	State general fund/general purpose		\$ <<37,980,500>>
19	Sec. 102. HEADQUARTERS AND ARMORIES		
20	Full-time equated unclassified positions	7.0	
21	Full-time equated classified positions.....	124.0	
22	Headquarters and armories--83.5 FTE positions		\$ 9,972,700
23	Unclassified military personnel		660,300
24	Military appeals tribunal.....		900
25	Michigan emergency volunteers		5,000
26	State active duty.....		85,100
27	Challenge program--40.5 FTE positions		4,039,900

1	Homeland security.....	1,000,000
2	Human resources optimization user charge.....	29,500
3	Military family relief fund.....	<u>600,000</u>
4	GROSS APPROPRIATION.....	\$ 16,393,400
5	Appropriated from:	
6	IDG, challenge grant.....	250,800
7	IDG, community health.....	100,000
8	IDG, state police.....	900,000
9	IDG, human services.....	406,000
10	Federal revenues:	
11	DOD-DOA-NGB.....	4,356,300
12	Special revenue funds:	
13	Rental fees.....	350,000
14	Mackinac Bridge authority.....	55,000
15	Private donations.....	790,800
16	Military family relief fund.....	600,000
17	Parent pay revenue.....	100,000
18	State general fund/general purpose.....	\$ 8,484,500
19	Sec. 103. MILITARY TRAINING SITES AND SUPPORT	
20	FACILITIES	
21	Full-time equated classified positions..... 200.0	
22	Military training sites and support	
23	facilities--200.0 FTE positions.....	\$ 20,129,700
24	Military training sites and support facilities test	
25	projects.....	<u>100,000</u>
26	GROSS APPROPRIATION.....	\$ 20,229,700
27	Appropriated from:	

1	Federal revenues:		
2	DOD-DOA-NGB		17,471,400
3	Special revenue funds:		
4	Test project fees		100,000
5	State general fund/general purpose	\$	2,658,300
6	Sec. 104. DEPARTMENTWIDE APPROPRIATIONS		
7	Departmentwide accounts	\$	1,656,500
8	Special maintenance - state		151,200
9	Special maintenance - federal		5,300,000
10	Military retirement		2,807,000
11	Counternarcotic operations		50,000
12	Starbase grant		<u>640,000</u>
13	GROSS APPROPRIATION	\$	10,604,700
14	Appropriated from:		
15	Federal revenues:		
16	DOD-DOA-NGB		7,206,100
17	Federal counternarcotic revenues		50,000
18	State general fund/general purpose	\$	3,348,600
19	Sec. 105. VETERANS SERVICE ORGANIZATIONS		
20	American legion	\$	886,000
21	Disabled American veterans		732,400
22	Marine corps league		336,300
23	American veterans of World War II and Korea		464,800
24	Veterans of foreign wars		886,000
25	Michigan paralyzed veterans of America		165,700
26	Purple heart		157,900
27	Veterans of World War I		100

1	Polish legion of American veterans	41,200
2	Jewish veterans of America	41,200
3	State of Michigan council - Vietnam veterans of	
4	America	159,500
5	Catholic war veterans	<u>41,200</u>
6	GROSS APPROPRIATION	\$ 3,912,300
7	Appropriated from:	
8	State general fund/general purpose	\$ 3,912,300
9	Sec. 106. GRAND RAPIDS VETERANS' HOME	
10	Full-time equated classified positions..... 517.0	
11	Grand Rapids veterans' home--517.0 FTE positions	\$ 45,302,900
12	Board of managers	<u>415,000</u>
13	GROSS APPROPRIATION	\$ 45,717,900
14	Appropriated from:	
15	Federal revenues:	
16	DVA-VHA	14,191,900
17	HHS, Medicaid	381,200
18	HHS, Medicare	749,400
19	Special revenue funds:	
20	Private - veterans' home post and posthumous funds ...	340,000
21	Income and assessments	16,006,400
22	Military family relief fund	75,000
23	Lease revenue	35,000
24	State general fund/general purpose	\$ 13,939,000
25	Sec. 107. D.J. JACOBETTI VETERANS' HOME	
26	Full-time equated classified positions..... 159.0	
27	D.J. Jacobetti veterans' home--159.0 FTE positions ...	\$ 14,457,500

