

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 235

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2008; 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:

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

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

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amounts listed in this part are appropriated for the department of

1 military and veterans affairs for the fiscal year ending September
 2 30, 2008, from the funds indicated in this part. The following is a
 3 summary of the appropriations in this part:

4 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

5 APPROPRIATION SUMMARY:

6	Full-time equated unclassified positions.....	0.0	
7	Full-time equated classified positions.....	0.0	
8	GROSS APPROPRIATION.....	\$	0
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	0
13	Federal revenues:		
14	Total federal revenues.....		0
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		0
18	Total other state restricted revenues.....		0
19	State general fund/general purpose.....	\$	0
20	Sec. 102. HEADQUARTERS AND ARMORIES		
21	Full-time equated unclassified positions.....	0.0	
22	Full-time equated classified positions.....	0.0	
23	Headquarters and armories--0.0 FTE positions	\$	0
24	Human resources optimization user charge		0
25	Unclassified military personnel.....		0
26	Military appeals tribunal.....		0
27	Michigan emergency volunteers.....		0

1	State active duty.....	0
2	Challenge program--0.0 FTE positions.....	0
3	Homeland security.....	0
4	Military family relief fund.....	0
5	GROSS APPROPRIATION.....	\$ 0
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, community health.....	0
9	IDG, challenge grant.....	0
10	IDG, state police.....	0
11	IDG, human services.....	0
12	Federal revenues:	
13	DOD-DOA-NGB.....	0
14	Special revenue funds:	
15	Rental fees.....	0
16	Mackinac Bridge authority.....	0
17	Private donations.....	0
18	Military family relief fund.....	0
19	Private - parent pay revenue.....	0
20	Local - school aid fund.....	0
21	State general fund/general purpose.....	\$ 0
22	Sec. 103. MILITARY TRAINING SITES AND SUPPORT	
23	FACILITIES	
24	Full-time equated classified positions.....	0.0
25	Military training sites and support facilities--0.0	
26	FTE positions	\$ 0
27	Military training sites and support facilities test	

1	projects		0
2	GROSS APPROPRIATION.....	\$	0
3	Appropriated from:		
4	Federal revenues:		
5	DOD-DOA-NGB.....		0
6	Special revenue funds:		
7	Test project fees.....		0
8	Regional training institute fund.....		0
9	State general fund/general purpose.....	\$	0
10	Sec. 104. DEPARTMENTWIDE APPROPRIATIONS		
11	Departmentwide accounts.....	\$	0
12	Special maintenance - state.....		0
13	Special maintenance - federal.....		0
14	Military retirement.....		0
15	Counternarcotic operations.....		0
16	Starbase grant.....		0
17	GROSS APPROPRIATION.....	\$	0
18	Appropriated from:		
19	Federal revenues:		
20	DOD-DOA-NGB.....		0
21	Federal counternarcotic revenues.....		0
22	State general fund/general purpose.....	\$	0
23	Sec. 105. VETERANS SERVICE ORGANIZATIONS		
24	American legion.....	\$	0
25	Disabled American veterans.....		0
26	Marine corps league.....		0
27	American veterans of World War II and Korea.....		0

1	Veterans of foreign wars.....		0
2	Michigan paralyzed veterans of America.....		0
3	Purple heart.....		0
4	Veterans of World War I.....		0
5	Polish legion of American veterans.....		0
6	Jewish veterans of America.....		0
7	State of Michigan council - Vietnam veterans of		
8	America		0
9	Catholic war veterans.....		0
10	GROSS APPROPRIATION.....	\$	0
11	Appropriated from:		
12	State general fund/general purpose.....	\$	0
13	Sec. 106. GRAND RAPIDS VETERANS' HOME		
14	Full-time equated classified positions.....	0.0	
15	Grand Rapids veterans' home--0.0 FTE positions.....	\$	0
16	Board of managers.....		0
17	GROSS APPROPRIATION.....	\$	0
18	Appropriated from:		
19	Federal revenues:		
20	DVA-VHA.....		0
21	HHS-Medicaid.....		0
22	HHS-Medicare.....		0
23	Special revenue funds:		
24	Private - veterans' home post and posthumous funds...		0
25	Income and assessments.....		0
26	Military family relief fund.....		0
27	Lease revenue.....		0

