

HOUSE BILL No. 5733

EXECUTIVE BUDGET BILL

February 21, 2006, Introduced by Rep. Brown and referred to the Committee on Appropriations.

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2007; 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill,

the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2007, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY:

Full-time equated unclassified positions 7.0

Full-time equated classified positions..... 1,015.0

GROSS APPROPRIATION..... \$ 122,317,600

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 1,664,600

ADJUSTED GROSS APPROPRIATION..... \$ 120,653,000

Federal revenues:

Total federal revenues..... 51,190,700

Special revenue funds:

Total local revenues..... 1,253,100

Total private revenues..... 1,366,300

Total other state restricted revenues..... 26,202,700

State general fund/general purpose..... \$ 40,640,200

Sec. 102. HEADQUARTERS AND ARMORIES

Full-time equated unclassified positions 7.0

Full-time equated classified positions..... 123.0

Headquarters and armories--82.5 FTE positions..... \$ 10,178,900

Unclassified military personnel..... 660,300

Military appeals tribunal..... 900

Michigan emergency volunteers..... 5,000

1	State active duty.....	85,100
2	Challenge program--40.5 FTE positions.....	4,583,900
3	Homeland security.....	1,000,000
4	Human resources optimization user charge.....	60,900
5	Military family relief fund.....	<u>600,000</u>
6	GROSS APPROPRIATION.....	\$ 17,175,000
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, challenge grant.....	253,800
10	IDG, community health.....	100,000
11	IDG, state police.....	900,000
12	IDG, human services.....	410,800
13	Federal revenues:	
14	DOD-DOA-NGB.....	4,482,800
15	Special revenue funds:	
16	Local - school aid fund.....	1,253,100
17	Private donations.....	800,100
18	Private - parent pay revenue.....	101,200
19	Rental fees.....	350,000
20	Mackinac Bridge authority.....	55,000
21	Military family relief fund.....	600,000
22	State general fund/general purpose.....	\$ 7,868,200
23	Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES	
24	Full-time equated classified positions.....	200.0
25	Military training sites and support	
26	facilities--200.0 FTE positions.....	\$ 20,627,800
27	Military training sites and support facilities test	

1	projects		<u>100,000</u>
2	GROSS APPROPRIATION.....	\$	20,727,800
3	Appropriated from:		
4	Federal revenues:		
5	DOD-DOA-NGB.....		18,011,000
6	Special revenue funds:		
7	Test project fees.....		100,000
8	State general fund/general purpose.....	\$	2,616,800
9	Sec. 104. DEPARTMENTWIDE APPROPRIATIONS		
10	Departmentwide accounts.....	\$	1,826,900
11	Special maintenance - state.....		151,200
12	Special maintenance - federal.....		5,300,000
13	Military retirement.....		2,807,000
14	Counter narcotic operations.....		50,000
15	Starbase grant.....		<u>640,000</u>
16	GROSS APPROPRIATION.....	\$	10,775,100
17	Appropriated from:		
18	Federal revenues:		
19	DOD-DOA-NGB.....		7,206,100
20	Federal counternarcotic revenues.....		50,000
21	Special revenue funds:		
22	State general fund/general purpose.....	\$	3,519,000
23	Sec. 105. VETERANS SERVICE ORGANIZATIONS		
24	American legion.....	\$	886,000
25	Disabled American veterans.....		732,400
26	Marine corps league.....		336,300
27	American veterans of World War II and Korea.....		464,800

1	Veterans of foreign wars.....	886,000
2	Michigan paralyzed veterans of America.....	165,700
3	Purple heart.....	157,900
4	Veterans of World War I.....	100
5	Polish legion of American veterans.....	41,200
6	Jewish veterans of America.....	41,200
7	State of Michigan council - Vietnam veterans of	
8	America	159,500
9	Catholic war veterans.....	<u>41,200</u>
10	GROSS APPROPRIATION.....	\$ 3,912,300
11	Appropriated from:	
12	Special revenue funds:	
13	State general fund/general purpose.....	\$ 3,912,300
14	Sec. 106. GRAND RAPIDS VETERANS' HOME	
15	Full-time equated classified positions..... 517.0	
16	Grand Rapids veterans' home--517.0 FTE positions.....	\$ 47,479,300
17	Board of managers.....	<u>415,000</u>
18	GROSS APPROPRIATION.....	\$ 47,894,300
19	Appropriated from:	
20	Federal revenues:	
21	DVA-VHA.....	14,836,400
22	HHS, Medicaid.....	398,500
23	HHS, Medicare.....	783,300
24	Special revenue funds:	
25	Private - veterans' home post and posthumous funds...	340,000
26	Income and assessments.....	14,806,400
27	Military family relief fund.....	75,000