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1	Board of managers		<u>200,000</u>
2	GROSS APPROPRIATION	\$	14,657,500
3	Appropriated from:		
4	Federal revenues:		
5	DVA-VHA		4,262,100
6	HHS, Medicare		367,100
7	HHS, Medicaid		87,700
8	Special revenue funds:		
9	Private - veterans' home post and posthumous funds ...		125,000
10	Military family relief fund		75,000
11	Income and assessments		4,840,400
12	State general fund/general purpose	\$	4,900,200
13	Sec. 108. VETERANS' AFFAIRS DIRECTORATE		
14	Full-time equated classified positions	16.0	
15	Veterans' affairs directorate administration---	3.0	
16	FTE positions		\$ 318,600
17	Veterans' trust fund administration---	13.0 FTE	
18	positions		1,141,100
19	Veterans' trust fund grants		<u>3,746,500</u>
20	GROSS APPROPRIATION	\$	5,206,200
21	Appropriated from:		
22	Special revenue funds:		
23	Michigan veterans' trust fund		4,887,600
24	State general fund/general purpose	\$	318,600
25	Sec. 109. INFORMATION TECHNOLOGY		
26	Information technology services and projects	\$	<<1,169,100>>
27	GROSS APPROPRIATION	\$	<<1,169,100>>

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1	Appropriated from:	
2	Federal revenues:	
3	DOD-DOA-NGB	109,100
4	DVA-VHA	296,300
5	HHS, Medicare	8,600
6	Special revenue funds:	
7	Income and assessments	336,100
8	State general fund/general purpose	\$ <<419,000>>

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

12 Sec. 201. Pursuant to section 30 of article IX of the state
13 constitution of 1963, total state spending from state resources
14 under part 1 for fiscal year 2005-2006 is <<\$65,341,100.00>> and state
15 spending from state resources to be paid to local units of
16 government for fiscal year 2005-2006 is \$120,000.00. The itemized
17 statement below identifies appropriations from which spending to
18 local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

MILITARY TRAINING SITES AND SUPPORT FACILITIES

21	Payments in lieu of taxes	\$	70,000
22	MICHIGAN VETERANS' TRUST FUND		
23	County counselor travel expenses	\$	<u>50,000</u>
24	TOTAL	\$	120,000

25 Sec. 202. The appropriations authorized under this act are

1 subject to the management and budget act, 1984 PA 431, MCL 18.1101
2 to 18.1594.

3 Sec. 203. As used in this act:

4 (a) "Department" means the department of military and veterans
5 affairs.

6 (b) "Director" means the director of the department of
7 military and veterans affairs.

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

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

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

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

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

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

17 (i) "IDG" means interdepartmental grant.

18 Sec. 204. The department of civil service shall bill the
19 department at the end of the first fiscal quarter for the 1% charge
20 authorized by section 5 of article XI of the state constitution of
21 1963. Payments shall be made for the total amount of the billing by
22 the end of the second fiscal quarter.

23 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed
24 on the state classified civil service. State departments and
25 agencies are prohibited from hiring any new full-time state
26 classified civil service employees and prohibited from filling any
27 vacant state classified civil service positions. This hiring freeze

1 does not apply to internal transfers of classified employees from 1
2 position to another within a department.

3 (2) The state budget director shall grant exceptions to this
4 hiring freeze when the state budget director believes that the
5 hiring freeze will result in rendering a state department or agency
6 unable to deliver basic services, cause loss of revenue to the
7 state, result in the inability of the state to receive federal
8 funds, or necessitate additional expenditures that exceed any
9 savings from maintaining a vacancy. The state budget director shall
10 report by the last business day of each month to the chairpersons
11 of the senate and house of representatives standing committees on
12 appropriations the number of exceptions to the hiring freeze
13 approved during the previous month and the justification for the
14 exception.