1	State general fund/general purpose	\$	0
2	Sec. 107. D.J. JACOBETTI VETERANS' HOME		
3	Full-time equated classified positions.....	0.0	
4	D.J. Jacobetti veterans' home--0.0 FTE positions	\$	0
5	Board of managers.....		0
6	GROSS APPROPRIATION.....	\$	0
7	Appropriated from:		
8	Federal revenues:		
9	DVA-VHA.....		0
10	HHS-Medicare.....		0
11	HHS-Medicaid.....		0
12	Special revenue funds:		
13	Private - veterans' home post and posthumous funds ...		0
14	Military family relief fund.....		0
15	Income and assessments.....		0
16	State general fund/general purpose	\$	0
17	Sec. 108. VETERANS' AFFAIRS DIRECTORATE		
18	Full-time equated classified positions.....	0.0	
19	Veterans' affairs directorate administration--0.0 FTE		
20	positions	\$	0
21	Veterans' trust fund administration--0.0 FTE		
22	positions		0
23	Veterans' trust fund grants.....		0
24	GROSS APPROPRIATION.....	\$	0
25	Appropriated from:		
26	Special revenue funds:		
27	Michigan veterans' trust fund.....		0

1	State general fund/general purpose	\$	0
2	Sec. 109. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	0
4	GROSS APPROPRIATION	\$	0
5	Appropriated from:		
6	Federal revenues:		
7	DOD-DOA-NGB		0
8	DVA-VHA		0
9	HHS-Medicare		0
10	Special revenue funds:		
11	Income and assessments		0
12	State general fund/general purpose	\$	0

13 PART 2

14 PROVISIONS CONCERNING APPROPRIATIONS

15 **GENERAL SECTIONS**

16 Sec. 201. Pursuant to section 30 of article IX of the state

17 constitution of 1963, total state spending from state resources

18 under part 1 for fiscal year 2007-2008 is \$0 and state spending

19 from state resources to be paid to local units of government for

20 fiscal year 2007-2008 is \$0. The itemized statement below

21 identifies appropriations from which spending to local units of

22 government will occur:

23 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

24 MILITARY TRAINING SITES AND SUPPORT FACILITIES

25	Payments in lieu of taxes	\$	0
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1 MICHIGAN VETERANS' TRUST FUND

2	County counselor travel expenses	\$	<u>0</u>
3	TOTAL	\$	0

4 Sec. 202. The appropriations authorized under this act 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 act:

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 the
 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) Beginning October 1, a hiring freeze is imposed

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

7 (2) The state budget director shall 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 by the last business day of each month to the chairpersons
15 of the senate and house of representatives standing committees on
16 appropriations the number of exceptions to the hiring freeze
17 approved during the previous month and the justification for the
18 exception.

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

1 Sec. 208. Unless otherwise specified, the department shall use
2 the Internet to fulfill the reporting requirements of this act.
3 This requirement may include transmission of reports via electronic
4 mail to the recipients identified for each reporting requirement or
5 it may include placement of reports on an Internet or Intranet
6 site.

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

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

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

26 Sec. 212. (1) Of the funds appropriated in part 1 for military
27 training sites and support facilities, there shall be established a

1 Michigan national guard education assistance program. Disbursements
2 to the educational assistance program shall not exceed
3 \$1,100,000.00 without legislative approval. Under the program, a
4 member of the national guard who is in active service and who
5 enrolls as a full- or part-time student at a public or private
6 state college or university may be eligible to receive up to an
7 equivalent of 50% of the total cost of tuition not to exceed
8 \$2,000.00, as education assistance, in any academic year.

9 (2) As used in this section, an eligible person means a member
10 of the Michigan national guard who is in active service, as defined
11 in section 105 of the Michigan military act, 1967 PA 150, MCL
12 32.505. An eligible person does not include a member of the
13 Michigan national guard or air national guard who is absent without
14 leave or who is under charges as described in the Michigan code of
15 military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

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

20 (4) An eligible person shall apply to the department of
21 military and veterans affairs, office of the adjutant general for
22 education assistance and shall provide evidence of attendance and
23 completion of the course of study with a grade of at least 2.0 on a
24 4.0 scale, or its equivalent. The adjutant general shall approve
25 the application for reimbursement if the applicant meets the
26 definition of an eligible person under subsection (2) and other
27 criteria as established by the adjutant general.