1	Lease revenue.....	35,000
2	State general fund/general purpose.....	\$ 16,619,700
3	Sec. 107. D.J. JACOBETTI VETERANS' HOME	
4	Full-time equated classified positions.....	159.0
5	D.J. Jacobetti veterans' home--159.0 FTE positions ...	\$ 15,215,600
6	Board of managers.....	<u>200,000</u>
7	GROSS APPROPRIATION.....	\$ 15,415,600
8	Appropriated from:	
9	Federal revenues:	
10	DVA-VHA.....	4,512,300
11	HHS, Medicare.....	388,700
12	HHS, Medicaid.....	92,900
13	Special revenue funds:	
14	Private - veterans' home post and posthumous funds ...	125,000
15	Military family relief fund.....	75,000
16	Income and assessments.....	4,840,400
17	State general fund/general purpose.....	\$ 5,381,300
18	Sec. 108. VETERANS' AFFAIRS DIRECTORATE	
19	Full-time equated classified positions.....	16.0
20	Veterans' affairs directorate administration--3.0	
21	FTE positions	\$ 326,000
22	Veterans' trust fund administration--13.0 FTE	
23	positions	1,183,300
24	Veterans' trust fund grants.....	<u>3,746,500</u>
25	GROSS APPROPRIATION.....	\$ 5,255,800
26	Appropriated from:	
27	Special revenue funds:	

1	Michigan veterans' trust fund.....		4,929,800
2	State general fund/general purpose.....	\$	326,000
3	Sec. 109. INFORMATION TECHNOLOGY		
4	Information technology services and projects.....	\$	<u>1,161,700</u>
5	GROSS APPROPRIATION.....	\$	1,161,700
6	Appropriated from:		
7	Federal revenues:		
8	DOD-DOA-NGB.....		113,000
9	DVA-VHA.....		306,800
10	HHS, Medicare.....		8,900
11	Special revenue funds:		
12	Income and assessments.....		336,100
13	State general fund/general purpose.....	\$	396,900

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 **GENERAL SECTIONS**

17 Sec. 201. Pursuant to section 30 of article IX of the state
 18 constitution of 1963, total state spending from state resources
 19 under part 1 for fiscal year 2006-2007 is \$66,842,900.00 and state
 20 spending from state resources to be paid to local units of
 21 government for fiscal year 2006-2007 is \$120,000.00. The itemized
 22 statement below identifies appropriations from which spending to
 23 units of local government will occur:

24 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

25 MILITARY TRAINING SITES AND SUPPORT FACILITIES

26	Payments in lieu of taxes.....	\$	70,000
----	--------------------------------	----	--------

1 MICHIGAN VETERANS' TRUST FUND

2	County counselor travel expenses	\$	<u>50,000</u>
3	TOTAL	\$	120,000

4 Sec. 202. The appropriations authorized under this bill are
 5 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 6 to 18.1594.

7 Sec. 203. As used in this bill:

8 (a) "Department" means the department of military and veterans
 9 affairs.

10 (b) "Director" means the director of the department of
 11 military and veterans affairs.

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

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

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

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

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

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

21 (i) "IDG" means interdepartmental grant.

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

27 Sec. 205. (1) A hiring freeze is imposed on the state

1 classified civil service. State departments and agencies are
2 prohibited from hiring any new full-time state classified civil
3 service employees and prohibited from filling any vacant state
4 classified civil service positions. This hiring freeze does not
5 apply to internal transfers of classified employees from 1 position
6 to another within a department.