15 Sec. 207. Sixty days before beginning any effort to privatize,
16 the department shall submit a complete project plan to the
17 appropriate senate and house of representatives appropriations
18 subcommittees and the senate and house fiscal agencies. The plan
19 shall include the criteria under which the privatization initiative
20 will be evaluated. The evaluation shall be completed and submitted
21 to the appropriate senate and house of representatives
22 appropriations subcommittees and the senate and house fiscal
23 agencies within 30 months.

24 Sec. 208. Unless otherwise specified, the department shall use
25 the Internet to fulfill the reporting requirements of this act.
26 This requirement may include transmission of reports via electronic
27 mail to the recipients identified for each reporting requirement or

1 it may include placement of reports on an Internet or Intranet
2 site.

3 Sec. 209. Funds appropriated in part 1 shall not be used for
4 the purchase of foreign goods or services, or both, if
5 competitively priced and of comparable quality American goods or
6 services, or both, are available. Preference should be given to
7 goods or services, or both, manufactured or provided by Michigan
8 businesses, if they are competitively priced and of comparable
9 value.

10 Sec. 210. The director of each department receiving
11 appropriations in part 1 shall take all reasonable steps to ensure
12 businesses in deprived and depressed communities compete for and
13 perform contracts to provide services or supplies, or both. Each
14 director shall strongly encourage firms with which the department
15 contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

17 Sec. 211. The departments and agencies receiving
18 appropriations in part 1 shall receive and retain copies of all
19 reports funded from appropriations in part 1. The department shall
20 follow all federal guidelines and state laws regarding short-term
21 and long-term retention of records.

22 Sec. 212. (1) Of the funds appropriated in section 103 for
23 military training sites and support facilities, there shall be
24 established a Michigan national guard education assistance program.
25 Disbursements to the educational assistance program shall not
26 exceed \$1,100,000.00 without legislative approval. Under the
27 program, a member of the national guard who is in active service

1 and who enrolls as a full- or part-time student at a public or
2 private state college or university may be eligible to receive up
3 to an equivalent of 50% of the total cost of tuition not to exceed
4 \$2,000.00, as education assistance, in any academic year.

5 (2) As used in this section, an eligible person means a member
6 of the Michigan national guard who is in active service, as defined
7 in section 105 of the Michigan military act, 1967 PA 150, MCL
8 32.505. An eligible person does not include a member of the
9 Michigan national guard or air national guard who is absent without
10 leave or who is under charges as described in the Michigan code of
11 military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

12 (3) The department of military and veterans affairs, office of
13 the adjutant general shall administer the education assistance
14 program and prescribe forms and procedures to effectively carry out
15 the education assistance program.

16 (4) An eligible person shall apply to the department of
17 military and veterans affairs, office of the adjutant general for
18 education assistance and shall provide evidence of attendance and
19 completion of the course of study with a grade of at least 2.0 on a
20 4.0 scale, or its equivalent. The adjutant general shall approve
21 the application for reimbursement if the applicant meets the
22 definition of an eligible person under subsection (2) and other
23 criteria as established by the adjutant general.

24 (5) The education assistance program applies to any course of
25 instruction that is included in an associate, undergraduate, or
26 postgraduate degree program offered by a college or university of
27 this state.

1 (6) The education assistance program applies to an eligible
2 person notwithstanding any other educational incentive or benefit
3 received by the eligible person under any other educational
4 assistance program provided by any other state.

5 (7) An eligible person who successfully completes the course
6 of study with a grade of at least 2.0 on a 4.0 scale, or its
7 equivalent, shall be eligible for reimbursement.

8 (8) The department of military and veterans affairs may use
9 funds from the appropriated funds to administer the education
10 assistance program.

11 (9) Reimbursed members who do not complete their national
12 guard obligation shall pay the state for money received from the
13 state for tuition. Members who fail to repay the state within the
14 time limits established by the adjutant general shall be indebted
15 to the state. The department shall work in conjunction with the
16 department of treasury for inclusion in the tax intercept program
17 for amounts due the state.