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

5 (6) The education assistance program applies to an eligible
6 person notwithstanding any other educational incentive or benefit
7 received by the eligible person under any other educational
8 assistance program provided by any other state.

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

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

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

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

27 Sec. 213. The department shall consult with the house and

1 senate appropriations subcommittees on military and veterans
2 affairs regarding the projected closing or consolidation of any
3 national guard armories.

4 Sec. 214. It is the intent of the legislature that, should the
5 necessary legislation be enacted and funding become available,
6 funds be appropriated for state military cemeteries in Crawford and
7 Dickinson counties.

8 Sec. 221. From the funds appropriated in part 1 for
9 information technology, departments and agencies shall pay user
10 fees to the department of information technology for technology-
11 related services and projects. These user fees shall be subject to
12 provisions of an interagency agreement between the departments and
13 agencies and the department of information technology.

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

21 Sec. 225. (1) Due to the current budgetary problems in this
22 state, out-of-state travel for the fiscal year ending September 30,
23 2008 shall be limited to situations in which 1 or more of the
24 following conditions apply:

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

27 (b) The travel is necessary to protect the health or safety of

1 Michigan citizens or visitors or to assist other states in similar
2 circumstances.

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

6 (d) The travel is necessary to comply with federal
7 requirements.

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

10 (f) The travel is financed entirely by federal or nonstate
11 funds.

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

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

27 (a) The name of each person receiving reimbursement for travel

1 outside this state or whose travel costs were paid by this state.

2 (b) The destination of each travel occurrence.

3 (c) The dates of each travel occurrence.

4 (d) A brief statement of the reason for each travel
5 occurrence.

6 (e) The transportation and related costs of each travel
7 occurrence, including the proportion funded with state general
8 fund/general purpose revenues, the proportion funded with state
9 restricted revenues, the proportion funded with federal revenues,
10 and the proportion funded with other revenues.

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

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

16 Sec. 227. Sixty days prior to the public announcement of the
17 intention to sell any department property, the department shall
18 submit notification of that intent to the appropriate senate and
19 house appropriations subcommittees and the senate and house fiscal
20 agencies.

21 Sec. 228. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$5,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in this act under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$2,000,000.00 for state
2 restricted contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in this act under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

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

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

18 Sec. 229. There is hereby created and established under the
19 jurisdiction and control of the department a revolving account to
20 be known as the regional training institute conference center
21 account. All of the fees and other revenues generated from the
22 operation of the regional training institute conference center
23 shall be deposited in the regional training institute conference
24 center account. Appropriations shall be made from the account for
25 the support of program operations and the maintenance and
26 operations of the regional training institute, the construction and
27 maintenance of morale, welfare and recreation facilities on Fort

Senate Bill No. 235 (H-6) as amended September 6, 2007 (1 of 2)

Custer or training areas within Michigan, and shall not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the regional training institute conference center account to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director at the end of the fiscal year.

Sec. 230. The regional training institute conference center shall be available, but not limited to, the following:

(a) Military personnel.

(b) Federal, state, and local government agencies.

(c) Educational institutions.

(d) Nonprofit corporations or associations organized pursuant to the nonprofit corporation act, 1962 PA 162, MCL 450.2101 to 450.3192.

(e) Community service clubs.

(f) Groups of persons with disabilities.

(g) Members of the legislature for the purposes related to the business of the legislature.

(h) Entities and organizations that wish to use the conference center to host an event that have a military or public safety related agenda.

[Sec. 231. From the funds appropriated in part 1, the department shall implement continuous improvement efficiency mechanisms in the programs administered by the department. The continuous improvement efficiency mechanisms shall identify changes made in programs to increase efficiency and reduce expenditures in the programs. On March 31, 2008 and September 30, 2008, the department shall report to the state budget director, the senate and house appropriation subcommittees, and the senate and house fiscal agencies on the progress made toward increased efficiencies in departmental programs. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented, and actual and projected expenditure savings as a result of the increased program efficiencies.]