7 (2) The state budget director may grant exceptions to this
8 hiring freeze when the state budget director believes that the
9 hiring freeze will result in rendering a state department or agency
10 unable to deliver basic services, cause loss of revenue to the
11 state, result in the inability of the state to receive federal
12 funds, or necessitate additional expenditures that exceed any
13 savings from maintaining a vacancy. The state budget director shall
14 report quarterly to the chairpersons of the senate and house of
15 representatives standing committees on appropriations the number of
16 exceptions to the hiring freeze approved during the previous
17 quarter and the reasons to justify the exception.

18 Sec. 208. Unless otherwise specified, the department shall use
19 the Internet to fulfill the reporting requirements of this bill.
20 This requirement may include transmission of reports via electronic
21 mail to the recipients identified for each reporting requirement,
22 or it may include placement of reports on an Internet or Intranet
23 site.

24 Sec. 209. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if
26 competitively priced and of comparable quality American goods or
27 services, or both, are available. Preference should be given to

1 goods or services, or both, manufactured or provided by Michigan
2 businesses if they are competitively priced and of comparable
3 quality.

4 Sec. 210. The director of each department receiving
5 appropriations in part 1 shall take all reasonable steps to ensure
6 businesses in deprived and depressed communities compete for and
7 perform contracts to provide services or supplies, or both. The
8 director shall strongly encourage firms with which the department
9 contracts to subcontract with certified businesses in depressed and
10 deprived communities for services, supplies, or both.

11 Sec. 212. (1) Of the funds appropriated in section 103 for
12 military training sites and support facilities, there shall be
13 established a Michigan national guard education assistance program.
14 Disbursements to the educational assistance program shall not
15 exceed \$1,100,000.00 without legislative approval. Under the
16 program, a member of the national guard who is in active service
17 and who enrolls as a full- or part-time student at a public or
18 private state college or university may be eligible to receive up
19 to an equivalent of 50% of the total cost of tuition not to exceed
20 \$2,000.00, as education assistance, in any academic year.

21 (2) As used in this section, an eligible person means a member
22 of the Michigan national guard who is in active service, as defined
23 in section 105 of the Michigan military act, 1967 PA 150, MCL
24 32.505. An eligible person does not include a member of the
25 Michigan national guard or air national guard who is absent without
26 leave or who is under charges as described in the Michigan code of
27 military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

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

5 (4) An eligible person shall apply to the department of
6 military and veterans affairs, office of the adjutant general for
7 education assistance and shall provide evidence of attendance and
8 completion of the course of study with a grade of at least 2.0 on a
9 4.0 scale, or its equivalent. The adjutant general shall approve
10 the application for reimbursement if the applicant meets the
11 definition of an eligible person under subsection (2) and other
12 criteria as established by the adjutant general.

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

17 (6) The education assistance program applies to an eligible
18 person notwithstanding any other educational incentive or benefit
19 received by the eligible person under any other educational
20 assistance program provided by any other state.

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

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

27 (9) Reimbursed members who do not complete their national

1 guard obligation shall pay the state for money received from the
2 state for tuition. Members who fail to repay the state within the
3 time limits established by the adjutant general shall be indebted
4 to the state. The department shall work in conjunction with the
5 department of treasury for inclusion in the tax intercept program
6 for amounts due the state.

7 (10) A portion of the funds for the Michigan national guard
8 education assistance program may be used by the department for the
9 purpose of promoting the program and for encouraging those persons
10 the department wishes to have enlist or reenlist in the Michigan
11 national guard.

12 Sec. 221. From the funds appropriated in part 1 for
13 information technology, departments and agencies shall pay user
14 fees to the department of information technology for technology-
15 related services and projects. Such user fees shall be subject to
16 provisions of an interagency agreement between the departments and
17 agencies the department of information technology.

18 Sec. 223. Amounts appropriated in part 1 for information
19 technology may be designated as work projects and carried forward
20 to support technology projects under the direction of the
21 department of information technology. Funds designated in this
22 manner are not available for expenditure until approved as work
23 projects under section 451a of the management and budget act, 1984
24 PA 431, MCL 18.1451a.

25 Sec. 225. (1) Due to the current budgetary problems in this
26 state, out-of-state travel for the fiscal year ending September 30,
27 2007 shall be limited to situations in which 1 or more of the

1 following conditions apply:

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

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

7 (c) The travel is necessary to produce budgetary savings or to
8 increase state revenues, including protecting existing federal
9 funds or securing additional federal funds.