18 (10) A portion of the funds for the Michigan national guard
19 education assistance program may be used by the department for the
20 purpose of promoting the program and for encouraging those persons
21 the department wishes to have enlist or reenlist in the Michigan
22 national guard.

23 Sec. 213. The department shall consult with the house and
24 senate appropriations subcommittees on military and veterans
25 affairs regarding the projected closing or consolidation of any
26 national guard armories.

27 Sec. 214. It is the intent of the legislature that, should the

1 necessary legislation be enacted and funding become available,
2 funds be appropriated for state military cemeteries in Crawford and
3 Dickinson Counties.

4 Sec. 221. From the funds appropriated in part 1 for
5 information technology, the department shall pay user fees to the
6 department of information technology for technology-related
7 services and projects. These user fees shall be subject to
8 provisions of an interagency agreement between the department and
9 the department of information technology.

10 Sec. 223. Amounts appropriated in part 1 for information
11 technology may be designated as work projects and carried forward
12 to support technology projects under the direction of the
13 department of information technology. Funds designated in this
14 manner are not available for expenditure until approved as work
15 projects under section 451a of the management and budget act, 1984
16 PA 431, MCL 18.1451a.

17 Sec. 225. (1) Due to the current budgetary problems in this
18 state, out-of-state travel for the fiscal year ending September 30,
19 2006 shall be limited to situations in which 1 or more of the
20 following conditions apply:

21 (a) The travel is required by legal mandate or court order or
22 for law enforcement purposes.

23 (b) The travel is necessary to protect the health or safety of
24 Michigan citizens or visitors or to assist other states in similar
25 circumstances.

26 (c) The travel is necessary to produce budgetary savings or to
27 increase state revenues, including protecting existing federal

1 funds or securing additional federal funds.

2 (d) The travel is necessary to comply with federal
3 requirements.

4 (e) The travel is necessary to secure specialized training for
5 staff that is not available within this state.

6 (f) The travel is financed entirely by federal or nonstate
7 funds.

8 (2) If out-of-state travel is necessary but does not meet 1 or
9 more of the conditions in subsection (1), the state budget director
10 may grant an exception to allow the travel. Any exceptions granted
11 by the state budget director shall be reported on a monthly basis
12 to the house and senate appropriations committees.

13 (3) Not later than January 1 of each year, each department
14 shall prepare a travel report listing all travel by classified and
15 unclassified employees outside this state in the immediately
16 preceding fiscal year that was funded in whole or in part with
17 funds appropriated in the department's budget. The report shall be
18 submitted to the chairs and members of the house and senate
19 appropriations committees, the fiscal agencies, and the state
20 budget director. The report shall include the following
21 information:

22 (a) The name of each person receiving reimbursement for travel
23 outside this state or whose travel costs were paid by this state.

24 (b) The destination of each travel occurrence.

25 (c) The dates of each travel occurrence.

26 (d) A brief statement of the reason for each travel
27 occurrence.

1 (e) The transportation and related costs of each travel
2 occurrence, including the proportion funded with state general
3 fund/general purpose revenues, the proportion funded with state
4 restricted revenues, the proportion funded with federal revenues,
5 and the proportion funded with other revenues.

6 (f) A total of all out-of-state travel funded for the
7 immediately preceding fiscal year.

8 Sec. 226. The department shall not take disciplinary action
9 against an employee for communicating with a member of the
10 legislature or his or her staff.

11 Sec. 227. Sixty days prior to the public announcement of the
12 intention to sell any department property, the department shall
13 submit notification of that intent to the appropriate senate and
14 house appropriations subcommittees and the senate and house fiscal
15 agencies.

16 **HEADQUARTERS AND ARMORIES**

17 Sec. 301. The department may charge reasonable rental and
18 equipment usage fees for renting an armory or using the distance
19 learning network. The fee shall include the cost of overtime
20 compensation, insurance coverage, and any maintenance required.

21 Sec. 302. (1) The funds appropriated in this act for private
22 donations to the challenge program shall be considered state
23 restricted revenue, and unexpended funds remaining at the close of
24 the fiscal year shall not lapse to the general fund but shall be
25 carried forward to the subsequent fiscal year.