HEADQUARTERS AND ARMORIES

Senate Bill No. 235 (H-6) as amended September 6, 2007 (2 of 2)

25 Sec. 301. The department may charge reasonable rental and
26 equipment usage fees for renting an armory or using the distance

1 learning network. The fee shall include the cost of overtime
2 compensation, insurance coverage, and any maintenance required.

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

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

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

22 **VETERANS SERVICE ORGANIZATIONS**

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

1 and managerial staff. Training shall be provided for service
2 advocacy officers and shall be conducted by accredited advocacy
3 officers.

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

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

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

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

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

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

27 (3) A veterans service organization receiving a grant from the

1 money appropriated in part 1 shall file with the department an
2 accounting of its expenditures, audited and certified by a
3 certified public accountant, within 120 days after the
4 organization's fiscal year end. Each organization shall provide a
5 detailed budget request for the fiscal year ending September 30,
6 2009 to the department by November 15, 2007. Each veterans service
7 organization shall provide 5 copies of a listing of all service
8 activity, an accounting of recoveries, and a listing of volunteer
9 hours for the fiscal year ending September 30, 2007 to the
10 department by January 31, 2008. The listing of volunteer hours
11 shall include the hours, services, and donations provided to
12 residents of the Grand Rapids veterans' home and the D.J. Jacobetti
13 veterans' home. Each veterans service organization shall provide a
14 copy of the most recent and completed internal revenue service form
15 990 to the department at the end of the fiscal year ending
16 September 30, 2007. A veterans service organization receiving a
17 grant from the money appropriated in part 1 shall use the forms
18 recommended by the Michigan veterans organizations rehabilitation
19 and veterans service committee for filing reports required by this
20 act. The department shall forward information required under this
21 section to the senate and house fiscal agencies, the senate and
22 house of representatives appropriations subcommittees on military
23 affairs, and the state budget office.

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

1 every veteran is served.

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

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

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

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

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

26 (e) Increase either the number or percentage of Michigan
27 veterans enrolled in the veterans administration health care

1 system.

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

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

7 (h) Identify areas of redundancy which may exist among
8 services provided by veterans service organizations grantees,
9 Michigan veterans trust fund county committees, and county veterans
10 counselors and provide a proposal on how any redundancies may be
11 minimized and identify specific cost savings which could result.

12 (6) The veterans service directors committee and the
13 department shall create a report of the efforts to complete the
14 goals outlined in this section and shall provide suggestions on how
15 a more effective and efficient veterans' benefits counseling
16 program may best be designed for implementation for fiscal year
17 2008-2009. This report shall be delivered to the house and senate
18 appropriations subcommittees no later than March 1, 2008.

19 **VETERANS' HOMES**

20 Sec. 601. Appropriations in this act for the Grand Rapids
21 veterans' home and the D.J. Jacobetti veterans' home shall not be
22 used for any purpose other than for veterans and veterans'
23 families.

24 Sec. 602. The Grand Rapids veterans' home and the D.J.
25 Jacobetti veterans' home, together with the department and the
26 department of management and budget, shall produce and deliver to

1 the senate and house of representatives appropriations
2 subcommittees on state police and military affairs an annual
3 written report. The report shall include an accounting of member
4 populations and bed space available; a description and accounting
5 of services and activities provided to members; financial
6 information; current state nursing home licensure status; the steps
7 required for Medicaid certification, including a listing of any
8 personnel, equipment, supplies, or budgetary increases required;
9 and whether or not steps are being taken toward Medicaid
10 certification. The annual report shall be submitted to the senate
11 and house of representatives appropriations subcommittees on
12 military affairs no later than February 1, 2008.

13 Sec. 603. The money appropriated in this act for the boards of
14 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. By April 1, 2008, the department shall submit to the
20 senate and house of representatives appropriations subcommittees on
21 military affairs and the state budget office a detailed annual
22 report of the Michigan veterans' trust fund for fiscal year 2006-
23 2007. The report shall include information on grants provided from
24 the emergency grant program, including details concerning the
25 methodology of allocations, the selection of emergency grant
26 program authorized agents, and a detailed breakdown of trust fund

1 expenditures for that year. The report shall also provide an update
2 on the department's efforts to reduce program administrative costs
3 and restore the Michigan veterans trust fund corpus to its original
4 amount of \$50,000,000.00.

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.