10 (d) The travel is necessary to comply with federal
11 requirements.

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

14 (f) The travel is financed entirely by federal or nonstate
15 funds.

16 (2) If out-of-state travel is necessary but does not meet 1 or
17 more of the conditions in subsection (1), the state budget director
18 may grant an exception to allow the travel. Any exceptions granted
19 by the state budget director shall be reported on a monthly basis
20 to the senate and house of representatives standing committees on
21 appropriations.

22 (3) Not later than January 1 of each year, each department
23 shall prepare a travel report listing all travel by classified and
24 unclassified employees outside this state in the immediately
25 preceding fiscal year that was funded in whole or in part with
26 funds appropriated in the department's budget. The report shall be
27 submitted to the chairs and members of the senate and house of

1 representatives standing committees on appropriations, the fiscal
2 agencies, and the state budget director. The report shall include
3 the following information:

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

6 (b) The destination of each travel occurrence.

7 (c) The dates of each travel occurrence.

8 (d) A brief statement of the reason for each travel
9 occurrence.

10 (e) The transportation and related costs of each travel
11 occurrence, including the proportion funded with state general
12 fund/general purpose revenues, the proportion funded with state
13 restricted revenues, the proportion funded with federal revenues,
14 and the proportion funded with other revenues.

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

17 Sec. 228. (1) In addition to the funds appropriated in part
18 1, there is appropriated an amount not to exceed \$5,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in this bill under section 393(2) of the department of management
22 and budget act, 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$2,000,000.00 for state
25 restricted contingency funds. These funds are not available
26 for expenditure until they have been transferred to another
27 line item in this bill under section 393(2) of the department

1 of management and budget act, 1984 PA 431, MCL 18.1393.

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

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

14 **HEADQUARTERS AND ARMORIES**

15 Sec. 302. (1) The funds appropriated in this bill for private
16 donations to the challenge program shall be considered state
17 restricted revenue, and unexpended funds remaining at the close of
18 the fiscal year shall not lapse to the general fund but shall be
19 carried forward to the subsequent fiscal year.

20 (2) The department shall make every effort to identify
21 alternative sources of revenue to replace the general fund/general
22 purpose funding provided in this bill for the challenge program.

23 (3) The department may charge a parent or guardian of a
24 participant in the challenge program a fee for participating in the
25 program if the participant is a member of a family with an income
26 that exceeds 200% of the federal poverty guidelines as published by

1 the United States department of health and human services. The
2 amount charged the parent or guardian shall not exceed the per
3 student state share cost of administering the program. The parent
4 or guardian shall be notified of any charge to be assessed under
5 this subsection prior to enrollment of the child in the program.

6 (4) The department shall take steps to insure that at least
7 75% of the participants in the challenge program are members of
8 families with incomes at or below 200% of the federal poverty
9 level.

10 Sec. 303. From the funds appropriated in part 1 for the
11 challenge program, the department shall operate two classes of at
12 least 150 pupils each. The department shall utilize funding from
13 payments by school districts that receive funding through the
14 School Aid Act, that are appropriated in the School Aid Budget Bill
15 sections 22a, 22b, and 24c.

16 Sec. 304. The department shall partner with the department of
17 human services to identify youth who may be eligible for the
18 challenge program from those youth served by department of human
19 services programs. These eligible youth shall be given priority for
20 enrollment in the program.

21 **VETERANS SERVICE ORGANIZATIONS**

22 Sec. 501. (1) Money appropriated in part 1 for grants to
23 veterans service organizations shall be used only for salaries,
24 wages, related personnel costs, training, and equipment for
25 accredited veteran service advocacy officers and necessary support
26 and managerial staff. Training shall be provided for service

1 advocacy officers and shall be conducted by accredited advocacy
2 officers.

3 (2) To receive a grant from the money appropriated in part 1,
4 a veterans service organization shall meet the following
5 eligibility requirements:

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

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

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

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

17 (e) For a veterans service organization founded after
18 September 30, 1989, be in operation and providing service to
19 Michigan veterans for not less than 2 years before receiving an
20 initial state grant. During this 2-year period of time, the
21 organization shall file a listing of service work activity and an
22 accounting of recoveries with the department, the senate and house
23 fiscal agencies, the senate and house of representatives
24 appropriations subcommittees on military affairs, and the state
25 budget office on forms as prescribed by the department.