26 (2) The department shall make every effort to identify

1 alternative sources of revenue to replace the general fund/general
2 purpose funding provided in this act for the challenge program.

3 (3) The department may charge a parent or guardian of a
4 participant in the challenge program a fee for participating in the
5 program if the participant is a member of a family with an income
6 that exceeds 200% of the federal poverty guidelines as published by
7 the United States department of health and human services. The
8 amount charged the parent or guardian shall not exceed the per
9 student state share cost of administering the program. The parent
10 or guardian shall be notified of any charge to be assessed under
11 this subsection prior to enrollment of the child in the program.

12 Sec. 304. The department will partner with the department of
13 human services to identify youth who may be eligible for the
14 challenge program from those youth served by department of human
15 services programs. These eligible youth shall be given priority for
16 enrollment in the program.

17 VETERANS SERVICE ORGANIZATIONS

18 Sec. 501. (1) The department shall work toward the goal of
19 providing the highest quality veterans' benefits counseling
20 possible to veterans in the state, ensuring that every veteran in
21 need is served. The department shall also make every effort to
22 improve the coordination of veterans' benefits counseling in the
23 state to maximize the effective and efficient use of taxpayer
24 dollars.

25 (2) To accomplish the goals of subsection (1), the department
26 and veterans service directors committee shall take steps to

1 increase its responsibility in the administration, management,
2 oversight, and outreach of the delivery of services to veterans.
3 The department shall involve county veterans counselors,
4 representatives from the Michigan veterans' trust fund, and
5 veterans service organizations receiving grants in section 105 to
6 work in concert to identify, implement, and evaluate steps to do
7 all of the following:

8 (a) Increase the role of the department of military and
9 veterans affairs in working directly with the United States
10 department of veterans' affairs to enhance the delivery of services
11 to Michigan veterans.

12 (b) Create geographic areas of responsibility for veterans
13 service organizations to provide representation for veterans filing
14 claims with the United States department of veterans' affairs.

15 (c) Increase the number of initial claims filed with the
16 United States department of veterans' affairs on behalf of veterans
17 for service-connected disability or pension benefits. The
18 department and the veterans service organizations may work toward
19 either an absolute increase of approved claims or an increase in
20 the percentage of Michigan veterans with approved claims.

21 (d) Develop methods to increase rates of recovery paid by the
22 United States department of veterans' affairs either by
23 compensation paid per approved claim or on a per capita basis.

24 (e) Expand training opportunities for veterans service
25 organization service officers.

26 (f) Increase the number or percentage of Michigan veterans
27 enrolled in the VA healthcare system.

1 (g) Publicize the availability, benefit, and value of burial
2 in the Fort Custer and Great Lakes national cemeteries.

3 (h) Review the performance of any grant recipient under the
4 program and require that performance to be a major consideration in
5 the future funding of any grant recipient.

6 (3) The department shall create a report of the efforts to
7 complete the goals outlined in this section and shall provide
8 suggestions on how a more effective and efficient veterans'
9 benefits counseling program may best be designed for implementation
10 for fiscal year 2006-2007. This report shall be delivered to the
11 house and senate appropriations subcommittees no later than March
12 15, 2006.

13 VETERANS' HOMES

14 Sec. 601. Appropriations in this act for the Grand Rapids
15 veterans' home and the D.J. Jacobetti veterans' home shall not be
16 used for any purpose other than for veterans and veterans'
17 families.

18 Sec. 602. The Grand Rapids veterans' home and the D.J.
19 Jacobetti veterans' home, together with the department and the
20 department of management and budget, shall produce and deliver to
21 the senate and house of representatives appropriations
22 subcommittees on state police and military affairs an annual
23 written report. The report shall include an accounting of member
24 populations and bed space available; a description and accounting
25 of services and activities provided to members; financial
26 information; current state nursing home licensure status; the steps

1 required for Medicaid certification, including a listing of any
2 personnel, equipment, supplies, or budgetary increases required;
3 and whether or not steps are being taken toward Medicaid
4 certification. The annual report shall be submitted to the senate
5 and house of representatives appropriations subcommittees on
6 military affairs no later than February 1, 2006.

7 Sec. 603. The money appropriated in this act for the boards of
8 managers may be expended for facility improvements, the purchase
9 and repair of equipment and furnishings, member services, and other
10 purposes that benefit the Grand Rapids veterans' home and the D.J.
11 Jacobetti veterans' home.

12 Sec. 604. In order to obtain operational efficiencies at the
13 Grand Rapids veterans' home and the D.J. Jacobetti veterans' home,
14 in addition to those already advocated by the auditor general as
15 detailed in the performance audit of the veterans affairs
16 directorate published in April 2005, the department shall obtain
17 bids for privatization of resident care aides' services at the
18 Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.
19 Bids for resident care aides' services shall be solicited for terms
20 beginning immediately following the fiscal year 2004-2005
21 contracts' expiration dates. The department, upon examining the
22 bids, shall make a determination as to whether private contractors
23 can perform resident care aides' services at a cost that is less
24 expensive than that of current staff. Funds appropriated in part 1
25 for the Grand Rapids veterans' home reflect estimated savings for
26 the first year of privatization, which, due to a number of factors,
27 could be expected to be minimal. It is the intent of the

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1 legislature that in subsequent fiscal years, savings from
2 privatization, estimated by the department to be approximately
3 \$4,000,000.00 GF/GP compared to current appropriation levels, shall
4 not lapse to the general fund but shall be appropriated for the
5 Grand Rapids veterans' home and the D.J. Jacobetti veterans' home
6 for improvement projects and enhanced operational support. The
7 department shall provide a written report to the house and senate
8 state police and military and veterans affairs appropriations
9 subcommittees and the fiscal agencies no later than November 1,
10 2005 on the status of department and administration efforts to
11 comply with the requirements of this section. <<The department shall
document a savings of at least 5% over fiscal year 2004-05 year costs
with any privatization proposal prior to any such plan being employed.>>

12 **VETERANS' TRUST FUND**

13 Sec. 703. (1) By April 1, 2006, the department shall submit to
14 the senate and house of representatives appropriations
15 subcommittees on military affairs and the state budget office a
16 detailed annual report of the Michigan veterans' trust fund for
17 fiscal year 2004-2005. The report shall include information on
18 grants provided from the emergency grant program and the veterans
19 survivor tuition program, including details concerning the
20 methodology of allocations, the selection of emergency grant
21 program authorized agents, and a detailed breakdown of trust fund
22 expenditures for that year. The report shall also provide an update
23 on the department's efforts to reduce program administrative costs.

24 (2) The annual report required under subsection (1) shall
25 contain information on the veterans survivors tuition program,
26 including the number of participants, where the participants

1 attended school, payments made to each school, the average grade
2 point and number of college credits earned by each participant, the
3 number of participants suspended by the program, and the number of
4 participants who earned a degree during fiscal year 2004-2005.

5 Sec. 704. The Michigan veterans affairs directorate
6 administration and the Michigan veterans' trust fund administration
7 shall take steps to assist the county veterans counselors of the
8 state to obtain training necessary for the execution of their
9 duties.

10 Sec. 705. (1) It is the intent of the legislature that prior
11 to the enactment of the fiscal year 2006-2007 appropriations bill
12 for the Michigan veterans' trust fund, there shall be legislation
13 enacted which shall provide a dedicated funding source for the cost
14 of the veterans' survivors tuition program which is a fund source
15 other than from revenue from the Michigan veterans' trust fund so
16 that annual interest earnings from the trust fund can be used
17 solely for its original intent of providing temporary emergency
18 financial assistance to wartime veterans in the state.

19 (2) Should the provisions of subsection (1) be enacted, it is
20 the intent of the legislature that the veterans' trust fund board
21 only expend interest earned by the Michigan veterans' trust fund as
22 provided in 1946 (1st Ex Sess) PA 9, MCL 35.601a to 35.610, and
23 that the board earmark funds each year from the interest earnings
24 to pay into the corpus of the fund until the corpus of the fund
25 reaches its original amount of \$50,000,000.00.