26 (3) A veterans service organization receiving a grant from the
27 money appropriated in part 1 shall file with the department an

1 accounting of its expenditures, audited and certified by a
2 certified public accountant, within 120 days after the
3 organization's fiscal year end. Each organization shall provide a
4 detailed budget request for the fiscal year ending September 30,
5 2008 to the department by November 15, 2006. Each veterans service
6 organization shall provide 5 copies of a listing of all service
7 activity, an accounting of recoveries, and a listing of volunteer
8 hours for the fiscal year ending September 30, 2006 to the
9 department by January 31, 2007. The listing of volunteer hours
10 shall include the hours, services, and donations provided to
11 residents of the Grand Rapids veterans' home and the D.J. Jacobetti
12 veterans' home. Each veterans service organization shall provide a
13 copy of the most recent and completed internal revenue service form
14 990 to the department at the end of the fiscal year ending
15 September 30, 2006. A veterans service organization receiving a
16 grant from the money appropriated in part 1 shall use the forms
17 recommended by the Michigan veterans organizations rehabilitation
18 and veterans service committee for filing reports required by this
19 bill. The department shall forward information required under this
20 section to the senate and house fiscal agencies, the senate and
21 house of representatives appropriations subcommittees on military
22 affairs, and the state budget office.

23 (4) The veterans service directors committee and the
24 department shall take steps to improve the coordination of veterans
25 benefits counseling in the state to maximize the effective and
26 efficient use of taxpayer dollars in this goal and to ensure that
27 every veteran is served.

1 (5) To accomplish the goal of subsection (4), the veterans
2 service directors committee and the department shall take steps to
3 increase their responsibility in the administration, management,
4 oversight, and outreach of the delivery of services to veterans.
5 The veterans service directors committee and the department shall
6 involve county veterans counselors and representatives from the
7 Michigan veterans trust fund to work in concert to identify,
8 implement, and evaluate steps to do all of the following:

9 (a) Increase the veterans service directors committee and the
10 department's role in working directly with the United States
11 department of veterans' affairs to enhance the delivery of services
12 to Michigan veterans.

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

19 (c) Develop methods to increase rates of recovery paid by the
20 United States department of veterans' affairs to Michigan veterans
21 either by an increase in compensation paid per approved claim or
22 increase in compensation paid on a per capita basis.

23 (d) Expand training opportunities for veterans service
24 organization service officers.

25 (e) Increase either the number or percentage of Michigan
26 veterans enrolled in the VA healthcare system.

27 (f) Publicize the availability, benefit, and value of burial

1 in the Fort Custer and Great Lakes national cemeteries.

2 (g) Review each grant recipient's performance under the
3 program and require that performance be a major consideration in
4 the future funding of each grant recipient.

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

12 **VETERANS' HOMES**

13 Sec. 603. The money appropriated in this bill for the boards
14 of managers may be expended for facility improvements, the purchase
15 and repair of equipment and furnishings, member services, and other
16 purposes that benefit the Grand Rapids veterans' home and the D.J.
17 Jacobetti veterans' home.

18 **VETERANS' TRUST FUND**

19 Sec. 703. (1) By April 1, 2007, the department shall submit to
20 the senate and house of representatives appropriations
21 subcommittees on military affairs and the state budget office a
22 detailed annual report of the Michigan veterans' trust fund for
23 fiscal year 2005-2006. The report shall include information on
24 grants provided from the emergency grant program and the veterans'
25 survivor tuition program, including details concerning the

1 methodology of allocations, the selection of emergency grant
2 program authorized agents, and a detailed breakdown of trust fund
3 expenditures for that year. The report shall also provide an update
4 on the department's efforts to reduce program administrative costs.

5 (2) The annual report required under subsection (1) shall
6 contain information on the veterans' survivors tuition program,
7 including the number of participants, where the participants
8 attended school, payments made to each school, the average grade
9 point and number of college credits earned by each participant, the
10 number of participants suspended by the program, and the number of
11 participants who earned a degree during fiscal year 2005-2006.